

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

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

Name of Management Organisation : **Bumi Pratama Khatulistiwa Palm Oil Mill, PT Bumi Pratama Khatulistiwa Subsidiary of WILMAR INTERNATIONAL Ltd**
 Plantation Name : **PT Bumi Pratama Khatulistiwa : Bumi Pratama Khatulistiwa Estate**
 Location : **Sungai Tempayan/Mega Timur Village, Sub district of Sungai Ambawang, Kubu Raya Regency, West Kalimantan, Indonesia**
 Certificate Code : **MUTU-RSPO/100**
 Date of Certificate Issue : 18 October 2017 Date of License Issue : 18 October 2017
 Date of Certificate Expiry : 17 October 2022 Date of License Expiry : 17 October 2018

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|------------|------------------------|---|--------------------|--------------------|
| ST-2 | 26 - 30 September 2016 | Sandra Purba (Lead Auditor), Leonada, Yohanes Hardian, M. Amarullah, Hariyadi | Ganapathy Rasamany | Tony Arifiarachman |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| ST-2 | 18 October 2017 |

TABLE OF CONTENT

FIGURE

| | |
|---|----|
| Figure 1. Location Map of PT Bumi Pratama Khatulistiwa | 01 |
| Figure 2. Operational Map of PT Bumi Pratama Khatulistiwa | 02 |

| | |
|--------------------|----|
| Abbreviations Used | 03 |
|--------------------|----|

1.0 SCOPE of the CERTIFICATION ASSESSMENT

| | |
|---|----|
| 1.1 Assessment Standard Used | 04 |
| 1.2 Organisation Information | 04 |
| 1.3 Type of Assessment | 04 |
| 1.4 Location of Mill and Plantations | 04 |
| 1.5 Description of Area Statement | 05 |
| 1.6 Planting Year and Cycles | 05 |
| 1.7 Description of Mill and Supply Base | 05 |
| 1.8 Estimate Tonnage of Certified Product | 06 |
| 1.9 Other Certifications | 06 |
| 1.10 Time-Bound Plan | 06 |

2.0 ASSESSMENT PROCESS

| | |
|--|----|
| 2.1 Assessment Team | 09 |
| 2.2 Assessment Methodology, Assessment Process and Locations of Assessment | 09 |
| 2.3 Stakeholder Consultation and Stakeholders Contacted | 11 |
| 2.4 Determining Next Assessment | 12 |

3.0 ASSESSMENT FINDINGS

| | |
|--|----|
| 3.1 Summary of Assessment Report of the RSPO Certification | 13 |
| 3.2 Summary of Assessment Report of Supply Chain Requirement | 44 |
| 3.3 Conformity Checklist of Certificate and Logo Use | 46 |
| 3.4 Summary of RSPO Partial Certification | 47 |
| 3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components | 49 |
| 3.6 Summary of Arising Issues from Public, Management and Auditor Responses | 55 |

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

| | |
|---|----|
| 4.1 Formal Signing of Assessment Findings | 67 |
|---|----|

APPENDICES

| | |
|---|----|
| 1. List of Stakeholders Contacted in the RSPO Certification Process | 68 |
| 2. Assessment Program | 69 |

Figure 1. Location Map of PT Bumi Pratama Khatulistiwa

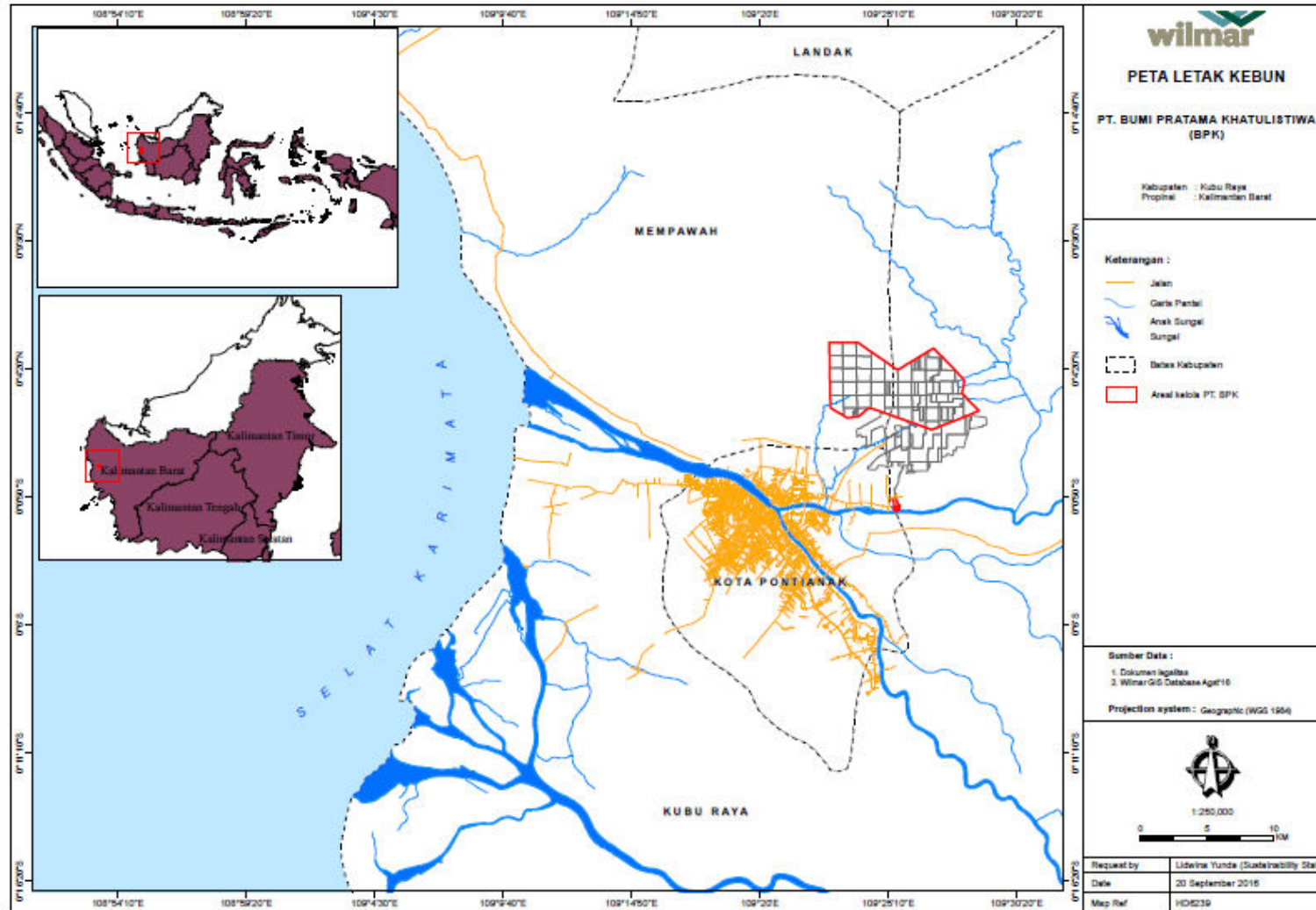
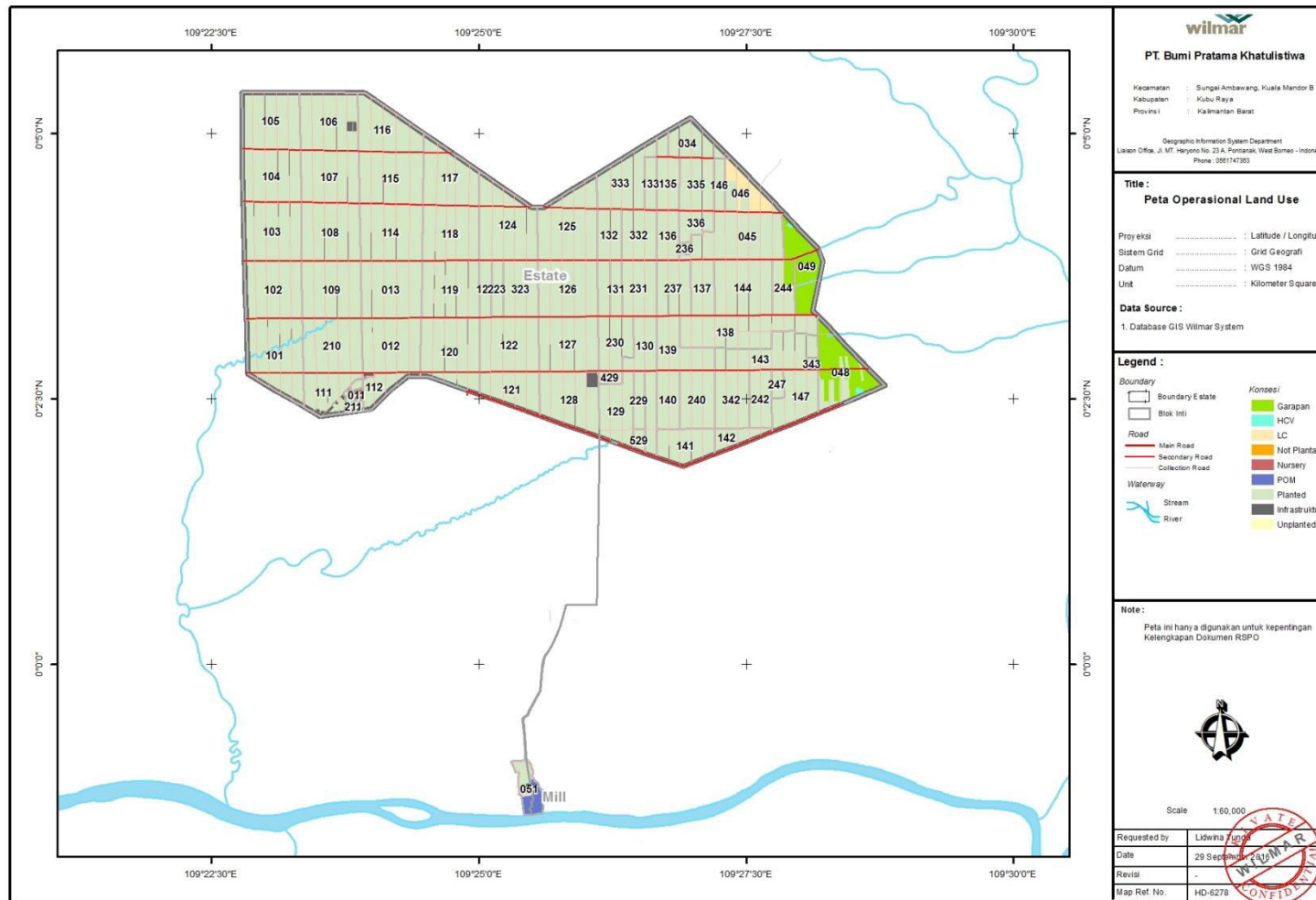


Figure 2. Operational Map of PT Bumi Pratama Khatulistiwa



Abbreviations Used

| | | |
|---------------------|---|---|
| APL | : | Areal Penggunaan Lain (Land Usage for Other Purpose) |
| ASA | : | Annual Surveillance Assessment |
| BM | : | Bina Mitra |
| BPJS | : | Badan Penyelenggara Jaminan Sosial / Sosial Insurance Agency |
| BPK | : | Bumi Pratama Khatulistiwa |
| BPN | : | <i>Badan Pertanahan Nasional</i> (National Land Agency) |
| BPKH | : | <i>Balai Pemantapan Kawasan Hutan</i> (Forest Area Consolidation Agency) |
| BOD | : | Biological Oxygen Demand |
| CPO | : | Crude Palm Oil |
| EHS | : | Environment, Health and Safety |
| EIA | : | Environment Impact Assessment |
| FFB | : | Fresh Fruit Bunch |
| GM | : | General Manager |
| HCV | : | High Conservation Value |
| HGU | : | Hak Guna Usaha/ land title |
| IUP | : | Izin Usaha Perkebunan/ Plantation Business Permit. |
| KER | : | Kernel Extraction Rate |
| KUD | : | Koperasi Unit Desa (Village Cooperative Unit) |
| LC | : | Land Clearing |
| LO | : | Liaison Office |
| LUC | : | Land Use Change |
| LUCA | : | Land Use Change Analysis |
| MB | : | Mass Balance |
| NCR | : | Non Comformance Request |
| OER | : | Oil Extraction Rate |
| OHS | : | Occupational Health and Safety/ <i>Kesehatan dan Keselamatan Kerja</i> |
| OHS Committee/ P2K3 | : | Occupational Health and Safety Committee/ <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> |
| PK | : | Palm Kernel |
| PPE | : | Personal Protective Equipment |
| POM | : | Palm Oil Mill |
| POME | : | Palm Oil Mill effluent |
| RaCP | : | Remediation and Compensation Procedure |
| RKL/RPL | : | <i>Rencana dan Pemantauan Lingkungan/</i> Environmental Management Plan and Environmental Monitoring Plan |
| RSPO | : | Roundtable and Sustainable Palm Oil |
| SAP2K | : | <i>Staff Administrasi Penanganan Pengaduan dan Komplain</i> (Staff Administration of Complaint/Grievance) |
| SOP | : | Standart Operational and Procedure |
| SK | : | Surat Keputusan (Decree) |
| ST 2 | : | Stage 2 |
| TPKP | : | <i>Tim Penanganan Keluhan dan Pengaduan</i> (Tim grievance and complaints) |
| WIP | : | Wilmar International Plantation |
| WWTP | : | Instalasi Penyaluran Air Limbah / Waste Water Treatment Plant |

| | | | |
|------------|---|--|---|
| 1.0 | SCOPE of the CERTIFICATION ASSESSMENT | | |
| 1.1 | Assessment Standard Used | <ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> | |
| 1.2 | Organisation Information | | |
| 1.2.1 | Organisation name listed in the certificate | PT Bumi Pratama Khatulistiwa subsidiary of Wilmar International Limited | |
| 1.2.2 | Contact person | Simon Siburat | |
| 1.2.3 | Organisation address and site address | <ul style="list-style-type: none"> • RSPO registered company: Multivison Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta 12980 – Indonesia. • Liaison Office: Sub District of Sungai Ambawang, Kubu Raya Regency Province of West Kalimantan, Indonesia | |
| 1.2.4 | Telephone | (62-21) 293 80777 | |
| 1.2.5 | Fax | (62-21) 293 80115 | |
| 1.2.6 | E-mail | simonsiburat@wilmar.com | |
| 1.2.7 | Web page address | www.wilmar.co.id | |
| 1.2.8 | Management Representative who completed the application for certification | Simon Siburat | |
| 1.2.9 | Registered as RSPO member | Registered No: 2-0017-05-000-00 Registered member:16 August 2005 | |
| 1.3 | Type of Assessment | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | Bumi Pratama Khatulistiwa POM and Bumi Pratama Khatulistiwa 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 Pratama Khatulistiwa POM | Sungai Tempayan/ Mega Timur Village, Sub District of Sungai Ambawang, Kubu Raya Regency Province of West Kalimantan, Indonesia | S 00° 01' 19" E 109° 25' 28" |
| 1.4.2 | Location of Certification Scope of Supply Base | | |
| | Name of Supply Base | Location | Coordinate |

| | | | |
|----------------------------------|--|---|------------------|
| | | Latitude | Longitude |
| Bumi Pratama Khatulistiwa Estate | Sungai Tempayan/ Mega Timur Village, Sub District of Sungai Ambawang, Kubu Raya Regency Province of West Kalimantan, Indonesia | N 00° 02' 42" | E 109° 26' 05" |
| 1.5 | Description of Area Statement | | |
| 1.5.1 | Tenure | | |
| | • State | 4,847.82 | Ha |
| | • Community | - | Ha |
| 1.5.2 | Area Statement | | |
| | • Total area | 4,847.20 | Ha |
| | • Mature area | 3,627.82 | Ha |
| | • Immature area | 805.82 | Ha |
| | • Mill | 15.94 | Ha |
| | • Emplishment, Infrastructure | 230.18 | Ha |
| | • Nursery | 4.43 | Ha |
| | • Occupation | 145.17 | Ha |
| | • Others area (LC Replanting and Unplantable) | 9.31 | Ha |
| | • HCV | 8.53 | Ha |
| 1.6 | Planting Year and Cycles | | |
| 1.6.1 | Age profile of planting year | | |
| | Planting Year | Hectarage (Ha) | |
| | | BPK Estate | Total |
| | 2000 | 14.19 | 14.19 |
| | 2005 | 160.48 | 160.48 |
| | 2006 | 25.63 | 25.63 |
| | 2009 | 582.78 | 582.78 |
| | 2010 | 1,077.07 | 1,077.07 |
| | 2011 | 296.65 | 296.65 |
| | 2012 | 683.79 | 683.79 |
| | 2013 | 655.12 | 655.12 |
| | 2014 | 132.11 | 132.11 |
| | 2013 (Immature) | 216.34 | 216.34 |
| | 2014 (Immature) | 216.23 | 216.23 |
| | 2015 | 330.43 | 330.43 |
| | 2016 | 42.82 | 42.82 |
| | TOTAL | 4,433.64 | 4,433.64 |
| 1.6.2 | New Planting area after January 2010 | - | Ha |
| 1.6.3 | Planting Cycle | 1 st Cycle and 2 nd Cycle | |
| 1.7 | Description of Mill and Supply Base | | |
| 1.7.1 | Description of Mill | | |

| | Name of Mill | Capacity (ton/ hour) | FFB Processed (ton/year) | CPO | | Palm Kernel | |
|-------|---|---|---|----------------------|-------------------------------|----------------------|-------------------|
| | | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) |
| | BPK POM | 30 | 121,184.79 | 22,995.04 | 18.15 | 5,368.48 | 4.43 |
| | <i>*Production data source from 12 months before assessment (October 2015 up to September 2016)</i> | | | | | | |
| 1.7.2 | Description of Certification Scope of Supply Base | | | | | | |
| | Name of Estate | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/ year) | Supplied to Mill | |
| | | | | | | FFB (tonnes/year) | % |
| | BPK Estate | 4,847.20 | 4,433.64 | 31,029 | 7 | 31,029 | 100 |
| | TOTAL | 4,847.20 | 4,433.64 | 31,029 | 7 | 31,029 | 100 |
| | <i>*Production data source from 12 months before assessment (October 2015 up to September 2016)</i> | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | |
| | Name of sources | Organisation | Location | Supplied to Mill | | | |
| | | | | FFB (tonnes/year) | | | |
| | KUD Mekar Lestari (1,979.98 Ha; 21 farmers group, 590 members) | Non certified - Associated Smallholder scheme of PT BPK | S. Ambawang Sub District, Kubu Raya Regency, West Kalimantan | 22,876.3 | | | |
| | KUD Tuah Jubah (Plasma IV PT BPK, 98.25 Ha, 53 farmers) | Non certified - Associated Smallholder scheme of PT BPK | West Kalimantan | 402.80 | | | |
| | PT. Buluh Cawang Plantation (1,090.7 Ha) | Non-certified Associated Outgrower | West Kalimantan | 11,007.19 | | | |
| | PT ANI 1 (ANI Estate) – 8,363.85 Ha | Certified - Associated Outgrower | Semanga Village, Sejangkung Sub-District, Sambas District, Kalimantan Barat Province, Indonesia | 1,053.85 | | | |
| | PT.BCP B Sukma | Non certified Associated smallholder | West Kalimantan | 1639.00 | | | |
| | PT. BCP Mentibar Cemerlang | Non certified Associated smallholder | West Kalimantan | 1032.82 | | | |
| | PT.BCP B Sempurna | Non certified Associated smallholder | West Kalimantan | 1643.59 | | | |
| | CV.Tirta Galus | Non certified Independent smallholder | West Kalimantan | 2883.12 | | | |
| | CV. PMT .A | Non certified Independent smallholder | West Kalimantan | 461.74 | | | |
| | CV. PMT .B | Non certified Independent smallholder | West Kalimantan | 0.85 | | | |
| | CV. Kusuma J.A | Non certified Independent smallholder | West Kalimantan | 3732.31 | | | |
| | CV. SAB A | Non certified Independent smallholder | West Kalimantan | 393.50 | | | |
| | CV. Karunia Indah A | Non certified Independent smallholder | West Kalimantan | 4699.02 | | | |

| | | | |
|-------------------------------|---------------------------------------|--|------------------|
| CV. Karunia Indah B | Non certified Independent smallholder | West Kalimantan | 25.31 |
| PT. Agro Alam Nusantara | Non certified Independent Outgrower | West Kalimantan | 22.38 |
| PT. Bumi Perkasa Gemilang | Non certified Independent Outgrower | West Kalimantan | 639.94 |
| PT. Kalimantan Agro Pusaka | Non certified Independent Outgrower | West Kalimantan | 357.55 |
| PT. Kapuas Jaya Abadi A | Non certified Independent Outgrower | West Kalimantan | 16217.95 |
| PT. Kapuas Jaya Abadi B | Non certified Independent Outgrower | West Kalimantan | 2559.37 |
| PT. Kapuas Jaya Abadi C | Non certified Independent Outgrower | West Kalimantan | 27.75 |
| PT. Nusa Jaya Perkasa | Non certified Independent Outgrower | West Kalimantan | 144.42 |
| PT. IMG | Non certified Independent Outgrower | West Kalimantan | 7511.52 |
| PT. IMG B | Non certified Independent Outgrower | West Kalimantan | 32.57 |
| CV. Bintang Borneo | Non certified Independent Outgrower | West Kalimantan | 8422.50 |
| PT. Bersama Kita Maju Abadi A | Non certified Independent Outgrower | West Kalimantan | 113.11 |
| PT. Bersama Kita Maju Abadi B | Non certified Independent Outgrower | West Kalimantan | 4.33 |
| Individual (4 indiv) | Non certified Independent Outgrower | S. Ambawang Sub District, Kubu Raya Regency, West Kalimantan | 2,251 |
| TOTAL | | | 90,155.79 |

**Production data source from 12 months before assessment (October 2015 up to September 2016)*

| | | |
|-------|--------------------|---------------------|
| 1.7.4 | Product categories | FFB, CPO, PK |
|-------|--------------------|---------------------|

1.8 Estimate Tonnage of Certified Product

| | | | |
|-------|-------------------------------------|---|---|
| 1.8.1 | Past Annual Claim Certified Product | Previous Certificate Claim to (tonnes/year) | Actual certified product to (tonnes/year) |
| | • FFB Production | - | - |
| | • CPO Production | - | - |
| | • Palm Kernel (PK) Production | - | - |

