

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

Stage-1     Stage-2     Surveillance     Re-Certification

Name of Management : Pundu Nabatindo Mill, PT Windu Nabatindo Lestari subsidiary of Organisation Bumitama Agri Ltd.  
 Plantation Name : Pundu Nabatindo Estate, Katari Agro Estate, Pelantaran Agro Estate dan Pantai Mas Estate.  
 Location : Pundu Village, Sub District of Cempaka Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia  
 Certificate Code : MUTU-RSPO/042  
 Date of Certificate Issue : 19 June 2014                      Date of License Issue : 19 June 2016  
 Date of Certificate Expiry : 18 June 2019                      Date of License Expiry : 18 June 2017

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	30 April – 04 Mei 2016	Oktovianus Rusmin (Lead Auditor); Trismadi Nurbayuto; Muardi Marwas; Andi Pratama Pasaribu; Sofyan Hadi Lubis	Octo HPN Nainggolan	Toni Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	30 June 2016

### TABLE OF CONTENT

#### FIGURE

Figure 1. Location Map of PT Agronusa Investama	1
Figure 2. Operational Map of PT Agronusa Investama	2

Abbreviations Used	3
--------------------	---

<b>1.0 SCOPE of the CERTIFICATION ASSESSMENT</b>	<b>4</b>
1.1 Assessment Standard Used	4
1.2 Organization Information	4
1.3 Type of Assessment	4
1.4 Location of Mill and Plantations	4
1.5 Description of Area Statement	5
1.6 Planting Year and Cycles	5
1.7 Description of Mill and Supply Base	6
1.8 Estimate Tonnage of Certified Product	7
1.9 Other Certifications	8
1.10 Time-Bound Plan	8
<b>2.0 ASSESSMENT PROCESS</b>	<b>10</b>
2.1 Assessment Team	10
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	11
2.3 Stakeholder Consultation and Stakeholders Contacted	13
2.4 Determining Next Assessment	14
<b>3.0 ASSESSMENT FINDINGS</b>	<b>14</b>
3.1 Summary of Assessment Report of the RSPO Certification	14
3.2 Summary of Assessment Report of Supply Chain Requirement	40
3.3 Conformity Checklist of Certificate and Logo Use	48
3.4 Summary of RSPO Partial Certification	49
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	53
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	81
<b>4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>	<b>92</b>
4.1 Formal Signing of Assessment Findings	92
<b>APPENDICES</b>	
1. List of Stakeholders Contacted in the RSPO Certification Process	93
2. Assessment Program	95
3. Checklist of RSPO Assessment for ST-1, ST-2, ASA-1, ASA-2, ASA-3, ASA-4 and Recertification	97
4. Checklist of Supply Chain Assessment for ST-1, ST-2, ASA-1, ASA-2, ASA-3, ASA-4 and Recertification	248

Figure 1. Location Map of PT Windu Nabatindo Lestari

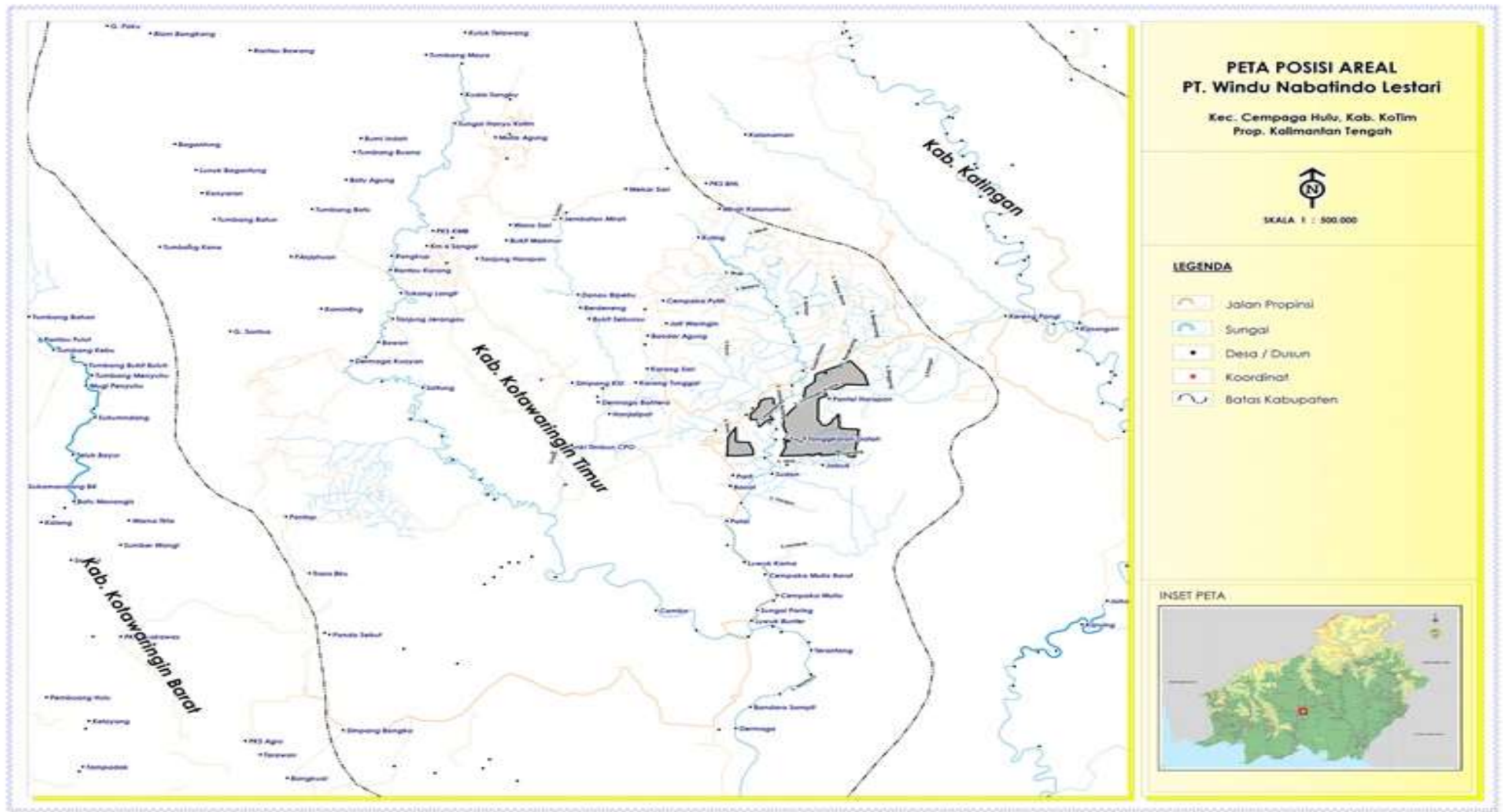
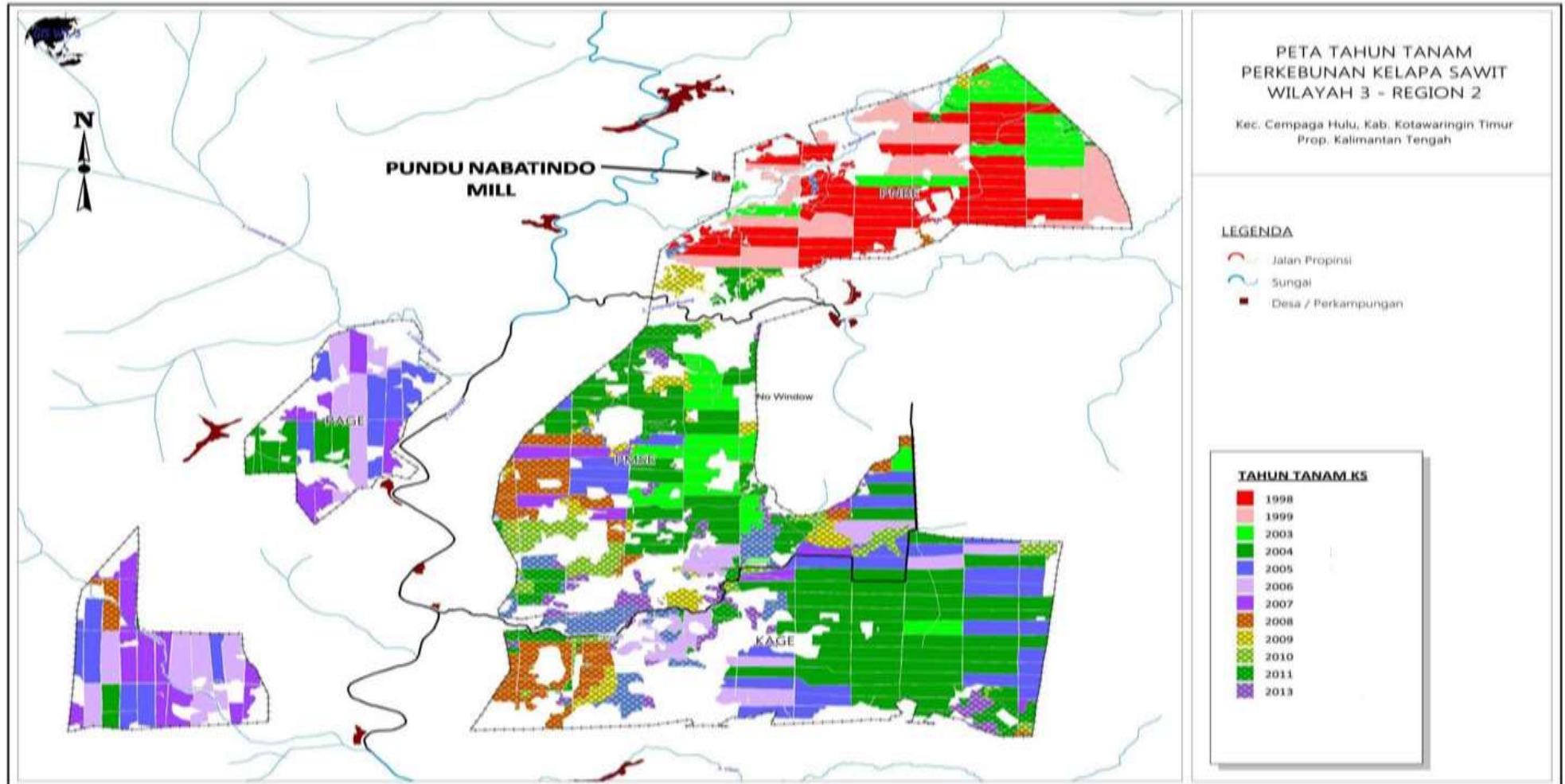


Figure 2. Operational Map of PT Windu Nabatindo Lestari



<b>Glossary</b>		
BGA	:	Bumitama Gunajaya Abadi
BLH	:	<i>Badan Lingkungan Hidup</i> (Environment Bodies)
BOD	:	Biological Oxygen Demand
BMS	:	Block Manuring System
BSS	:	Block Spraying System
CCM	:	Certification and Compliance
CPO	:	Crude Palm Oil
B3	:	Hazardous Material
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gass
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Building Use Tittle)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HRD	:	Human Resource Department
IOM	:	Inter Office Memo
IPM	:	Intergrated Pest Management
JAMSOSTEK	:	<i>Jaminan Sosial Tenaga Kerja</i> (Social Insurance of Labor)
KAGE	:	Katari Agro Estate
LUCC	:	Land Use and Cover Change
LSU	:	Leaf Sampling Unit
LTA	:	Lost Time Accident
MCU	:	Medical Check Up
NPP	:	New Planting Procedure
NC	:	Non Comformance
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OQC	:	Operation Quality Control
PAGE	:	Pelantaran Agro Estate
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PMSE	:	Pantai Mas Estate
PNBE	:	Pundu Nabatindo Estate
PNBM	:	Pundu Nabatindo Mill
PPE	:	Personal Protective Equipment
RnD	:	Research and Development
RSPO	:	Roundtable on Sustainability Palm Oil
SOP	:	Standard Operational Procedure
SCCS	:	Supply Chain Certification System
SSU	:	Soil Sampling Unit
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan</i> (UKL/UPL) Environmental Management and Monitoring Report
WNL	:	Windu Nabatindo Lestari
WHO	:	World Health Organization
WWTP	:	Waste Water Treatment Plant

<b>1.0 COPE OF THE CERTIFICATION ASSESSMENT</b>			
<b>1.1 Assessment Standard Used</b>			
	<ul style="list-style-type: none"> <li>• <i>RSPO Principles and Criteria (P&amp;C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013.</i></li> <li>• <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></li> </ul>		
<b>1.2 Organisation Information</b>			
1.2.1	Organisation name listed in the certificate	PT Windu Nabatindo Lestari - Bumitama Agri Ltd	
1.2.2	Contact person	Lim Sian Choo	
1.2.3	Organisation address and site address	RSPO registered company: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia .  Liaison Office: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia.	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	<a href="mailto:lim.sian.choo@bumitama.com">lim.sian.choo@bumitama.com</a>	
1.2.7	Web page address	<a href="http://www.bumitama-agri.com">www.bumitama-agri.com</a>	
1.2.8	Management Representative who completed the application for certification	Lim Sian Choo (Head of CSR and Corporate Sustainability)	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 08 October 2007	
<b>1.3 Type of Assessment</b>			
1.3.1	Scope of Assessment and Number of Management Unit	<b>Palm Oil Mill and supply base:</b> Pundu Nabatindo Mill (PNBM); Pundu Nabatindo Estate (PNBE), Katari Agro Estate (KAGE), Pelantaran Agro Estate (PAGE) dan Pantai Mas Estate (PMSE).	
1.3.2	Type of certificate	Single	
<b>1.4 Locations of Mill and Plantation</b>			
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>
	Pundu Nabatindo	Pundu Village, Sub District of Cempaka Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	S 1° 59' 37"
			E 113° 3' 45"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>
	Pundu Nabatindo Estate	Pundu Village, Sub District of Cempaka Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	S 1° 59' 48"
			E 113° 3' 29"

Katari Agro Estate	Keruing Village, Sub District of Cempaka Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	S 2° 5' 31"	E 113° 5' 9"
Pelantaran Agro Estate	Pelantaran Village, Sub District of Cempaka Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	S 2° 4' 10"	E 112° 59' 24"
Pantai Mas Estate	Keruing Village, Sub District of Cempaka Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	S 2° 3' 25"	E 113° 03' 21"