**Information of certified production and claim will be completed in the annual surveillance assessment*

1.8.2 Product selling

| | | |
|--|--|--|
| | Tonnage of selling product | Actual selling product perioduntil |
| | • CSPO | - |
| | • CSPK | - |
| | • CPO under other scheme trading (e.g ISCC, RFS) | - |
| | • CPO under conventional trading (if any) | - |
| | • PK under other scheme | - |
| | • PK under conventional trading (if any) | - |

| | | | | | | | | |
|---|--|--------------------------------|--|--------------------------|-------------------------------|-------------------------|-----------------------|----------------------------|
| <i>*Information of certified production and claim will be completed in the annual surveillance assessment</i> | | | | | | | | |
| 1.8.3 | Estimate of Certified FFB Claim | | | | | | | |
| | Name of Estate(s) | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | | | |
| | BPK Estate | 4,847.20 | 4,433.64 | 55,400 | 12.5 | | | |
| | TOTAL | 4,847.20 | 4,433.64 | 55,400 | 12.5 | | | |
| <i>*Production data source from 12 months before assessment</i> | | | | | | | | |
| 1.8.4 | Estimate of Certified Palm Product Claim | | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | | Supply Chain Module |
| | | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) | |
| | BPK POM | 30 | 55,400 | 11,080 | 20 | 2,770 | 5 | MB |
| <i>*Production data source from 12 months before assessment</i> | | | | | | | | |
| 1.9 | Other Certifications | | | | | | | |
| | Others - | | | | | | | |
| 1.10 | Time Bound Plan | | | | | | | |
| Time Bound Plan of Wilmar International, Ltd updated September 2016 | | | | | | | | |
| 1.10.1 | Time Bound Plan of Wilmar International, Ltd updated September 2016 | | | | | | | |
| | Management Unit | | Estate (Supply Base) | Time Bound Plan | Location | Status | | |
| | MILL | Time Bound Plan | | | | | | |
| | Sapi (1 + 2) | 2008 | Sapi 1 & 2, Kiabau | 2008 | Sandakan, Sabah, Malaysia | Certified | | |
| | Sabahmas | 2008 | Sabahmas | 2008 | Lahad Datu, Sabah, Malaysia | Certified | | |
| | Reka Halus | 2008 | Reka Halus | 2008 | Sandakan, Sabah, Malaysia | Certified | | |
| | Saremas 1 | 2008 | Saremas 1, Saremas 2 (Div D), Suai | 2008 | Miri Serawak, Malaysia | Certified | | |
| | Saremas 2 | 2008 | Saremas 2 (exclude Div D), Kaminsky, Segamas | 2008 | Miri Serawak, Malaysia | Certified | | |
| | Terusan (1 + 2) | 2009 | Terusan 1 & 2, Rumidi | 2009 | Sandakan, Sabah, Malaysia | Certified | | |
| | Ribubonus | 2009 | Ribubonus | 2009 | Sandakan, Sabah, Malaysia | Certified | | |
| | PT Perkebunan Milano | 2009 | Sei Daun, Batang Saponggol, Marbau | 2009 | North Sumatra | Certified | | |
| | PT Mustika Sembuluh 1 | 2009 | Mustika Sembuluh 1, Mustika Sembuluh 2, Kerry Sawit Indonesia 2, Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3 | 2009 | Central Kalimantan | Certified | | |

| | | | | | |
|--------------------------------|------|---|------|--------------------|-----------|
| PT Mustika Sembuluh 2 | 2015 | Mustika Sembuluh 3, Bumi Sawit Kencana 1 | 2015 | Central Kalimantan | Certified |
| PT Kencana Sawit Indonesia | 2010 | Kencana Sawit Indonesia, Koperasi Swamata | 2010 | West Sumatra. | Certified |
| PT. Kerry Sawit Indonesia 1 | 2010 | Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3 | 2010 | Central Kalimantan | Certified |
| PT. Kerry Sawit Indonesia 2 | 2015 | Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Mustika Sembuluh 2, | 2015 | Central Kalimantan | Certified |
| PT. Tania Selatan | 2010 | Burnai Barat, Burnai Timur | 2010 | South Sumatra | Certified |
| Sri Kamusan | 2010 | Hibumas 1, Hibumas 2, Sri Kamusan, Jebawang, Sekar Imej, Sapi Sugut | 2010 | Sandakan, Sabah | Certified |
| PT. AMP Plantation | 2011 | AMP I, AMP II, AMP III, AMP, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri, Koperasi Tompek Tapian Kandis | 2011 | West Sumatra | Certified |
| PT. ANI (Sambas) | 2012 | ANI Estate | 2012 | West Kalimantan | Certified |
| PT. Buluh Cawang Plantation | 2012 | Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning | 2012 | South Sumatra | Certified |
| PT. Bumi Sawit Kencana | 2012 | Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1 | 2012 | Central Kalimantan | Certified |
| PT. Sarana Titian Permata | 2012 | Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3 | 2012 | Central Kalimantan | Certified |
| PT. Sarana Titian Permata 2 | 2018 | Sarana Titian Permata 1, Sarana Titian Permata 2 | 2018 | Central Kalimantan | - |
| PT. Gersindo Minang Plantation | 2013 | Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2 | 2013 | West Sumatra | Certified |
| PT. Daya Labuhan Indah | 2013 | Wonosari, Sei Deras, Cabang Dua | 2013 | North Sumatra | Certified |
| PT. Milano (Cabang Dua Estate) | 2013 | (Supply base DLI-2) | 2013 | North Sumatra | Certified |
| PT. Agro Palindo Sakti | 2014 | PT Agro Palindo Sakti Estate | 2014 | South Sumatra | Certified |
| PT. Mentaya Sawit Mas | 2014 | Mentaya Sawit Mas 1, Mentaya Sawit Mas 2, Bumi Sawit Kencana 2 | 2014 | Central Kalimantan | Certified |

| | | | | | |
|---------------------------------|--|---|------|--------------------|-------------|
| PT. Sinarsiak Dianpermai | 2018 | PT Sinarsiak Dianpermai Estate | 2018 | Riau | Stage 1 |
| BBPOP (Benso Plantation) | 2015 | Benso, Benso Smallholder | 2015 | Ghana | Certified |
| PT. Murini Sam Sam | 2015 | Murini Sam Sam Estate | 2015 | Riau | Certified |
| PT Bumi Pratama Khatulistiwa | 2016 | Bumi Pratama Khatulistiwa Estate | 2016 | West Kalimantan | Final Audit |
| | | Buluh Cawang Estate | 2017 | West Kalimantan | - |
| PT Karunia Kencana Permaisejati | 2015 | PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3 | 2015 | Central Kalimantan | Final Audit |
| PT Rimba Harapan Sakti | 2015 | PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, , Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3 | 2015 | Central Kalimantan | Certified |
| PT Agronusa Investama Pahauman | 2018 | PT ANI Pahauman estate PT Pratama Procentindo | 2018 | West Kalimantan | - |
| PT. Agro Palindo Sakti 2 | 2018 | PT. Agro Palindo Sakti estate, PT. Indo resin Putra Mandiri, PT. Daya Landak Plantation, PT. Putra Indotropical | 2018 | West Kalimantan | - |
| PT. Agroindo Indah Perkasa 2 | 2017 | PT Agroindo Indah Perkasa Estate | 2017 | Bangko – Jambi | - |
| PT. Musi Banyuasin Indah | 2018 | PT MBI Sei Jarum estate PT MBI Sei Selabu estate | 2018 | South Sumatera | - |
| 1.10.2 | Progress of Associated Smallholders and Outgrowers for Certifiable Standard | | | | |
| | At the time, the smallholder scheme under PT BPK is on preparation for certification | | | | |

| | |
|-------|--|
| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| ST-2 | <ol style="list-style-type: none"> 1. Sandra Purba (Lead Auditor), Graduated from University of North Sumatra, majored in forestry. Have experience working in oil palm plantations Company for 3 years 8 month, have been involve in several audit activities of RSPO as auditor and lead auditor. Have successfully passed the RSPO lead auditor training and auditor of RSPO Next, has been certified as OHS Expert, have been attend trainings of management system (ISO 22000-2009, ISO 9001-2008, ISO 14000:2008).Currently she worked as an lead auditor at Certification Body. In this audit she' assessing legal aspect, SCCS, social aspect and transparency aspect. 2. Leonada (auditor), Bachelor of Agriculture from Faculty of Agriculture of Bogor Agricultural University. He has experience as the operational staff of palm oil company in Indonesia. He was participating on several training such as Training of Auditor Indonesian Sustainable Palm Oil (ISPO), Lead Auditor ISO 9001:2008, Basic Management Depelovment Program Agronomy, IPM training, limited pesticide training (Kompes), training of pesticide and fertilizer waste management, training of OHS expert and is now working for independent certification body. In this assessment was observed and audit on social welfare workers and occupational Health and Safety aspect. 3. Yohanes Hardian (auditor), Diploma of Forest Resource Conservation, Faculty of Forestry, Bogor Agricultural University, specialist in the environment aspect and wildlife. Worked as non Staff Silviculture at WWF Central Kalimantan region. Had attended training HCV, has been involved in several activity of HCV Identification of Oil Palm Plantation. He worked as an environmental staff on Oil Palm Plantation. Have been trained as ISPO auditors and have attended training Auditor ISO 9001 and ISO 19011, Legal documents in-house training with the ISPO commission. In this audit he' assessing environmental aspect, waste management aspect, GHG aspect and SIA and HCV aspect. 4. M. Amarullah (auditor), Master of Wood science and technology from University of Putra Malaysia and Bachelor of Forestry form Bogor Agricultural University. Had six year experience as an Agronomist and Researcher in Indonesia and Malaysia. He had contributed to soil correlation and yield improvement project on peat soil in Riau. She had followed training such as ISO 17021, ISO 17065, HCV, ISO 9001:2008, Auditor ISPO, Auditor RSPO and ISO 14001:2004.At RSPO ASA-3, he has contribute on estate and mill best management practices aspect assessment. 5. Dr. Haryadi (Technical Expert). Hariyadi (Technical Expert): Doctor graduate from Bogor Agricultures Institute. He is active in organization of professions (PII, PERAGI, MAKSI, IAIFI) and He have many an experience as a seminar speakeras has asosiated with oil palm and as well as researchers. On this assessment he's as technical expert of BMP on peat management. |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| ST-2 | <p>Number of auditors : 4 auditor and 1 technical expert</p> <p>Number of days for ST-2 at site: 4 days</p> <p>Number of working days for ST-2 at site: 20 Working days</p> |
| 2.2.2 | Assessment Process |
| ST-2 | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bumi Pratama Khatulistiwa to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production Generic Standard 2013 and Supply Chain Requirement for CPO Mill, November 2014.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ST-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ST-2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ST-2 report.</p> |

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ST-2 Number of unit in this certification activity is 1 Mill and 1 Own Estates. The auditor team used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the auditor team determined that the sampling locations are one palm oil mill (BPK POM) and one estate (BPK Estate).

BPK MILL

1. **Security and weighing bridge.** Observation on FFB receiving activity and interview with key personnel related to implementation of SCCS requirement
2. **Grading station.** Observation of sortation procedures and employment interviews and OHS aspect
3. **Workshop.** Observations and interviews OHS aspects of employment
4. **Loading ramp.** Observation processing procedures and aspects of the OHS and employment interviews
5. **Station sterilizer.** Observation processing procedures and aspects of the OHS and employment interviews
6. **Press stations.** Observation processing procedures and aspects of the OHS and employment interviews
7. **Station Kernel.** Observation processing procedures and aspects of the OHS and employment interviews
8. **Clarification Station.** Observation processing procedures and aspects of the OHS and employment interviews
9. **Boiler Station.** Observation processing procedures and aspects of the OHS and employment interviews
10. **Water Treatment Plant (WTP).** Observation of water supply and the employment interview
11. **Engine room.** Observations and interviews OHS aspects of employment
12. **Hydrant Installation at Boiler Station.** Observation equipment and preparedness of emergency response personnel
13. **WWTP.** Observations and interviews related to wastewater management, working hours, PPE, measuring instruments used liquid waste (flow meter),
14. **Chemical storage.** Observations and interviews related to the management of chemicals and a medical examination of workers. based on the results of the visit is known that the company has been separating chemicals in a special place and separated from other materials.
15. **Scheduled Hazardous Storage.** Observations and interviews related to waste management, warehouse facilities and infrastructure, completeness PPE.

BPK Estate

16. **Block 129B', BPK Estate.** Observation on boundary marker No. P41A, the marker available and maintained well (bordering with KUD Mekar Lestari)
17. **Block 229D', BPK Estate.** Observation on boundary marker No. P47A, the marker available and maintained well (bordering with KUD Mekar Lestari)
18. **Block 121E, BPK Estate.** Observation on boundary marker No. T32A, the marker available and maintained well
19. **Block 146A', BPK Estate.** Observation on boundary marker No. T125A, the marker available and maintained well
20. **Block 229D', BPK Estate.** Observation on boundary marker No. P47A, the marker available and maintained well
21. **Block 049, BPK Estate.** Observation on boundary marker No.: T115A, T113A. The markers not available at place (has been noted as NCR, explanation on C2.2)
22. **Block 049, BPK Estate.** Observation on conflict area, an area of 145.17 ha
23. **Block 141, BPK Estate.** Observation on conflict area, an area of 93 ha
24. **Fertilizer storage.** Observation of environmental aspects and OHS
25. **Pesticides storage.** Observation of environmental aspects and OHS
26. **Fire extinguisher.** Observation equipment and preparedness of emergency response personnel
27. **Spare parts storage.** Observations aspects of occupational safety and health
28. **Sprayer and PPE storage.** Observation of environmental aspects and OHS

29. **PPE and sprayer washing facility.** Observation of environmental aspects and OHS
30. **Hazardous temporary storage.** Observation of environmental aspects and OHS
31. **Workshop.** Observations aspects of occupational safety and health
32. **Generator.** Observation of environmental aspects and OHS
33. **Water Treatment Plant (WTP), Division 2.** Observe environmental aspects and OHS
34. **Housing and public facilities Division 2.** Observe the provision of housing and employee welfare facilities.
35. **Landfill, Block 143A.** Observation of environmental aspects
36. **Riparian of Tempayang River in block D051.** Observations management and riparian conditions, based on the results of the visit is known that the company has installed signs for restrictions spraying rambu- riparian areas and there is a limit sign border river
37. **Site of Padagi Block 112B.** observation of the location where the indigenous Dayak tribes who were in the area estates.
38. **Riparian of Malaya River in block 101 A/B.** Observations management and riparian conditions, based on the results of the visit is known that the company has installed signs for restrictions spraying rambu- riparian areas and there is a limit sign border river
39. **Block 28 Divisi II (Upkeep of palm circle by Glisat and Tiara).** To observe applicators knowledge on safe spraying technique, pesticide handling, pesticide mixing, dosage, type of pesticides and its target, area that prohibited to be sprayed, daily target (work basis), extra fooding and personal protection equipment (PPE) used towards company standard, first aid box, conservation area, the existence of protected flora and fauna, mechanism of information request, insurance, delivery of complaints and grievances, regular medical checkup, training given, rules of worker union or LKS Bipartite and gender committee as well as to crosscheck employee status and wages.
40. **Block 129 A (Road maintenance and barn owl nest installation).** To observe road condition and checking barn owl nest condition and marks the presence of barn owl. Uncollected loosefruit has found in this Blocks.
41. **Block 129 B (Fertilizer application by MOP).** To observe applicators knowledge on fertilizer application technique, fertilizer placement, time of application, dosage cup, area that prohibited to be applied by fertilizer, abnormal and unproductive palms, daily target (work basis) and personal protection equipment (PPE) used towards company standard, first aid box, conservation area, the existence of protected flora and fauna, mechanism of information request, insurance, delivery of complaints and grievances, regular medical checkup, training given, rules of worker union or LKS Bipartite and gender committee as well as to crosscheck employee status and wages.
42. **Block 27 B (Harvesting).** To observe harvester's knowledge on harvesting technique, harvesting rotation, ripeness standard and quality of FFB, pruning, frondstacking, daily target (basis) and personal protection equipment (PPE) used towards company standard, conservation area, the existence of protected flora and fauna, mechanism of information request, delivery of complaints and grievances, rules of worker union or LKS Bipartit and gender committee as well as to crosscheck employee status and wages.
43. **Block 112 A/B (Replanting area).** Observation to replnting area, planted in 2015, soil and water conservation conducted on the field and land cover crop condition.
44. **Blocks 8E, 14A, 7E and 15 A (Water management).** To observe water management on water level gauge condition and monitoring status.
45. **Block 27E Divisi II (piezometer and subsidence pole).** To observe piezometer and subsidence pole condition, measurement and recording on the field.
46. **Block 11E (Nursery).** To observe nursery activity.
47. **Block D051 (Riparian zone).** To observe actual management application on riparian zone, such as marking zone and signboard.

Stakeholder visit

48. Sungai Enau Village
49. Sungai Malaya Village
50. Government Agencies (BPN, Labour, Plantation, Environment)

| | |
|--------------|--|
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| ST-2 | <p>Summary of stakeholder consultation process Consultation of stakeholders for <i>PT Bumi Pratama Khatulistiwa</i> was held by:</p> <ul style="list-style-type: none"> • Public Notification on RSPO website and PT Mutuagung website 30 days prior to inisial assessment, namely 18 August 2016 • Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to government institution on 26 September 2016, and villages and interviews with local peoples on 27 September 2016 <p>Numbers of input from stakeholders were clarified by <i>PT Bumi Pratama Khatulistiwa</i></p> |
| 2.3.2 | Stakeholder contacted |
| | <i>Please find appendix 1</i> |
| | |
| 2.4 | Determining Next Assessment |
| | The next visit (<i>ASA-1</i>) will be determined one year after this certificate issued |

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of BPK POM – PT Bumi Pratama Khatulistiwa, Wilmar Plantation Ltd Group/Holding operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were *seven (7)* Nonconformities were assigned against Major Compliance Indicator(s); *three (3)* nonconformity(s) were assigned against Minor Compliance Indicators; and *4 (four)* opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s).

MUTUAGUNG LESTARI found that BPK POM – PT Bumi Pratama Khatulistiwa, Wilmar Plantation Ltd Group/Holding complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Generic Standard , 2013.

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

| Ref Std. | VERIFICATION RESULT of MUTU-Certification |
|--|--|
| PRINCIPLE #1 COMMITMENT TO TRANSPARENCY | |
| 1.1 | Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making. |
| 1.1.1 | <p>The Company has submitted information to stakeholders including regular reports to the agency, such as the labor required report to the Department of labor Kab. Kubu Raya, safety organization quarterly report and the monitoring of accidents to the Department of labor Kab. Kubu Raya</p> <p>Verification and updating against the list of stakeholders is conducted every year and when it changes. List of stakeholders can be shown to consist of 61 stakeholders, among others: the village head around the estate, Head S. Ambawang, government agencies, police, Supplier, Hospitals, Village Unit Cooperatives, Contractors and community leaders.</p> <p>The types of documents available to the public described in the SOP of Provision of Information to Outside Parties (transparency) No. SOP: SOP52 / WIP-KB / (02) / 0911 effective date of October 1, 2015, described that requests for information can be directed via email, phone, fax or go directly request to Liaison Office (LO), if the request is delivered directly, dept BM will continue to the second stage and collect the information request form to the Regional BM dept, followed by communicating with the GM to decide whether the request is rejected or accepted.</p> <p>Document / information can be accessed, consisting of documents with extensive access (17 types of documents) and documents that can be accessed with the approval (11 types of documents). The response to requests for information will be carried out by PT BPK no later than 14 days after the request is received.</p> |
| 1.1.2 | <p>Request for informations has been recorded in a logbook of incoming and outgoing mail (response). During the period of 2016, there were 141 incoming mail to BPK Estate. The letters include requests for data/information, assistance request letter, letter of invitation and a license. Requests for information were recorded for example:</p> <ul style="list-style-type: none"> Letter dated 4 April 2016 from Disosnakertrans (labor agency) of Kubu Raya No. 560/620/Sosnakertrans-C on the report of jobs |

- Letter Jan 21 2016 from KUD Mekar Lestari No. 001/KUD-ML//2016 on the application for land certificate process information.

Available response from the company related to the land certificate process has been done through the corporate mail No. 006 / BPK-BM / Ext / II / 2016 dated February 1, 2016, explaining that the process to obtain certificate currently is in process. Based on interviews with the community around mentioned that procedures for requesting information has not been socialized widely, thus far requests for information made by contacting staff directly to Staff BM and Estates Manager of PT BPK. Interviews with staff BM and document review shows that the socialization its SOP was conducted on July 5, 2015, the minute of socialization has been signed by the head of the village, Danramil and police chief. Socialization is done in the Mega Timur Village and Sungai Malaya Village. Improvement of understanding through the re-socialization and refresh needs to be done by PT BPK to the local communities and other stakeholder, it has been noted as a OBSERVATION by the auditor. #OFI

Status : OFI

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.

The types of documents available to the public described in the SOP of provision of information to outside parties (transparency) No. SOP of: SOP52 / WIP-KB / (02) / 0911 dated effective October 1, 2015. The document / information accessible to consist of documents with wide access (17 types of documents) such as: EIA document, annual report, company's policies, lisenca and legal document, location map, organizational structure, land use, OHS document, employment document, ect. Documents that can be accessed with the approval (11 types of documents), including but not limited to : financial report, wages policy, share holder identity, company's asset, land compensation document, grievance and complain document, ect.

The response to requests for information will be conducted by PT BPK no later than 14 days after the request is received. Based on interviews with the community around mentioned that procedures for requesting information has not been socialized widely, thus far requests for information made by contacting staff directly to Staff BM and Estates Manager of PT BPK. Interviews with staff BM and document review shows that the socialization was conducted on July 5, 2015 for SOP of implementation mechanism of communication and consultation with the community and SOP provision of information, the minute of socialization has been signed by the head of the village, Danramil and police chief. Socialization is done in the Mega Timur Village and Sungai Malaya Village. Improvement of understanding through the re-socialization and refresh needs to be done by PT BPK to the local communities and other stakeholders, it has been noted as a OBSERVATION by the auditor. #OFI

Status : Comply

1.3

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

Policy of corporate code of ethics No .: 044 / DIR-KP / XII / 2015 effective from December 15, 2015 for plantation and industry of the Wilmar Group Plantation, written in a language that is easily understood by all parties, namely Indonesian. The scopes of the policy are all employees, directors and all levels of management Wilmar Group Indonesia. In the document described that the company implement the principles of the code of conduct, including avoiding conflicts of interest, to avoid abuse of authority / position, ensure the confidentiality of information and prevent misuse of the information obtained through the operations of the company for personal gain or other purposes outside the company.

Socialization to employees carried out during the morning muster activities, for example on January 14, 2016, 7 April 2016, July 25, 2016 and August 3, 2016.

Socialization also has been conducted to stakeholders such as contractors, for example socialization dated March 12, 2016 to the contractor as many as 10 people.

Based on interviews with local contractors known that the contractor has know and understand the code of conduct.

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

The company has the legal requirements document available in the estates and mill office complete with a copy of the rules. The list of legal requirements approved by the company include employment aspects compiled by human resource, plantation aspect compiled by Bina Mitra, aspects of occupational safety and health compiled by the safety representative, the environmental aspects compiled by environment officer. The application of regulations such as wage determination, safety organization structure, insurance of employment etc.

The Company has set the fire mitigation officer according to the requirement of Decree of the Minister of Manpower No. 186/MEN/1999, namely : officer for mill based on Manpower Agency of Kubu Raya District approval No. 360 of 2015 dated 8 June 2015 and estate officer based on Manpower Agency of Kubu Raya District approval No. 122 of 2016 dated 25 April 2016.

Land tenure document (HGU and HGU on process) and hectare statemet of the company informs that the total of cultivated area of 4854.52 Ha, while the area covered by the document of SPUP is 4814.96 Ha, so that there is a difference of approximately 40 Ha which is until now has not had a plantation permit (IUP/SPUP), This is not in accordance with to Regulation No. 98/2013. **NCR No. 2016.1**

According to the RSPO statement on HGU and IUP in Indonesia on 12 October 2017 acknowledged that for grower members that are currently RSPO certified but yet to obtain the HGU and IUP, their certification will continue **but are given not later than 3 (three) years from the date of this notice**, to process and obtain HGU and IUP. Failure to do so will result in the suspension of the RSPO certificate.

2.1.2, 2.1.3 & 2.1.4

Mechanism to identify laws and regulations as well as the compliance evaluation of the legal requirements are set in the procedure no. SOP 02/WIP-KB/(02)/1015 on 1 October 2015. In the procedure mentioned person in charge of rules and regulations list is legal officer assisted by environment Health and safety department, Human Resource, Bina Mitra and sustainability department. Examination of the implementation and compliance with regulations is conducted every year as indicated in the document FRM 02/SOP 02/WIP-KB/0610 1 May 2016.

Identification of the new regulations is conducted two times a year. A copy of the list of legislation are distributed to all department. Regulations compliance programs are prepared by each division assisted by a legal officer and operational units must ensure the compliance of all terms. Some regulations are provided covering aspects of safety, Employment, field crops and the environment.

Status : Comply

2.2

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

2.2.1

The Document of land tenure (HGU) on an area of 4,854.52 hectares can be shown by PT BPK, consisting of:

- HGU for an area of 4,814.96 Ha based on Minister of Agrarian / Head of BPN Decree No. 18 / HGU / BPN / 96 dated 31 May 1996. 30-year concession valid until July 21, 2026. Based on its document, issued HGU Certificate No. 59 of 1996 dated July 29, 1996.
- There are 2 HGUs which has expired, namely:
 - ✓ Head BPN Decree No.: 06 / HGU-KB / 1989 dated 8 November 1989, valid until December 31, 2014 and HGU Certificate No. 56 1989 covering an area of 16.1843 Ha.
 - ✓ Head BPN Decree No.: 07 / HGU-KB / 1989 dated 8 November 1989 covering an area of 23.3719 Ha, valid for 25 years, and HGU certificates No. 57 of 1989 by the Head of the Land Agency District of Pontianak dated November 25, 1989.

The current process for renewal conducted by PT BPK namely the company has applied for renewal of HGU to the relevant agencies such as the following:

- ✓ Letter of application for renewal of HGU on behalf of PT. BPK to the Head of Land Agency district Kubu Raya number 092 / BPK-BM / HGU / IX / 2014 dated September 22, 2014
- ✓ Letter of application for renewal of HGU on behalf of PT. BPK to the Head of Agrarian Regional Office of West Kalimantan Province number 092 / BPK-BM / HGU / IX / 2014 dated September 22, 2014

- ✓ Land Tenure Statement signed by the Board of Directors and known by the local village chief (Mega East Village)
- ✓ Warrant Deposit (Surat Perintah Setor) for the cost of the land inspection by the Committee B number 58 / SPS-300.9-61 / IX / 2014 to HGU No. 57 of 1989
- ✓ Warrant Deposit (Surat Perintah Setor) for the cost of the land inspection by the Committee B number 58 / SPS-300.9-61 / IX / 2014 to HGU No. 56 of 1989
- ✓ Based on the direction of BPN, PT BPK is currently collecting information and description of the various agencies regarding:

Description freely forest land, area of the moratorium, mining permit on HGU No. 56 and 57 of PT BPK. Has been sent a letter to Forestry, Plantation and Mining Agency of Kubu Raya on July 18, 2016 No. 028 / BPK-BM / HGU / VII / 2016, with copies to the the Regional Office of BPN, Provincial Plantation Agency, Provincial Forestry Agency, Head of BPKH Wil III, Regent of Kubu Raya.

The reply from relevant institution explained that the status of area 39.54 Ha (HGU on process) are currently in other land uses (APL). The area is freely of overlap with the licensing of other fields of forestry and freely of postponement new permits indicative map (attached map area status on of PT BPK scale of 1: 10,000 issued by the Provincial Forestry Agency) and does not overlap with mining licenses. Until the initial assessment, not yet provided the evidence that has been conducted the demarcation, re-measurement and installation of new boundaries marker (cadastral) by BPN, based on above explanation, knows that the company has not been able to shows documents of land tenure of cultivated area of 39.54 Ha. The non-conformity note has been raised. **See NCR No. 2016.1**

Other documents:

- Location Permit No. 400/05-IL / 1996 dated June 5, 1996 to of PT BPK, of ± 13 605 ha located in the District and Sub-District S. Ambawang and Sengah Temila, Pontianak Regency is valid until December 11, 1998.
- Letter of Plantation Business Registration (SPUP), published by Dirjenbun No. 448 / Menhutbun-VII / 2000 dated 25 April 2000 for estate and Palm Oil Processing Plant Permit capacity of 60 Tons FFB / Hour.

Information of actual land use presented in the area statement document with a total area of 4854.52 ha. This shows that the area cultivated by of PT BPK has been in accordance with legal rights owned and processed.

2.2.2

The Company able to show map of lboundary markers location for all three HGU owned. Map presented in a scale of 1: 40,000 (HGU No. 59) and 1: 7.000 (HGU No. 56 and 57). The map informed the source map and coordinate point, number of marker of HGU No.: 59 were 68 and HGU No.: 56 and 57 were 19.

SOP of Installation and Monitoring Benchmark Boundaries, No.: 001/SOP/GIS/2014 effective date of July 1, 2014. In the SOP of described that the installation of marker conducted by the Land Agency, monitoring using form of verification/monitoring of boundary markers, monitoring period at the latest once a year. Also mentioned that the implementing monitoring boundary markers are Surveyor, Plantation Staff and Bina Mitra Dept.

- ✓ Report of boundaries marker monitoring and installation of HGU No.: 59 dated August 8 to 16, 2016 the number of marker 68. The results showed marker is not installed as much as 9 markers and lost as much as 5 markers. Following up conducted on 19 sept 2016 namely reassembling marker, example marker No.: T47A, T54A, T73A, T125A and X2
- ✓ The Minutes of maintenance of HGU marker for HGU No. 56 and 57 on 6 September 2016

Based on field observations, document review and interviews with management representatives known that:

- There are as many as nine marker of BPN for HGU No. 59 that is not seen / has been demarcated clearly in the field, for example marker of BPN No. T115A and T113A.
- The Company not yet able to provide evidence that marking of boundaries/demarcation for area of HGU No.: 56 and 57 (has expired), has been conducted in accordance with the set point by of BPN. **See NCR No. 2016.2**

According to the RSPO statement on HGU and IUP in Indonesia on 12 October 2017 acknowledged that for grower members that are currently RSPO certified but yet to obtain the HGU, their certification will continue **but are given not later than 3 (three) years from the date of this notice**, to process and obtain HGU. Failure to do so will result in the suspension of the RSPO certificate.

2.2.3, 2.2.4, 2.2.5

Based on interviews and review of documents, there is an ongoing land dispute, namely an area of 93 hectares in Division 1 Block 46 by the Group of Saniwar Cs (H. Zaini) from the Sungai Enau village.

The land was originally acquired by the Company through a pattern of cooperation of 80:20 in 1996, the communities handed

over 80% of the land area to be compensated and the company will establish smallholdings on of land 20% through credit mechanisms. The resolution attempt has been conducted by way dialogue and to seek legal redress. The Company shows the document "Road Map Problems" for the land dispute resolution processes.

Meetings and consultations has been done 3 times that have involved groups of claimants, PT BPK and the Commission II DPRD Kuburaya (the third meeting was on May 23, 2015). The company can show evidence of a report to the police with no.: TBL / 63 / I / 2015 / KALBAR / RESTA PTK / SEK ABW dated January 21, 2015 on FFB theft and detention oil palm estates conducted by Saniwar CS. Field checks has been conducted and currently the legal process was has been submitted to the court.

Based on the statement area document of PT BPK known that there are areas of claim / disputed covering 145.17 hectares, located in the block A045 and B045, E049, D049 and Block 048, on this regard the company could not show evidence of completion a participatory way. **See NCR No. 2016.3**

Dispute settlement procedures available in: SOP of 59 / WIP-KB / (0) / 0915 dated September 1, 2015. Based on Interviews with local people around the plantation mentioned that the company did not do confrontation and intimidation and not using paramilitaries and mercenaries in maintaining peace and order.

| | | |
|---|--|--|
| <ul style="list-style-type: none"> - 2.2.1 Major - 2.2.2 Minor - 2.2.4 Minor | <p>Status:</p> <ul style="list-style-type: none"> - NCR No. 2016.1 Major category - NCR No. 2016.2 Minor category - NCR No. 2016.3 Minor category | |
|---|--|--|

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

2.3.1, 2.3.2, 2.3.3
 FPIC described in the SOP manual Technical Acquisition of Land No. document SOP01 / WIP-KB / (1) / 1215 effective date of January 1, 2015, approved by the GM of PT BPK. In the section E described that the principle of land acquisition is in accordance with the principles of the RSPO, HCVF and FPIC. In section B points two described on the equality of treatment regardless of sex for adult women and married of the ability of in demanding their rights and without distinguishing between immigrant communities and communities that are old.

Based on a review document on Decree of HGU, EIA, and Decree of permit locations owned by PT BPK, known that whole area of PT BPK previously is State Land, status of area function for other purposes (APL), granted a concession in the form of HGU certificate.

Based on public consultations with relevant agencies (Disbun and BPN of Kubu Raya) stated that there is no customary rights in the area of PT BPK.

Once there was a land claims by Dayak Bebatang community (currently entered into the Sungai Enau village) covering 1,029 ha in Blocks 103-108 and 114-118 which states that the area is an customary area that taken by the company in repressive way. Settlement has been conducted by deliberation and was facilitated by the Muspika of District Kuala Mandor and Dewan Adat Dayak of Kubu Raya on August 27, 2014. The settlement agreement was to provide CSR program in the form of clean water facilities for the villagers.

Map showing the location and extent of area of 1029.97 hectares claimed by the Dayak Bebatang community can be shown, namely map issued by farmer group of Bebatang Jaya (indigenous Dayak bebatang) and map issued by PT BPK (based on adjustment of community's map).

The entire relevant information available in a form and language understood by communities, including impact analysis document, proposed distribution of profits, and legal regulations related. In the minutes and agreements between the company and the parties.

There is evidence that the indigenous communities has been represented through the institution of their choice such as:

- ✓ Land acquisition in 1996, communities was represented by village officials and community leaders as well known the local authorities
- ✓ Land claims in 2014, there were representatives from institutions of the indigenous Dayak Bebatang as designees ie

Abet Nego who negotiate with the company.
Based on interviews with the community of Sungai Enau Village. (Indigenous Dayak Bebatang) note that currently there is no conflict with PT BPK, all existing disputes and compensation customary and traditional rights have been resolved in 2014.

Status : Comply

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

**3.1
There is an implemented management plan that aims to achieve long term economic and financial viability.**

3.1.1

The company has shows a five years long term management business plan which presented in the document of "Projection 2015-2020" which issued by the Assistant General Manager (AGM). The longterm plan has covers finance aspect, area statement development, fresh fruit bunch (FFB) projection cost production for estate and mill, plantation development expenditure, capital expenditure and sustainability implementation cost which consist of environment, social, occupational health and safety (OHS), etc. every unit has projecting every single detail of their activity. For example, Mill unit has projecting mill capacity, mill throughput, mill utilization, oil extraction rate (OER), kernel extraction rate (KER), FFB processed, outgrower FFB processed, total FFB processed. Meanwhile, parameter planned in field upkeep are weeding, road maintenance (includes harvesting paths and bridges), drainage system, soil and water conservation, boundaries survey, palm census, thinning, supplying, pruning, sanitation, branching, intergrated pest management (IPM), ablation, castration, manuring, scout harvesting and research. Moreover, finance parameter being projected are FFB price, crude palm oil (CPO) price, revenue (FFB, CPO and kernel), FFB purchasing, profit and loss (before and after tax), income, cashflow and cash balance. Management unit stated that the business plan are subjected to changed and reviewed annually by the respective management through considering actual trends and dynamic situation which predicted could be changed in the future.

According to soil map which derived from semi detail soil survey report by Param Agricultural Soil Surveys (M) Sdn. Bhd. in September 2014, it was informed that 99.90 % of operational area has classified as deep peat (depth >3 m) while the rest was shallow peat. Regarding this matter, estate management unit has put water management activities into the longterm projection such as drainage system maintenance which includes manual desilting, maintenance of monitoring tools (water level gauge, piezometer and subsidence pole) and maintenance of accessibility (ex. road and bridge).

3.1.2

Program and realization of replanting was presented in document of projection 2015-2020. According to replanting record, it was reported that since 2009, replanting had been carried out in 2,405.98 ha area which composed of replanting in 2011, 2012, 2013, 2014 and 2015 had conducted in 143.28 ha, 95.44 ha, 452.14 ha, 955.28 ha and 301.72 ha areas, respectively. Blocks with yield less than 20 ton/ha.year has become priority to be replanted, According to 2016-2020 projection, it was stated that there was no replanting activity projected in 2016 onwards.

According to field observation, it was found that the estate has implementing water management system for peat soil such as installing field drain with 1:2, 1:4 and 1:8 pattern (depend on field condition) which connected to collection and main drain, Watergate installation, piezometer and subsidence pole installation, etc. Those impelentation had established before replanting.

Estate management has evaluate and monitor replanting blocks development. Among parameter monitored are changed area of immature and mature palm, field condition, palm stand census, number of supply palms and Agonomist review.

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

Oil palm cultivation or agronomy' procedures was presented in document of Agronomy Manual Reference and palm oil SOP in 2015 which was approved by the Group Head of Plantation. The SoP has consist of 12 main activities which describes in detail on every chapter. The procedure has covers survey of pre land clearing, land assessment and land clearing activity, oil palm nursery, seed of *DxP Tenera* and *planlets clonal* oil palm, land clearing and land preparation in undulating , steep, swamp and

low-lying area, planting and treatment of Legume cover crop (LCC), the planting of supply palm, density and planting pattern, field upkeep on mature and Immature Palm, manuring, harvesting, plant protection - control of pests and diseases, replanting, EFB mulch, quantitative agro-management system (QAMS) and the technique of thinning of oil palm. Meanwhile, the procedures related to the processing of palm oil contained in the document of mill SOP that include the admission of FFB, the admission of FFB from outgrower, scale operations, sortation and loading ramp station, kernel station, purifier machine, steam turbines, boilers, clarification station, decanter machine, water treatment plant, boiler ash cleaning, main Mill panel, continuous sterilizer system and logistic (dispatch of CPO and PK). SOP Master list of mill and estate saved by Document Control Section. Any revision of the SOP is controlled by a special staff that ensures that each management unit has used the same version. Estate unit has also shows SOP of peat soil monitoring which presented in document No. SA 02/WIP-KB-(0)/2010.

Procedur of oil palm processing was presented in document No. SOP/BPK-PRS/001/0213 to No. SOP/BPK-PRS/019/0213, issued by Head of Mill in February 2013. The SOP was composed of 19 technical activities on the mill, e.g.loading ramp, sterilizer, chainman, hoisting cane, threshing, empty bunch press, pressing, kernel, clarification, pit fit pond, boiler, demint plant, dump truck vehicles, boiler ash cleaning, turbine, genset, loader, screw ress and water treatment. Moreover, procedure on maintenance on production machinaries, workshop tools, laboratory work, FFB sortation for RSPO purposes, administration and FFB purchasing from outgrowers were also provided.

Procedur of safe working practices on the mill is presented in document of Hazard Identification Risk Assessment and Control (HIRAC) 2016 and procedure No. 31/WIP-KB/(0)/2011 January 2011 about OHS. Both procedures has covers working instruction related to OHS implementation of all activities on the mill and procedure of personal protection equipment management and its monitoring. In the SOP No.: SOP 31/WIP-KB/(0)/2011 on January 2011 has been explained the safe working procedure for every operation activities including pesticide application.

Based on SOP documents review, it could be concluded that the oil palm agronomy and processing procedures were still relevant with current situation and covers all main aspects from the field to the mill. All SOP's were available in Bahasa and English. Furthermore, based on observation to BPK Mill and BPK Estate office, it could be concluded that the respective SOP's were satisfactory distributed by document control of PT BPK.

In order to maintain good knowledge and performance of workers towards company procedures, several training has been carried out periodically, for example as follows:

- Training of occupational health and safety (OHS), first aid, RSPO, high conservation value (HCV), best practice spraying and house keeping on March 10th 2016 in Block 10A Phase 1 Divisi I. Training was given by Department of Environment Health and Safety (EHS) and Field Conductor (FC). Based on absence form, it was attended by 13 pesticides applicators.
- Training of OHS, first aid, RSPO, HCV, best practice spraying and house keeping on August 7th 2016 in Block 4B Phase 2 Divisi I. Training was given by EHS Department and FC. Based on absence form, it was attended by 10 pesticides applicators.
- Training of water tank spraying calibration on April 15th 2016 in Workshop yard Divisi I, given by Agronomist and FC spraying.
- Training of PB-16 sprayer calibration on August 29th 2016 in personal protection equipment (PPE) storage Divisi I. the training was given by the Agronomist and attended by 10 pesticide applicators.
- Training and socialization of standard harvesting on May 13th 2016 in training school. Training was given by the Manager of Agronomy and attended by 21 harvesters.
- Training of OHS, first aid, RSPO, HCV, best practice manuring on August 14th 2016 in Block 43 Phase 4 Divisi II. Training was given by EHS Department and FC. Based on absence form, it was attended by 10 fertilizer applicators.

Based on observation and interview with harvester and Mandore in Block 27B, it coul be concluded that the harvester was able to explain and demonstrate frond stacking technique and FFB ripeness criteria based on loose fruit parameter on the palm circle, abnormal fruits, as well as PPE that compulsory to be used such as helmet, google, boots and sickle/chisel covers.

Based on field observation to palm circle and harvesting path spraying by pesticides, namely Glisat and Tiara and interview with pesticide applicators in Block 28 Divisi II, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed (for example conservation area and riparian zone), PPE's to be used as well as its management and a safe pesticides mixing process.

Moreover, based on observation to MOP application and interview with fertilizer applicators in Block 129B, it could be concluded that applicators were able to demonstrate and satisfactory have good knowledge on their works towards the SOP, such as placement for macro and micro nutrient fertilizers, dosage of fertilizer, areas and palms which prohibited to be applied, for example riparian zone, conservation areas, abnormal palms, death palms, voluntary palms, PPE used, etc.

4.1.2 and 4.1.3

Master list of oil palm agronomy and processing procedure documents (softcopy and hardcopy) were saved and distributed by Document Control Department. Internal control and monitoring of procedure implementation were carried out by the management, for example as follows:

- Monthly estate report and daily production statement, issued by Mill Manager.
- Daily FFB grading report. Result and evaluation of daily sortation was delivered to Estate Manager via email for evaluation and to be responded.
- Daily production tools monitoring report which presented in production maintenance book, which informed date, tools condition, problem identified, corrective actions, spareparts needed, person in charge, dateline and priority status.
- Daily quantitative agro management system (QAMS) report which informed condition and quality of harvesting (FFB and loosefruits), number of non productive palms, palm circle condition, dura palms, pests attack incidence. Those date were used for loss analysis by Field Auditor and Agronomy Manager, by then to be discussed with Estate Manager.
- Annual system development control (SDC) audit report.
- Internal audit RSPO and ISPO which scheduled every six months. The audit report has includes PIC and dateline of corrective action.

Notes on internal audit is presented as follows:

| | |
|---------------------|---|
| Location of finding | : Block 112B replanting |
| Finding notes | : Palm canopy has sprayed by pesticides |
| SOP compliance | : Chapter 1 about upkeep on immature palm point 1.1.4 which mention that the canopy should be maintained and protected from pesticides. |
| Recommendation | : <ul style="list-style-type: none">• Prior conducting manual upkeep in immature areas.• To use palm canopy hook when pesticides involve in upkeep activity. |
| PIC | : Bustan |
| Dateline | : November 2016 |

For processing monitoring purposes, mill management has record several production CPO and kernel parameter, which presented in daily production statement, approved by Department of logistic, Head Clerk and Mill Manager. Parameter recorded are FFB received and processed, CPO and kernel production, extraction rates, CPO quality (DOBI, Dirt, FFA dan Moisture), despatch CPO and kernel, CPO and kernel stock, other stock (ash, EFB, fibre and shell), running hours, throughput, pressing throughput, utilities (diesel, biodiesel, electricity, water and CaCO₃), production lossess and FFB received per hour. Document of Daily Production Statement has cearl mentioned mill performance and its followup.

Annual audit report on system development control (SDC) for estate and mill were presented in document No. 10/SDC/Reg Kalimantan-1/VI/2016 and No. 011/SDC/Reg Kalimantan-1/VI/2016, respectively. SDC visit for estate and mill has conducted in June 6th-17th 2016 and June 7th-17th 2016, respectively. The reports has mentioned and describes issue and risk, recommendation, management comment, PIC problem/findings solve and completion date.

Daily report of quantitative agro management system (QAMS) census which has informs and describes such as FFB quality and quantity, number of non-productive palms, palm circle condition, number of dura palms, oryctes, rats and ganoderma incidence. QAMS has approved by Field Auditor Agronomy Manager. Loss analysis later on to be delivered and discussed with Estate Manager for problem solves and improvement purposes. However, based on evaluation and evaluation on September 5th 2016, it was stated that loosefruit collections shall be carried out every day by the harvester. If the number has not satisfied, special group on loosefruit collector could be formed. In contrast, according to field observation on September 28th 2016 to Blocks 128, 129, P51 and 27E, it were found that loosefruit has not collected properly as suggested in the previous evaluation. This is noted as **Non-conformity No. 2016.4 with minor category**.

14.1.4

Procedure of FFB acceptance from third parties was presented in document No. SOP/BPK-ADM/007a/0515 dated May 5th 2015 about CPO and PK traceability – Mass Balance. Procedure has describes scoope, PIC (Logistic and Mill Manager), mass balance procedure which covers FFB acceptance and process, production and delivery of sustainable and non-sustainable CPO and PK, administration and recording. Furthermore, the procedure was also describes in Letter of Agreement (LOA) of FFB purchasing, which describes definitions on terms of agreement, basic of agreement, administration on FFB delivery and transportation, FFB quality standard, FFB grading, FFB takeover, FFB price, terms of payment, time of agreement, supplier guarantee of FFB legality, environment and OHS aspects, ethic of agreement, force majeure, conflict resolution, revision on agreement and others. Based on LOA analysis, it could be concluded that term of FFB purchasing has in accordance with procedure No. 001/TBS-SOP/VIII/2015 about FFB purchasing.

Based on interview with Mill Commercial Unit, it was informed that FFB suppliers (third parties) wer consist of smallholder plasma Cooperative Tuah Jubata, Cooperative Mekar Lestari, PT Nusa Jaya Perkasa (AMS Ganda Group), independent smallholders and agents (PT, CV or independent). According to list, it was 27 FFB third parties suppliers.

Amongs LOA implementation such as:

- Non-standard FFB (rejected) were recorded and returned to the suppliers.
- FFB price has follows Indeks K meeting results issued by Estate Crop Agency of Kalimantan Barat. According to payment form to Cooperative Tuah Jubata and Cooperative Mekar Lestari in August 2016, it could be concluded that the company has follows Indeks K meeting results.

All documents mentioned in Indicator 4.1.4 were saved in Mill Commercial Unit.

4.1.3 Minor | **Status: NCR No. 2016.4 with minor category**

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

Procedure of soil fertility management was presented in Agronomy Manual Reference Chapter 3 about oil palm manuring. The procedure mentioned that type of fertilizers, dosage and frequency application shall be derived from Agronomist recommendation, based on leaf nutrient analysis. Leaf and soil sampling should be conducted annually and every five years, respectively. Records of fertilizer application was presented in monthly fertilizer requirement and usage report.

According to semi detail soil survey report conducted by Param Agricultural Soil Surveys (M) Sdn. Bhd in September 2014, it was concluded that 99.90 % of operational area was classified as deep peat (peat depth >3.00 m) while the rest was medium (peat depth ranged from 1.50-3.00 m). Water management in such area was strongly recommended. Based on field observation, it was found that some water management application has been implemented such as field drain installation with ratio 1:2; 1:4 and 1:8 (depend on field condition), collection, main drain and watergate installation as well as piezometer and subsidence poles monitoring. Estate management unit stated that those water management has applied since the very first time of land clearing and preparation.

4.2.2

Record and report of daily fertilizer application was presented in manuring program which recommended by Agronomy Division team. The report informed year of planting, Block of application, number of palm, hectarage, type of fertilizers recommended, dosage and time of application. Daily report is later on to be compiled into monthly schedule manuring report. According to the document, fertilizer recommended are RP, NPK, Urea, Borate, CuSO₄, MOP and Dolomite. For example, based on August 2016 report, presented as follows:

- Total application of NPK in Block B131 Divisi II immature area was 4,350 kg or about 99.50 % from the 2016 budget. Dosage recommended was 1.50 kg/palm/year.
- Total application of NPK in Block 117E Divisi I (planted in 2010) was 3,350 kg or about 99.26 % from the 2016 budget. Dosage recommended was 2.25 kg/palm/year.

Based on monthly report, it could be concuded that actual fertilizer application were generally applied ontime. Some spotted area with nutrient deficiency symptoms had identified and corrected by Agronomist. Regarding this matter, additional ferlitizer schedule were given to overcome the situation. Some fertilizers might be substitute due to its lacking stock in the warehouse.

4.2.3

Leaf and soil sampling for manuring program has carried out by Division of Research and Development (R&D) EMU Laboratory Wilmar International Plantation. Analysis results of leaf and soil sampling for BPK Estate were presented in documents Ref. No. 36/Daun/V/2016/BPK dated June 30th 2016 and Ref. No. 17/Tanah/XI/2014/BPK dated Desember 22nd 2014. Both documents were signed by Laboratory Senior Assisstant manager. Parameter tested on leaf analysis are macronutrients content (N, P, K, Mg and Ca) as well as micronutrients content (B, Cu, Zn and Fe). Meanwhile for soil analysis parameter tested are pH, C organic, N total, P bray, P total, Exchange kation (K, Mg, Ca, Na), CEC and soil texture.