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	<b>11,565,84</b> Ha
	• Community	- Ha
1.5.2	<b>Area Statement</b>	
	• <b>Total area</b>	<b>11,565.84</b> Ha
	• Mature area	8,211.92 Ha
	• Immature area	6.22 Ha
	• Mill	25.07 Ha
	• Emplishment	77.31 Ha
	• Infrastructure	335.02 Ha
	• Nursery	- Ha
	• Settlement	7.08 Ha
	• HCV	206.42 Ha
	• Swamp	120.90 Ha
	• Others area	2,575.90 Ha

\* Area Statement 2016

**1.6 Planting Year and Cycles**

1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		PNBE	PMSE	KAGE	PAGE	Total
	1998	888.82	0.00	0.00	0.00	888.82
	1999	594.93	0.00	0.00	0.00	594.93
	2003	331.34	331.10	35.13	0.00	697.57
	2004	45.95	682.78	1,182.98	173.64	2,085.35
	2005	0.00	109.52	557.71	358.32	1,025.55
	2006	0.00	102.70	212.90	423.26	738.86
	2007	0.00	120.05	28.21	394.24	542.50
	2008	11.11	224.82	183.06	37.97	456.9

	2009	44.39	130.74	29.57	0.00	204.70	
	2010	11.14	185.06	60.57	0.00	256.77	
	2011	9.49	122.00	109.91	0.00	241.40	
	2012	11.48	158.62	90.19	0.00	260.29	
	2013	1.15	125.48	91.59	0.00	218.22	
	2014	00	6,22	00	00	00	
	<b>TOTAL</b>	<b>1,949.80</b>	<b>2,299.09</b>	<b>2,581.82</b>	<b>1,387.43</b>	<b>8,218.14</b>	
1.6.2	New Planting area after January 2010		982.90 Ha				
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle				
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>	
				<b>Out put (ton)</b>	<b>Extraction (%)</b>	<b>Out put (ton)</b>	<b>Extraction (%)</b>
	Pundu Nabatindo Mill	90	364,357.73	80,908	22.20	17,382	4.77
	<i>* Source: FFB Processing data period April 2015 – March 2016</i>						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Pundu Nabatindo Estate	2,814.17	1,949.80	46,546.45	23.87	32,706.41	70,27
	Pantai Mas Estate	3,239.54	2,299.09	32,170.59	13.42	9,440.32	29,34
	Plantaran Agro Estate	1,934.86	1,387.43	23,167.41	16.70	4,920.26	21,24
	Katari Agro Estate	3,577.28	2,581.82	26,386.72	10.65	2,728.75	10,34
	<b>TOTAL</b>	<b>11,565.84</b>	<b>8,218.14</b>	<b>128,271.17</b>	<b>15.62</b>	<b>49,795.73</b>	<b>38,82</b>
	<i>* Source: FFB Production data period April 2015 – March 2016</i>						
1.7.3	FFB description from other source						
	<b>Name of sources</b>	<b>Organisation</b>	<b>Location and Hectarage</b>			<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	
	PHRE (Pantai harapan Abadi Estate)	Scheme Smallholder Of WNL (875 smallholders)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (1,734.73 ha)			52,613	
	PNRE (Panagaraya Estate)	Scheme Smallholder Of WNL (330 smallholders)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (659.33 ha)			46,863	
	KRYE (Kruing Raya Estate)	Scheme Smallholder Of WNL (600 smallholders )	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (1,198.47 ha)			877	
	RBYE (Rubung Buyung Estate)	Scheme Smallholder Of WNL (515 smallholders)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (2769.92 ha)			1,902	
	Pelantaran Agro Estate Plasma	Scheme Smallholder Of WNL (408 smallholders)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (816.63 ha)			697	



SAGE (Selucing Agro Estate)	PT Windu Nabatindo Sejahtera (370 smallholders)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (744.99 ha)	102
SDME (Serawak Damai Estate)	PT Windu Nabatindo Sejahtera	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (2,725.33 ha)	488
SBHE (Sungai bahaung Estate)	PT Windu Nabatindo Abadi	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia (1,764.74 ha)	73
Pundu Nabatindo Est (PNBE) PT. GSM	PT Gemilang Sukses Makmur / Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	2,615
Katari Agro Est (KAGE) PT. FBI	PT Fajar Bumi Nabati / Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	1,353
Pelantaran Agro Est (PAGE) PT. FBI	PT Fajar Bumi Nabati / Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	1,046
Pantai Mas Est (PMSE) PT. FBI	PT Fajar Bumi Nabati / Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	855
PT. Hampalit Jaya	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	496
PT. Sinar Citra Cemerlang (SCC)	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	37,321
Koperasi Parit Sakti	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	1,231
KUD. Tridaya	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	2,223
CV. Keluarga Mandiri	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	1,019
CV. Alam tenera	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	50,732
PT. Borneo Lancar Abadi	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	25,267
CV. Kaldera International trade	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	93
Independent Supplier (non certified)	Independent Outgrower	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	82,695
<b>TOTAL</b>			<b>314,562</b>

*\* Source: FFB Received data period April 2015 – Maret 2016*

1.7.4	Jenis Produk	<b>FFB, CPO, PK</b>	
<b>1.8 Estimate Tonnage of Certified Product</b>			
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim 19 June 2015 to 18 June 2016 (tonnes/year)	Actual certified product 19 June 2015 to 18 June 2016 (tonnes/year)
	• FFB Production	175,663	51,953
	• CPO Production	40,402	11,525
	• Palm Kernel (PK) Production	8,783	2,516

1.8.2	Estimate of Certified FFB Claim						
	<b>Name of Estate(s)</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>		
	Pundu Nabatindo Estate	2,814.17	1,949.80	46,546	23.87		
	Pantai Mas Estate	3,239.54	2,299.09	32,171	13.42		
	Plantaran Agro Estate	1,934.86	1,387.43	23,167	16.70		
	Katari Agro Estate	3,577.28	2,581.82	26,387	10.65		
	<b>TOTAL</b>	<b>11,565.84</b>	<b>8,218.14</b>	<b>128,271</b>	<b>15.62</b>		
	<i>* Source: Projected FFB Production data period May 2016 – April 2017</i>						
1.8.3	Estimate of Certified Palm Product Claim						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>	
				<b>Out put (ton)</b>	<b>Extraction (%)</b>	<b>Out put (ton)</b>	<b>Extraction (%)</b>
	Pundu Nabatindo Mill	90	128,271	28,476	22.20	6,118	4.77
	<i>* Source: Projected FFB Processing data period May 2016 – April 2017</i>						
<b>1.9</b>	<b>Other Certifications</b>						
	Indonesia Sustainability Palm Oil (ISPO)			-			
<b>1.10</b>	<b>Time Bound Plan</b>						
1.10.1	<b>Time Bound Plan for Other Management Units</b>						
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>	
	<b>MILL</b>	<b>Time Bound Plan</b>					
	Pundu Nabatindo (PT WNL)	2014	Pundu Nabatindo Estate	2014	Kotawaringin Timur District, Kalimantan Tengah	Certified	
			Pelantaran Agro Estate			Certified	
			Katari Agro Estate			Certified	
			Koperasi Harapan Abadi			2017	Certification Preparation
	Katari Agro (PT WNL)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur District, Kalimantan Tengah	ST-02	
			Katari Agro Estate				
			Pantai Mas Estate				
	Gunung Makmur (PT KMB)	2014	Gunung Makmur Estate	2014	Kotawaringin Timur District, Kalimantan Tengah	Certified	
			Sungai Mentaya Estate				
			Bukit Daman Estate				
		2017	PT. Tanah Tani Lestari	2017	Kotawaringin Timur District, Kalimantan Tengah	Certification Preparation	

		KUD Mekar Jaya			Certification Preparation
		KUD Sekar Tani			Certification Preparation
		KUD Lestari			Certification Preparation
Bukit Makmur Mill (PT KMB)	2018	Bukit Kecubung Estate Bukit Makmur Estate	2018	Kotawaringin Timur District, Kalimantan Tengah	ST-01
Kotawaringin Mill (PT BGB)	2020	Sepantaian Danau Merah Kotawaringin Tonam Raya	2020	Central Kalimantan	ST-01
Lamandau Mill (PT BGB)	2020	-	2020	Central Kalimantan	-
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2016	Mekar Utama Estate	2016	West Kalimantan	Certified 2015
		Kendawangan Estate			
		Banjar Sari Estate			
		Seriam Jaya Estate			
		Membuluh Jaya Estate			
	2018	Koperasi Serba Usaha Bersama	2018	West Kalimantan	2018
		Koperasi Binasari			
		Koperasi Serba Usaha Karya Bersama			
		Koperasi Binasari			
		Koperasi Perkebunan Fajar Mandiri			
Pembangunan Raya Mill (PT ASM)	2016	Pembangunan Raya Estate	2016	Ketapang District, West Kalimantan	Certification Preparation
		Bengkuang Raya Estate			
		Belaban Raya Estate			
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera/KBAS)	2017	Marau Raya Estate	2017	West Kalimantan	Certification Preparation
Selucing Mill (PT. Windu Nabatindo Abadi)	2018	-	2018	Central Kalimantan	2018
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2018	-	2018	Central Kalimantan	2018
Bukit Tunggul Jaya Mill (PT LSM)	2020	-	2020	Ketapang District, West Kalimantan	NPP
Suka Damai Mill (PT RSI)	2020	PT. Masuba Citra Mandiri (MCM)	2020	Rokan Hulu District, Riau	2020
-	-	PT NKU	-	Kalimantan Tengah	NPP
-	-	PT KML	-	Ketapang District, West Kalimantan	NPP

	-	-	PT AMS	-	Ketapang District, West Kalimantan	NPP
	-	-	PT ASMR	-	Ketapang District, West Kalimantan	NPP
	-	-	PT LGI	-	Ketapang District, West Kalimantan	NPP
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>					
	Smallholder partners will be assessed in 2017 or 3 years after the mill received certificates. Until now business unit sending it into Gunung Makmur mill is in the process of RSPO standard.					

<b>2.0 ASSESSMENT PROCESS</b>	
<b>2.1 Assessment Team</b>	
<b>ASA-2</b>	<ol style="list-style-type: none"> <li>1. <b>Oktoavianus Rusmin (Lead Auditor)</b>. Bachelor's Degree in Social &amp; Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact &amp; Conflict Resolution) and HCVF. Already participated in Forest Management Auditor Training (FSC Standard), ISO 14001, ISO 9001:2008, Environmental Management System Training, SVLK (wood legality) Auditor, Indonesian Sustainable Palm Oil (ISPO) and RSPO Lead Auditor Training. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI) and Gap Analysis Audit (FSC Standard). Had worked at the Center for study of Anthropology University of Indonesia and Social Advisor at Tropical Forest Trust (TFT) Indonesia. He was numerously involved in Social Impact Assessment and HCV Identification in Palm Oil Plantations and Natural Forest concessions. During the assessment the auditor verified land legality, land dispute/conflict mechanism and social aspect.</li> <li>2. <b>Trismadi Nurbayuto (Auditor)</b>. Bachelor of Economics from the Department of Agribusiness, Faculty of Economics and Management, Bogor Agricultural University. Specialists for Environmental Social Impact Assessment (SEIA) and High Conservation Value (HCV). Has attended several training such as: HCV, Auditor for Indonesian Sustainable Palm Oil (ISPO) training and Auditor/Lead auditor Management System Certification (ISO 9001-2008). Previously worked in the private oil palm plantations, became HCV assessor who registered at the Roundtable on Sustainable Palm Oil (RSPO) until 2014. He has been involved in the SEIA and Identification of HCV in Plantation company. During the assessment the auditor verified worker welfare, occupational health &amp; safety aspect.</li> <li>3. <b>Muardi Marwas (Auditor)</b>. Bachelor of Agriculture Bogor Agriculture Institute. Attended RSPO and ISPO Assessment in Indonesia. He had been trained Auditor/Lead auditor Management System Certification (ISO 9001-2008), Awareness HACCP certification, training of RSPO auditor and training of RSPO Lead Auditor, ISPO Lead auditor training, awareness green house gas and Witteness Distribution Quality Management Process (DQMP) APMEA. Currently he works for Independent Certification Body. He had involved activities RSPO and ISPO certification assessment as an auditor. During the assessment the auditor verified environment and SCCS aspect.</li> <li>4. <b>Sofyan Hadi Lubis (Trainee Auditor)</b>. Master's Program in Environmental and Natural Resource Management, Institute Pertanian Bogor (IPB) and Bachelor of Social Economic Agriculture, Gadjah Mada University (UGM). Participated in several environmental management workshops, climate change mitigation training and adaptation for agricultural productivity in Southeast Asia, Carbon Forum Asia Update. He has also been involved as a research team at the Centre for Research, Development and Climate Change Policy (Puspipjak) Ministry of Forestry of Indonesia-Bogor and Research Team in cooperation program IPB-ETH Zurich Switzerland - NUS Singapore. He has followed Auditor training ISPO and Auditor/Lead auditor Management System Certification (ISO 9001-2008), ISO 14001, Awareness RSPO, HCV, GHG Calculation and LUC-ISCC. During the assessment the auditor verified social and conservation aspects. During the assessment the auditor verified transparency, environment and conservation aspect.</li> <li>5. <b>Andi Pratama (Trainee Auditor)</b>. Bachelor of the social economy, agribusiness a course of study agricultural university faculty of Jember. He had followed the training of auditor sustainable Indonesian palm oil (ISPO). He has experience of work for five years as an operational staff in several plantation companies in Indonesia private oil palm plantation. Currently working on certification body as independent auditors. Auditor conducting assessment in the management of a plantation of pest and disease of plants. During the assessment the auditor verified base management practices aspect and integrated pest management.</li> </ol>
<b>2.2 Assessment Methodology, Assessment Process and Locations of Assessment</b>	
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>