4.2.4

The company has strategy of by-products application, such as EFB POME, bunch ash and fibre for nutrient cycle purposes. However, nutrient cycle were came from biomass stacking during replanting activity, fronds heap during harvesting and legume cover crop planting, which will be degraded after covered by oil palm canopy.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.4 and 4.3.6

The company has able to shows a proper soil map of PT BPK (scale 1:50,000) which derived from semi detail soil survey activity, conducted in September 2014 by Param Agricultural Soil Survey. The map informed that 99.90 % of operational area was classified as deep peat (peat depth >3.00 m) while the rest was medium (peat depth ranged from 1.50-3.00 m). Thus, it could be concluded that those deep peat areas has classified as fragile.

In response of deep peat presence, the company has strategy which presented in procedure No. SA 02/WIP-KB/0/2010 about peat menegement. Procedure mentioned that the company shall manage water level recording and controlling at 50-75 cm, as well as water table and peat subsidency monitoring. The former measurement has conducted daily while the latter was annually. Apart from that, several technique were also recommended such as soil compaction and hole-in-hole planting technique.

Based on field observation on Water level monitoring gauge in Blocks 8E/14 A and 7E/15A as well as piezometer and peat subsidence pole in Block 27E Divisi II, it could be concluded that:

- Water level gauge in drains for water level monitoring were not properly installed. Position on point 0 were not parallel with oil palm planting base. Hence, monitoring measurement results considering inaccurate.
- Measurement devices in piezometer station was not available.
- Subsidence pole was not properly installed which may lead to inaccurate results. The poles are required to be installed firmly into the mineral substratum.

The three points above were noted as **Non-conformity No. 2016.5 with Major category**.

Regarding land cover crop management, Agronomy Manager has issued a Memorandum dated April 21st 2016 about planting of fern namely *Neprolephis bisserata* as substitute to legumes. This fern has choosen by considering that the legumes is hardly growth under peat moist anaerob condition.

4.3.2

Based on the map given, it could be concluded that slope condition in PT BPK were mainly flat (0°-2°). Hence, the company has no strategy on hilly to steep slope areas.

4.3.3

The company has able to shows document of road maintenance program and realization for 2016 which updated every month and approved by EHS, field Controller (FC) of Heavy machinery and Estate Manager. The document has describes location of maintenance and its recapitulation. For example, report on August 2016 informed as follows:

- Road maintenance has been carried out on March and August 2016 in Block 34 for totaling 2.00 km (1.00 km on each main and collection road). This achievement from the 2016 budget was about 43 %.

- Road maintenance has been carried out on March 2016 in Block 105 for totaling 0.60 km (0.20 km in mainroad and 0.40 km in collection road). This achievement from the 2016 budget was about 46 %.

Based on field observation, road condition and bridges were considering satisfactory and easily accessed.

4.3.5

The company was able to shows drainability study which carried out by Agronomy team in November 2015, with conclusions as follows:

- According to land altitude and geographical aspect, PT BPK is situated on 3.58-7.91 m above se level, thus considered suitable for oil palm cultivation.
- Drainage installation should be intensively carried out.
- Drainage system maintenance to be consistantly continued.
- Installation and monitoring of stop bund/weirs are to be maintained.
- Installation and monitoring of water gauge and water gate for water level monitoring are to be continued.
- Proposal on water bund installation in some critical areas where prone to floods.

4.3.4 Major | **Status: NCR No. 2016.5 with major category**

4.4

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

4.4.1

The Company has established a water management plan period in 2015, described in the document related to the source and quality of drinking water quality in PT BPK including decreased quality and quantity of water as a result of the activity of mill and plantation. Described in the document related to the estimated needs and the use of water for estates and mills operations, system control and water conservation, distribution system inspection, detection, leakage and repair, recycling water, emergency management and the dry season plans.

The company has been implementing monitoring of surface water quality in rivers (Upstream, downstream) landak river, Malaya river, gotong royong trench, kongsi trench, ampening trench, tempayan river. The monitoring results for the 1st half has been included in the report monitoring management plant (RKL and RPL) first half of 2016. From the test results it is known that the levels of BOD and PO4 at all points of the samples exceeded the quality standards established this is because the plantation area of PT BPK an area of peatland so it affect the quality of surface water

4.4.2

PT BPK has made Distribution Map of Rivers described in HCV map with a scale of 1: 60,000 showing the location of the Conservation Area which includes the presence of a river flowing in the working area of PT BPK. Watersheds have been designated as protected areas, based on the identification known that the area is:

| Location | Wide (ha) |
|--------------------|-----------|
| Malaya Creek | 0.01 |
| Tenaga Baru Trench | 0.17 |
| Malaya River | 4.23 |
| Kongsi Trench | 0.22 |
| Ampening Trench | 0.53 |
| Landak River | 2.74 |
| Tempayan River | 0.06 |

Protection of the flow of water and swamp areas has been described in the SOP companies related to the management of riparian (SOP17 / WIP-KB / (0) / 2015 dated October 2015) and SOP spraying (PSKK02 / WIP-KB / (0) / 2011) which states that the ban on spraying in the watershed and riparian.

Based on the results of field trips on the tempayan river and the malaya river known spraying is not found in riparian besides there are information boards and a ban in the area. In addition the company has been implementing socialization and planting

of tree exampe: Socialization of spray boundary has been done by the company on 28 oktober 2016 with the number of participants as many as 21 people . Tree planting Angsana, for example, on February 12, 2015 planting of 70 trees, and on 3 March 2015 as many as 20 trees in block 10 A division 1. Installation signpost ban in Div 1 riparian Malaya.

4.4.3

For WWTP management company has had waste-water pond SOP (SOP / BPK- MCC / 002/0213) which was approved by the mill head with dates apply from 1 April 2013. The purpose of this SOP is an operation of waste correctly and precisely to obtain optimum processing results so that if the waste water in accordance with effluent standards applicable. Waste water generated by the operations of factory are managed first at the WWTP, stage of waste water management starts from cooling tank then channeled from the pool 1 up with a 9 and then flowed into pool 10 as pool indicator of later wastewater already met the standard in waste to the river. Based on the analysis results for January to June 2016 the effluent standards in accordance with applicable regulations

Table test results wastewater 2016

| Parameter | standart | January | February | March | April | May | June |
|-----------|----------|---------|----------|-------|-------|------|------|
| BOD | 100 | 81 | 93 | 90 | 86 | 91 | 90 |
| COD | 350 | 128 | 132 | 127 | 124 | 148 | 142 |
| TSS | 250 | 107 | 174 | 148 | 122 | 163 | 104 |
| oil | 25 | 3,6 | 3,8 | 4,4 | 4,2 | 4,3 | 4.3 |
| N total | 50 | 24,8 | 16,7 | 28,3 | 20,6 | 18,2 | 27,6 |
| pH | 6-9 | 7,98 | 8,0 | 8,0 | 8,0 | 8,0 | 8,11 |

4.4.4

The results of field visits indicate that there are measuring devices of water usage (flow meter) works fine. Monitoring water use is done every day and every month recapitulated Average water consumption in January - August is 1,29 meter³ water per ton FFB from budget 1,62 meter³ water per ton FFB

Status: Comply

4.5

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

4.5.1

The program of integrated pest management (IPM) was presented in annual budget and longterm budget for the next five years. The IPM activity has covers detection (early warning), census, biological and chemical control. The 2016 IPM program for BPK Estate was signed by Agronomy Manager. Amongst pest monitored are leaf eating caterpillar (LEC), rat, termite, tiratabha and oryctes. Records of IPM activity is presented as follows:

- Detection document which describes pest and/or diseases incidence, which could be used as basic for census.
- Census of LEC's such as *Mahasena corbetii*, *M. Plana*, *C. pendula*, *Dasycira* sp., *Darna trima* and *Setora nitens*. Record in January 2016 shows that number of incidence were still below the economic threshold. Thus, there was chemical application for LEC population control.
- Census of termite in June 4th 2016 shows that incidence which categorized as medium and severe were noted in Block 102C. Chemical control was immediately taken to overcome and preventing such worse situation. In order to evaluate effectiveness of chemical application, monitoring by census was carried out on June 11th 2016. The results shows that the number of termite incidence has decreased below threshold and effective to prevent spreading incidence.
- Census of rat in April 2016 shows that high incidence (20.14 %) was noted in Block 231E. Application of rat bait (coumatetralyl 0.035 g) has recommended by Agronomist and carried out immediately.
- Census of thiratabha on July 7th to 8th shows that high incidence (7 %) were noted in Blocks 125E and 126D. Application of Dipel 80SC had carried out in July 21st to 22nd to overcome this situation.
- Census of oryctes on August 12th to 13th shows that medium incidence (15.33-16,56 %) were noted in Block 212A/B. application of Cipermethrin had conducted in August 10-12, followed by 18-20 August 2016.

The company has implementing biological control, as presented on several documents for example as follows:

- Official report on barn owl nest installation in Blocks 113C and 112A in Divisi I and Blocks 131A and 129C in Divisi II, at April 4th 2016.
- Monitoring of barn owl nest was carried out every two month. According to February, April, June and August 2016 records, it was informed that there were no single nest had occupied by barn owl.
- Up to July 2016, realization of *Cassia cobanensis* and/or *C. tora* planting in Divisi I were about 1,115 plants and planting of *Turnera subulata* and/or *T. ulmifolia* were about 3,350 plants.
- Up to July 2016, realization of *Cassia cobanensis* and/or *C. tora* planting in Divisi II were about 700 plants and planting of *Turnera subulata* and/or *T. ulmifolia* were about 2,900 plants.

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and rotate the use of pesticides for the same target. For example, in term of broad leaf control, the use of Glisat (Isopropyl amine glyphosate) could be substitute with Tiara (Methyl metsulfuron).

4.5.2

In order to maintain pesticide applicator knowledge and skills, the company has conducting several internal trainings, for example as follows:

- Training of OHS, first aid, RSPO, HCV and best pesticide spraying has conducted on March 10th 2016 in Block 10A Phase 1 Divisi I. The training was delivered by Environment Health and Safety (EHS) Division team and Field Conductor (FC). According to attendance list form, the number of participant was 13 pesticide applicators.
- Training of OHS, first aid, RSPO, HCV and best pesticide spraying has conducted on August 7th 2016 in Block 4B Phase 2 Divisi I. The training was delivered by EHS team and FC. According to attendance list form, the number of participant was 10 pesticide applicators.
- Training of water tank spraying calibration on April 15th 2016 in Div. Workshop yard. The training was delivered by EHS team and FC.
- Training of spraying cap PB-16 calibration. The training was delivered by EHS team, FC attended by 10 pesticide applicators.
- Training of introduction of IPM on June 29th 2015 in Divisi 1, attended by 8 workers.
- Training of introduction of IPM on September 12th 2015 in Divisi 2, attended by 12 workers.
- Training on best practices spraying and house keeping on March 10th 2015, attended by 13 workers.

Based on interview with pesticide applicators in Block 28 Divisi II on application of Glisat and Tiara, it could be concluded that the applicators were able to explain and demonstrate its job such as PPE used, wind flows and spraying, target of pesticide and safe pesticide mixing.

Status: Comply

4.6

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

4.6.1; 4.6.3 and 4.6.4

Agronomy Reference manual mentioned that the use and monitoring of pesticides uses shall fulfilled occupational health and safety (OHS) principles, and should be in accordance to OHS procedure. The use of pesticides must be derived from periodic census analysis and/or Agronomist recommendation. The company was able to shows census records that used as justification for agrochemicals user for pest population control purposes (further detail is described in Indicator 4.5.1).

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control, the use of Glisat, Glibas and Glinat (Isopropyl amine glyphosate) could be substitute with tiara (Methyl metsulfuron). Moreover, apart from chemical control, biological control has also adopted by the estate, such as planting of beneficial plants (*Cassia* sp. and *Turnera* sp.) for LEC control and involving barn owl (*Tyto alba*) for rat population control. Further detail on IPM Implementation regarding pesticides uses is presented in Indicator 4.5.1.

According to list of pesticides used in 2016 and records of pesticides used in 2015 and 2016, it could be concluded that there were 14 brands of pesticides which consist of 10 type of active substances, e.g. Isoprophyl Amine Glyphosate 480 g/l, Ammonium Glufosinat 150 g/l, Methyl Metsulfuron 20 WG, Triclophyr Butoksi Ester 480 g/l, Cypermethine 50 g/l, Fipronil 50 g/l, Carbosulfan 5 %, Mankozeb 80 %, Propineb 70 % and Coumatetralyl 0.0375 %. There was also pesticide with biological active

substance namely *Bacillus thuringiensis*. Those pesticides mentioned were listed in the book of pesticide commission 2016 issued by Department of Agriculture, Republic of Indonesia.

According to data of pesticides used in 2015 and 2016, it could be concluded that only Tikumin (Coumatetralyl 0.0375 %) which was include in Class 1B Appendix III WHO. The rest pesticides used were not classified into Class 1A and/or included in Convention of Stockholm or Rotterdam and Paraquat. In order to minimize Coumatetralyl uses, the estate has reduced the use by adopting barn owl (*Tyto alba*) for rat population control.

4.6.2

The program of IPM was presented in annual budget and long-term budget. The program has projecting on detection, census and evaluation, biological and chemical control activities. Records of pesticide used was presented in monthly pesticides used in 2016 of PT BPK. The record has describes and informs name of pesticide, active ingredients, LD-50 (oral, dermal and inhalation), quaity used (ha, litre, kg and use/ha), mothly used and its recapitulation. For example, according to report on August 2016, it was informed that the total volume and active substance used of Glibas (Isoprophyl Amine Glyphosate 480 g/l) were 144 litre and 0.05 l/ha, respectively. Moreover, LD-50 for oral, dermal and inhalation level were > 3,750 mg/kg; >2,000 mg/kg and >20.00 mg/l, respectively.

The company has program on pesticide used reduction on a per hectare basis. For example, program of pesticide used for Isoprophyl Amine Glyphosate 480 g/l and Ammonium Glufosinat 150 g/l were 0.90 and 0.20 l/ha, respectively. As per August 2016, realization of both pesticide were 0.85 and 0.18 l/ha, respectively.

4.6.5; 4.6.7 and 4.6.9

Agronomy Reference manual mentioned that the use and monitoring of pesticides uses shall fullfild occupational health and safety (OHS) principles, and should be in accordance to OHS procedure. Several safe pesticides handling training has been given, for example as follows:

- Training of OHS, first aid, RSPO, HCV and best pesticide spraying has conducted on March 10th 2016 in Block 10A Phase 1 Divisi I. The training was delivered by Environment Health and Safety (EHS) Division team and Field Conductor (FC). According to attendance list form, the number of participant was 13 pesticide applicators.
- Training of OHS, first aid, RSPO, HCV and best pesticide spraying has conducted on August 7th 2016 in Block 4B Phase 2 Divisi I. The training was delivered by EHS team and FC. According to attendance list form, the number of participant was 10 pesticide applicators.
- Training of water tank spraying calibration on April 15th 2016 in Div. Workshop yard. The training was delivered by EHS team and FC.
- Training of spraying cap PB-16 calibration. The training was delivered by EHS team, FC attended by 10 pesticide applicators.
- Training of introduction of IPM on June 29th 2015 in Divisi 1, attended by 8 workers.
- Training of introduction of IPM on September 12th 2015 in Divisi 2, attended by 12 workers.
- Training on best practices spraying and house keeping on March 10th 2015, attended by 13 workers.

Based on field observation on application of Glisat and Tiara for palm cirle and harvesting path upkeep and interview with pesticide applicators in Block 28 Divisi II, it could be concluded that the worker were able to explain and demonstrate their jobs, such as PPE used (as recommended by MSDS), wind flows factor and spraying technique, target of pesticides, safety pesticide mixing technique. The workers also stated that PPE's were provided by the company, stored on a special storage room and not allowed to bring it home, and has been provided the facility for cleaning up after work. Moreover, the Mandore was able to explained transportation, storage, flows of pesticide handling, first aid on pesticide incidence or accident, pesticide mixing technique, tools maintenance, handling of hazardous materials from agrochemicals and cleanliness. Based on observation to agrochemical warehouse dated September 27th 2016 and stock balance record at the same date, it could be concluded that the pesticides stored were suits with the record.

4.6.6

All pesticides wastes (container) were collected and stored on the permitted hazardous waste materials warehouse. The storage shall be classified based on material characterictics and recorded on a logbook of balance stock. The hazardous materials (ex pesticides container) will be collected by permitted hazardous materials collector, namely PT Mitra Karya Surya Kencana.

Based on field observation to hazardous materials warehouse in Estate and Mill and housing complex, it could be concluded that ex pesticide containers has managed properly, in line with Government Regulation (PP) No. 101 year 2014, such as placed on the permitted warehouse, MSDS were available on the hazardous warehourse, no evidence of reuse for domestic purposes, trash bin and flower pot. Records of ex pesticide containers management is presented in Indicator 5.3.2.

4.6.8

According to pesticide application program and field observation on pesticide application activity, it could be concluded that the company has only applied pesticides using *Knapsack/spraying*, not spreaded from the air.

4.6.10

The company has had a management document B3 and LB3 (SOP 19 / WIP-KB / (0) / 0610 effective date of January 2011). In the procedure section hazardous waste explained that the temporary storage of used pesticide containers are stored at temporary Hazardous Warehouse. The Company has conducted socialization activities hazardous waste management and there are examples of the implementation of socialization which is dated 17 May 2016 has been conducted socialization to employees with SOP socialization material hazardous waste management and control hazardous waste carried on division 2 and followed by 10 people

4.6.11

The company held a health examinations for all employees who use pesticides in accordance with the existing list of pesticide operator, the examination including *Cholinesterase* test. The results of medical examination shown that there are 3 people have mild health problems that have been followed up by the company to carry out examinations by doctors and medically recommended for transfer to other job that are not related to chemicals, use of PPE and following medical examination next year. It similar with the results of interviews with applicator who admit to having a health check and have delivered the results of the medical examination. Based on interview also known that is not identified the spraying workers have skin desease or itches.

4.6.12

The Company has a policy concerning the substitution of employment for pregnant and lactating women. In the document mentioned that pregnant and lactating women are not employed in spraying and fertilizing or other chemical use activities. The company has been conducted pregnancy checked periodically in three monthly basis to female workers by paramedics. From the results of field visits are not identified pregnant female workers or lactating.

Status: Comply

4.7

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

4.7.1

The Company has a safety and health policy endorsed by the Health and Safety Group Head Plantation in 2010, which was written in Indonesian includes a commitment to prevention of risk to health and safety of workers. Safety programs in 2016 includes a review of the sfaety aspect, safety inspection, safety meeting, provision of PPE, fire simulation, safety training, health examination etc. Policies and safety programs has been socialized to all workers according to documentary evidence and interviews with employees. Implementation of the safety programs evaluated regularly once a month in monthly meetings.

4.7.2, 4.7.7 & 4.7.5

Document of Hazard Identification and assessment of risks for 2016 have been prepared and covering the entire operational activities. The Company also has a safety procedures such as SOP 31/WIP-KB/(0)/2011 apply in January 2011 including the provision of PPE procedures by the company, checking on the field and replacement if damaged. The Company also has Emergency Response procedure and handling accidents that explain the prevention of emergencies, covering the main potential causes of emergencies that's not limited to fires, chemical spills, and the main potential natural disasters. The Company has fist aid officers who had attended the first aid training and provide fist aid boxes and monitored regularly.

The company has conducted workplace environment testing including noise level, vibration and volition, based on testing report know that the noise level in boiler station 89.2 dBA and Sterilizer station 91 dBA.

The company has implemented all control plans to prevent hearing loss such as for engineering control by installing the soundproof room for operators, machinary maintenances in regularly basis, and administration control by established the standart procedure opertional, installing the signboard and training for operators who work at high noise level.

The company carries out monitoring of workplace accidents on a regular basis with a lost time accident analysis. During the period of last 12 months known accidents are lightweight category with days lost <2 days. A Company conduct investigations of workplace accidents as the evaluation and prevention of accidents in the future. Monitoring of workplace accidents are routinely submitted to the Labor Department of Kubu Raya District.

Based on interviews with employees recognized that the company has been providing safety socialization and the employees understand of safety procedures, emergency procedures and precautions against any risk of harm has been applied as in the spray workers who use PPE according to risk level. From the results of field visits also found the foreman had brought first aid box.

4.7.3

All workers are trained in safe work practices. In this case the company has developed a safety training program 2016 include simulated fire, safety basic training, and first aid training. The training was conducted safe working practices including health and environmental risks resulting from exposure to pesticides, the symptoms of acute and long-term exposure, including the most vulnerable groups such as young workers and pregnant women as well as how to minimize exposure to workers and their families. The Company has also provided training for specialized staff such as heavy equipment operators, welders, electricians, Hiperkes paramedic, first aid officers and boiler operators. But the company is not enough to have a licensed boiler operator on every shift in accordance with applicable regulations. It becomes **non conformance NC 2016.6**

The company provides PPE to employees in accordance with the potential risks of each type of work and do regular checks. The PPE provided by the company and replaced if damaged. From the results of field visits, workers have been using the PPE according to risk types and wear PPE in decent condition. The workers has been trained well regarding to the PPE use, for e.g. training on 20 Sept 2016.

The company has monitored the level of noise exposure to workers routinely in annual basis, the type of test is audiometry test wich conducted with OHS Services Agency, the latest test conducted in 1 June 2016. Based on interview and document check there is no found any workers who workers with hearing impairment due to exposure to noise.

4.7.4

The company has had the personnel in charge of safety in safety organization which was approved by labour agency of Kubu Raya District and safety secretary had been trained as a general safety expert. The organizations regularly hold meetings every month to discuss and evaluate safety programs.

4.7.6

Accident insurance Policy is available in the Company Regulations and has been applied by the company to provide assurance occupational accidents, death, old age security, health and pension. Based on interviews with employees and labour unions note that the company has been involve all employees in employment insurance. But the company has not been able to show proof of health insurance program for 4 mill employees and 94 employees of estate. It becomes a **non conformance NC 2016.7**.

| | | |
|--------------------|--|--|
| 4.7.3 Major | Status: Non conformance NC 2016.6 with Major category | |
| 4.7.6 Minor | Status: Non conformance NC 2016.7 with minor category | |

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

4.8.1 & 4.8.2

Workers training is described in the Company Regulations. There are also training procedures, including procedures to identify training needs and training procedures such the identification of training, the filing of training, training and training evaluation matrix and the person in charge is the Personal General Affair (PGA, heads of departments and heads of units. Types of training include awareness training RSPO, basic training, competence training, training methods, in house training, general training, evaluation of the effectiveness of training and training records

The Company has identified training for all employees, setting up training programs in 2016 that include health and

environmental risks resulting from exposure to pesticides, symptoms of long-term exposure and ways to minimize worker exposure. The program also includes technical management and operational productivity. Companies have saved document implementation of the training conducted regularly once a year and based on interviews with employees while testing of fire fighting equipment is recognized that the officers have been trained in fire management. It is also recognized that the foreman in the harvest, fertilizer and spray activities have had training and can demonstrate first aid action.

Status: comply

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

5.1

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

5.1.1

PT BPK has had Environmental documents in the form of EIA documents consisting of the Document Main Report, the Environmental Management Plan (RKL), Environmental Monitoring Plan (RPL) and Executive Summary. In the EIA document has outlined a plan description of the activities of the business or activity

- Stages of preparation / pre-construction; licensing, feasibility studies, project dissemination activities, boundary demarcation and land acquisition
- Stage physical development / construction; mobilization of heavy equipment and manpower, land clearing arrangement division and block, orchard road network construction, land clearing
- Physical development non crops: roads and bridges, drainage channels, office and residential buildings, the construction of a palm oil processing factory and WWTP

The document has been approved by the EIA Commission and Regents Pontianak Pontianak regency in accordance with the Letter No. No. 660.1/024.a/IV/DLHESDM-B date of 08 April 2004. with a total area of 6814.96 ha project consists of 4814.96 hectares as estates and 40 ha for processing by the Company core area and 2,000 ha for smallholder. Mill capacity that the scope of the study is 30 Tons FFB / Hour is planned to be built outside the plantation area.

Based on the daily maximum processing of data every month for the past 12 months: there is a capacity that exceeds permit, for example, year-todate for 2016 amounted to 31.45 tons / hour. So the implementation of processing has exceeded the processing capacity as specified in the document EIA 2004 It becomes a non conformity NCR No. 2016.8 major

5.1.2

Based on the Environmental Impact Assessment has been prepared, it has developed a plan of Environmental Impact Management Plan (RKL) as a guide for the implementation of Environmental Management in the company's operations. In the matrix of environmental management plantations and palm oil mills have described significant impacts are managed, the source of the impact, the weight and measure of impact, location management, prevention and mitigation of negative impacts, maintain and develop the positive impact, the time and the period of management, implementing management. As evidence of implementation, PT BPK has compiled the Report of the management and monitoring environment (RKL-RPL) periodically every six months as stated in the EIA documents and has been reported to the relevant agencies. The Company has submitted reporting 1st half (RKL and RPL) to the Environmental Agency of Kubu Raya, West Kalimantan Provincial Environment Agency, the Agriculture Agency Kubu Raya district, Kubu Raya Regent Office. There is evidence of a receipt document dated September 23, 2016.

5.1.3

The Company has conducted a review management and environmental monitoring (RKL and RPL) 2015 on 23 December 2015 by the management unit. Results of the review are known, there are several additional points of management and environmental monitoring are:

- Management of a decrease in air quality and noise
- Waste management / waste

5.1.1 Major

Status: Non Conformity NCR No. 2016.8 Major

5.2

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

5.2.1

The company has had identification documents HCV in High Conservation Value Assessment Report in PT. BPK, Kubu Raya, West Kalimantan Province. Identification was done in cooperation with PT. Remark Asia in 2015 with the composition of the team as follows;

1. Yokyok Hadiprakarsa (ALS15019YP) as Licensed HCV Assesor
2. Wawan Gunawan (environment expert)
3. Eno Sumarno (Social expert)
4. Adi Wijoyo (GIS / Remote Sensing)

Preparation of documents HCV done with reference to the Guide Identification of HCV (HCV Toolkit Indonesia Consortium Revised 2008). Implementation of field surveys conducted in March-July 2015 with the implementation of public consultation on 17 April 2015 followed by 29 participants coming from the surrounding villages such as kubu padi village, melaya timur villages, traditional leaders, sungai enau village. The company could not show proof of identification existence compiled HCV Peer Review has been carried out as stipulated in Identifikasai Guide High Conservation Values in Indonesia in 2008. It become nonconformity NCR No. 2016.9 major

The company has mapped the area HCV in the operational map with a map scale of 1: 25.000 in the the map explained that the HCV area determined by the company is covering an area 11,32 Hectare. Based on the document Identification of HCV is known that in the area of PT BPK showed that areas identified HCVs ie yaitu HCV 1, HCV 2, HCV 3, NKT 4, NKT 5, NKT 6

5.2.2

From the results of the identification of species of flora and fauna identified 18 species protected by the first items included Into the category of critically endangered and is Trenggling (*Manis javanica*) and HCV area of the swamp forest Peat and riparian in the company areas. The Company has established a Management and monitoring of HCV PT BPK-year plan 2016-2020 goal was to become a reference in the implementation of HCV management areas in PT BPK as well as reference document in the implementation of the management and monitoring of HCV Area. Based on the work program document PT BPK at the known that the company has had HCV management work of planning as follows

- Rehabilitation of riparian
- Patrol HCV
- Monitoring of fire
- Socialization HCV

Examples of implementation of HCV patrol as it has been implemented on 10 August 2016 at malaya river block 210 dan 101 , rumah adat Padagi di block 022B. based on reports from patrol in mind that no spraying activities in the river and sign board HCV maintenance. Based on field visit on the Malaya river and the Tempayan river known spraying is not found at the of riparian and there is already an information board and a ban in the area.

5.2.3

The Company has a policy to protect species of wildlife protection RTE SOP SOP No. 15 / WIP- KB / (01) / 2015 in the SOP consists of

- Must not nurture or kill wildlife well protected by the provisions of the state and are not protected without permission Companies
- Not allowed to trade in wildlife is well protected and unprotected
- Sanctions which apply where the employees found guilty of forbidden things are like the above explanation for protected species according to the law and PP respectively penalized SP1 - 3 up to termination of employment (FLE)

The Company has established a training program and socialization to employees dialam document annual training for employees in 2016. Examples of the implementation of the company showed evidence of the minutes of the implementation of socialization as follows

- On 17 May 2016 has been conducted socialization to employees with HCV socialization material, held at the divisions 2 and followed by 10 people.

- On 25 May 2016 to be disseminated and the presence of HCV and wildlife at the PT BPK held at the division 1 followed by 9 participants

5.2.4

The company has been carrying out regular monitoring and based on the results of monitoring of the 1st half of 2016 found nine species of birds, seven mammals, 4 reptiles, and pangolin (*Manis javanica*) was found based on these observations. Documents wildlife monitoring has been put in managemen and manitoring environment report (RKL and RPL) semesters 1 and has been reported to Environment Agency (BLHD) at Kubu Raya district. Based on the results of the evaluation in the report described the company is committed to maintaining the area as the place to support the sustainability of the existence of wildlife found in the company. The company seeks to increase public awareness and employees about the importance of wildlife.

5.2.5

Plantings done long before the identification of HCV. On the legality of the land, there is no longer an area HCV who are in the land of local communities and indigenous peoples. At the beginning of the plantation land acquisition has been done to the community lands into plantations.

5.2.1 Major | **Status: Nonconformity NCR No. 2016.9 Major**

5.3

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

5.3.1

The company has identified waste generated both in plantations and factories. Provided a list identifying hazardous waste PT BPK activities, as follows:

- Estates: chemical spills, wastewater used washing spray equipment, spills fertilizer, used sacks of fertilizer, spills of used oil, chemical packing, filters used, dirty oil, used oil, cotton waste scrap, oil drums, battery scrap, used gloves, used lamp, paint cans, a former printer, a former container herbicide.
- Factory: the entire B3 and its source have been identified include: light Nenen, spilled used oil, used gloves, spilled oil, spilled CaCO₃, spilled chemicals, jirigen former chemicals, fabric cotton waste scrap, used sacks and cans of paint.

5.3.2

The company has had a SOP management of hazadous material and hazardous waste material with no documents SOP 19 / WIP-KB / (0) / 0610 which take effect in January 2016 has been approved by the General Manager. The documents described in all of Hazardous waste is storage at Hazardous waste temporary warehouse and then transferred / transported / used again or managed by other parties who have had permission from the environmental agency

Used materials chemical containers stored at the Hazardous waste temporary warehouse. Hazardous waste temporary warehouse in estate has permit from BPMPT Kubu Raya distric No. 503/002/BPMPT-E/B3/2015 date of 28 August 2015 and valid until 28 August 2020. Hazardous waste temporary warehouse in Mill has permit from BPMPT Kubu Raya distric No. 503 /006/BPMPT-E / B3 /2016 date 15 august 2016 and valid until 15 August 2021

The Company has a partnership agreement with a licensed collector hazardous waste is to PT Mitra Karya Surya Kencana. In the agreement explained that all hazardous waste produced by PT BPK will be transported by a collector (PT MKSK). This agreement has a validity period up to December 31, 2016. PT BPK has shown balance hazardous waste september 2016, and in the balance sheet explained that on September 19, 2016 have been delivered hazardous waste to the PT MKSK. The type of waste shipped include 60 liters of used oil, old pesticide containers 120 pcs, 10 pcs of used fuel filter and used cloth rags 1 kg

5.3.3

The company has had the use of Solid Waste SOP with SOP document number / BPK- EHS / 012th / 2013. And apply from 1 May 2013 are described in the SOP

1. EFB delivered on estates. based on interviews with management known that the company will make a hole in the border in block E33 as landfill EFB
2. Fiber used as fuel for the boiler
3. The shell is used as fuel for boilers

The company has demonstrated document shells and fiber waste utilization period January to August 2016. Utilization month period January - August 2016 as 2840.04 tons of shells, and 7687.75 tons of fiber to fuel the boiler. For domestic waste management companies have provided Landfills at Block 143A to collect domestic waste and based on visits to the employee housing is not found burning waste

Status: comply

5.4

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

5.4.1

The Company has plans efficient use of fossil fuels and renewable energy optimization in the document:

1. Identify Sources of waste and GHG at the plant that contains measures for solid waste management pabri (fiber and shell) is used as a source of renewable energy
2. SOP solid waste utilization numbers SOP / CPC-EHS / 012/2013 of the Solid Waste Utilization

Implementation of utilization has been carefully monitored by officers Mill. The use of fuel and fiber shell and the use of fuel, the use of fiber and shell the period January-August 2016 is as follows:

- The average use of renewable energy for the fiber was 0.11 tons of fiber / ton FFB
- The average use of renewable energy for the body shell is 0.04 Ton fiber / ton FFB
- Average of fossil fuel use per tonne of FFB is 2.01 liters of diesel / ton FFB
- Average electricity use per tonne of FFB is 0.8 KWH / ton FFB

energy efficiency has been taken into account during the construction or improvement in all operating units using fuel design using the shell, fiber as fuel for the boiler and turbine use as a steam power plant boiler.

Status: comply

5.5

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

5.5.1

Commitment ban on burning in the entire operations of the company has been established in the policy Deforestation No, No Peat, No exploitation, published on 5 December 2013. In the document emphasized that the Wilmar Group operates a policy of non-burning, which is not allowed to burn activity at the time of land preparation for new planting, replanting and or all other activities. SOP replanting listed in the guidance document agronomic and oil palm plantations SOP WILMAR 2015, explained that the replanting is done by mechanical means and avoid any action the act of burning

5.5.2

The company can show an example work agreement replanting activities No. 18 / CPC-replanting / DIV-1/04/2015 dated 27 April 2015, the whole process of replanting is done by mechanical means from land clearing, chipping work, the overthrow of the stumps, stacking lanes and drainage.

Status : Comply

5.6

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

5.6.1

The company has had emission assessment documentation of all activities at the plant produced. Documents prepared by EHS officer and approved by the Mill Manager and estate manager

- emission source is plantation spraying of herbicide, Fertilization, Transportation, reception and storage of chemicals, operation and maintenance of the generator and the type of vehicle with CO emissions. CO₂, CH₄, N₂O
- MCC emission source is the activity of vehicles and machinery plant, wastewater treatment plant, the activity of storage, distribution and use of chemical, stacking jankos, housing activity and factory facilities CO, CO₂, CH₄,

The mil has monitored the smoke emission regularly per 6 months, the result are reported in monitoring environment (RKL&RPL) report. The mill also has been installed and monitored the smoke using Ringleman Smoke Observation Chart.

5.6.2

The planned reduction of greenhouse gas emissions covered under the Program and Environmental Management Action Plan that outlines the emissions reduction efforts through:

1. The planned reduction of herbicide use to lessen emissions in the estate
2. The planned reduction of fuel usage to reduce emissions at the mill
3. Water management plan to reduce the rate of peat subsidence.

Example implementation reduction of greenhouse gas emissions The company has built dams to regulate the water level. And the company has shown a map of the distribution of dams scale of 1: 25,000. the amount and that has been realized is 23 of 36 dams to be built

5.6.3

The company has tested the air quality carried out by health laboratories Health Department of West Kalimantan provincial government for the emission test results have been included in the report management and environmental monitoring (RKL and RPL) in each semester and reported to the agency environment (BLHD Kubu Raya regency). For the calculation of GHG have been reported each year to the RSPO. The Company has reported GHG calculation to Javin.tan @ rspo.org on 11 July 2016. The calculation method using Palm calculation of GHG calculator version 2.1. 1 and the result of the calculation as follows:

final emission value per product

- tCO₂ e/ t product CPO = 45,27
- tCO₂ e/ t product PK = 45,27

Status : Comply

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

6.1

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

6.1.1

The company has had SIA Document prepared by the company on 13 to 18 April 2015 in cooperation with PT. Remark Asia. constituent of Asian Remark: 1) Andri Santosa and 2) Risna Amalia. Scope of study: Management Unit PT. BPK, Four Villages around the estate, and cooperative smallholder PT. BPK. In the document SIA has explained that in the area there is a ritual pedagogy the Dayak indigenous peoples, and the customary annual ritual held jointly between traditional authorities and PT BPK. SIA is described in the document that the existence of PT BPK quite a significant role in supporting the growth and development of surrounding villages. The road plantation PT BPK has opened the remoteness of the kubu padi village and sungai enau village.

6.1.2

in the preparation of the document SIA study has involved 122 persons, 7 stakeholders, held five meetings FGD and public consultation, and 8 informal meetings in the form of focus group discussions and in-depth interview. Proof of the participation of the parties provided in the form of attendance lists of meetings and focus group discussions, meetings and focus group photo.

6.1.3 and 6.1.4

SIA document containing the management plan and monitoring social damapak as follows:

- The relationship and interaction with the communities, managed the PR premises intensive communication with stakeholders
- Certification of smallholdings; managed with seriousness management certificate
- CSR and rural development around; CSR better planning and participatory
- Handling conflict; managed to establish a conflict resolution mechanism
- The complaints mechanism and complaints; managed to establish communication media

The preparation of the company's CSR program has involved local community representatives to identify the programs needed

by the community so that it can appropriate and targeted. Examples of community involvement in preparing the CSR program is shown in the recording of the meeting on February 25, 2016 between the company and community Parit Na'im village of Sungai Malaya.

Based on interviews with building contractors who comes from the village about the company the Village Mega Timur sub district Parit Selatan. acknowledged that the company has provided the opportunity for local communities to be able to collaborate so that sufficient to provide welfare to the surrounding community. Plan prevention or reduction of negative impacts and promote positive impacts and monitoring the impact of the program has been presented in the 2016 CSR period, including:

- Normalization Program Trenches Ampening at Sungai Enau village
- Normalization Program Trenches kongsi at Sungai Enau village
- Program Distribution's 1000 food packages to the public markets around the company.
- Program Providing 75 water tanks to residents of Kampung Sungai Bebatang at Sungai Enau village
- Making the wellbore and the wellbore's home village residents Bebatang at Sungai Enau village
- Providing assistance for the construction of Nurul Hidayah mosque at Sungai Malaya Village

SIA document will be reviewed in the next period due to new drafting was completed in 2015. The SIA study has been mentioned and discussed the social impact of the plantation to plantation smallholders partners. There be some issues related to the presence of smallholders among others

- The Company has developed a pattern of smallholdings with KUD Mekar Lestari and Cooperation Buah Jubata
- Certification of smallholders who managed KUD Mekar Lestari become an important issue after the partnership with PT held for BPK.

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

Verification and updating against the list of stakeholders is conducted every year and when it changes. List of stakeholders can be shown, consists of 61 stakeholders, among others: the village head around the estate, Head of S. Ambawang, government agencies, police, Supplier, Hospitals, Village Unit Cooperatives, Contractors and community leaders.

PT BPK has Procedure Communication, Consultation and Coordination with External Parties. Described in SOP 58 / WIP-KB / (0) / 0915, approved by the General Manager and shall be effective as September 1, 2015.

Sighted SK No. 039 / BPK-HRR / SK-XI / 2015, adopted on November 1, 2015 on the designation of BM staff as in charge of communication and consultation with stakeholder of PT BPK. Job descriptions, among other things: recording and store all data information relating, and submit it to the relevant parties with neatly, safely, easy to control and can be responsible for righteousness.

BM Dept. consists of:

- ✓ BM Head at the level of Head Office consists of legal and licensing bureau, bureau of administration and reporting, agency partnerships, monitoring and environmental control agency and bureau CSR
- ✓ BM regional level consists of a section of law and licensing, partnership section, section agrarian, community development section, section supervision and control of the environment and the religious section.

The communication process is recorded in a logbook recording incoming mail, for the period of 2016, there were 141 incoming mail to BPK Estate. The letters include letter requesting the data / information, assistance request letter, letter of invitation and a license. The company has responded to the letters according to the predetermined time in the SOP.

Based on interviews with the community around mentioned that procedures for requesting information has not been been socialized widely, thus far requests for information made by contacting staff directly to Staff BM and Estates Manager of PT BPK.

Interviews with staff BM and document review shows that the socialization was conducted on July 5, 2015 for SOP of implementation mechanism of communication and consultation with the community, the minute of socialization has been signed by the head of the village, Danramil and police chief. Socialization is done in the Mega Timur Village and Sungai Malaya Village. Improvement of understanding through the re-socialization and refresh needs to be done by PT BPK to the local communities and other stakeholders, it has been noted as a OBSERVATION by the auditor. #OFI

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

Handling of complaints from all parties described in Procedure Management/Handling Complaints and/or Grievances, SOP 60 / WIP-KB / (0) / 0915 which was approved by the General Manager effective from September 1, 2015.

- Staff Administration of Complaint/Grievance (SAP2K), appointed, confirmed and given authority to charge and responsible administratively in managing grievances and complaints
- Tim grievance and complaints (TPKP) appointed, confirmed and given authority to charge responsible for the activities of completion of complaints or grievance received by the company

Whistleblower Policy No. KP 042 / DIR-KP / VII / 2016 dated August 5, 2015. In point 6 (protection for whistleblowers) explained that parties reported irregularities practice need not worry themselves out of work or harassment as a result of reporting referred to included even though the report is incorrect. But the company does not justify any accusations without sufficient evidence that malicious or harmful. MR of PT BPK has been understand and able to demonstrate regarding to RSPO Complaint System. All complaints and complaints submitted to PT BPK recorded in the logbook of complaints / suggestions / information. The logbook informs: Numbers, dates, names, complaints / suggestions / information and the resolution process. There is as many as 53 types of complaints / suggestions / information that is recorded until September 2016, has been fully taken up by the company in accordance with the specified time and the SOP.

Based on interviews with workers and consultations with stakeholders known that the company has responded to all complaints / suggestions / information submitted, the response has been made on time.

Based on interviews with the community around mentioned that procedures for requesting information has not been been socialized widely, thus far requests for information made by contacting staff directly to Staff BM and Estates Manager of PT BPK.

Interviews with staff BM and document review shows that the socialization was conducted on July 5, 2015 for SOP of technical guide of land acquisition, SOP of land dispute resolution, SOP of problem solving beyond of the land and compensation and SOP of management of grievance and complain. The minute of socialization has been signed by the head of the village, Danramil and police chief. Socialization is done in the Mega Timur Village and Sungai Malaya Village. Improvement of understanding through the re-socialization and refresh needs to be done by PT BPK to the local communities and other stakeholders, it has been noted as a OBSERVATION by the auditor. #OFI

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

The Company has procedure called the recognition and the company's commitment against the indigenous rights and legal rights of communities No. document SOP43 / PR / (1) / 0909 valid from September 2009 ratified by GM PT BPK.

Described in the 5.0 on the rights of indigenous peoples and traditional communities, section 6.0 describes the procedure for the making grievance by the public.

Land Acquisition Procedures No.: SOP01 / WIP-KB / (1) / 1215 effective date of January 1, 2015 was passed by the GM PT BPK. In section G described that:

- ✓ Socialization shall first conducted before land acquisition
- ✓ Conducting the process of verification of evidence of ownership of land to those who are willing to be released
- ✓ Conducting measurement, make a payment. Payment is made directly to the parties by signing the minutes of the

payment.

In section B points 2 explained that the equal treatment regardless of sex for adult women and married of the ability of in demanding their rights and without distinguishing between immigrant communities and the old community.

Process and results of any negotiated agreements and compensation claims are well documented, including the evidence of involvement of the parties concerned in the negotiations.

Based on interviews with the community around mentioned that procedures for requesting information has not been been socialized widely, thus far requests for information made by contacting staff directly to Staff BM and Estates Manager of PT BPK.

Interviews with staff BM and document review shows that the socialization was conducted on July 5, 2015 for SOP of technical guide of land acquisition, SOP of land dispute resolution, SOP of problem solving beyond of the land and compensation and SOP of management of grievance and complain. The minute of socialization has been signed by the head of the village, Danramil and police chief. Socialization is done in the Mega Timur Village and Sungai Malaya Village. Improvement of understanding through the re-socialization and refresh needs to be done by PT BPK to the local communities and other stakeholders, it has been noted as a OBSERVATION by the auditor. **#OFI**

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 Company applying wages by decree of the Governor of West Kalimantan and Calculation of overtime in accordance with the provisions of the prevailing wage. Based on interviews with employees and labour unions note that the company has implemented wage and overtime calculation in accordance with applicable regulations and is not identified violations of law related to wages. For example silp-pay of employee Code No.: BX/PBPK/0807/50 inform base salary (in accordance with Governor Decree), allowances, over time (in accordance with applicable regulation), incentive, etc.

6.5.2

Wage provisions are also described in the letter of employment agreement between the company and employees and signed by both parties officially. The company also has a company's regulation aproved by Labour agency of Kubu Raya District which explained payroll provisions, the rights and obligations of employees. At present the company with the labours union are formulating a labor agreement. **OFI**

6.5.3 & 6.5.4

The company provides housing and public facilities for employees including decent housing, first aid clinics, kindergardens, sports facilities, places of worship, play facilities, water facilities and electricity in accordance with the results of field visits in employee housing. For the needs of elementary and secondary schools are in the village and the company are provided school buses to transport children of employees to the school. Based on the results of interviews with employees are have no difficulty in obtaining basic needs at affordable price.

Status : Comply

6.6

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

6.6.1 & 6.6.2

The Company has a policy on Freedom of Association and current employees have formed a union based on the decree of Kubu Raya District labours union council dated 28 November 2012 and has been noted in the labour agency of Kubu Raya District on 21 December 2012. The union held internal meetings on a regular basis and also meeting with the company as a meeting to formulate a labor agreement on 23 September 2016. The labour union also conducted awareness of development or outcome of meetings with the company to employees.

Status : Comply

| | |
|---|------------------------|
| 6.7 Children are not employed or exploited. | |
| 6.7.1 The Company has established a policy stating worker age requirement does not employ children under 18 years. Based on the results of employee database verification and interviews with employees during the field visits and interviews with labour unions are not identified any employees under the age of 18 years. | |
| | Status : Comply |
| 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited. | |
| 6.8.1, 6.8.2 & 6.8.3 The company supports the principles of fairness and non-discrimination, including the right of local communities aiming to treat everyone with respect, free from unlawful discrimination and ethics. This policy is available to the public and are applied in the recruitment, training and promotion. Based on the results of employee database verification and interviews with employees during the field visits and interviews with labours union is not identified discrimination including discrimination communities/indigenous people and women and there has been no complaints of discrimination in hiring and promotion. | |
| | Status : Comply |
| 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected. | |
| 6.9.1 The Company has a policy that prohibits sexual harassment, grievance mechanisms and the handling of sexual harassment by taking action in a fair, thoughtful and confidential on all reports of sexual harassment. In applying these policies, the company has established a committee of gender as a forum for the empowerment of women who meet regularly. In interviews with the gender committee submitted that during this time there has been no complaints of sexual harassment. The Committee's has a program for the socialization associated with sexual harassment policy and the mechanism for handling sexual harassment to employees including counseling if there are women affected by sexual abuse. From interviews with gender committee is also known that women workers who are breastfeeding given permission to breastfeed and are not allowed to do the job using chemicals. | |
| 6.9.2 The policy toward the protection of reproductive rights has been provided and there is a policy of substitution of employment for pregnant and lactating women. In the document mentioned that the lactating and pregnant female workers not employed in type of work such as spraying pesticides, fertilizer, operate transportation and other jobs that give effect to the child/fetus. Pregnant examination held every 3 months against female workers to determine whether there is a pregnant female workers. From the results of field visits in the spray activity is not identified pregnant or breastfeeding female workers. | |
| 6.9.3 Complaints and response mechanism described in the Company Regulations which explaining that complaints submitted through their direct supervisor or indirectly. The company also set up procedures for grievance procedures demand and acceptance of complaints and complaints management mechanism. In a procedure known that the complaint made orally or in writing addressed recorded in the logbook and respond at least 2 weeks and the protection of the complainant (whistle blower. Complaint handling policy has been communicated to employees in accordance with the results of interviews with employees and labour unions. The Company recorded every complaint and respond shown in the logbook of employee complaints. In this case the company has an opportunity to improve the response to the complaint in accordance with a predetermined time limit. | |
| | OFI |
| | Status : Comply |
| 6.10 Growers and mills deal fairly and transparently with smallholders and other local businesses. | |
| 6.10.1; 6.10.2 and 6.10.3 Determining of FFB price was setted by Estate Crop Agency of Kalimantan Barat Province, which presented in official report of minutes of Index K and FFB price (depend on palm age) determination. For example, based on official report Period I in August 2016, it was informed that the price of CPO, PK and FFB per kg from 10-20 years old palms were IDR 7,136.55; IDR 6,386.58 | |

and IDR 1,617.14, respectively. The price informed were not includes tax.