<b>ASA-2</b>	Number of auditors : 5 auditor Number of days for <b>ASA-2</b> at site : 4 days Number of working days for <b>ASA-2</b> at site : 20 Working days
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-2</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT WINDU NABATINDO LESTARI to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production on April 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. Some opportunities for improvement of the results <b>ASA-2</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-3</b>).</p> <p>Number of units in this certification activity is 4 (four) estates: Pundu Nabatindo Estate, Katari Estate, Pelantaran Agro Estate and Pantai Mas Estate, which supply the raw material (FFB) to 1 (One) Palm Oil Mill (Pundu Nabatindo POM). In conducting the assessment, the team of auditors used the <math>0.8\sqrt{y}</math> formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are Katari Agro Estate and Pantai Mas Estate. These estates was supply FFB to Pundu Nabatindo Palm Oil Mill.</p> <p>Improvement of findings from main assesment findings were observed by auditors at this <b>ASA-2</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-2</b>.</p> <p>The assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Location of Assessment</b>
<b>ASA-2</b>	<p><b>Pundu Nabatindo Palm Oil Mill (PNBM)</b></p> <ol style="list-style-type: none"> <li><b>Water Treatment Process (WTP)</b> of PNBM. According to the result of field observation, the source of mill water is from the reservoir for rainfall water, The water is then flowed to reservoir by using pipe / water intake, the water is then get through raw water tank, and it will be treated or processed and finally it is flown to processing stage, housing complex, etc. Flow meter for processing water for mill does not work well (disorder), recording of water consumption based on data of flow meter for period of January till audit program is not conducted.</li> <li><b>Waste Water Treatment Pond (WWTP)</b>. According to the field observation, the condition of 10 WWTPs are in good condition, there is no leakage nor overflow to drainage, riverbank nor environment. The condition of inlet and outlet flow meter is good, recording for effluent debit for land application is routinely conducted, sampling of effluent quality is taken from WWTP No. 7.</li> <li>Cumulation of EFB and PNBM Condensate Water. According to the field observation, the leachate generated from operational (cumulation of EFB) at mill flow to the ground (environment). There is no drainage nor sewer from and to WWTP. The condensate drainage does not reach WWTP. Therefore it reduce the potential of waste contamination to the ground.</li> <li><b>Loading ramp to dispatch</b>. Auditors observed Mill process FFB into crude palm oil and Kernel. Fire emergency response facilities at station. Interviews with boiler operator, engine room operator related medical examinations, license operator, salary, grievance, OHSAS.</li> </ol> <p><b>Katari Agro Estate (KAGE)</b></p> <ol style="list-style-type: none"> <li><b>Location 1. Division II</b>. Observation on the Land Use Title (HGU) No. 054 boundary pole condition is good, it's</li> </ol>

- bordering with Ubar Village.
2. **Location 2. Division II.** Observation on the Land Use Title (HGU) No. 053 boundary pole condition is good, it's bordering with Ubar Village.
  3. **Location 3. Division II.** Observation on the Land Use Title (HGU) No. 052 boundary pole is not available.
  4. **Location 4. Division I.** Observation on the Land Use Title (HGU) No. 069, 070 boundary pole is not available.
  5. **Location 5. Division I.** Observation on the Land Use Title (HGU) No. 071 boundary pole condition is good, it's bordering with PT. Fajar Bumi Nabati (BGA Group).
  6. **Location 6. Block D51C. Katari River.** Auditor was observed Ketapang trees was planted in 2015. There are signboard which inform about HCV area and restriction to hunting wildlife.
  7. **Land Application and Monitoring Well of Block E18, Div. I.** According to the field observation, the condition of 12 WWT Ponds are in good condition, there is no leakage nor overflow to drainage, riverbank or environment. The officer is equipped with complete PPE, scanned with medical checkup specifically, housing complex, electricity, clean water, and receive proper salary based on government regulation.
  8. **Hazardous Waste Storage of KAGE.** According to the field observation, the hazardous waste storage has had proper coordinate. It is located in free flood area, not on the drainage / water source, away from housing complex and worker's settlement, good mini fire extinguisher condition, there are symbols of hazardous waste, MSDS, *secondary trapping*, etc. The stored hazardous waste has been arranged based on the type and characteristic of each waste, there is no spillage on floor nor ground.
  9. **Workshop of KAGE.** According to the result of field observation, there is no oil leakage or spillage, first aid kits are well provided. The Officers have known the source and management for the generated hazardous waste from workshop. The workers are equipped with complete PPE when working, housing complex, clean water, electricity, medical facility and receive salary based on the government regulation. According to the result of interview and observation, there is one welding machine used by uncertified workers and without PPE. Moreover, there is a contaminated rage dumped at trash can.
  10. **Chemical Storage of KAGE.** According to the field observation, there were several incomplete things like MSDS and hazardous materials symbols as well as ex-agrochemical container which is used as fuel container, stock of agrochemicals on storage were *Amiron, Petrokum, etc.* According to the result of interview, the officer who deal with agrochemical mixing have been examined specifically.
  11. **KAGE Clinic.** According to the field observation and result of interview, during period of 2015/2016, work accidents were frequently occurred due to get thorn by palm oil thick leave and frequent disease like respiration infection. Medicines are provided for free and no expire, medical waste is temporarily stored on the closed box to be then delivered to central clinic and then delivered to hospital to be incinerated. The medical assistants are not able to show the result of routine monitoring to identify the pregnant workers in BSS team.
  12. **Generator Station of KAGE.** According to the result of field observation, the capacity of generator No. 1 = 135 KPA Generator No. 2 = 65 KPA for the lighting at staff and worker's settlement and office, there is no leakage or oil nor hazardous waste, there are good mini fire extinguisher, routine machine maintenance conducted by traction workers, the generated hazardous waste are stored at hazardous waste storage. The officer is equipped with complete PPE, scanned with medical checkup specifically, housing complex, electricity, clean water, and receive proper salary based on government regulation.
  13. **Housing Complex of Div. 1.** According to the field observation, 1 house is inhabited by 1 family. Provided clean water from reservoir, electricity, trash can. There is no indication of burning activity nor ex burning activity, there was found ex-agrochemical container on the backyard, there is broken septic tank on the employee's settlement. If they want to complain, they knew where to complain (assistant / head of administration / manager). According to the result of interview with babysitter on daycare of housing complex of division 1, the babysitter has been working for 18 months.

**Pantai Mas Estate (PMSE)**

1. **Location 1. Block F44, Division IV.** Observation on the Land Use Title (HGU) No. 044 boundary pole condition

- is good, it's bordering with PT. Fajar Bumi Nabati (BGA Group).
2. **Location 2. Block F441 Division IV.** Observation on the Land Use Title (HGU) No. 037 boundary pole condition is good, it's bordering with PT. Fajar Bumi Nabati (BGA Group).
  3. **Location 3. Division IV.** Observation on the Land Use Title (HGU) No. 032, No. 037 boundary pole is not available.
  4. **Location 6. Block D26. Cempaga River.** Auditor was observed Ketapang trees was planted in 2015. There are signboard which inform about HCV area and restriction to hunting wildlife.
  5. **Location 7. Block B50 Katari River.** Auditor was observed Ketapang trees was planted in 2015. There are signboard which inform about HCV area and restriction to hunting wildlife.
  6. **Chemical Storage of PMSE.** According to the field observation, the stock of agrochemicals are *Roundup, Amiron, Garlon, Agristik, Petrokum*. MSDS is not complete, good mini fire extinguisher condition, provided hazardous material symbols. According to the result of interview, the officer who deal with agrochemical mixing have been examined specifically.
  7. **KAGE Clinic.** According to the field observation and result of interview, during period of 2015/2016, work accidents were frequently occurred due to get thorn by palm oil thick leave and frequent disease like respiration infection. Medicines are provided for free and no expire, medical waste is temporarily stored on the closed box to be then delivered to central clinic and then delivered to hospital to be incinerated. The medical assistants are not able to show the result of routine monitoring to identify the pregnant workers in BSS team.
  8. **Generator Station of PMSE.** According to the field observation, the capacity of generator No. 1 = 20 KPA and generator No. 2 = 60 KPA for the lighting at staff and worker's settlement and office, there is no leakage or oil nor hazardous waste, there are good mini fire extinguisher, routine machine maintenance conducted by traction workers, the generated hazardous waste are stored at hazardous waste storage.
  9. **House of BSS of Div. 2.** According to the field observation, the number of sprayers are 18 sprayers, all spraying equipment and PPE would have been washed at first and then stored at BSS station, water used to wash the equipment and PPE is stored on *secondary trapping* and is used as mix for next spraying program. MSDS is not complete.

<b>2.3 Stakeholder Consultation and Stakeholders Contacted</b>	
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-2</b>	<p>Consultation of stakeholders for PT Windu Nabatindo Lestari was held by:</p> <ol style="list-style-type: none"> <li>(1) Public notification at website MUTU (<a href="http://www.mutucertification.com">www.mutucertification.com</a>) on April 11<sup>th</sup> 2016.</li> <li>(2) Public consultation meeting with stakeholder in East Kotawaringin District (National Land Agency; Region Secretary; Forestry and Environment Agency) on April 26<sup>th</sup>, 2016.</li> <li>(3) Public consultation meeting with gender committee, Bipartit Cooperative Forum and local contractor on April 26<sup>th</sup>, 2016.</li> <li>(4) Public consultation meeting with Villages Nearby Company Area (Pantai Mas Village, Pundu Village, Upar Mandiri Village, Pantai Harapan Village, Bukit Batu Village and Keruing Village) on May 2<sup>nd</sup>, 2016.</li> <li>(5) Public consultation email has been sent on May 2<sup>nd</sup>, 2016.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Windu Nabatindo Lestari.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4 Determining Next Assessment</b>	
<b>ASA-2</b>	The next visit ( <b>ASA-3</b> ) will be determined one year after this <b>ASA-2</b> (April 2017).



**3.0 ASSESSMENT FINDINGS**

**3.1 Summary of Assessment Report of the RSPO Certification**

MUTUAGUNG LESTARI has conducted an assessment of Pundu Nabatindo Mill – PT. Windu Nabatindo Lestari operation consisting of one (1) mill and two (4) oil palm estates.

During the assessment, Ten (10) nonconformities were assigned against Major Compliance Indicators, Eleven (11) nonconformities were assigned against Minor Compliance Indicators, Two (2) nonconformities against supply chain requirement for CPO mill, and Two (03) opportunities for improvement were identified.

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

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>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.</b>		
<p><b>Indicator 1.1.1</b>            According to the document observation, there was no change of the procedure of communication. SOP-WNL-KOM-01, authorized on August 29th 2013 since the first certification. According the procedur, obtained information that the party who responsible to respond the information request is the administration chamber / CSR Department, etc. The information request should be responded within 15 days. Period for keeping the record of information request is 5 years.</p> <p>According to document review of stakeholder update on May 5<sup>th</sup> 2016, the company stakeholders are consisted of Central Kalimantan Province Government, East Kotawaringin District Government, Subdistrict Government and Village Administration Government, Community Figures, Contractor, Supplier, NGO and Internal Party.</p> <p>According to document review of incoming letter logbook, there is no information request by stakeholders on 2015-2016. There is only proposal for fund and service request.</p> <p><b>Indicator 1.1.2</b>            According to the document review of incoming letter logbook, there is no information request by stakeholders. There is only proposal for fund and service request. The personal in charge for dealing with that are Partnership Assistant, PAD Assistant and CSR Assistant. All the personal in charge was well recognized by the locals. The job description for the related staff was sighted. Based on stakeholder consultation with external stakeholder (Head of Village, Informal Leader, Cooperation Unit Staff and several villager) that knows PT WNL has been implemented CSR program and giving several aid to the community. The several aid from company to the community surround consist of road maintenance, provide kindergarten and elementary school in plantation area and provide sport facility for young group, etc.            According to result of interview with East Kotawaringin District Environment Agency, the company has reported implementation report of environmental management and monitoring plan periodically.</p>		
<b>Status: Comply</b>		

<b>1.2</b>	
<b>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.</b>	
The publicly accessed documents such as, Environmental Impact Assessment document, Sosial Impact Assesment document, High Conservation Value document, Land Use Title document, Production document, Map document, Salary document, etc. Keeping document at SPO secretariat with period is 5 years. According to the locas interview, they are never request for information. They frequently request for fund and road maintenance service.	
	<b>Status: Comply</b>
<b>1.3</b>	
<b>Growers and millers commit to ethical conduct in all business operations and transactions.</b>	
The company has Code of the Conduct (COC) document Number BGA-COC-HC-333.1-R0, authorized on October 28th 2014. The COC document has socialized in the language understood by workers. According to the interview with clinic nurses, obtained information that company has socialization of COC to the workers.	
	<b>Status: Comply</b>
<b>PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS</b>	
<b>2.1</b>	
<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	
<b>Indicators 2.1.1</b>	
The company could demonstrated the compliance with regulations, such as:	
<b>Land legalities</b>	
<ul style="list-style-type: none"> <li>• Has have Land Use Title for 9.616,26 Ha (Certificate Number 24), 1.934,58 Ha, (Certificate Number 50) and Building Use Title for 149.820 M<sup>2</sup> (Certificate Number 5). It was issued by National Land Agency of Kotawaringin Timur District.</li> <li>• Plantation Business Permit (IUP), Number: 525.26/151/V/EKBANG/2004, issued by Head of Kotawaringin Timur, May 17, 2004 for land 17.500 Ha in Pundu dan Pantai Harapan Village, Sub District of Cempaga, District of Kotawaringin Timur.</li> <li>• Plantation Business Permit, Number: 508/003/IUP-P/EK.SDAI/2004 for Mill capacity 45 Ton/hour till 90 Ton/hour, issued by Head of Kotawaringin Timur District, January 6, 2014 and land 17.500 Ha in Pundu dan Pantai Harapan Village, Sub District of Cempaga, District of Kotawaringin Timur.</li> </ul>	
<b>Occupational safety and health</b>	
<ul style="list-style-type: none"> <li>• Has hyperkes-trained paramedics based on the Manpower Ministry Regulation No. 1 Year 1979.</li> <li>• Has first aid Officer who has followed training based on the Manpower Ministry Regulation No.15 Year 2008 in term of the first aid action on the workplace.</li> <li>• Has steam machine operator based on the Manpower Ministry Regulation No. 1 Year 1988 in term of the steam machine qualification and requirements.</li> <li>• Has well trained welding expert based on the Manpower Ministry Regulation No. 02 Year 1982 in term of welding expert qualification at the workplace.</li> <li>• Has electricity OHS technician based on the decree of Director General of Guidance and Monitoring No. 311 of 2002 in term of the electricity OHS competence certification.</li> <li>• Has crane and load operator based on the Manpower Ministry Regulation No. 09 Year 2010.</li> </ul>	
<b>Environment aspect</b>	
<ul style="list-style-type: none"> <li>• The company has land application permit based on Head of Kotawaringin Timur District Decree No. 660/38/BLH-PP/LA/V/2012 dated 31 May 2012. This permit valid for the next 5 year since approved.</li> <li>• The company has hazardous and poisonous storage permit from environmental agency of Kotawaringin Timur District No. 660/34/BLH-LB3/VIII/2012 dated 30 August 2012. This permit valid for the next 5 year since approved.</li> </ul>	
The Company has an opportunity to follow up on processing of renewal 3 operator licensed and 1 Electric Technician Licensed in PNBM. <b>(Observation).</b>	

During the assessment, unit using the water for processing in Mill and domestic. However, There is no license of processing water used. Raised the **Non Conformance 2016.01 with major category**.

**Indicator 2.1.2, 2.1.3 & 2.1.4**

The PT WNL has a mechanism for ensuring compliance with relevant legal requirement. The unit has been complied with relevant legal requirement.

- List of regulations regarding OHSAS (LAW-WNL-001, Revision 2. It valid since April 1<sup>st</sup> 2016. It describes 5 statutes, 2 Government Regulations, 1 President Decree, 24 Ministry Regulations, 8 Ministry Decree, 1 Decree of Director General.
- List regulations regarding Plantation (LAW-WNL-003 valid since April 1<sup>st</sup> 2016). It describes 12 statutes, 8 Government Regulations, 1 President Decree, 8 Ministry Regulations, 2 Ministry Decrees.
- List regulations regarding manpower number (LAW-WNL-004, Revision 3, valid since April 1<sup>st</sup> 2016). It describes 16 statutes, 5 Government Regulations, 1 President Decree, 12 Ministry Regulations, 7 Ministry Decrees, 1 Local Regulation. An update laws Local regulation No. 39 of 2015.
- List regulations regarding environment (LAW-WNL-002, Revision 4 valid since April 1<sup>st</sup> 2016). It describes 11 statutes, 18 Government Regulations, 23 Ministry Regulations, 11 Ministry Decrees, 3 decree of the Head of Environment Agency, 1 Local Regulation.

<b>Major 2.1.1</b>	<b>Status: Non Conformance 2016.01 with major category.</b>	<b>Open</b>
--------------------	---	-------------

**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.**

**Indicator 2.2.1**

The PT WNL has had Land Use Right Certificate for totally **11,565.85 Ha**, consist of:

- Certificate Number 24, issued by National land Agency of Kotawaringin Timur District, Province of Central Kalimantan, March 10, 2004 totally **9.616,28 Ha**.
- Certificate Number 50, issued by National land Agency of Kotawaringin Timur District, Province of Central Kalimantan, May 10, 2008 totally **1.934,583 Ha**
- Certificate Number 5, issued by National land Agency of Kotawaringin Timur District, Province of Central Kalimantan, 10 September 10, 2007 totally **149.820 M<sup>2</sup>**

Plantation Business Permit (IUP):

- Plantation Business Permit (IUP), Number: 525.26/151/V/EKBANG/2004, issued by Head of Kotawaringin Timur, May 17, 2004 for land 17.500 Ha in Pundu dan Pantai Harapan Village, Sub District of Cempaga, District of Kotawaringin Timur.
- Plantation Business Permit for Processing (IUP-P), Number: 508/003/IUP-P/EK.SDAI/2004 for Mill capacity 45 Ton/hour till 90 Ton/hour, issued by Head of Kotawaringin Timur District, January 6, 2014 and land 17.500 Ha in Pundu dan Pantai Harapan Village, Sub District of Cempaga, District of Kotawaringin Timur.

**Indicator 2.2.2**

The company has showed the document of boundary poles maintenance in form of:

- Work Instruction of Boundary Pole Maintenance (BGA/WNL-LGL/IK-38/IX/12) was describe that the boundary pole maintenance will be monitored for every month
- Boundary Pole Map of PT Windu Nabatindo Lestari (Scale 1 : 66.000)
- Coordinate List of Boundary Pole for Certificate Number 24, totally 9,616. 28 Ha (304 point) and Certificate Number 50 totally 1,934.583 Ha (66 point)
- Program and Maintenance Realization Boundary Pole in each estate
- Survey Result of Boundary Pole in each estate
- Periodically monitoring of every boundary pole in each estate has been done, the monitoring record was observed.

Based on boundary pole checking in estate sampling audit that sighted;

**Katari Agro Estate:** Pole 052, 053, 054, 069, 070 and 071 (Pole 053, 054 and 071 was installed and Pole 52, 69, 70 was not installed)

**Pantai Mas Estate :** Pole 032, 035, 037 and 044 (overall was not installed)

Based on the explanation, raised the **Non Conformance 2016.02 with minor category**

**Indicator 2.2.3**

The company has had procedure of Land Dispute Handling (BGA-SOP-GL-901.5-RO). These procedure as reference to handle of land dispute between management unit and related party. Process to overcome the land claim was involved of land owner, head of village and witnessed by another land owner surround. The recapitulation of land compensation by PT WNL per April 2016 was sighted.

Based on interview with community member was received of compensation by PT WNL (Mr. Rosinel) that informed all of copy of document related to compensation process also he kept in his home. Overall the compensation process since identification process till payment of compensation has been done without intimidation and was agreed each other.

**Indicator 2.2.4**

The management unit of PT Windu Nabatindo Lestari was documented all of land dispute cases and the process to overcome. The document record of land dispute till April 2016 was sighted. The company has refer to procedure of Land Conflict (BGA-SOP-GL-901.5-RO) for overcome the land conflict. The process for handle of land dispute was implemented with participation by land owner, head of village and related party. The document process was sighted.

**Indicator 2.2.5**

The PT Windu Nabatindo Lestari has had map of land dispute cases and the map was sighted (Map number : 002/GIS-PT-WNL/IV/2016, Scale 1: 66.000). Based on document verification, information from staff of Public Affair Department PT WNL and interview with land owner who has earn of compensation was inform that the mapping process was by agreed each other. The documentation record, for example map of land claim and Agreement Letter was sighted.

**Indicator 2.2.6**

The company has had procedure of Land Dispute Handling (BGA-SOP-GL-901.5-RO). These procedure as reference to handle of land dispute between management unit and related party.

Based on interview with community member was received of compensation by PT WNL (Mr. Rosinel) that informed all of copy of document related to compensation process also he kept in his home. Overall the compensation process since identification process till payment of compensation has been done without intimidation and was agreed each other. There is no indication of intimidation or military force used for handle the cases. Based on stakeholder consultation with external stakeholder (Head of Village, Informal Leader, Cooperation Unit Staff and several villager) that knowed there was no issues regarding to para military used by the company related to maintain peace and order.

<b>Minor 2.2.2</b>	<b>Status: Non Conformance 2016.02 with minor category</b>	<b>Open</b>
--------------------	--	-------------

**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.**

**Indicator 2.3.1**

Based on document verification Social Impact Assessment report and HCV Identification report that knows in PT WNL area there was no land under customary right. Though stakeholder consultation with related agency (National Land Agency and Forestry Agency of Kotawaringin Timur District was inform there is no land of PT WNL under customary right. The land is earn from the government and from compensation process to land owner. The PT Windu Nabatindo Lestari has had map of land dispute cases and the map was sighted (Map number : 002/GIS-PT-WNL/IV/2016, Scale 1: 66.000). Based on document verification, information from staff of Public Affair Department PT WNL and interview with land owner who has earn of compensation was inform that the mapping process was done by agreed each other. The documentation record, for example map of land claim and Agreement Letter was sighted.

**Indicator 2.3.2**

The company has been shows the evidence of land compensation to related party. The sample of process land compensation present to land owner was sighted, for instance there was available documentation of land compensation for Ubin from Cempaga Hulu sub District.

**Indikator 2.3.3**

The record of land compensation was documented in each estate. Based on interview with community member was received of compensation by PT WNL (Mr. Rosinel) that informed all of copy of document related to compensation process also he kept in his home. Overall the compensation process since identification process till payment of compensation has been done without intimidation and was agreed each other.

**Indicator 2.3.4**

Based on document verification of land compensation that knows the process has been done with participate from related party. These process was involve of land owner and approved by head of village and head of sub district. The documented process of land compensation was signed by related party, filed in each estate.

**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.**

The unit not going to replanting the next 5 years. The first planting has conducted in 1998. During the field inspection, No replanting or new planting at Katari Estate and Pantan Mas Estate.

Unit management has Business plan for period of 2012 to 2016 on the document of Strategic Plan Strive For Excellence and Sustainable Five years Business Plan, which describes analysis of Strength, Weakness, Opportunity and Threat.

**NC.2016.3.** Long Term Plan 2012 - 2020 are shown yet to consider CPO Production, Kernel Production, OER, KER, operating costs period 2012 - 2020, the financial indicators (income vs. expense) and estimated price.

**Major 3.1.1**

**Status: Non Conformance 2016.03 with Major category**

**Open**

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

**4.1**

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

**Indicator 4.1.1**

The agronomy procedures divided in to 3 chapter. First chapter explained of nursery, land preparation, road/bridges construction and maintenance, trench construction and maintenance, soil and water conservation, planting legume cover crop and palm oil planting. Second chapter explained weed control, manuring and pest and disease control. The third chapter explained of castration and canopy management, tree and yield census, harvesting, pesticides management, transportation management, marginal soil management and replanting. According to the field visit and interview with the harvesters of block H56 Division 4 KAGE, the harvesters have known harvesting procedures such as FFB criteria, PPE usage, payments etc. All harvester can demonstrated harvesting procedure as good and safe.

OFl: the company may evaluate acceleration of pruning.

The company has an SOP for FFB processing in mill and documented in Mill Operational Control (BGA-SOP-KMB22-RO) that approved by Agronomy Controller on September 25 2012. The SOP contain procedures from FFB received until dispatch. It also supply chain procedures (Identification and Traceability Procedures / BGA-SOP-KMB002-RO).

Based on interview with field staff in estate and mill, all SOP has available in every unit and written in Bahasa which is easy to understand.

**Indicator 4.1.2**

The company has conducted monitoring of operational activity to ensure implementation of procedures. It activity conducted by Internal Audit Department (IAD) annually. Several documentation of internal audit has done in each unit as

follows:

- Pundu Nabatindo Mill: based on document, internal audit has done on October 2<sup>nd</sup> 2015.
- Katari Agro Estate: based on document, internal audit has done on September 22<sup>nd</sup>, 29<sup>th</sup> and October 1<sup>st</sup> 2015.
- Pantai Mas Estate: based on document, internal audit has done on September 22<sup>nd</sup>, 1<sup>st</sup> and 2<sup>nd</sup> October 2015.

All non conformity identified has been closed. For example, there was identified a sower of fertilizer did not using safety google. It was closed by, the sower has been given personal google. Result of regular assessment will determine performance of all staff.

**Indicator 4.1.3**

The company has documented all activity in estate or mill monthly on monthly manager report. For example, monthly manager report of PMSE on March 2016 described hectare statement, supplying, stacing, planting and LCC, organization structure, manpower turnover, working facility, rainfall, nursery, manuring, intergrated pest management and financial report.

**Indicator 4.1.4**

Based on document review, the company has a FFB purchasing procedure named Sales and Marketing – Procedure Third Party Fresh Fruit Bunch (BGA-SOP-SM-803.2-RO) approved since June 1<sup>st</sup> 2014.

Beside of FFB from own estate and scheme smallholder, PNBM also received FFB from the third parties (local supplier). All supplier has engaging mutual agreement with the company. Based on public consultation with local FFB supplier representatives, known that supplier has to be submitting propose of FFB supplier which contain all land legality from it supply bases. After the document verified by Commercial Department, the company will be conducted field observation to ensure legality of all area. Further, mutual agreement will be signed.

**Status: Comply**

**4.2**

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

**Indicator 4.2.1 and 4.2.3**

The company has set some strategy to increasing soil fertility through several way as follows:

- Conducted SSU and LSU periodically to ensure nutrient content. SSU and LSU result will deliver a fertilizing recommendation in each area. The SSU has held on KAGE on January 28<sup>th</sup> 2015 and June 30<sup>th</sup> 2015 in PMSE. While LSU has held August 18<sup>th</sup> 2015 in KAGE and PMSE
- Organic and non-organic fertilizing.
- Planting legume cover crop (LCC) and ferns (*Nephrolepis bisserata*) to maintain soil moisture.
- Through the Internal Agriculture and Technical circular No. 014/IOM/RSC/IV/2015, the company deliver a guidance for water conervation in sandy area. Water conservation conducted through digging discontinue trenches and breaking hard pan.

**Indicator 4.2.2**

Realization of manuring program documented on Manuring Program Book. It available in each estate and shown compare budget or recommendation against realization. It book set using fertilizer recommendation from Research Department. For example, manuring program in KAGE in 2015 has realized Rock Phospate 1,234,952 kg. The realization reported every day to estate manager.

**Indicator 4.2.4**

To increasing soil fertility, the company also using organic waste from mill such as empty fruit bunch (EFB) and palmoil mill effluent (POME). EFB applicated especially sandy area with dosage 40 tonnes/Ha/year. POME only applicated in PNBE due to distance from mill. According to the mill data's, there was a 7,452,200 kg EFB sent to estates. Based on field observation in block J45 Divison 2 KAGE, EFB applicated well.



EFB application in sandy area

Status: Comply

**4.3**

**Practices minimize and control erosion and degradation of soils.**

**Indicator 4.3.1, 4.3.2 and 4.3.6**

There was a map of marginal land within PT Windu Nabatindo lestari BGA Plantation estate in scale 1:80,000. It describes the poor drainage area (1,532 ha), spodic area (730 ha), deep sandy and lateritic area (934 ha), flat land with kaolin (397 ha), unconserved hilly area (111 ha). The map that shown quite proper to indicate marginal soil (it equipped with block number, division and estates).