Procedure of cooperation with FFB suppliers were preented in letter of agreement (LOA), which the content has covers definition in term of agreement, basic agreement, administration of FFB delivery, standard of FFB quality, grading, FFB acceptance, FFB price and payment, time of agreement, supplier insurance for FFB legality, environment aspects, OHS, norms and ethics of agreement, force majeure, conflict resolution, addendum of agreement and others. According to LOA review, it could be concluded that term of FFB proce and payment has in accordance to procedure No. 001/TBS-SOP/VIII/2015 about FFB purchasing.

The company was able to shows LOA of FFB purchasing with third parties, for example as follows:

- LOA with smallholder namely Mr. Lesmon Simbolon which presented in document No. 001/SPK-BPK Sei. Tempayan/PB-TBS/II/2016 dated January 2nd 2016.
- LOA with PT Indy Mandiri Globality which presented in document No. 013/IMG-BPK/TBS/K/IX/2016 dated March 21st 2016. Agreement was made for supply of 500 ton FFB from September 1st-13th 2016, (or approximately 38 ton FFB/day). The price agreed was IDR 1,690.00/kg FFB.

According to FFB payment receipt to Cooperative Tuah Jubata and Mekar Lestari, it was noted that the company has follows Province government regulation on FFB purchasing. Furthermore, Management of both Cooperative were stated that the FFB price payed were comply with Index K official report. Information of updated FFB price were presented in Pontianak Post newspaper. Issues and complaint regarding FFB price were never been happen. Transaction of purchasing has been carried out directly to the supplier, thus there was no other factors affecting FFB price.

6.10.4

FFB payment was conducted after the supplier has fullfild the quantity of FFB supplied and all of respective documents has able to be showed to PT BPK. Several documents related to FFB purchasing are presented as follows:

- Official letter of FFB purchasing counting from Cooperative Mekar Lestari for August 2016. This document were signed by 21 representative smallholders. The FFB price used was derived from Index K official letter of Province of Kalimantan Barat for period September 1st-15th and 16th-31st 2016.
- Invoice letter dated September 14th 2016 for FFB payment from Cooperative Mekar Lestari (includes taxes).
- Taxes invoice and FFB contacrt claimed recapitulation of Cooperative Mekar Lestari dated September 16th 2016.
- Bank payment dated September 23rd 2016 for the above matters.

Based on interview with Cooperative Mekar Lestari Management, it was stated that content of LOA were agreed by both parties and Issues nor complaint regarding FFB price, time of payment and conformity of FFB delivery counting were never been happen. In other words, both parties has considered satisfactory with the cooperation.

Several document related to FFB purchasing with other suppliers (other company) such as Official letter, recapitulation FFB Accepted recod, Invoice, Taxes Invoice and Bank check payment were also able to be provided.

Status : Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The company has conducting visiting, monitoring, checking and involving local community aspiration in making of annual CSR program. For example, based on official letter dated September 2016, it was informed that company representative visit to Kampung Bebatang in Sungai Enau Village, which lead by Estate Manager in September 19th 2016 had accompanied by two Village representative has noted several points as follows:

- The village is lack of clean water and urgently need set of devices which able to supply the water.
- To overcome the point above, Estate Manager has decide to estimate one unit of artesian well installation, one unit of well house and 75 unit of water tank with capacity 1,000 litre are projected to be setted up in the next year. The well is planned to be installed nearby the Efrata GPDI Church.

According to interview with Chief of Village, RT 01, RW 07 and BPD, it was stated that several CSR program which has

conducting by PT BPK are installation of clean water tank, drainage normalization, and village road maintenance. Moreover, the company has openly give a chance for village people to become employee in PT BPK. Cooperative of Tua Jubata has also supported by the company.

6.11.2

The company was able to provide list of registered FFB suppliers. In order to improves smallholder productivity, the company has involves in development and management of smallholders in KKPA scheme, as shown in agreement document as follows:

- No. 23/BPK-DIR/PK-II/98 and No. 29/KUD-ML/II/98 dated February 12th 1998 with KKPA Cooperative Mitra Lestari. The cooperative has 21 group smallholder with total members for about 590 person.
- Agreement of cooperation with Cooperative Tuah Jubata for development and management of oil palm area in 98.25 ha area. Number of Cooperative members was about 53 person.

Status : Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.2 & 6.12.3

The Company has established policies regarding respect for human rights written in bahasa that is easily understood by all parties. The entire labor contracts with employees are explain the duties and responsibilities and also signed by the two parties (employees and employers). Based on interviews with employees and labour unions there is not identified trafficked labor, migrant labor, forced labor, outsourcing, foreign workers and contract substitution. based on interview with stakeholders and field observation are not identified any harvester accompanied by their wife or children and not identified any other force labour indications.

Status : Comply

6.13

Growers and millers respect human rights

6.13.1

The Company has established policies regarding respect for human rights written in bahasa that is easily understood by all parties. In The policy is explaining freedom of association, no forced labor, no child labor, decent working conditions, respect the rights of local and indigenous communities. The policy is disseminated to employees including contractors and this are all staff levels responsibility. According to the results of interviews with employees and labours union which stated that was no cases of human rights violations.

Status : Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

7.1.1

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

Document and work map of heavy equipment, period of June 2004, explaining that Excavator No.: 16 has conducted Land Clearing in block IV/5E, and 5D (block numbering system at the time), operational maps for these activities are matched with the current operational map, showed that the area in question is the same as planting areas in 2005-2007. It can be concluded no new plantings or operations, or expansion of the area of operations conducted by the company

PT BPK has had Environmental documents in the form of EIA documents consisting of the Document Main Report, the Environmental Management Plan (RKL), Environmental Monitoring Plan (RPL) and Executive Summary. The document has been approved by the EIA Commission and Regents Pontianak Pontianak regency in accordance with the Letter No. No. 660.1/024.a/IV/DLHESDM-B date of 08 April 2004. with a total area of 6814.96 ha project consists of 4814.96 hectares as estates and 40 ha for processing by the Company core area and 2,000 ha for smallholder. Mill capacity that the scope of the study is 30 Tons FFB / Hour is planned to be built outside the plantation area.

The company has had identification documents HCV in High Conservation Value Assessment Report in PT. BPK, Kubu Raya, West Kalimantan Province. Identification is done in cooperation with PT. Remark Asia that took place in the month from March to July, 2015.

The company has had SIA Document prepared by the company on 13 to 18 April 2015 in cooperation with PT. Remark Asia. Scope of study: Management Unit PT. BPK, Four Villages around the estate, and cooperative smallholder PT BPK .

7.1.2

Based on the Environmental Impact Assessment has been prepared, it has developed a plan in the document Environmental Impact Management Plan (RKL) as a guide for the implementation of Environmental Management in the company's operations. Monitoring mechanisms have been implemented are the types of impacts to be monitored, monitoring location, time monitoring, ways of monitoring, the supervisor, reporting to relevant agencies

As evidence of implementation, PT BPK has compiled the Report of the environmental management and monitoring (RKL-RPL) periodically every six months which includes monitoring of environmental impact reports as contained in the document and has been reported to the relevant agencies. The company has sent a management reporting and monitoring of the semester 1 (RKL and RPL) to environment agency at Kubu Raya (BLH), environment agency (BLH) West Kalimantan Province, the Agriculture Agency Kubu Raya district, Kubu Raya Regent Office. There is evidence of a receipt document dated September 23, 2016.

Status : Comply

7.2

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

7.2.1 and 7.2.2

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

The company has able to shows a proper soil map of PT BPK (scale 1:50,000) which derived from semi detail soil survey activity, conducted in September 2014 by Param Agricultural Soil Survey. The map informed that slope condition in PT BPK were mainly flat (0°-2) and 99.90 % of operational area was classified as deep peat (peat depth >3.00 m) while the rest was medium (peat depth ranged from 1.50-3.00 m). Thus, it could be concluded that those deep peat areas has classified as fragile.

In response of deep peat presence, the company has strategy which presented in procedure No. SA 02/WIP-KB/0/2010 about peat menagement. Procedure mentioned that the company shall manage water level recording and controlling at 50-75 cm, as well as water table and peat subsidency monitoring. The former measurement has conducted daily while the latter was annually. Apart from that, several technique were also recommended such as soil compaction and hole-in-hole planting technique and soil analysis has been used by the Agronomist to determine a proper agronomy input.

Conservation has conducted in riparian zone with total area for about 13.86 ha 9includes smallholders' area). Based on field observation, it was found that the riparian zone had marked with red poles. Furthermore there was was no indication of agrochemical application such as manuring and pesticide spraying.

Based on field observation, it was found that some water management application has been implemented such as field drain installation with ratio 1:2; 1:4 and 1:8 (depend on field condition), collection, main drain and watergate installation as well as piezometer and subsidence poles monitoring. Estate management unit stated that those water management has applied since the very first time of land clearing and preparation.

Status : Comply

7.3

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

7.3.1

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

Reporting template for disclosure of areas cleared without prior HCV Aessment since November 2005 has been summited to RSPO on 8 Dec 2015 (directly).

In the summary of raw liability described that total area of raw liability as 23.02 Ha, time clearance November 2005 – 30

November 2007. LUC Analysis has been conducted in collaboration with AKSENTA on August 2015, the total area of raw liability Ha 23.02 Ha and the total area of conservation liability 0 Ha.

Analysis of land cover changes conducted using landsat imaginary with 30m spectral resolution of Oct 2005, Sept 2007, Jan 2010, August 2014 and August 2015. The land cover is reclassified into vegetation coefficients as coefficient 0 (according to the RaCP document).

PT BPK has sent and reported the LUCA to the RSPO and has been addressed by the RSPO (rspocompensation@rspo.org) on August 9, 2016 that explains that the LUCA is marked as Pass with Clarification.

On 29 September 2016 has been declared that the LUC Analysis has been endorsed by the RSPO, and described in the email (rspocompensation@rspo.org) that the final liability for PT BPK is 0 Ha, no compensation plan is needed.

7.3.3

Document and work map of heavy equipment, period of June 2004, explaining that Excavator No.: 16 has conducted Land Clearing in block IV/5E, and 5D (block numbering system at the time), operational maps for these activities are matched with the current operational map, showed that the area in question is the same as planting areas in 2005-2007.

7.3.4, 7.3.5

Plan and management measures by the company include:

- Conducting socialization to employees and to the communities around the plantations (Malaya river village, village palm river, estuary village and village mega B foreman east)
- Installation of display boards about the presence of HCV area and installation of the signboard to inform the existence of flora and fauna are protected
- Patrolled the HCV involve the HCV staff and EHS staff
- Preparation of weirs and subsidence marker to control/measure the water level for keep from drying peat and peat susidensi
- Installation of warning signboard of spraying chemicals in the riparian area
- Conduct training of riparian management to employees and the installation of riparian boundary markers
- Enrichment of wood species that fits in the area of riparian belt
- Construction of worship houses for indigeneous people (Dayak Bebatang) namely "Padagi" and installation of plank.

Status : Comply

7.4

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

7.4.1 and 7.4.2

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

The company has able to shows a proper soil map of PT BPK (scale 1:50,000) which derived from semi detail soil survey activity, conducted in September 2014 by Param Agricultural Soil Survey. The map informed that slope condition in PT BPK were mainly flat (0°-2) and 99.90 % of operational area was classified as deep peat (peat depth >3.00 m) while the rest was medium (peat depth ranged from 1.50-3.00 m). Thus, it could be concluded that those deep peat areas has classified as fragile.

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Conservation has conducted in riparian zone with total area for about 13.86 ha 9includes smallholders' area). Based on field observation, it was found that the riparian zone had marked with red poles. Furthermore there was was no indication of agrochemical application such as manuring and pesticide spraying.

Based on field observation, it was found that some water management application has been implemented such as field drain installation with ratio 1:2; 1:4 and 1:8 (depend on field condition), collection, main drain and watergate installation as well as piezometer and subsidence poles monitoring. Estate management unit stated that those water management has applied since the very first time of land clearing and preparation.

Status : Comply

7.5

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

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

The Company has procedure namely the recognition and the company's commitment against the indigenous rights and legal rights of communities No. document SOP43 / PR / (1) / 0909 valid from September 2009 ratified by GM PT BPK.

Described in the 5.0 on the rights of indigenous peoples and traditional communities, section 6.0 describes the procedure for the making grievance by the public.

Land Acquisition Procedures No.: SOP01 / WIP-KB / (1) / 1215 effective date of January 1, 2015 was passed by the GM PT BPK. In section G described that:

- ✓ Socialization shall first conducted before land acquisition
- ✓ Conducting the process of verification of evidence of ownership of land to those who are willing to be released
- ✓ Conducting measurement, make a payment. Payment is made directly to the parties by signing the minutes of the payment.

In section B points 2 explained that the equal treatment regardless of sex for adult women and married of the ability of in demanding their rights and without distinguishing between immigrant communities and the old community.

Process and results of any negotiated agreements and compensation claims are well documented, including the evidence of involvement of the parties concerned in the negotiations.

Based on interviews with the community around mentioned that procedures for requesting information has not been socialized widely, thus far requests for information made by contacting staff directly to Staff BM and Estates Manager of PT BPK.

Interviews with staff BM and document review shows that the socialization was conducted on July 5, 2015 for SOP of technical guide of land acquisition, SOP of land dispute resolution, SOP of problem solving beyond of the land and compensation and SOP of management of grievance and complain. The minute of socialization has been signed by the head of the village, Danramil and police chief. Socialization is done in the Mega Timur Village and Sungai Malaya Village. Improvement of understanding through the re-socialization and refresh needs to be done by PT BPK to the local communities and other stakeholders, it has been noted as a OBSERVATION by the auditor. **#OFI**

Status : Comply

7.6

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

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

FPIC described in the SOP manual Technical Acquisition of Land No. document SOP01 / WIP-KB / (1) / 1215 effective date of January 1, 2015, approved by the GM of PT BPK. In the section E described that the principle of land acquisition is in accordance with the principles of the RSPO, HCVF and FPIC. In section B points two described on the equality of treatment regardless of sex for adult women and married of the ability of in demanding their rights and without distinguishing between immigrant communities and communities that are old.

Based on a review document on Decree of HGU, EIA, and Decree of permit locations owned by PT BPK, known that whole area of PT BPK previously is State Land, status of area function for other purposes (APL), granted a concession in the form of HGU certificate.

Based on public consultations with relevant agencies (Disbun and BPN of Kubu Raya) stated that there is no customary rights in the area of PT BPK.

Status : Comply

7.7

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

7.7.1 dan 7.7.2

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

Commitment ban on burning in the entire operations of the company has been established in the policy Deforestation No, No Peat, No exploitation, published on 5 December 2013. In the document emphasized that the Wilmar Group operates a policy of non-burning, which is not allowed to burn activity at the time of land preparation for new planting, replanting and or all other activities. SOP replanting listed in the guidance document agronomic and oil palm plantations SOP WILMAR 2015, explained that the replanting is done by mechanical means and avoid any action pembakaran.dan action based on field visits and interviews with managemet unit repalinting activities carried out by mechanical means

Status : Comply

7.8

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

There is no new planting since 1 January 2010, the planting year of 2010 and above is replanting.

Base on document and interview wit managemet unit knowed no new plantings or operations, or expansion of the operational area that has been there done by the company. The Company has reported GHG calculation to Javin.tan @ rspo.org on 11 July 2016. The calculation method using Palm calculation of GHG calculator version 2.1. 1. The result of the calculation as follows:
 final emmision value per produc
 tCO2 e/ t product CPO = 45,27
 tCO2 e/ t product PK = 45,27

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 Major

The company implements sustainable business improvements include making RSPO audit activity on 25-26 April 2016 with the findings which have been repaired and is in progress improvements of hazardous waste storage, repairing fences stakes subsidence, cleaning oil trap etc.

The company has had identification documents HCV in High Conservation Value Assessment Report in PT. BPK, Kubu Raya, West Kalimantan Province. Identification is done in cooperation with PT. Remark Asia that took place in the month from March to July, 2015.

The company has had SIA Document prepared by the company on 13 to 18 April 2015 in cooperation with PT. Remark Asia. Scope of study: Management Unit PT. BPK, Four Villages around the estate, and cooperative smallholder PT BPK .

The Company has reported GHG calculation to Javin.tan @ rspo.org on 11 July 2016. The calculation method using Palm calculation of GHG calculator version 2.1. 1. The result of the calculation as follows:

final emmision value per produc
 tCO2 e/ t product CPO = 45,27
 tCO2 e/ t product PK = 45,27

Related to best management practices in Estate and Mill, the company has internal control and monitoring of procedure implementation, which presented in several documents, for example as follows:

- Daily quantitative agro management system (QAMS) report which informed condition and quality of harvesting (FFB and loosefuits), number of non productive palms, palm circle condition, dura palms, pests attack incidence. Those date were used for loss anaylis by Field Auditor and Agronomy Manager, by then to be discussed with Estate Mnager.
- Annual system development control (SDC) audit report.
- Internal audit RSPO and ISPO which scheduled every six months. The audit report has includes PIC and dateline of corrective action.

Information towards evaluation for the above documents were distributed via daily master morning and special training for management and worker team.

Based on field observation and interview with management, several improvement noted are:

- The company has adopting electronic/digital recording of FFB production using device and system namely Electric Bunch Count Chit (EBCC).

| | | |
|--|------------------------|--|
| | Status : Comply | |
|--|------------------------|--|

3.2. Summary of Assessment Report of Supply Chain Requirement

| Clause | (Module E) CPO Mills - Mass Balance Requirements | | | | | | | | |
|---------------|--|----------------|---------------------------|----------------|----------|---------------|-------------------|-------------|-------------------|
| E.1 | Definition | | | | | | | | |
| E.1.1 | <p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>Field verification, interviews with key personnel (security, head of administration and operator weighbridge), and observations during the reception of FFB in BPK POM, known that the FFB received from sources of own plantation, other sources in one group, FFB of smallholdings and FFB from outgrowers. This was also confirmed during verification on documents receipt of FFB owned by BPK POM. In this case, the BPK POM shall apply the requirements of supply chain model-E (MB).</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>Estimation of certified products that can be produced has been set by BPK POM, consisting of :</p> <ul style="list-style-type: none"> - CPO amounted to 6,516 tons; - PK amounted to 1,629 tonnes; - 32,580 tonnes of FFB. <p>Such estimates will be included in the annex of certificate, and will be verified during the annual assessment (ASA-1).</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> <p>BPK POM not yet produce the RSPO certified product, however the company has been registered on RSPO IT Platform, as describes below:</p> <table border="0" style="width: 100%;"> <tr> <td>Member Name :</td> <td>Bumi Pratama Khatulistiwa</td> <td>Core Product :</td> <td>Palm Oil</td> </tr> <tr> <td>Account UID :</td> <td>RSPO_AC1000004271</td> <td>Member ID :</td> <td>RSPO_PO1000004335</td> </tr> </table> | Member Name : | Bumi Pratama Khatulistiwa | Core Product : | Palm Oil | Account UID : | RSPO_AC1000004271 | Member ID : | RSPO_PO1000004335 |
| Member Name : | Bumi Pratama Khatulistiwa | Core Product : | Palm Oil | | | | | | |
| Account UID : | RSPO_AC1000004271 | Member ID : | RSPO_PO1000004335 | | | | | | |
| | 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> <ol style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. <p>SOP traceability of CPO and PK Model MB, No. document SOP / BPK-ADM / 007a / 0916 dated 16 September 2016, describes the responsible PIC, references, the reception process of FFB (separating record keeping of certified and non-certified), processing of FFB and CPO/PK production (recorded in the 3 monthly basis with appropriate ratio calculation), shipment of</p> | | | | | | | | |

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| CPO certified and PK certified (should be of positive stock, specify RSPO certificate number on the sales documents) and e-trace data entry. | |
| | Status: Comply |
| E.3.2 | |
| The site shall have documented procedures for receiving and processing certified and non-certified FFBs. | |
| SOP traceability of CPO and PK Model MB, No. document SOP / BPK-ADM / 007a / 0916 dated 16 September 2016, describes the responsible PIC, references, the reception process of FFB (separating record keeping of certified and non-certified), processing of FFB and CPO/PK production (recorded in the 3 monthly basis with appropriate ratio calculation), shipment of CPO certified and PK certified (should be of positive stock, specify RSPO certificate number on the sales documents) and e-trace data entry. | |
| Provided FFB reception procedures, namely SOP / BPK-SRT / 002/0515 dated May 5, 2015, which describes the process of receiving and verifying of FFB on BPK POM: | |
| <ul style="list-style-type: none"> - FFB delivery document checked by security - Security and weighbridge operator checks the list of certified and non-certified supplier - For FFB unclear status shall be segregated and reported for investigation - The weighbridge clerck recording FFB received, separated by FFB quantity of certified and non-certified, will be input into MB daily Report | |
| | Status: Comply |
| E.4 | Purchasing and goods in |
| E.4.1 | |
| The site shall verify and document the volumes of certified and non-certified FFBs received. | |
| BPK POM not yet produced the certified product.This section will be verified on ASA-1. | |
| | Status: Comply |
| E.4.2 | |
| The site shall inform the CB immediately if there is a projected overproduction of certified tonnage. | |
| BPK POM not yet produced the certified product.This section will be verified on ASA-1. | |
| | Status: Comply |
| E.5 | Record keeping |
| E.5.1 | |
| <ol style="list-style-type: none"> 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.) | |
| BPK POM not yet produced the certified product.This section will be verified on ASA-1. | |
| | 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. | |

BPK POM not yet produced the certified product. This section will be verified on ASA-1.

Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use *(Only apply for Surveillance Assessment Report)*

| | | |
|-------------|--|--------------|
| 1. | Evidence of permission or approval certificate and logo from Certification Body which submitted by Client | X or√ |
| ST-2 | <i>Only apply for Surveillance Assessment Report</i> | |
| | Status: | |
| 2. | Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use | X or√ |
| ST-2 | <i>Only apply for Surveillance Assessment Report</i> | |
| | Status: | |
| 3. | Implementation of Certificate and Logo is not used on product | X or√ |
| ST-2 | <i>Only apply for Surveillance Assessment Report</i> | |
| | Status: | |
| 4. | Controlling of Certificate and Logo, including withdrawing inappropriate logo. | X or√ |
| ST-2 | <i>Only apply for Surveillance Assessment Report</i> | |
| | Status: | |

3.4. Summary of RSPO Partial Certification.

Summary Partial Certification

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

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on September 2016.