Based on the land marginal identification above, the company has set marginal land handling program through several project as follows:

1. Project A: spodic area completion.
2. Project B: kaolin area completion.
3. Project C: poor drainage completion.
4. Project D: deep sandy area completion.
5. Project E: hilly area completion.

Based on field observation and topografi data, the area of PT. WNL were hilly with a slope under 40%. Therefore, there was no specific treatment regarding to the slope. However, the company still using several way to maintain hilly area such as manual terracing, planting LCC and frond stacking direct to the terrace. For example in block G50B PMSE.

The company also make discontinue trenches in block H041 and H042 Division 4 PMSE to maintain water and soil permeability.

**Indicator 4.3.3**

Based on field observation, all road were good with a good drainage. Through interview with estate manager, road maintenance operated by Traction Department. The company using heavy equipment to maintenance all road such as 3 unit road grader and 1 unit vibro compactor. All plan and realization of road maintenance documented in Work Program and Monitoring of Road Maintenance.

OFI: the company may increasing realization of road maintenance

**Indicator 4.3.4**

The company has been installed piezometer at peatland area in Pantai Mas Estate and Katari Agro Estate. Those piezometer are regularly monitored (monthly) by water management officer. Based on field observation in block G56 Division 5, the piezometer function.

The company has had map of drainage system of Pundu Nabatindo Eestate for regional 2. It describes the direction of infield trench, direction of trench, infield collecting, main collecting, outlet, main outlet, and main river. The swamp is

managed by keeping the water level at 70 cm above the soil surface.

The company can not show document of trenches maintenance. For example in block B36 Division 2 PMSE. Based on the explanation, raised the **Non Conformance 2016.04 with major category**.

**Indicator 4.3.5**

Based on business plan, the oldest palm tree are 18 year. Hence, there was no replanting plan for the next 5 year.

<b>Major 4.3.4</b>	<b>Status: Non Conformance 2016.04 with major category.</b>	<b>Open</b>
--------------------	---	-------------

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

**Indicator 4.4.1**

According to the document review on implementation report of RKL/RPL, the company has tested the surface water quality on monitoring well in 2st semester of 2015. The result complied the quality threshold regulated by the government. However, the result of surface water quality test result (Cempaga river and Katari river) in 2nd semester of 2015 can not be shown yet. Based on the explanation, raised the **Non Conformance 2016.05 with minor category**

The company too has tested the underground water quality on monitoring well in 2st semester of 2015. The result complied the quality threshold regulated by the government.

According to the field observation to Water Treatment Process (WTP) installation, flow meter mill processes are not working (broken). Based on the explanation, raised the **Non Conformance 2016.05 with minor category**

**Indicator 4.4.2**

The company has identifying water courses that recorded on HCV document, such as Bengkuang River, Cempaka Buang River, Katari River, Ubar River and Keruing River. According to the field observation to riparian area Block R21 Division of III, protection attempts conducted by the company such as signboard prohibition chemicals application instalment, boundary of riparian pole instalment, tree planting, etc. The company has too socialization to workers about protection riparian area. According to the interview with spraying operator on KAGE and PMSE, they have known the boundary of riparian area.

**Indicator 4.4.3**

According to the document review on implementation report of RKL/RPL, the company has tested the mill effluent in 1rd semester of 2015, the result complied the quality threshold regulated by the government. According to the interview with Environment Agency and Locals, there is no any contamination caused by effluent processing.

**Indicator 4.4.4**

According to the document review, the water consumption for processing FFB in January 2nd 2016 = 1.70 m<sup>3</sup>/tFFB, in February 3rd 2016 = 1.36 m<sup>3</sup>/tFFB, in March 31st = 2.29 m<sup>3</sup>/tFFB and in April 25th 2016 = 1.51 m<sup>3</sup>/tFFB.

<b>Minor 4.4.1</b>	<b>Status: Non Conformance 2016.05 with minor category</b>	<b>Open</b>
--------------------	--	-------------

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

**Indicator 4.5.1**

PT WNL has had annual work plan for the IPM program in estate. The well trained team for handling pest and disease attack is placed on each estate. The team is led by the botanist. The team has responsibility to detect pest and disease attack routinely (monthly). The pest handling emphasizes on the early warning attack system. The early warning is informed by the plant maintenance workers and harvester. For example:

- Early detection from harvester foreman, harvesters, field assistant, harvester clerk, maintenance workers.
- Census of pest and disease attack is conducted by census team (botanist & 5-10 census workers)
- The result of the census recapitulation and percentage of the attack per type of pest and disease.
- Evaluation of pest and disease attack. It is evaluated by the botanist, field assistant and research staff.
- Pest and disease control is conducted when the attack exceeds economy threshold.
- Evaluation over the effectivity of pest and disease attack control.



According to the result of document review, field visit and interview with the management unit, there was no pest and disease exceeding economy threshold during period of 2015. Therefore, no pest and disease control that should be conducted. In order to anticipate the attack of palm oil leaf eater, the company plants beneficial plants (*Turnera Subulata* and *Antigonon leptosus*). Furthermore, in order to prevent rat attack, the company implements biological controlling by using Barn owl (*Tyto alba*).

**Indicator 4.5.2**

The company has shown minutes of meeting training of integrated pest management (rat census and introduction of owl) in PMSE on April 23<sup>rd</sup> 2016 and documentation of *Tirathaba mundella* control in KAGE on March 6<sup>th</sup> 2016

**Status: Comply**

**4.6**

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

**Indicator 4.6.1**

Based on field observation and pesticide usage data in agrochemical storage KAGE and PMSE, there was 10 pesticide that usage by the company. It divided in 8 herbicide, 1 insecticide and 1 rodenticide. The company can not show justification of pesticides usage. Based on the explanation, raised the **Non Conformance 2016.06 with Major category**

**Indicator 4.6.2**

LD50 record has documented in Active Ingredients Usage Analysis. In that document described pesticides brand, active ingredients, usage amount, hectare application and LD50 per pesticide type.

**Indicator 4.6.3, 4.6.5 and 4.6.6**

Through the field observation and interview with spraying team, herbicide usage has comply to the target. For example, the herbicide with active ingredient isopropyl aminoglifosat was using to control weeds in circle, path and collecting point. All herbicide applicator can described safety procedures of spraying and first aid in case of poisonous. The MSDS has been installed in BSS storage. All formen jerry can not reuse except for spraying. Former pesticides jerry send to the legal hazard and poisonous storage.

Auditor has been witnessed a mustard morning in Pundu Nabatindo Estate (PNBE) estate. All field supervisor especially spraying supervisor has been communicate a safety work procedures, PPE usage and ensure all worker is fit to work.



**Mustard morning in PNBE**

**Indicator 4.6.4**

Based on the document and interview with pesticide applicator and field staff, the company has no longer using parakuat since January 2016. Therefore, the company still using rat bait class 1A WHO to control rat attack. The company can not show commitment to minimize/eliminated pesticide class 1A and 1B WHO. Based on the explanation, raised the **Non Conformance 2016.07 with minor category**

**Indicator 4.6.7**

In pesticides application, applicator has known the work procedure of pesticides application. In addition, there is several rules to ensure safety application such as:

- Socialization of material safety data sheet to all pesticides applicator every morning before starting to work.
- PPE usage such as safety shoes, apron, glasses, masker and hand gloves. According to interview with spraying team KAGE and PMSE, they have been using PPE.
- Installation sign board in area which have been applied pesticides.
- Installation sign board in area that prohibition to application pesticides in riparian zone. The signs such as red cross in trees in riparian zone to reducing water pollution.

**Indicator 4.6.8**

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

**Indicator 4.6.9.**

The company has been provided information about handling of pesticides to all employees, for example: socialization was held on regular basis. According to field observation and interview with spraying worker in KAGE and PMSE, they were explained about spraying technic, pesticide handling, chemical hazard, spraying equipment storage, and wash house spraying worker. They were said 'we will back to house with clean condition'.

**Indicator 4.6.10**

The company has ex agrochemical management procedur number. GA/WNL-K3/IK-01/03/2012, authorized on March 12th 2012. The procedure describes that all ex agrochemical container must be managed and controlled carefully. It should not be used for food container. Ex agrochemical container must be sent to scheduled waste storage. According to interview with sprayer of KAGE and PMSE, they all have understood the procedure of agrochemical waste management. The ex agrochemical container delivered to shcheduled waste storage of CPNT. After that CPNT deliver it to the licensed waste collector (PT Nazar) by licensed transportation. According to interview with Environment Agency, the company has send routinely hazardous waste to the licensed collector.

**Indicator 4.6.11.**

Certificate holders has Block Spraying System (BSS) team in each estate with 15 workers in KAGE and 17 workers in PMSE. Specific medical checkup (MCU) has conducted every six month, last specific MCU was conducted on KAGE at 15-16 February 2016 and conducted on PMSE at 4 February 2016. According to result of specific MCU (cholinesterase) at 15-16 February 2016, it's known that one person spraying worker in KAGE who the results is below threshold. But can no to shown evidence of Cholinesterase re-test has conducted one month later in accordance to recommendation of a doctor. Based on the explanation, raised the **Non Conformance 2016.08 with Major category**

**Indicator 4.6.12.**

Certificate holders has a policy to protect the reproductive right of women workers by not hiring a pregnant or a nursing women worker for pesticide operators in accordance with Law No. 13/2003. They have Block Spraying System (BSS) in each estate with 15 workers in KAGE and 17 workers in PMSE. According to field observation and interview with spraying workers in Block G50B KAGE and Block E30 PMSE; it's known that no pregnant and nursing women workers. The company couldn't to show the results of periodic monitoring to identify presence of pregnant workers in BSS team. Based on the explanation, raised the **Non Conformance 2016.09 with Major category**

<p><b>Major 4.6.1</b> <b>Minor 4.6.4</b></p>	<p><b>Status:</b> <b>Non Conformance 2016.06 with Major category</b> <b>Non Conformance 2016.07 with minor category</b></p>	<p><b>Open</b></p>
--	---	--------------------

<p><b>Major 4.6.11</b> <b>Major 4.6.12</b></p>	<p><b>Non Conformance 2016.08 with Major category</b> <b>Non Conformance 2016.09 with Major category</b></p>	
<p><b>4.7</b> <b>An occupational health and safety plan is documented, effectively communicated and implemented.</b></p>		
<p><b>Indicator 4.7.1.</b> Certificate holders have a health and safety policy was signed by President Director on June 2013, they will committed to comply with all laws and regulations of Occupational Health and Safety. Meanwhile the OHS work program for period of 2015 – 2016 are the socialization and training of OHS Procedures; composing the report of OHS Guiding Committee to associated agency; OHS patrol; inventory of emergencies response tools; emergencies response simulation; land and building fired simulation; Evaluating the OHS regulation; and holding regular Medical Checkup and specific Medical checkup as Cholinesterase, Audiometry and Spirometry test.</p> <p><b>Indicator 4.7.2.</b> Certificate holders has composed Hazard Identification Risk Assessment and Risk Control (HIRAC) for the estate and POM operationals. The HIRAC compilation refers the SOP of OHS identification guidance. The HIRAC (BGA-SOP-KMB 12 – R0) was legalized on September 17<sup>th</sup>, 2012. Hazards are identified based on the type of work then determined dangers and impact, using a qualitative assessment (Risk=Probability x Exposure) the risk assessment determined a low, medium or high. According to interview with workers in estate and mill, they had known about potential risk or accident in work place, and also was used PPE's. According to document verification, it's known that there have been work accidents resulting in lost time accident on Estate and Mill. But is not able to show results of the HIRAC evaluation. Based on the explanation, raised the <b>Non Conformance 2016.10 with Major category</b></p> <p><b>Indicator 4.7.3.</b> Certificate holders has conducted a periodic safe working socialization to all workers and contractors. For example: safe working was socialized to spraying worker in KAGE at March 30<sup>th</sup>, 2016 and socialized to Klerat application workers in PMSE at March 21<sup>st</sup>, 2016. According to field observation and interview with harvesting worker I block H56 KAGE, all worker was used PPE's. While according to field observations and interview with Fertilizing workers in Block B36 PMSE, they were explained that Company doesn't yet provide PPE's. For example: there are no available safety boot for loading &amp; unloading worker. Based on the explanation, raised the <b>Non Conformance 2016.11 with Major category</b></p> <p><b>Indicator 4.7.4.</b> The responsible person in the OHS program has also been identified. The management unit has had the organization container in Guiding Committee of Occupational Safety &amp; Health which is responsible for OHS program, it was legalized by the Head East Kotawaringin District Manpower Agency in decree No. KEP.560.566/152/WAS-KK.P2K3/IV/2016 dated April 7<sup>th</sup>, 2016. Licensed extension of Safety expert was on process, there are formal information from Manpower agency. Results of the verification document and public consultation with Manpower Agency, it's known that the management unit has submitted the Guiding Committee of Occupational Safety &amp; Health reports regularly every three months. The Guiding Committee of Occupational Safety &amp; Health report covers all activities of OHS, among others: Guiding Committee of Occupational Safety &amp; Health recommendations, the results of the investigation of workplace accidents, work accidents recapitulation, Guiding Committee of Occupational Safety &amp; Health activity reports, employee health inspection reports, minutes of meetings held every months.</p> <p><b>Indicator 4.7.5</b> Certificate holders show the SOP emergencies response (BGA-SOP-KMB13-R0) signed by Area 3 GM Plantation, dated September 17<sup>th</sup>, 2012. Emergencies as floating, earthquake, land fires, build fires, demonstration, and riot; emergencies was classified by severity. Moreover they have work accident analysis report with lost time Accident: 3 cases in KAGE and 6 cases in PMSE during year of 2015. According to the field observation and interview with the workers and foreman (sprayers and harvesters) in KAGE and PMSE; the workers have been trained to deal with first aid action and they have been able to describe the first aid action on spraying and harvesting incident. There were available 13 first aid in mill. For example first aid in workshop is complete content with 21 items. Certificate holders also have assigned operators trained in First Aid accordance to the Manpower Ministry Regulation No.15 Year 2008 in term of the first aid action on the workplace Certificate No. 2361/PK3-P3K/VII/2014 dated July 1<sup>st</sup>, 2014.</p> <p><b>Indicator 4.7.6.</b></p>		

The management unit has registered the employees to the Manpower BPJS program. There is an evidence of the Manpower BPJS payment for period of March 2016. All employees BPJS program have been paid on April 18<sup>th</sup>, 2016. Certificate holders has endeavored to register all workers in health BPJS program. But this constrained by the worker don't have Electronic KTP. The company currently provides medical facilities (policlinic) and also they has cooperated with private hospitals in Palangkaraya and Banjarmasin. For examples: they has showed an invoice for 18 workers from Doris Sylvanus Hospital in Palangkaraya during May 2016.

**Indicator 4.7.7.**

Certificate holders shows work accident analysis report with lost time Accident: 3 cases in KAGE and 6 cases in PMSE during year of 2015. However PNBM can't be show that all work accidents have been recorded by using Loss Time Accident. **Non Conformance 2016.12 with minor category**

<p><b>Major 4.7.2</b> <b>Major 4.7.3</b> <b>Minor 4.7.2</b></p>	<p><b>Status:</b> <b>Non Conformance 2016.10 with Major category</b> <b>Non Conformance 2016.11 with Major category</b> <b>Non Conformance 2016.12 with minor category</b></p>	<p align="center"><b>Open</b></p>
---	--	-----------------------------------

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

**Indicator 4.8.1**

The analysis of training program need is based on the SOP of Procedure–In House and Public Training (BGA-SOP-HC-305.1-R0). The detail of the stage are as follow:

- The manager shall evaluate the attitude and performance of the employees.
- The manager shall decide the must-improved competence in order to make them high quality human resource (the method is supported by Competency Gap Survey by coordinating with People Organizational Development Department (POD Department).
- According to the manual of annual training program issued by POD Department, the manager shall decide the need of training to improve the competence as the company need.
- The manager shall suggest the Department Head for the specific training programs for the employees.
- Department Head fill the form Career Development Plan attached on the performance appraisal and give it to the POD Department each January.

Companies can address the list of workers in each unit including staff, employees and contract workers. The officer who made the recording and managing data is Human Resources Staff in Regional Office. Identification of training program year 2016 has made in each unit. It's cover to all RSPO P&C as best management practices, Environment, Health&Safety, first aid, IPM, pesticide handling and processing in Mill.

**Indicator 4.8.2.**

Certificate holders was saved all records of training, for example: internal training was held in estate&mill best practice training (IPM training, pruning training, harvesting training, Black Bunch Census, fertilizing training, spraying training, and Water Treatment Plant); and also environment health & safety training as: training of schedule waste, HIRAC, HCV Management training, and pesticide handling. The management unit is able to show the result of training for each employees including the attendance list, training materi, photo documentation. All the employees training records are maintained on each estate and mill office. According to interview results with spraying worker in KAGE and Boiler operator in PNBM, they can explained about job description and responsible and also can explained about safety work aspects.

**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.**

The unit managemet has been identified aspect of plantation and Mill operations, that have environment impacts. Document of Environment Impact Analysis (EIA) are:

- EIA document regarding to construction Mill 90 Ton of FFB/Hour and planting in 9,616.28 Ha PT. Windu Nabatindo

Lestari in Kotawaringin Timur District, Central Kalimantan Province. EIA has been approved, number 16/komisi-Kotim/VI/2008 dated June 28<sup>th</sup> 2008

The monitored aspects are the soil fertility, surface water quality, benthos, population number and distribution, job opportunity and business opportunity, income rate, community restlessness and work accident and disease potential. EIA document is composed by Petak Danom Pabelum Foundation (the compilation team member have been certified).

- EIA document regarding to construction of Mill with capacity of 120 Ton of FFB/Hour and the supporting facilities, the housing complex. EIA or the environment permit has been approved regarding the Head of Kotawaringin Timur Degree number 188.45/294/Huk-BLH/2013 dated May 30<sup>th</sup> 2013.

The monitored aspects are the negative perception, more job opportunity and business opportunity and community income, work accident, noise caused by POM operational, air quality caused by generator and boiler, waste quality, type of fish, solid waste, clean water quality generated by WTP process, hazardous waste, domestic waste, soil quality, monitoring well quality and surface water quality.

- EIA Document regarding to Pelantaran Agro Estate for 1,934.58 hectar. EIA or environment permit referring the Head of Kotawaringin Timur number 188.45/297/Huk-BLH/2013 dated May 30<sup>th</sup> 2013.

The monitored aspects are the work accident, water quality, reduction of specific type of fish, community restlessness, hazardous waste, air quality, noise and community health.

The company has control and monitoring environment aspect to minimize the negative effects of plantation and mill operations. EIA report of January to June 2015 has been reported to Environment agency on July 31, 2015. However, These plans (mitigate plans) have not been implemented in accordance with the recommendation of EIA, among others:

- Monitoring of Benthos and Plankton in Bangkuang River, Cempaga Buang Rivers and Katari River.
- Monitoring of flora and fauna, regularly in 6 months.
- Monitoring of water quality in Cembaga River and Katari River.
- The number of the population
- The public income.
- The potential for traffic accidents
- Transmission of the disease

**Non Conformance 2016.13 with minor Category**

<b>minor 5.1.3</b>	<b>Status: Non Conformance 2016.13 with minor Category</b>	<b>Open</b>
--------------------	--	-------------

**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**

**Indicator 5.2.1.**

The company has identified HCV area on 2010. It was identified by RSPO approve assessors and using HCV Toolkit 2008. HCV identification report compilation has involved the locals (Pundu Village, Pelantaran Village, Keruing Village, Pantai Harapan Village, Bukit Batu Village, Sudan Village and Sei Ubar Mandiri Village). The company has had record identified HCV such as Bengkuang Riparian for 63.8 Ha in PNBE (HCV 1.1;1.2;1.3;2.3), Cempaga Buang Riparian for 43.22 Ha in PMSE (HCV 1.1;1.2;1.3;2.3;4.1), Katari Riparian for 34 Ha in KAGE and PMSE (HCV 1.1;1.2;1.3;2.3;4.1), Keruing Riparian for 50.67 Ha in PAGE (HCV 1.1;1.3;4.1), Sacred Stone for 0.01 Ha (HCV 6), Sacred Tree for 0.02 Ha (HCV 6) and Kerangas Forest for 14.7 Ha (HCV 2.3). Based on document verification, there also has several animals categorized as endanger, rare, threatened, nearly extinct species or RTE (rare, threatened or endangered). For example, Orang Utan (*Pongo pygmaeus wurmbi*), Gibbon (*Hylobates agilis*), Proboscis monkey (*Nasalis Larvatus*), Sunbear (*Ursus Malayanus*), Stork-billed kingfisher (*Pelargopsis capensis*), Blue-eared kingfisher (*Alcedo meninting*), Hornbill (*Buceros rhinoceros*), Brahmini kite (*Haliaeetus indus*) and others.

**Indicator 5.2.2. and 5.2.3.**

The plan of the management unit to protect HCV area and its wildlifes in 2015/2016 are by planting woody plants at the buffer zone (Katari River), repairing buffer zone poles (200 poles), conducting socialization of the “no spraying and manuring program” at HCV area to the employees, creating and installing the signboard, managing bufferzone area

routinely (monthly) and patrolling and monitoring the endangered wildlife. There were implementations of the HCV monitoring and management on 2015/2016. For example, HCV socialization in PMSE on April 9<sup>th</sup>, 2016, installation of buffer zone official record of the “no hunting” signboard on April 2<sup>nd</sup>, HCV socialization in Pantai Mas Village on April 2<sup>nd</sup>, 2016. It was held socialized the presence of HCV and the protection of flora and fauna to all employees. In addition, Certificate holders have a policy about sanctions on captivation of Protected animals in accordance with Law No 5 of 1990 regarding Biodiversity Conservation.

**Indicator 5.2.4. and 5.2.5.**

The Certificate Holders has composed a HCV management plan based on recommendation in available HCV identification document, and had been monitoring HCV area as seen in monitoring result for year 2015. The monitoring result had been used as feed back to improvement of management plan. According to identification HCV document verification and interview with villagers that no available HCV set-asides with existing rights of local communities.

**Status: Comply**

**5.3**

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

**Indicator 5.3.1**

The company has waste product list on 2016, such as used oil, used battery, used filter, rag, used lamp, etc sourced by workshop. Spuilt, medical waste, etc sourced by clinic. Plastic, paper, etc sourced by housing complex. Used agrochemical container, Used rag, contaminated masker, contaminated gloves, etc sourced by estate. Fiber, Shell, EFB, POME, etc sourced by factory.

**Indicator 5.3.2**

According to interview with sprayer of KAGE and PMSE, they all have understood the procedure of agrochemical waste management. The ex agrochemical container delivered to scheduled waste storage of CPNT. After that CPNT deliver it to the licensed waste collector (PT Nazar) by licensed transportation. According to interview with Environment Agency, the company has send routinely hazardous waste to the licensed collector.

**Indicator 5.3.3**

Used Oil, Used Battery, Rag, Used Filet, etc stored on licensed scheduled waste storage and delivered to licensed hazardous waste collector. POME processed on WWTP pond and applied on the land (land application). Fiber and Shell utilized as boiler fuel. EFB utilized as compost for soil. Agrochemical stored on the licensed hazardous waste storage. Clinical waste stored on the closed box and then delivered to the licensed hospital to be incinerated. Organic and anorganic waste stored on the trash can and then dumped to the landfill.

According to the field observation to workshop, generator station, chemical storage, obtained information that hazardous waste stored on the licensed hazardous waste, and then delivered to the licensed hazardous waste collector.

According to the field observation on Boiler Station, Fiber and Shell utilized as boiler fuel. According to the field observation to clinic housing, the Clinical waste stored on the closed box and then delivered to the licensed hospital to be incinerated. However, according to the field observation, there are several facts that:

- Ex agrochemical container used for water container and put on the back yard housing of division I Kage.
- Reckless waste management where the organic and anorganic waste are not separated on PMSE landfill. No complied with procedure BGA/WNL/IK-LAK/04/12.
- Leachate (*leachate*) generated by operational program (EFB cumulation) at factory flow to the soil (environment). There is no drainage nor sewer to WWTP.
- Broken oil trap in KAGE Workshop of division 1.

Based on the explanation, raised the **Non Conformance 2016.14 with minor category**

The company has an opportunity improve condensate drainage channels from Mill to WWTP, so as to minimize the run off of waste into the soil body (**OFI No. 4**)

<b>Minor 5.3.3</b>	<b>Status: Non Conformance 2016.14 with minor category</b>	<b>Open</b>
<p><b>5.4</b>  <b>Efficiency of fossil fuel use and the use of renewable energy is optimised.</b></p> <p>According to the document review, fibre and shell utilized as boiler fuel. Total fibre utilized period January to April 2016 = 3310 ton and shell = 11354 ton. Fibre and shell utilization has monitored and recorded on consumption of renewable energy. The energy efficiency generated by the company on January 2016 = 0.002 Kwh / tFFB, February 2016 = 0.003 Kwh / tFFB and March 2016 = 0.002 Kwh / tFFB.</p> <p>According to field observation, the shell and fiber are used as boiler fuel to generate energy.</p>		
	<b>Status: Comply</b>	
<p><b>5.5</b>  <b>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.</b></p> <p>During ASA-1 to April 30, 2016, No replanting or new planting. EIA and SIA documents has been verified in Criterion 5.1 and 6.1</p> <p>The unit management prohibited to use of fire for preparing land (Dok.BGAAGRKS-PTKS-EE, May 27, 2011). These policy informed manually land clearing. This policy has been implemented in the field. Observations in Kitari Agro Real Estate and Pantai Mas, no land clearing.</p>		
	<b>Status: Comply</b>	
<p><b>5.6</b>  <b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b></p> <p><b>Indicator 5.6.1</b>  Emmision sourced by Land utilization, fertilizer and pesticide, Fuel consumption, POME, generator, etc. Mitigation attempts conducted by the company such as routinely generator machine maintenance, instalmen fiter on generator chimney, routinely boiler maintenance, instalmen duct collector at boiler, routinely emission quality test, processed palm oil mill on WWTP, appied to land (land application), routinely effluent quality test and reported it to Environment Ageny.</p> <p>The company has tested mill effluent quality as routinely. The result of the test shows that the parameters still comply the quality threshold (<b>see indicator 4.4.3</b>). The company has tested emission quality as routinely. The result of the test shows that the parameters still comply the quality threshold (<b>see indicator 5.6.3</b>).</p> <p>According to the result of field observation, 10 WWTP are on good condition in which there is no overflowing nor leakage to river or riparian area. Inlet and outlet flowmeter is in good condition, officers have been provided with housing complex, electricity, medical facility and getting decent salary based on government regulation.</p> <p>According to the interview with Environment Agency, the company has reported the result environment management to Environment Agency, that recorded on implementation report of RKL/RPL in 2nd semester of 2015 dated April 28st 2016.</p> <p><b>Indicator 5.6.2</b>  Emmision sourced by Land utilization, fertilizer and pesticide, Fuel consumption, POME, generator, etc. Mitigation attempts conducted by the company such as routinely generator machine maintenance, instalmen fiter on generator chimney, routinely boiler maintenance, instalmen duct collector at boiler, routinely emission quality test, processed palm oil mill on WWTP, appied to land (land application), routinely effluent quality test and reported it to Environment Ageny.</p> <p>The company has conducted emission test of generator chimney on November 27 and 29th 2015. It was authorized to Hyperkes and Work Safety laboratory, Banjarmasin. The tested parameters are CO, NO2, SO2, Opasitas, Partikuat, Air Debit and Water Flow in which the quality threshold refer to Environment Ministry Regulation No. 21 year 2008. The result of the test shows that the parameters still comply the quality threshold.</p> <p>The company has conducted emission test of boiler chimney on November 27 and 29th 2015. It was authorized to Hyperkes and Work Safety laboratory, Banjarmasin. The tested parameters are NH<sub>3</sub>, Cl<sub>2</sub>, HCL, HF, NO<sub>2</sub>, SO<sub>2</sub>, Opositas,</p>		

particulat in which the quality threshold refer to Environment Ministry Regulation No. 07 year 2007. The result of the test shows that the parameters still comply the quality threshold.