MUTU has verified partial certification for un-certified unit's subsidiary of Wilmar International Ltd based on their Time Bound Plan. There are seven (7) uncertified mills and sixteen (16) uncertified estates of Wilmar International Ltd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

| 2.1 Un-Certified Units or Holdings | | |
|---|--|---|
| Section | Requirement | Concerns to Discuss, if any |
| 2.1.1 | Did the company conduct an internal audit? If so, has a positive assurance statement been produced? | <p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification</p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman - PT Karunia Kencana Permaisejati - PT Bumipratama Khatulistiwa - PT Agro Palindo Sakti 2 - PT Musi Banyuasin Indah - PT Sinarsiak Dianpermai - PT Agroindo Indah Perkasa 2 <p>And positive assurance is produced for these units.</p> |
| 2.1.2 | <p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. | <p>WILMAR International Ltd has submitted liability disclosure to RSPO on 31 July 2014 and LUCA template on 3-8 March 2015</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, LUCA document was verified by RSPO on 1 Sept 2015. The 2nd LUCA verification document was on 2nd Nov 2015 with result of PASS WITH CLARIFICATION. |

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| | | <ul style="list-style-type: none"> - PT Karunia Kencana Permaisejati, The final RSPO endorsement from RSPO compensation on 11 November 2015 with result of pass with clarification. And at current still on process on fulfil the clarification. - PT Bhumi Pratama Khatulistiwa, Submitted liability disclosure to RSPO on 8 Dec 2015 and LUCA template on August 2015. The final RSPO endorsement from RSPO compensation on 29 September 2016 is 0 ha therefore there is no compensation plan required - PT Agro Palindo Sakti 2, LUCA doc was verified by RSPO on 1 Sept 2015. The 2nd LUCA review was on Dec 2016 with result of PASS - PT Musi Banyuasin Indah, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Sinarsiak Dianpermai, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Agroindo Indah Perkasa 2, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p> |
| 2.1.3 | Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure. | <p>No new planting/land clearing after 1st January 2010.</p> <p>Auditor verification</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, The first planting year was in 1999. The latest land clearing was in 2009 based on: LUCA analysis 2009 where the area was already bare land area. LUCA has been submitted to RSPO as part of company disclosure requirement. - There is no new planting after 1st January 2010 for PT Karunia Kencana Permaisejati, PT Bumipratama Khatulistiwa, PT Agro Palindo Sakti 2, PT Musi Banyuasin Indah, PT Sinarsiak Dianpermai, PT Agroindo Indah Perkasa 2 |
| 2.1.4 | Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6. | <p>There is no land conflicts.</p> <p>Auditor verification</p> |

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| | | <p>There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p> <p>Based on the company record there is documentation on land compensation recapitulation updated on 1 October 2007, participatory mapping, agreement letter on compensation between company and land owner, land owner identity and procedure on compensation technical guidance SOP 001/WIP-KB/(0)/0610 dated June 2010.</p> |
| 2.1.5 | Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3. | <p>There is no labor disputes.</p> <p>Auditor verification There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has mechanism to handle employee complaint and grievance that is stated in SOP 005/WIP-KB/(0)/0610 for communication and consultation with community and SOP 004/WIP-KB/(0)/ 0610 on complaint and grivance mechanism and solving any dispute out off court.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p> |
| 2.1.6 | Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2. | <p>Yes, there is process for land legality.</p> <p>Auditor verification PT Agronusa Investama Pahauman</p> <ul style="list-style-type: none"> - The continues changing on PIPIP map. In accordance to PIPIP 10 there is no area of the company (based on location permit) that is in the moratorium area. When PIPi 11 released, some area of the company is in the updated peat moratorium map. <p>PT Karunia Kencana Permaisejati</p> <ul style="list-style-type: none"> - Overlapping HGU with Another plantation. The verification information is referred to 2.1.3 (legal document on operational and land ownership owned by the company) <p>PT Agro Palindo Sakti 2</p> <ul style="list-style-type: none"> - There is an obstacle on processing HGU is before continuing the HGU process, the company has to complete the requirement for 20% area allocation for smallholder. Based on BupatiSanggau Decree No. 137 year 2011 dated 25 March 2011 for 623 ha of smallholder scheme for 2 koperasi of |

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| | | <p>Batu Ceramin and and Maju Bersama. Later, koperasi Maju Bersama split into Koperasi Maju Bersama and Koperasi Harapan Baru. And Koperasi Harapan Baru wants to take about 136 ha within company proposed HGU area. The company needs to resolve this issue first before be able to continue HGU process.</p> <p>PT Musi Banyuasin Indah</p> <ul style="list-style-type: none"> - Overlay the map of land use with attachments Ministerial Decree No. SK.822/Menhut-II/2013 PT MBI entered in production forest area. - Planting outside HGU Kebun Sei Selabu (block 010, 024 and 027). <p>Explanation management unit following the legal department still perform continuous coordination with the government while waiting for a change of government decisions regarding the status of the area.</p> <p>PT Sinarsiak Dianpermai</p> <ul style="list-style-type: none"> - HGU 1,002 Ha on process - Status Areal Penggunaan Lain berdasarkan Lampiran SK 878/Menhut-II/2014 tanggal 29 September 2014 dan Surat No. S.160/BPKH.XIX-3/2016 tanggal 31 Maret 2016 <p>Explanation management unit as follows:</p> <ul style="list-style-type: none"> - Disagreement between the ministry of forestry by the Riau provincial government on the status of land PT SSDP (between the status of forest and APL), which led to the process of making the concession inhibited. - There are some estate areas around the Mill that does not have permission locations. The process of acquiring a location permit was hampered due to the reasons in point 1 as well. - The legal department is still doing continuous coordination with the government while waiting for a change of government decisions. <p>PT Agroindo Indah Perkasa 2</p> <ul style="list-style-type: none"> - There is HGU on propose. |
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Component

3.5.2 Identification of Findings, Corrective Actions and Observations at *ST-2* Assessment

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| NCR No. | : 2016.1 | Issued by | : Sandra Purba |
| Date Issued | : 29 September 2016 | Time Limit | : Prior to certificate issuance |
| NC Grade | : Major | Date of Closing | : |
| Standard Ref. & Requirement | : 2.1.1 | | |
| <p>Non-Conformance Description & Evidence observed (filled by auditor): Land tenure document (HGU and HGU on process) and hectare statemet of the company informs that the total of cultivated area are 4854.52 Ha, while the area covered by the document of SPUP is 4814.96 Ha, so that there is a difference of approximately 40 Ha which is until now has not had a plantation permit (IUP/SPUP), This is not in accordance with to Regulation No. 98/2013.</p> | | | |
| <p>Root Cause Analysis (filled by organization audited): The factory location of 39.52 Ha is not covered by the SPUP (plantation permit) of PT. BPK, on year of 2010 had requested clarification to Regent of Kubu Raya on SPUP which has owned by PT. Bumi Pratama Khatulistiwa in accordance with the PerMentan (NO 26 of 2007) in force, however there is no written response to the matter.</p> | | | |
| <p>Correction (filled by organization audited): Apply for the revision of IUP (plantation permit) to the Regent of Kubu Raya Regency</p> | | | |
| <p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> - Ensure that the area map and mill capacity are adjusted to the unit's operations - Ensure the submission of the revised permit is adjusted to the legality area owned and the operation area - Submission of permits will be done by PIC (staff of Bina Mitra), then will continuous to coordination to the relevant agencies. | | | |
| <p>Assessor Evaluation and Conclusion (filled by auditor): Verification on 20 March 2017 Plantation permit (IUP) has been requested for the difference area of approximately 40 Ha, through application letter of PT BPK No 041/BPK-BM/IUP/X/2016 dated October 31, 2016 received by Regional Secretary and Plantation Agency of Kubu Raya Regent dated November 23, 2016. Non-conformance is declared closed with observation. Based on RSPO statement on HGU and IUP in Indonesia on 12 October 2017 acknowleged that for grower members that are currently RSPO certified but yet to obtain the HGU, their certification will continue but are given not later than 3 (three) years from the date of this notice, to process and obtain HGU. Failure to do so will result in the suspension of the RSPO certificate.</p> | | | |
| Verified by | : Sandra Purba | | |

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| NCR No. | : 2016.2 | Issued by | : Sandra Purba |
| Date Issued | : 29 September 2016 | Time Limit | : 28 Sept 2017 |
| NC Grade | : Major | Date of Closing | : 19 Sept 2017 |
| Standard Ref. & Requirement | : 2.2.1 | | |
| <p>Non-Conformance Description & Evidence observed (filled by auditor): PT BPK has two decree of HGU which has expired, namely: Decree of the Head of BPN No. : 06 / of HGU-KB / 1989, November 8, 1989, valid until December 31, 2014, certificate number 56, covering an area of 16.1843 hectares; and Decree of the Head of BPN No. : 07 / of HGU-KB / 1989, November 8, 1989, valid until December 31, 2014, certificate number 57 covering an area of 23.3719 hectares. Application for renewal has been made by September 22, 2014. The process to date, namely information gathering regarding the status of the area from the relevant agencies. Until the initial assessment, the company has not been able to show documents of tenure on an area of 39.54 hectares.</p> | | | |
| <p>Root Cause Analysis (filled by organization audited): The following letters are required for the renewal process: 1. Certificate / recommendation from the provincial forestry agency that the proposed area is outside of the forest area. 2. A letter from BPKH that the area is not related to the moratorium area. 3. A certificate from the plantation / mining agency that the proposed area is not related to the mining permit. 4. Statement from regent that the utilization of HGU area is in accordance with the spatial area. 5. Statement of the Board of Directors on partnership, forest and land fire, zero burning</p> | | | |
| <p>Correction (filled by organization audited): 1. Complete all required letters. 2. After the submission of the letter will be continued to the determination of the schedule of the meeting of the committee-B by BPN. 3. Issued letters of recommendation to BPN Kanwil by Committee-B for the issuance of extension of HGU Decree.</p> | | | |
| <p>Corrective Action (filled by organization audited): Preventive plan taken for each HGU extension: 1. PIC Legal shall monitor the validity date of HGU. 2. PIC Legal informs HGU that will expire at least 3 years before the expiry date to Legal Manager. 3. Legal Manager submits application letter for extension of HGU to Provincial BPN.</p> | | | |
| <p>Assessor Evaluation and Conclusion (filled by auditor): The Company shows a chronological document of obtaining HGU for an area of 40 Ha, which explains the extension constraint from 2014 to 2016 and the current process status, namely the issuance of land map map No. 089-14.14-2014 and No. 090-14.14-2014 and will continue the committee-B process.</p> <p>Verification on 28 March 2017 The Company has shown land map No. 090-14.14-2014, issued by BPN for an area of 21.8 Ha on 30 Sept 2014.</p> <p>Verification on 16 August 2017 The Company shows a map of land parcels based on measurement and mapping for extension of PT BPK HGU by BPN for land area of 11.06 Ha with map number 89-14.14-2014 scale 1: 1000, issued on 30 Sept 2014 by head of survey, measurement and mapping - BPN of West Kalimantan.</p> <p>Verification on 19 Sept 2017,</p> | | | |

The company has shown evidence of corrective action i.e. the installation report of the boundary pegs in accordance with the coordinates issued by BPN as much as 21 pegs, completed with the map scale of 1: 3500 (map no HD7359, issued on 15 Sept 2017, based on field map No. 89 and 90). There is also evidence of socialization to the surrounding community on 9 August 2017 followed by 9 participants. PT BPK has revised the hectare statement no document 08: BX21 / 08/2017, total area of 4847.20 Ha.

Has been explained by GIS,

There is an explanation from the GIS Dept., that the change occurred on the HGU document of mill to be reduced by 7.32 Ha. Reduced of mill HGU area has no significant effect in the field, this difference is caused by the differences accuracy of the tool used. Based on these evidences, the discrepancies are met.

Based on RSPO statement on HGU in Indonesia on 12 October 2017 acknowledged that for grower members that are currently RSPO certified but yet to obtain the HGU, their certification will continue **but are given not later than 3 (three) years from the date of this notice**, to process and obtain HGU. Failure to do so will result in the suspension of the RSPO certificate.

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| Verified by | : | Sandra Purba |
| Diverifikasi oleh | : | |

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| NCR No. | : | 2016.3 | Issued by | : | Sandra Purba |
| Date Issued | : | 29 September 2016 | Time Limit | : | ASA-1 |
| NC Grade | : | Minor | Date of Closing | : | |
| Standard Ref. & Requirement | : | 2.2.2 Legal boundaries shall be clearly identified and well-maintained. | | | |
| Non-Conformance Description & Evidence observed (filled by auditor): | | | | | |
| <ul style="list-style-type: none"> - Based on interview with management representative, document verification on boundary marker monitoring and maintenance report, as well as field observation known that there were as much as 9 boundary markers on HGU No 59 that does not available/demarcated clearly, example Marker No. T115A and T113A. - The company could not demonstrate evidence that the marking of boundaries / demarcation for areas of HGU 56 and 57 (has been expired), are carried out in accordance with coordinate specified by BPN. | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| Correction (filled by organization audited): | | | | | |
| Corrective Action (filled by organization audited): | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | | | |
| Verified by | : | | | | |

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| NCR No. | : 2016.3 | Issued by | : Sandra Purba |
| Date Issued | : 29 September 2016 | Time Limit | : 28 Sept 2017 |
| NC Grade | : Major | Date of Closing | : 28 March 2017 |
| Standard Ref. & Requirement | : 2.2.4 Evidence of dispute / conflicts resolution in a participatory | | |
| Non-Conformance Description & Evidence observed (filled by auditor): Based on verification on area statement document and field observations result known that there are areas of claim/disputed of 145.17 hectares, located in the block 045A and B, Block 049E and D and Block 048, The company has not been able to show evidence of land dispute/conflict resolution in participatory manner. | | | |
| Root Cause Analysis (filled by organization audited): The company has not identified the area as a land dispute because the company does not force the community to hand over the land to the community. During this time the company allows community to manage the area. | | | |
| Correction (filled by organization audited): <ol style="list-style-type: none"> 1. Identify the dispute area by way of socialization to the community of occupant by inventory the number of household heads living in the arable area, the number of houses, the number of other buildings, the area controlled by person and the type of plants in the controlled area. 2. Communicate with the community to jointly seek the solutions. 3. Make a collective agreement with the community on the agreed way of settlement. 4. Communication with the regional government | | | |
| Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Any land dispute report will be made a road map of the settlement agreement between the company and the community. 2. The party to be responsible for the settlement shall be the parties participating in signing the road map of settlement of land issues. 3. Conduct incidental identification by PIC BM in accordance with the report from the field (operating unit). | | | |
| Assessor Evaluation and Conclusion (filled by auditor): Verification on 27 March 2017 PT BPK has entered into a settlement agreement with the sungai enau villagers for an area of 145.17 Ha on 4 Feb 2017 (there are attendance and minutes of agreement). Verification on 28 March 2017 Showed the evidence of mounting of the pegs for the disputed area and its mapping together with the affected parties on March 2017. Non-compliance is declared fulfilled and will be verified on subsequent visits. Close with observation. | | | |
| Verified by | : Sandra | | |

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| NCR No. | : 2016.5 | Issued by | : Mohamad Amarullah |
| Date Issued | : 29 September 2016 | Time Limit | : ASA-1 |
| NC Grade | : Minor | Date of Closing | : |
| Standard Ref. & Requirement | : 4.1.3 Records of monitoring and implementation of each action should be maintained and available, with reasonable. | | |
| Non-Conformance Description & Evidence observed (filled by auditor): BPK Estate has not been able to show the implementation of result of work activities review dated 5 September 2016, which stated that if the harvester is not sufficient for hand-picking activities, then the gang for hand-picker can be formed. During the field observations, for example in Block 128, Block 129, Block P51 and Block 27E, was found loose fruit that has not been cited. | | | |
| Root Cause Analysis (filled by organization audited): | | | |
| Correction (filled by organization audited): | | | |
| Corrective Action (filled by organization audited): | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | |
| Verified by | : | | |

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| NCR No. | : 2016.6 | Issued by | : Mohamad Amarullah |
| Date Issued | : 29 September 2016 | Time Limit | : 28 Sept 2017 |
| NC Grade | : Major | Date of Closing | : 27 March 2017 |
| Standard Ref. & Requirement | : 4.3.4 Soil subsidence in peat should be minimized and monitored. Program should be available also for water management and landfill (ground cover) documented. | | |
| Non-Conformance Description & Evidence observed (filled by auditor): Based on field observations on water level measurement location (block 8E / 14 A and Block 7E / 15A); measurement of water table (piezometers) and subsidence marker in Block 27 E Division II, known that: <ul style="list-style-type: none"> - Installation of of measuring instruments not yet in accordance with principles of RSPO BMP, which point 0 (zero) is not parallel to the ground surface so that the water level of the measurement results are not accurate. - Instrument installed (piezometers) not yet equipped with gauges groundwater levels. - Installation of peat subsidence of measuring instruments does not reach the lower layers of peat, but still within the peat layer, thus the measurement results are not accurate. | | | |

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| <p>Root Cause Analysis (filled by organization audited): Responsible officers have not understood the principles of water level measurements and peat subsides so that measuring instruments are made inadequate.</p> | |
| <p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Conduct training to the PIC on the standard measure equipment 2. Improving the water level gauge and subsidence pegs. | |
| <p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. There is evidence of training documentation 2. The field has been installed water level gauge and subsidence pegs has been in accordance with the standard. | |
| <p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Verification on 17 March 2017 The Company shows evidence of corrective action, among others, as follows:</p> <ul style="list-style-type: none"> ✓ Documentation of the installation and correction of a water level meter where the zero point (0) is parallel to the surface of the soil. Thus, the diluted water level measurements are accurate. The company also shows a map of the location of the water level gauge with a total of 224 units consisting of 45 units in Phase 1, 61 units in Phase 2, 52 units in Phase 3 and 66 units in Phase 4. ✓ Documentation of the installation of piezometer pegs in Block 27, Block 24, Block 14 and Block 210, complete with a water table measurement ruler. ✓ Documentation of the installation of subsidence pegs 9 meter. The subsidence bench is located at coordinates 109 ° 26 '6,414 "BT 0 ° 2' 52.285" BT. <p>Verification on 27 March 2017 The company shows the minute of training on October 8, 2016 related to the way of weirs installation, weirs measurement, piezometer installation and piezometer measurement. The training was conducted by agronomy manager attended by 14 people. Based on this, the NC 2016.6 is declared fulfilled.</p> | |
| Verified by | : Mohamad Amarullah |

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| NCR No. | : 2016.7 | Issued by | : Leonada |
| Date Issued | : 29 September 2016 | Time Limit | : 28 Sept 2017 |
| NC Grade | : Major | Date of Closing | : 27 March 2017 |
| Standard Ref. & Requirement | : 4.7.3 Boiler operator licensed | | |
| <p>Non-Conformance Description & Evidence observed (filled by auditor): The Company installing the boiler with a capacity of 25 tons / hour and has 3 licensed operator class 2. Under the provisions of the national regulations, stated that for the boiler with these capacity should be operated by a licensed operator class 1 and class two (for each shift). So in this case the company does not have a licensed operator on every shift of boiler operation.</p> | | | |
| <p>Root Cause Analysis (filled by organization audited): There were one of licensed boiler operators which have just resigned and the company has not provided any training / certification to the replacement Boiler operator</p> | | | |

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| Correction (filled by organization audited): | |
| 1. Registering the boiler operators for training to obtain license from the authorised institution. | |
| Corrective Action (filled by organization audited): | |
| 1. PGA is responsible for monitoring compliance in regards of requirements of operators and engineers license. 2. Ensuring that one of license boiler operators class 1 and class 2 are available for each shift. | |
| Assessor Evaluation and Conclusion (filled by auditor): | |
| The company shows the license for as much as 4 boiler operators of class 1: 1. Wendi No. Ser 228 / OPK3 / B.I / I / 2017 2. Mispawan no. Ser 216 / OPK3 / B.I / I / 2017 3. Dedi No. Ser 226 / OPK3 / B.I / I / 2017 4. Rudiansyah no. Ser 214 / OPK3 / B.I / I / 2017 Based on this, NC 2016.7 can be declared fulfilled. | |
| Verified by | : Leonada |

| | | | |
|--|---|------------------------|------------------------|
| NCR No. | : 2016.8 | Issued by | : Leonada |
| Date Issued | : 29 September 2016 | Time Limit | : ASA 1 |
| NC Grade | : Minor | Date of Closing | : 27 March 2017 |
| Standard Ref. & Requirement | : 4.7.6 Healthy insurance for worker | | |
| Non-Conformance Description & Evidence observed (filled by auditor): | | | |
| Based on health insurance payment slip (BPJS KES), the period of August 2016, known that there is differences of numbers with the existing employees, namely: BPK POM employees as much as 123 (differences 4 employs) and BPK Estate as much as 537 employees (differences 94). Based on the explanation, the company not yet able to show evidence of health insurance payments for the 4 employees of the factory and 94 employees of the estate. | | | |
| Root Cause Analysis (filled by organization audited): | | | |
| 1. Company refers to "Guidelines for the administration of membership year of 2014 page 3 point 5 that workers are every person working by receiving salary, wages or other forms of remuneration declared in one work contract and point 6: Workers are everyone work on the employer by receiving a salary or wage expressed in an employment contract | | | |
| 2. The Company refers to the Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia No. KEP 100 / MEN / VI / 2004 concerning the provisions on the implementation of Specific Working Agreements in Chapter V (free daily work contract) article 11 " spesifik time (not included in work contract category) | | | |
| Correction (filled by organization audited): | | | |
| Send a letter to the Head of BPJS South Jakarta for the direction of whether daily rate workers can be included in the category of non-wage workers or not. | | | |
| Corrective Action (filled by organization audited): | | | |
| Provided the BPJS Health guidance on the non-permanent daily rate workers that the workers on that category can not be grouped in Wage Workers or self-employed so that participation personally borne by individuals. | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | |

The Company shows a letter from BPJS Branch of South Jakarta No.2284 / IV-02/1216 dated December 20, 2016. In the letter states that Non-permanent Daily Rate Workers belonging to non-wage workers. So based on the letter the NC 2016.12 is stated fulfilled.

Verified by : **Leonada**

| | | | |
|---|--|------------------------|-------------------|
| NCR No. | : 2016.9 | Issued by | : Yohanes hardian |
| Date Issued | : 29 September 2016 | Time Limit | : 28 Sept 2017 |
| NC Grade | : Major | Date of Closing | : 28 March 2017 |
| Standard Ref. & Requirement | : 5.1.1 Accordance of POM capacity with the environment permit | | |
| Non-Conformance Description & Evidence observed (filled by auditor): Based on data of daily processing per month for latest 12 months, known that the capacity of BPK POM exceed the provisions of the EIA document (the document scope is 30 ton/ hour), for example, the data for the year 2016 todate amounted to 31.45 tons / hour. So that there were the actual processing capacity exceeded the provisions of document EIA 2004. | | | |
| Root Cause Analysis (filled by organization audited): Lack of monitoring of mill officers to the production trougthput | | | |
| Correction (filled by organization audited): <ol style="list-style-type: none"> 1. Monitoring of FFB tonnage received based on annual budget on daily and monthly so as not to exceed the budget. 2. Monitoring will be done by Mill Manager, routinely by the Weight-bridge operators will provide report every two-hour to Mill Manager to know the daily fruit tonnage for TBS monitoring to be processed. | | | |
| Corrective Action (filled by organization audited): Available FFB annual revenue budgets 2016 and 2017 and daily / monthly processing reports that do not exceed the capacity of 30 tons FFB / Hour. | | | |
| Assessor Evaluation and Conclusion (filled by auditor): Verification on 17 March 2017 The Company has shown the annual FFB revenue data of 2016 and 2017 and the monthly average processing report that does not exceed the capacity of 30 tons FFB / Hour. Verification on 28 March 2017 The Company demonstrated a mechanism in monitoring of FFB processing in MEMO No 01 / BPKPOM / III / 2017 dated March 27, 2017 which aims to avoid over-processing of installed capacity and as per environmental permit. Non-compliance has been met | | | |
| Verified by | : Yohannes H | | |

| | | | |
|--------------------|---------------------|-------------------|-------------------|
| NCR No. | : 2016.9 | Issued by | : Yohanes hardian |
| Date Issued | : 29 September 2016 | Time Limit | : 28 Sept 2017 |

| | | | |
|---|-----------------------------------|------------------------|-----------------|
| NC Grade | : Major | Date of Closing | : 17 March 2017 |
| Standard Ref. & Requirement | : 5.2.1. HCV document peer review | | |
| Non-Conformance Description & Evidence observed (filled by auditor): The Company has identified the presence of HCV in 2015 conducted by the Remark Asia. However, the company has not able to show the peer review evidence of Tracking and HCV Identification Document. | | | |
| Root Cause Analysis (filled by organization audited): At the time of this audit the HCV Assessment Report is not finalized, so there is no peer review document. | | | |
| Correction (filled by organization audited): Conducted the peer review on the document of HCV report by the HCVRN licensed reviewer | | | |
| Corrective Action (filled by organization audited): Ensure that the document of peer review of HCV report available during the audit | | | |
| Assessor Evaluation and Conclusion (filled by auditor): Verification on 17 March 2017 The Company has presented document evidence of peer review of HCV assessment report. The peer review assessment was conducted by Machmud Thohari (ALS). Thus the NCR's non-conformity. 2016.10 has been fulfilled | | | |
| Verified by | : Yohanes H | | |

3.5.3 Opportunity for Improvement

| No | Descriptions |
|----|--|
| 1 | Standard of installation of measuring instruments related to water management in peatlands. |
| 2 | Understanding of the stakeholders on information request mechanism, mechanisms to communicate and consult with the company and mechanism of grievances and complaints to the company |
| 3 | The completion of drafting employee collecting agreement. |
| 4 | The response to employee complaints in accordance with the time limits specified by the procedure. |

3.5.4 Noteworthy Positive Components

| No | Descriptions |
|----|---|
| 1 | The company's commitment to implementing the principles of sustainable management of oil palm |
| 2 | Resource has an understanding of the implementation of Palm Oil Sustainability Standard. |
| 3 | Has developpe of smallholdings as part of community empowerment |
| 4 | Implementation of zero fatality |