**Indicator 5.6.3**

The company has calculated the GHG emission on 2015 using by PalmGHG calculator. Total emission for GHG (LUC, POME, chemical usage, and transportation) = 1.61 tCO<sub>2</sub> / tCPO Product. However, the result of calculation is not yet reported to RSPO secretariat. Based on the explanation, raised the **Non Conformance 2016.15 with minor category**

**Minor 5.6.3**

**Status: Non Conformance 2016.15 with minor.**

**Open**

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

**6.1**

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

**Indicator 6.1.1**

The management unit of Windu Nabatindo Lestari has document of Social Impact Assessment was described social impact of plantation and mill operation. The Social Impact Assessment was done on 26 July until 6 August 2010, collaboration with Faculty of Forestry, Bogor Institute Plantation. The location of study was coverage of several village; Pundu, Pelantaran, Keruing, Bukit Raya, Pantai Harapan, Bukit Batu, Sudan and Sei Ubar Mandiri.of. The scope of Social Impact Assessment are:

- Social condition (income, education and health aspects, etc)
- Conflict related of land tenure, labor relation, etc
- Community perception, expectation and aspiration to the company
- Identification of social issue and problem solve
- Identification of stakeholder
- Social Planning and implementation

These document was also completed with Management Plan of Social Aspect PT WNL, summary and recommendation.

**Indicator 6.1.2**

The Social Impact Assessment was done by community participation in Focus Group Discussion. The community concerned in data gathering was from several village surround and also data gathered by questionnaire. The discussion process was carry out in village surround: Kruing, Bukit Raya, Pundu, Bukit Batu, Sudan, Pantai Harapan, Sei Ubar Mandiri and Pelantaran. The documentation process was sighted are sample of questionnaire, respondent list and summary of social impact assessment

**Indicator 6.1.3**

The company has had plan for mitigate or reduce of negative impact and increase of positive impact was described in environment monitoring and management plan report (RKL and RPL report). The aspects was monitored and manage related of social aspects consist of access to work, community income, potential of conflict and disease spreading The management unit also has have document of Social Management Plan 2016 till 2017. The auditor was observed the documentation meeting between company with the communities surround related Corporate Social Responsibility of PT WNL, for example: meeting record in Kruing, Bukit Raya, Pundu, Bukit Batu, and Panta Harapan. The meeting is aim to arrange the management of social plan and the time frame. The company also was determine CSR officer in estate unit and Head Office for responsible in implementation, monitoring and evaluation of program has been done and/or still planning.

**Indicator 6.1.4**

The management unit has had document of Management Plan for 2016 – 2017. The company also sighted the documentation of meeting with communities surround in related CSR program. The meeting has been done in Keruing, and Sungai Ubar Mandiri These meeting is aim to evaluate the CSR program by PT WN. The personnel in charge of CSR program by the company inform that the meeting as reference to evaluate the social program of PT WNL There was



observed sample of questionnaire from several village in relation of evaluation for Plan and Program of Social aspect was implemented by the company.

**Indicator 6.1.5**

The company has been done of smallholder program through cooperated with several Peasant Cooperation unit in village surround of plantation area. There was sighted agreement between PT WNL and Koperasi Harapan Abadi (Number: 01/KOP-HA/III/2006 dan 01/PKS-WNL/III/2006). These document agreement as basic for smallholder program implementation for area totally 5.750 Hectare. The document was signed by representation of PT WNL and cooperation unit (Chairman, Secretary & Treasure) and witnessed by Head of Village of Pantai Harapan, and approved by Head of Cooperation Agency Kotawaringin Timur and Head of Kotawaringin Timur District.

The process of Social Impact Assessment was done with participation by community surround including of smallholder in focus group discussion. These discussion was covering the representation of each village surround of plantation area, included of smallholder. There was also sighted documentation record of meeting on December 2015 for yearly advantage sharing (Sisa Hasil Koperasi) from PT WNL to the smallholder (picture and official report was observed)

**Status: Comply**

**6.2**

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

**Indicator 6.2.1**

The company has the procedure of communication (SOP-WNL-KOM-01). It was legalized by the Area Controller on August 29th 2013. The external communication in form of the official letters should be send to the company. The complaint and information request shall be response within 15 days. According to the flowchart, the management unit informs the plan of consultation with the locals in writing to the chief of village/chief of customary board/community figures or the local government apparatus. Then it shall be responded by the chief of village/chief of customary board/community figures or the local government apparatus, management of head office/amicus curiae which give positive respond in writing within 15 days. The forum of consultation shall be facilitated by PAD/CSR/management unit. The result of assembly shall be distributed to the related party by the management unit. The follow up of the result of consultation with the locals by PAD/CSR/management unit. These document has been socialization to workers, attendant list and pictures was observed by auditor. Also was observed the documentation record of socialization to village surround, for example in village of Pundu, Pantai Harapan and Kruing.

**Indicator 6.2.2**

The company has been pointed personnel in charge related to consultation process. The personnel in charge for dealing with that are Partnership Assistant, PAD Assistant and CSR Assistant. All the personnel in charge was well recognized by the locals. The job description for the related staff was sighted. The CSR Officer was responsibility in process of for arrange of CSR program in process of planning, assistance, monitoring, reporting and evaluation. The company has have job description that described of duty and role of each staff based on their level.

**Indicator 6.2.3**

The stakeholders list was observed by auditor, these document contained of government in level of Province, District, sub District, Village, Cooperation Unit, University, Local Contractor, Supplier and Hospital. There was also sighted documentation process of socialization of Code of Conduct. Communication and Grievance Procedure in village surround on 17 April 2016. The village involved are Cempaga Hulu, Pundu, Sungai Ubar, Katari, and Bukit Batu. The Socialization Material and pictures was observed.

**Status: Comply**

**6.3**

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

**Indicator 6.3.1**

The company has procedure of Complaint and Grievance SOP-WNL-KOM-01) approved by Area Controller 3 on 29 August 2013). These document as guidance in related of complaint and grievance receive from external and internal (employee). The personnel in charge for received and documented of complaint and grievance from related parties are Corporate Affair, Estate Controller and Mill Controller. The complaints will review and consulting with related party for overcome. The complaint from external party with official letter to the company will response on period 15 days.

The company has also Code Of Conduct (BGA-COC-HC-333.1-RO Section V). Mechanism of complaint shall put on box of complaint and by phone hotline. The company should follow up the information. The company will protect the **whist blower identity** and process base on company rule and/or next step based on appropriate law.

The company has installed several notification announcement in estate, mill and several place surround of plantation area. The main point of these notification announcement was related to telephone number and email for addressed the information and the information from whist blower will keep.

The procedure related to whist blower was socialization to employee and village surround. These document has been socialization to workers on 17 April, 2016 (Attendant list and pictures was observed by auditor). The documentation record of socialization to village surround was sighted, for example in village of Cempaga Hulu, Pundu, Sungai Ubar, Katari, and Bukit Batu.



Notification announcement of whist blower protection in plantation area

**Indicator 6.3.2**

Based on document verification of incoming and outgoing letter, interview with the workers and Gender Committee that knows was there area no significant complaint and grievance from another party. There was commonly aspiration related maintenance for the part of employee facilities.

**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.**

**Indicator 6.4.1 & 6.4.2**

The management unit of PT WNL has had document of land and crops compensation (SOP-PAD-001) in term of the procedure of land and crops compensation in overall of Bumitama Gunajaya Agro (BGA) operational area. Based on stakeholder consultation with related party (the Head of Village, informal leader, community) that knows the procedure was understand by the related party and has been socialized.

The evidence of compensation to land owner in each estates and the participation of head of village as witnessed was documented in each estate. Overall of compensation document was keep as historical of land acquisition by company. All of document was signed by company representation early land owner and included of government in village and sub district level.

**Indicator 6.4.3**

The PT Windu Nabatindo Lestari has been documented all document process in each estate as evidence of participate by early land owner and head of village, and related party in land compensation process.

**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.**

**Indicator 6.5.1.**

The certificate holders determines minimum wages based on Government Regulation every year, the minimum wages in 2016 as regulated in Governor Decree No 53 of 2016 dated November 2<sup>nd</sup>, 2015 in term of the minimum wage standard and sectoral minimum wage standard on 2016 for East Kotawaringin District. The (agricultural, fisheries, forestry and

plantation sectoral) minimum wage is IDR 2,277,634/month or IDR 91,105/days. The company has internal office memo No: 728/IOM/HC-BGA/XII/2015, dated December 28<sup>th</sup>, 2015 from Head Office Jakarta related of minimum wages adjustment, it will be valid at January 1<sup>st</sup>, 2016. Based on interview result with fertilizing workers in block D19 GMKE and spraying workers in block T24 BKCE, there were explain about provision of minimum wage year 2016 has valid at January 1<sup>st</sup>, 2016.

**Indicator 6.5.2.**

Worker agreement between company and workers defined in 3 types:

- a) Non Permanent worker agreement. For example: Agreement No. 002/WNL-KAGE/SPK-PTT/III/2016 dated June 1<sup>st</sup>, 2016 valid until June 30<sup>th</sup>, 2016.
- b) CPO Transport Contractor
- c) Permanent Workers using Company Regulation based on the decree of the Director General of Industrial Relation Guidance and Social Labor Agreement No. 346/PHIJSK-PKKAD/PP/IV/2014 dated April 7<sup>th</sup>, 2014 valid until December 31<sup>st</sup>, 2015.

Company payroll system is using payment slip to the workers, information in payment slip comprises of wages, allowance, deduction and net wages.

According to document verification and interview with workers, it found **NCR No. 2016.16**. such as:

- Company Regulation the period of 2014-2016 has expired in January 1<sup>st</sup>, 2016.
- Work agreement for no permanent worker is not in accordance to Manpower Minister Decree No 100 of 2004.
- Based on interview with harvesting worker in block B36 PMSE and babysitter in Daycare KAGE, each worker's has been worked two weeks and 1.5 years. But Companies can't to show work agreement for two workers.

**Indicator 6.5.3.**

The Certificate holders has prepared facilities for their worker, such as: Housing Complex (G2, G6, and G10); Day Care's, Elementary School, Junior High School and Senior High School, Mini Market, sport facilities such as: futsal, football, badminton, and volley ball. According to interview result with worker in estate and mill, they were explain that the facilities and infrastructure provided by the company was sufficient. Besides that adequate clean water facilities for sewage, while for drinking water their usually consumed from refills water in Mini Market. Residential electricity was use the generator, with operating hours from 18:00 to 22:00; then from 03.00 to 05.00.

According to field observation in workers residential Division I KAGE, it's known that some of septic tank in the leak condition. In addition, domestic waste sanitary conditions are less good. Based on the explanation, raised the **Non Conformance 2016.17 with minor category**

**Indicator 6.5.4.**

The company was provides worker cooperation facility that sells household needs, and also they have allowed vegetables sellers for entering housing complex. The company is always monitoring the basic price commodities, in order to accessible by all workers.

<b>Major 6.5.2</b>	<b>Status:</b>	
<b>Minor 6.5.3</b>	<b>Non Conformance 2016.16 with Major category</b>	<b>Open</b>
	<b>Non Conformance 2016.17 with minor category</b>	

**6.6**

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

**Indicator 6.6.1.**

The Certificate holders has encouraged the formation of worker union, according to interview with chairman of the Worker Union (*Serikat Pekerja Mandiri*). SPM was formed on October 2<sup>th</sup>, 2015 with statutes and organizational structure. SPM has register in Manpower agency Kotawaringin Timur District with No. 560.567/71/Hi-Kesja/X/2015 dated October 28<sup>th</sup> 2015.

<p><b>Indicator 6.6.2.</b> Latest meeting between Worker Union and the company is on December 20<sup>th</sup>, 2016 the meeting attended by 6 workers and 4 staff. This meeting is discussed about fire extinguisher in housing complex and about internal complaint and response which uncover.</p>		
<b>Status: Comply</b>		
<p><b>6.7 Children are not employed or exploited.</b></p>		
<p>According to the document review of employee list for period of April 2016, there is no underage workers. According to the field observation to division II of PMSE, there were signboard inform the prohibition to employ underage workers. According to the interview with officers of hazardous waste storage, workshop, chemical storage, clinic, generator station boiler station, WTP, WWTP, sprayer and harvester team of KAGE and PMSE, they all know that in order to work on the company must be at least 18 years old. According to the interview with labour union and Manpower Agency, there is no under age workers on PT WNL.</p>		
<b>Status: Comply</b>		
<p><b>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.</b></p>		
<p><b>Indicator 6.8.1</b> The company provide fair cooperation opportunity to the locals, regardless race, tribes, religions, nationality, disability, gender, sexual orientation, union membership, political affiliation and age. The commitment recorded on the policy of PT WNL which is legalized on March 2nd 2012.</p> <p>According to the document review, the workers are consisted of man and women, muslims, hindus, catholics and hindus; from 6th grades, high school; bataknese, malay and javanese; locals or non locals, whether harvester or plant treatment workers. Beside that, according to the interview with officers of hazardous waste storage, workshop, chemical storage, clinic, generator station boiler station, WTP, WWTP, sprayer and harvester team of KAGE and PMSE, the workers are given fair rights like salary, housing complex facility, medical facility, educational facility, sport facility, spiritual facility, etc. According to the interview with labour union and Manpower Agency, the workers work on PT WNL are given fair rights like salary and facilities.</p> <p><b>Indicator 6.8.2</b> According to the interview with officers of hazardous waste storage, workshop, chemical storage, clinic, generator station boiler station, WTP, WWTP, sprayer and harvester team of KAGE and PMSE, the workers are given fair rights like salary, housing complex facility, medical facility, educational facility, sport facility, spiritual facility, etc. According to the interview with labour union and Manpower Agency, the workers work on PT WNL are given fair rights like salary and facilities.</p> <p><b>Indicator 6.8.3</b> According to the document of recruitment for workers for period of April 2016 and result of interview with Head of PT WNL Administration, the recruited workers are the healthiest and the skillful only.</p>		
<b>Status: Comply</b>		
<p><b>6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.</b></p>		
<p><b>Indicator 6.9.1</b> The company protect all of its citizen from any violence and sexual harasshment, that recorded on the policy of PT WNL which was legalized on March 2nd 2012. According to the interview with KAGE and PMSE sprayer team, the policy has been routinely socialized during morning briefing. Workers have known to who they should communication if they experience violence and sexual harasshment, is foreman / assistant / manager or Anis Kustianingsih as gender committee head. As for the real action of these policy, the committee gender in KAGE and PMSE were then formed. The latest socialization has just been conducted on May 3rd 2016 and April 22nd 2016.</p>		

According to the interview with Manpower Agency, the company has committee gender and there were no sexual harassment isu.