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

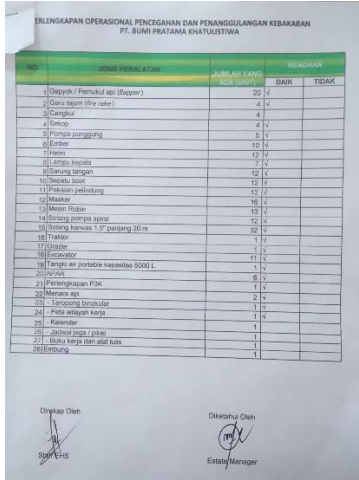
| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|---|---|
| <p>26 September 2016 National Land Agency of Kubu Raya Regency, West Kalimantan</p> <p>Interviewee: 1. Purwanto; Adm Head of Land Setting.</p> <p>Note: 1) Interviewee stated that the PT BPK proposed the new location permits, shown through document No. 02 dated April 11, 2011 in term of "Proceedings of the Land Technical considerations in the Context of Location Permit Covering an area of 1,564.74 ha". Related to this, the BPN did not know the current status of the application, whether it has been submitted to the Regional Office for the HGU request and made a treatise, or had reached to the Head Office for issuance of SKH, or already get a permit from the Regent.</p> <p>2) Being informed there is no claim, disputes and complaints from the public related to the HGU area of the company. However, there is an internal complaint in the area of plasma that causes disruption of the plantation activity in the short term, such as demonstrations and road blockades during the day.</p> | <p>1) Submission of new location permits are intended for Plasma Area. Has obtained permission from the Regent of Kubu Raya ± 1.564.74 Ha, realization of land that can be managed ± 98.25 ha and has established cooperative unit of Plasma Tuah Jubata</p> <p>2) The information in question is less clear: Areal Plasma which asked, demonstrations and road blockades when and where events occur? Questions related to the HGU area. Therefore the company can not confirm the subject.</p> <p>3) PT. BPK has been process the extension HGU by letter No: 032 / BPK-BM / HGU / VIII / 2014 Date August 20, 2014. The process is currently in the stage of completing subsequent letters as a prerequisite, which is awaiting a response letter from the Regent / Bapeda which describes that the utilization of HGU area is</p> | <p>Related to land ownership has been verified by auditor, describes in C2.2, C2.3 and C6.4</p> |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|--|---|
| <p>3) The Company is required to prepare the HGU renewal application process, no later than one year before the validity period of the HGU expires.</p> | <p>in conformity with the regional spatial.</p> | |
| <p>26 September 2016 Labor and Transmigration Agency of Kubu Raya, West Kalimantan</p> <p>Interviewee:</p> <ul style="list-style-type: none"> ➤ Eriansyah: Division Head of Industrial Relations and Labour Inspection. ➤ Muhammad Amin: Division Head of Labour Inspection. <p>Note:</p> <ol style="list-style-type: none"> 1) The interviewees mentioned that the company has been in an orderly related to submission of routine report, namely OHS Committee report in three monthly basis, accident report and annual labour report. 2) OHS Committee ratification conducted in two years 3) Registration and payment of health and employment insurance (BPJS) implemented gradually. 4) Payment of wages by decree UMK Rp 1,761,700.- per month. 5) The company must provide a copy of the employment contract to the employee. 6) Disnaker expects non-permanent employees who have worked annually (including harvesting) to be appointed as permanent employees. 7) The Company has not had a the cooperative employees. 8) Status of the Collective Labor Agreement in July 2016 is in the drafting process. Need to be informed of the current status of of PKB. | <ol style="list-style-type: none"> 1) Clear 2) Ratification of OHS Committee according to the actual structure of the OHS Committee, if there are members who are no longer active then held the replacement of members and requested approval to Disnaker 3) Clear 4) Clear 5) Next will be given to each employee 6) The promotion program of harvesters from Non-permanent Daily Worker becoming Permanent Daily Worker conducted at least 3 months after the employees work and with consideration of their evaluation. 7) Employee Cooperative is under getting a permit from the Department 8) The Company has not used of PKB but still use Company' Regualation (PP) | <p>Related to OHS aspect and labour aspect has been verified by auditor, describes in C4.7, C6.5, C6.6, C6.7, C6.12</p> |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|---|---|
| <p>9) The Company has Plantation and Factory Workers' Union, which has been recorded and reported to Disnakertrans.</p> <p>10) The Company has licensed for Boiler, Generator and Electrical Installation and is still valid.</p> <p>11) The company has been quite cooperative in responding to requests for information.</p> <p>12) There is no racial issues among the company's employees.</p> <p>13) Related to evaluate the results of medical examination, Disnakertrans recommends that company carry out medical examinations to employees who will be accepted to work, as well as implement a rotation system of workers at the processing station.</p> <p>14) The company is required to provide a list of employees who are required to have SIO and / or certificates, as well as monitoring the validity period.</p> | <p>9) Clear</p> <p>10) Clear</p> <p>11) Clear</p> <p>12) Clear</p> <p>13) It has been held, each of new employee, the employee should carry out medical checkups at the clinic of the company.</p> <p>14) The SIO will be given to Disnaker and case monitoring</p> | |
| <p>26 September 2016 Environment Agency of Kubu Raya, West Kalimantan</p> <p>Interviewee: 1. Rikson Siregar; Division Head of Control and Arrangement.</p> <p>Note: 1) The company declared in an orderly administratif related routine reporting. 2) The reporting format of RPL / RKL stated complies with the regulations. 3) The Company has revised and extended the permit of disposal of liquid waste. 4) The company has not provided a report related to the monitoring of public health to the BLH.</p> | <p>1) Clear</p> <p>2) Clear</p> <p>3) Clear</p> <p>4) Monitoring the health of the community is done once a year contained in RKL RPL, which is based on a review of RKL RPL. Health monitoring will be presented in the RKL / RPL second half of 2016</p> | <p>Related to land ownership has been verified by auditor, describes in C4.4, C5.1 and C5.3</p> |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|--|--|
| <p>5) The company has not informed the realization of infectious medical waste management to the BLH. Related to this, BLH recommends that the company collaborate with existing licensed collector.</p> <p>6) Declared there has never been a complaint or reporting of the public against the activities of plantation.</p> <p>7) The company needs to consider and find solutions related to management of stacks of EFB in the factory.</p> | <p>5) In the future, medical waste management report will be submitted along with RKL RPL in the next period.</p> <p>6) Clear</p> <p>7) Solutions with stockpiling EFB on rented land PT. BPK of ± 6.7 ha located outside HGU PT. BPK and land outside the plasma, these locations can accommodate ± 130,000 Tons of EFB. For the long term management of EFB will be developed through CSR.</p> | |
| <p>26 September 2016 Plantation, Forestry and Mining Agency of Kubu Raya, West Kalimantan</p> <p>Interviewees:</p> <ol style="list-style-type: none"> Anita (Division Head of Control and Protection of Plantation Forestry and Mines) Suwito (Adm Head of Investigation and Law Enforcement) Iin Marlina (Div Head of Plantation) <p>Note:</p> <ol style="list-style-type: none"> The Agency has not received reports UPL / UKL and RPL / RKL first semester of 2016. Reporting related to CSR is already loaded in the RKL / RPL. However, not yet published in LKUP. Plantation Class II (Good) by a decree of Kubu Raya No. 221 / DISHUTBUNTAMB / 2014, with the lowest score is the social aspect (60.94). The company needs to explain to the public about the company's position on the implementation of replanting activities in the area of plasma. | <ol style="list-style-type: none"> The company has provided RKL RPL first half of 2016 dated September 23, 2016 | <p>Related to land ownership has been verified by auditor, describes in C2.2, C2.3 and C6.10</p> |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|--|--|-------------------|
| <p>5. It was stated that there is no overlap with forest areas in the area of operations.</p> <p>6. The FFB price is based on the price set by the results of the determination of the K index updatable twice a month.</p> <p>7. The Company need to monitor and evaluate the implementation of the West Kalimantan Governor Regulation No. 86 2015 on Implementation Guidelines for Determination of K index and the Purchase Price FFB Production of Growers West Kalimantan, especially regarding the purchase of FFB whose source is located within a radius of 30 km from area company, recommendation purchases, purchases from third parties and the forms of cooperation of sale.</p> <p>8. The Company has reported incidents of fires around the area of operations, plasma, and in concessions. Being informed there were two incidents during 2016.</p> <p>9. Based on the results of the inspection agency, concluded that infrastructure (number and type) and human resources related to fire emergency response has not been adequate, as outlined in the report of the follow-up monitoring and evaluation No. 522/785 / bunhuttam.E / 2016 dated June 14, 2016.</p> <p>10. The Company is required to form the core team of emergency response of fire prevention which consists of 15 people who have received a certificate from Mangala Agni KemenLHK, plus the auxiliary team and reserve team. Appointment of squads must be made through a letter of appointment of company decree.</p> <p>11. The reporting and implementation of land and forest fire control should refer to Regulation No. 32 in 2016 and the Regulation of 47 in 2014.</p> |  <p>2. Clear</p> <p>3. Clear</p> <p>4. For the replanting in the area of plasma, company already offers it repeatedly in accordance with the existing agreements, but the obstacles encountered is not yet achieved agreement among the group of plasma so that it is still in arrangements stage until today.</p> <p>5. Clear</p> <p>6. Clear</p> <p>7. Have done monitoring and evaluation of pricing for the proposed price.</p> <p>8. Clear</p> <p>9. Until now the company continue to improve to fulfill these regulations, facilities and infrastructure held gradually, for this year after the inspection of the company has entered into additional facilities and</p> | |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|--|--|-------------------|
| | <p>infrastructures such as water pumps, hoses, fire beaters, and the establishment of a fire emergency response teams.</p>  <p>10. The company has formed a team in accordance with the requirements and some of them have never received training from Mangala agni, and it will be pursued to achieve compliance within the requirements of this</p> <p>11. The Company will make the reporting formats in accordance with Regulation No. 32 in 2016 and the Regulation of 47 in 2014.</p> | |
| <p>Sungai Enau Village</p> <ul style="list-style-type: none"> - Head of Village - Head of RT1 - Head of RW7 - BPD | | |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|--|---|
| <ol style="list-style-type: none"> 1. Sungai Enau River Village is a multi-ethnic village, namely ethnic Madurese, Javanese, Chinese, Malay and Buginese, the company's relationship with the village is quite good, and there are no land conflicts with the the company 2. The Company had done CSR activities such as clean water storage program, normalization trenches and maintenance of village roads 3. The Company has been socializing on protected areas and protected animals, people also know about it from the posters installed on the roadside by the company 4. Many villagers are working in the company both as employees and workers harvest 5. During this time when citizens apply for direct aid to the Bina Mitra the company's response occasionally longer 6. Never has there been socialization of mechanism to deliver or obtain information to the the village authorities 7. There is a cooperative unit namely cooperative of Tuah Ju Bata 8. Expectations from the village head that the submission of requests for assistance to the company on behalf of a particular group is not addressed by the company and any requests for assistance should be the knowledge of the village head of Sungai Enau. | <ol style="list-style-type: none"> 1. Clear 2. Clear 3. For the the socialization of information delivery mechanism procedure to the company had been socialized, dated June 4, 2015, but at that time the village chief is Mrs. Antonia Aling and BPD father Zamroni. 4. Clear 5. This is also consistent with the company that all requests and incoming requests for assistance to the company should be under the knowledge of the village chief 6. For the repair the road should be discussed first with the management and will be programmed in 2017, and it should be known by the district to adjust to the program carried out by the regional government | <p>Related to land ownership has been verified by auditor, describes in C6.1, C6.2, C2.3 and C6.4</p> |
| <p>Local contractors Abdul Wahab</p> <ol style="list-style-type: none"> 1. Communication with the company running smoothly 2. Cooperation both parties based on the agreement letter and cooperative relationship has existed about 2 years. 3. The contractor has understand the occupational health and safety procedures that have been set by the company. | <ol style="list-style-type: none"> 1. Clear 2. Clear 3. Clear 4. Clear 5. Clear 6. Clear | <p>Related to land ownership has been verified by auditor, describes in C6.1, C6.2, C2.3 and C6.4</p> |


| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|--|--|
| 4. Personal Protective Equipment is the responsibility of the contractor 5. Manpower used came from surrounding communities 6. The Company has sufficient provide the opportunity for local communities to be able to work 7. The other positive influence of company is the access road to the surrounding community 8. The contractor had never heard information of mining company in the area of PT. BPK 9. Complaints regarding payments from contractors is often delayed until 3 months | 7. Clear 8. Clear 9. Several things that makes it, after the work is completed the contractor not directly do the billing, but delaying some payments and billed to LO | |
| Labour Union and Bipartite 1. Union members has reached 90% of all employees. 2. The union has been registered at the Manpower Agency of Kubu Raya 3. Meetings with the company conducted through Bipartite Institution since Labor Union officials is also a member of Bipartite Institution 4. The labor union is trying to propose for PKB establishment and currently in the process of negotiations with the company. 5. There are no issues related to labor, there are no reports or complaints addressed to the bipartite institution and labor union | Clear, there are no matters / issues that need to respond | Related to OHS aspect and labour aspect has been verified by auditor, describes in C6.5, C6.6, C6.7, C6.12 |
| Labor Cooperative 1. Labor Cooperative have been formed since 2014 engaged in the of savings and loans 2. Members of the cooperative still not totally, it was about 43 people. 3. The annual meeting of members has been done once | 1. Clean 2. Clean 3. Clean 4. For now the company is seeking to establish a legal entity for the cooperative and is in the process at the relevant Department | Related to OHS aspect and labour aspect has been verified by auditor, describes in C6.5, C6.6, C6.7, C6.12 |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|---|--|
| <p>4. The the cooperative do not have legal status due to lack of capital constraints. It has been submitted to the company in 2014, but the response has not been satisfactory.</p> | | |
| <p>Gender Committee</p> <ol style="list-style-type: none"> The Company has had a gender committee that deal with issues of women's rights Orientation to employees related to sexual harassment of women has been conducted regularly During the first years there has been no information or complaints of sexual harassment Employees have quite understand the mechanism if there is a complaint regarding sexual harassment Employees of women in the company has been awarded reproductive rights, such as menstrual leave, maternity leave, permission to breastfeed during breastfeeding Employees of women who are pregnant or breastfeeding are prohibited from work related to chemicals Do not identified the issue of child labor under the age or pesticide operators who are pregnant or breastfeeding. | <p>Clear, there are no matters / issues that need to respond</p> | <p>Related to OHS aspect and labour aspect has been verified by auditor, describes in C6.9, C6.8, C4.6</p> |
| <p>Sungai Malaya Village</p> <ol style="list-style-type: none"> It was the expansion of Mega Timur Village, so far communication with the company is good, starting from 2015 after the change of leader of PT BPK, previously the community did not recognize leader of the company. The previous area of PT BPK is the the community area which has been compensated, currently there are areas that have not been compensated where there are reports of the community to the village chief but due to lack of evidence so as not proceed | <ol style="list-style-type: none"> Clear Clear The company through its CSR program will consider and review in which the right of priority to be built from the several villages adjacent to the plantation because the company is located in the region of 4 villages so that if development and CSR program is only done in the village of S. Malaya every year then it will be conflict and | <p>Related to land ownership has been verified by auditor, describes in C6.1, C6.2, C2.3 and C6.4</p> |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|--|---|-------------------|
| <p>3. Previously, the company had never done CSR to the village, CSR conducted if the community demonstrations repeatedly, after 2015 PT BPK has made approaches to the community, has been carried out CSR , namely paving, communities are expressly hoping asphaltting the road continues.</p> <p>4. Preparation of CSR programs has never been engage communities so that the community did not know specific programs are will be done by the company, but also the villagers has never been invited PT BPK in the village musrenbang activities.</p> <p>5. PT BPK did not transparent in conducting recruitment, mostly employees of factories and offices in PT BPK are of outsiders, from the village of S. Malaya many of which have had a higher education and apply to PT BPK but is not addressed</p> <p>6. In order PT BPK pay an attention to the problem of flooding, dust and infrastructure</p> | <p>jealousy in other villages, based on that the community will create a program in accordance with the ability of the company which CSR program in each village will be created program</p> <p>4. The CSR program is more focused towards the empowerment of the community, but leaders and village heads and more people look towards physical facilities (infrastructure) of the village. Thus, the company's program on empowerment is not running and more to the development of infrastructure. The company has frequently consults with the village through the company's CSR program is to empower cattle and seasonal crops (agribusiness) but the village should be more focused to do a CSR for the construction of offices of village heads, religious buildings, roads and drainage, which if this all programmed to be more disruptive financial balancing. With a large number of rural area, if charged to companies other things that concern is sometimes government in rural development projects that have been obtained are still asking for help through the company's CSR program to work on the project so that there are indications that government projects completed by the company.</p> <p>5. POM BPK was established since 2004 (EIA), meaning that fulfillment of employee formation in construction has been done. In that year the S. Malaya is part of the Mega Timur Village where the position of the factory located at S. Tempayan Village so that the formation of the</p> | |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|---|--|-------------------|
| <p>Cooperative Unit of Mekar Lestari</p> <p>1. The partnership is KKPA, the agreement period of 25 years since 1998, the current credit debt has been paid off</p> | <p>employees are mostly villagers in the Mega Timur. So, the village of S. Malaya are expansion of Mega Timur Village in 2012, actually it will be seen that the villagers of S. Malaya River are not included in formation of POM employees whereas in previous years the formation of employees from the village of Mega Timur occupy about 70%.</p> <p>6. Regarding to the floods, the company has been normalized trenches every year, if the whole trenches in the village should be normalized annually then the excavator unit within one year will not solve the whole trenches. Flooding also caused not merely by the condition of drainage but it is one caused by the discharge of rainfall fairly high so that the upstream (head-waters) did not able to accommodate the flow of water from the tributaries upstream so that the floods are temporary.</p> <p>1. Clear 2. Clear 3. Clear 4. 4 and 5. The Management Plan and certification infrastructure already offered by the company to the plasma, but the plasma is still no agreement</p> | |

| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|--|---|-------------------|
| <p>2. The payment has been carried out by PT BPK timely, calculation of production was carried out together with representatives of KUD</p> <p>3. The price to be used continuously to adapt the provisions of government</p> <p>4. There are differences in management between KKPA with the company, especially in terms of infrastructure, so that FFB Plasma kadangang difficulty in transport</p> <p>5. Until now there is no legal title to land for KKPA Mekar Lestari, has been asked repeatedly to PT BPK</p> | <p>between the groups.</p> <p>5. For information, at this time plasma land was allegedly already existing certificates issued before built smallholdings (certificate Prona). But until now the BPN can not be sure exactly such a certificate, so that the certification process has been done has not been successful</p> | |

| | |
|-----|--|
| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY |
| 4.1 | Formal Sign-off of Assessment Findings |
| | <p>Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Bumi Pratama Khatulistiwa Sustainability Manager</p>  <p><u>Eka Amana</u> 19 Sept 2017</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Sandra Purba</u> 19 Sept 2017</p> </div> </div> |

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

| No | Institution/NGO/Community | Address | Phone/Email | Form of Communication | Date of Contact | Response | |
|----|--|------------------------------------|-------------|-----------------------|-----------------|----------|----|
| | | | | | | Yes | No |
| 1 | National Land Agency | Kubu Raya Regency, West Kalimantan | - | Direct interview | 26 Sept 2016 | √ | |
| 2 | Labor and Transmigration Agency | Kubu Raya Regency, West Kalimantan | - | Direct interview | 26 Sept 2016 | √ | |
| 3 | Environment Agency | Kubu Raya Regency, West Kalimantan | - | Direct interview | 26 Sept 2016 | √ | |
| 4 | Plantation, Forestry and Mining Agency | Kubu Raya Regency, West Kalimantan | - | Direct interview | 26 Sept 2016 | √ | |
| 5 | Community of Sungai Enau Village | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 6 | Local contractors | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 7 | Labour Union and Bipartite | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 8 | Labor Cooperative | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 9 | Gender Committee | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 10 | Communities of Sungai Malaya Village | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 11 | Cooperative Unit of Mekar Lestari | Kubu Raya Regency, West Kalimantan | - | Direct interview | 27 Sept 2016 | √ | |
| 12 | WWF | | | Email | | | √ |
| 13 | Sawit Watch | | | Email | | | √ |
| 14 | Walhi | | | Email | | | √ |

Appendix 2. Assessment Program

| DATE | | 26 - 30 September 2016 | | | | | |
|-------------------------------------|-----------------|--|---------|----|----|----|-----|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR | | | | |
| | | | SP | LW | MA | YH | HRY |
| Monday, 26 September 2016 | | | | | | | |
| 05.20 – 06.30 | 05.20 – 06.30 | JAKARTA → PONTIANAK | √ | √ | √ | √ | √ |
| 07.00 – 09.00 | 07.00 – 09.00 | PONTIANAK → PT. BUMI PRATAMA KHATULISTIWA | | | | | |
| 09.00 – | 09.00 – 14.00 | <ul style="list-style-type: none"> Stakeholders consultation to Related Government Institution (Kubu Raya Regency and local NGO) | | | √ | | √ |
| 09.30 – 10.00 | 09.30 – 10.00 | Opening Meeting | √ | √ | | √ | |
| 10.00 – 12.00 | 10.00 – 12.00 | PT. BUMI PRATAMA KHATULISTIWA (Estate and Mill) <ul style="list-style-type: none"> Verification of previous non-conformance (ST-1) Verification of basic information Document verification | √ | √ | | √ | |
| 12.00 – 14.00 | 12.00 – 14.00 | BREAK | | | | | |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> Field observation to BPK POM (FFB receiving, grading, FFB processing, WWTP, hazardous waste management, chemical management, SCCS, workshop) | √ | √ | | √ | |
| Tuesday, 27 September 2016 | | | | | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Field Observation BPK Estate | | | | | |
| | | <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, best agricultural practices, water management, IPM, fruit bunch application | | | √ | | √ |
| | | <ul style="list-style-type: none"> Worker Welfare (payments, complaint mechanism) | | √ | | | |
| | | <ul style="list-style-type: none"> Hazardous Waste Material (B3) management | | √ | | | |
| | | <ul style="list-style-type: none"> Worker facilities (housing, health clinic, clean water, etc) and Land Fire facilities, Storage, ect. | | √ | | | |
| | | <ul style="list-style-type: none"> Stakeholders consultation to Nearest village, community leader, local contractor | √ | | | √ | |
| 12.00 – 14.00 | 12.00 – 14.00 | BREAK | | | | | |
| 14.00 – 17.00 | 14.00 – 17.00 | <ul style="list-style-type: none"> Verification of previous non-conformance (ST-1) Verification of basic information Document verification | | | √ | √ | √ |
| Wednesday, 28 September 2016 | | | | | | | |
| 08.00 – 12.00 | 08.00 – 12.00 | Continuing Field Observation to BPK Estate : <ul style="list-style-type: none"> Legal boundaries | √ | | | | |

| DATE | | 26 - 30 September 2016 | | | | | | |
|------------------------------------|-----------------------|--|---------|---|---|---|---|---|
| PLANNED TIME | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR | | | | | |
| | | <ul style="list-style-type: none"> Conservation Area Stakeholders consultation to Gender Committee, Union Labor | | √ | √ | √ | √ | √ |
| 12.00 – 14.00 | 12.00 – 14.00 | BREAK | | | | | | |
| 14.00 – 15.00 | 14.00 – 15.00 | <ul style="list-style-type: none"> Verification of previous non-conformance (ST-1) Verification of basic information Document verification | √ | √ | √ | √ | √ | |
| Thursday, 29 September 2016 | | | | | | | | |
| 08.00 – 10.00 | 08.00 – 12.00 | <ul style="list-style-type: none"> Document verification Closing Meeting Preparation Closing Meeting | √ | √ | √ | √ | √ | √ |
| 10.00 – 11.00 | 14.00 – 15.00 | | | | | | | |
| 11.00 – 12.00 | 15.00 – 17.00 | | | | | | | |
| Friday, 30 September 2016 | | | | | | | | |
| 08.00 – 09.00 – 12.00 | 08.00 – 09.00 – 12.00 | Kebun – Bandara (Pontianak) - Jakarta | √ | √ | √ | √ | √ | √ |