**Indicator 6.9.2**

The company has protections women worker’s reproduction right by not employing pregnant women or breastfeeding women based on the *UU No. 13 year 2003*. The policy has been written on PT WNL and legalized on March 2nd 2012. According to the interview with women workers who work as sprayers and spreading fertilizer on KAGE and PMSE, the policy has been socialized every morning briefing routinely. The company has implemented the policy by giving pregnant leave for 3 months. The recommendation is given by company clinic officer. According to the field visit on Division 2 of PMSE, there is a signboard informing prohibition for pregnant workers to work.

**Indicator 6.9.3**

According to the document review on COC Number BGA-COC-HC-333.1-R0, the specific complain could be conducted by via advise box and hotline of telephone. The company has conducted socialization in term of specific complain by installing signboard of complainment (*Whistle Blowing*) in each front yard of estate and division office.

Procedure of specific complain is also regulated on SOP number 25. According to the procedure, each complain would be secretly kept and every party who are involved on the investigation including victims and suspects should keep the result of investigation as secret. According to the document of complaint paper for period of 2015 to 2016, there is no complain about sexual harassment.

**Status: Comply**

**6.10**

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

**Indicator 6.10.1 and 6.10.2**

Based on interview with local FFB supplier and Commercial Department, FFB prices implemented to local supplier refer to the prices that set monthly by the government (Governor of Kalimantan Tengah). Therefore, it prices could be more expensive than the government prices if FFB prices implemented by competitor. Commercial Department used to considering to raising price in order to get more FFB from local supplier. It is mechanism has been drafted on the agreement and no objection so far.

The information regarding to FFB prices can access real time from the government website, circular memorandum, short message service from Commercial Department staf etc. FFB prices also implemented in transparent way.

**Indicator 6.10.3**

The company has a cooperative agreement with several parties. All agreement deal fairly, transparent and approved together. Cooperative Agreement Letter draft that has been returned to the parties to read its contents. If there has been a further agreement, the contract will be signed between the two sides on stamp duty and the copies held by each party. In the verified contracts contained clauses about the dispute resolution. It means, if there is a complaint, objection or dissatisfaction in the agreement at a later time, both parties who tied on the agreement are agreed settlement together by law in District Court that are designated together.

One of cooperative agreement between the company were FFB purchasing from local supplier. Through the public consultation known that FFB Purchasing agreement has been implemented according to the agreement. The agreement letter renewal annually.

**Indicator 6.10.4**

The company can not show valid mutual agreement of CPO and PK transporting. Based on the explanation, raised the **Non Conformance 2016.19 with minor category**

On the FFB Purchasing Agreement point 5: payment method stated that purchase will be paid 2 times a month. Payment will be paid maximum 10 day after invoice received by the company. However, based on public consultation and payment receipt, there were non compliances between payment and agreement. For example, FFB Purchasing dated March 1<sup>st</sup>

until March 15<sup>th</sup> 2016, invoice received on March 26<sup>th</sup> 2016, paid on April 7<sup>th</sup> 2016. Based on local supplier information, late payment has been discussed together. However, they are still less satisfied.

<b>Minor 6.10.4</b>	<b>Status: Non conformance .2016 with minor category</b>	<b>Open</b>
---------------------	--	-------------

**6.11 Growers and millers contribute to local sustainable development wherever appropriate.**

**Indicator 6.11.1**

The company contribution of local development was implemented in Corporate Social Responsibility, tax payment to district government and has been implemented of smallholder program to community surround. There was sighted documentation record of CSR program year of 2016 by the PT WNL The CSR program consists of Local Business Development Program, Synergic Community Relations Program, Donation and Special Development Program. The meeting process between company and the community surround related to CSR program arrange based on input by the community it was observed by auditor. The sample of recorded of meeting in Cempaga Hulu, Pundu, Sungai Ubar, Katari, and Bukit Batu. Theses meeting is related to productive activity arrange and community aspiration for village road maintenance. There was also sighted documentation record of cooperation with PT Karya Makmur Bahagia and local contractor related to worker house development and FFB buying from local out grower.

The company contribution to local development consist of CSR program and tax payment. There was also sighted document of CSR Plan of Region 3 & 4 year 2016:

- Local Business Development Program: community empowerment
- Sinergic Community Relations Program : included of Education, Health and National Holiday Celebrate
- Donation and Special Development Program: Social and Culture, Religion, Environment and preservation Local Wisdom, etc

Thera was observed of tax payment by PT WNL to District Government:

- Tax for land used and building for 3 tax object
- Tax for income of company year of 2015.

Based on stakeholder consultation with external stakeholder (Head of Village, Informal Leader, Cooperation Unit Staff and several villager) that knows PT WNL has been implemented CSR program and giving several aid to the community. The several aid from company to the community surround consist of road maintenance, provide kindergarten and elementary school in plantation area and provide sport facility for young group, etc.

**Indicator 6.11.2**

The company has been implemented of smallholder program with *full manage* system. Overall of plantation manage was handle by the company and the cooperation unit as representation by the community was monitored all operational activities and earn the report form the PT WNL in every month. The smallholder member in each cooperation unit was earn the production sharing from the company.

The PT WNL has been done of training for smallholder member. There was sighted documentation record of Socialization of Smallholder Program and Palm Oil Plantation System in several village surround on December 2015. The CSR staff of PT WNL informed that these program was aim to dissemination of knowledge to community surround about how to manage the palm oil plantation.

	<b>Status: Comply</b>	
--	-----------------------	--

**6.12 No forms of forced or trafficked labour are used.**

**Indicator 6.12.1**

Based on employee data base of PT Windu Nabatindo Lestari per April 2016 and information from Human Resource Department, there is no migrant worker and mobilization worker from another area. Overall the workers area Indonesian citizenship and come from several Province (Central Java, West Java, East Java, South of Celebes, etc) and several from local and regional area of Kalimantan (Dayak and Banjar). The new employee recruitment in company based on company need refer to company standard.

The company has procedure in new employee recruitment (SOP Corporate Communication & Sustainability Department-

Recruitment - WNL-SOP-HRD-001.1-RO).

Based on document verification and interview with Human Resource Department staff Region 4 that knows if employee recruitment in PT WNL was done based on company needed. The applicant will selection with medical test in company clinic facility and verification of citizenship card. Process of new employee recruitment consist of planning period, publication, administration selection, interview process, medical test, work agreement signed and staffing process. The document process of new employee was observed. Overall employee data base related to recruitment process was documented in Regional Office and Estate Office..

**Indicator 6.12.2**

The documentation process in early period of employee recruitment was sighted. The document consist of Application Form, Work Agreement and Payment Slip. Based on document verification for three employee (harvester), there is no indication of contract substitution. The employee has been staffing appropriate and based on work agreement has been signed by each employee.

Based on employee data base of PT Windu Nabatindo Lestari per April 2016 and information from Human Resource Department, there is no migrant worker and mobilization worker from another area

There was sighted document of Worker Application form and sample of Payment Slip. Based interview with several employee that knows their was staffing based on agreement was signed in early period. The agreement contract of workers was documented in each estate and copy of contract was filed by the workers.

**Indicator 6.12.3**

Based on employee data base of PT Windu Nabatindo Lestary per April 2016 and information from Human Resource Department, there is no migrant worker and mobilization worker from another area. All of the workers area Indonesian citizenship and come from several Province (Central Java, West Java, East Java, South of Celebes, etc) and several from local and regional area of Kalimantan (Dayak and Banjar).

**Status: Comply**

**6.13**

**Growers and millers respect human rights**

**Indicator 6.13.1**

The company has policy Company Responsibility to Employee, these document was contained of Human Right Protection. These policy has been socialization to employee and was published several pamphlet and brochure contained information related Human Right protection.

The personnel in charge for giving information related to Human Right information to operational level was depend on each aspect. For example, in operational office level was pointed staff of Public Relation for inform those policy and related to field operational, for example harvest and manure area was pointed Foreman for responsible to giving information to the workers.

Based on field visit and interview the workers on division II and II Katari Agro Estate (KAGE) and division 1 Pantai Mas Estate (PMSE) that knows the human right policy did not understood by the workers.tersebut. It was indication that the policy not yet fully socialization to all level operatinal work. Based on the explanation, raised the **Non Conformance 2016.20 with Major category**

Based on stakeholder consultation with workers and the Gender Committee, and consultation with external stakeholder (Village government, informal leader and Villager) there is no indication of human right abuse in surround of plantation area of PT KMB

**Major 6.13.1**

**Status: Non Conformance 2016.20 with Major category**

**Open**

**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.**

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 19<sup>th</sup> 2015) till ASA-1 (April 5<sup>th</sup>

2015). Document of the social and environment impact assessment owned by PT WNL is described on the criteria 5.1 and 6.1.

**Status: Comply**

**7.2**

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

According to the map of soil type, the type of soil at PT WNL area are Tropudult (8,706 Ha or 21 %), Throphemist (6,200 ha or 14.9 %), Dystropepts (13,290 or 32.0 %) and Plancaquods (13,330 Ha 32.1%). According to the report of soil survey which was conducted by Andy Ardiyanto on January 1<sup>st</sup> – 10<sup>th</sup> 2014, it was found that:

- *Tropudult* (category of proper) is recommended to be area for planting program. The improvement conducted by the company are the reduction of erosion rate by planting soil layer plants after land clearing.
- *Dystropepts* (category of marginal) is recommended to be area for planting program. The improvement conducted by the company is by improving the area with shallow solum, drainage (peatland).
- *Placaquods* (category of N-1) is recommended to be area for planting program in condition of several improvements by constructing drainase discontinue trench to penetrate lapisana spodik, especially shallow spodic depth (<60 cm), adding organic ingredient to the soil surface to minimize the erosion on top soil during land clearing.

The management unit has map of drainage system at Pelantaran Agro Estate. It describes the direction of trench flow, infield collecting, main collecting, trench next to embankment, main river, the unfunctioned trench, plan of new water gate construction, plan of water gate replacement for 12 units. According to the field observation, the company has conducted drainage monitoring by inspecting the condition of water gate at inlet and outlet. The water level at the outlet water gate is still normal (60 cm above the soil surface).

**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.**

**Indicator 7.3.1.; 7.3.2.; 7.3.4.; 7.3.5.**

PT WNL has had conducted palm oil plants planting since 1998 to 2013. PT WNL has conducted HCV identification on 2012. It was conducted by RSPO Approve Assessor. The identification was involving the locals as respondents. According to the document review and field visit, there is no plan nor realization of land clearing on the determined HCV area. PT WNL has conducted RSPO New Planting Procedure (NPP) assessment on August 26<sup>th</sup> 2013 for the land clearing post January 1st 2010

According to the HCV identification document, the area of PT WNL is a secondary forest (ex logging activity of PT Inhutani). Meanwhile, according to the map of landsat on June 20<sup>th</sup> 2008, the land is dominated by secondary forest, bushes, plantation, settlement and palm oil plants. There is also a map of land layer referring the image of landsat TM5 on June 2005 (scale of 1:100,000). It describes the land layer within PT WNL which consisted of agroforestry/combined plantation, bushes, secondary forest, plain, palm oil plants.

The audit team was shown the email from RSPO Compensation Excecutive (Dillon Sarim) to Head of Sustainability BGA dated April 25<sup>th</sup>, 2016. It was explained that the process of review by reviewer LUCA report had been received:

There is two report (PT. Karya Makmur Bahagia and PT. Gunajaya Karya Gemilang) was passed and will be endorsed by a compentation panel. But for PT. Gunajaya Ketapang Sentosa and PT. Windu Nabatindo Lestari was passed with minor clarification.

**Indicator 7.3.3.**

There was no to be shown Dates of land preparation and commencement after November 2005. Based on the explanation,



raised the <b>Non Conformance 2016.21 with minor category</b>		
<b>Minor 7.3.3.</b>	<b>Status: Non Conformance 2016.21 with minor category</b>	<b>Open</b>
<b>7.4</b>		
<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>		
PT WNL has:		
<ul style="list-style-type: none"> <li>• Map of soil type for region II of each estate (PNBE, KAGE &amp; PAGE) in scale 1: 80,000. For example, unit of PNBE: Ultisol (2,841 Ha), Inceptisol (1,484 Ha), Hitosol/peat (656 Ha), Entisol 913 Ha (reference: GIS Region 2&amp;6-BGA/OKT.10).</li> <li>• Map of slope class of region 3 in scale 1:80,000. For example, slope of 0-8% for 2,211 ha, slope of 8-15% for 9,197 ha and slope of 15-30% for 142 ha with total area for 11,550 Ha.</li> <li>• Map of slope class of PT WNL written on EIA document in scale 1:85,000 categorize 3 slope class: flat (0-8%), declivous (8-15%) and nearly-like cliff (15-25%).</li> </ul>		
<b>Status: Comply</b>		
<b>7.5</b>		
<b>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.</b>		
PT WNL has conducted RSPO NPP on November 25 <sup>th</sup> 2013. The land compensation process has been showed by management unit.		
<b>Status: Comply</b>		
<b>7.6</b>		
<b>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.</b>		
PT. WNL has had document of the procedure of plant compensation number SOP-PAD-001. It describes the compilation of the plant and land compensation process standard in all BGA operational area. In order to reduce the mistake of the land and plant compensation to keep company asset safe, there are procedure as follows:		
<ol style="list-style-type: none"> <li>1. Determine annual work plan for establishing estate. It is determined by the department in charge (Partnership and Development of Central and Regional, Estate Manager, Head of Regional, GM Plantation).</li> <li>2. Inspection of the properness in aspect of agronomy technical and recommendation over the area by the department in charge representatives (Research, PAD, GIS, Agronomy).</li> <li>3. Conducting inventory, initiation, measurement. The inventory team is formed by the department in charge representatives (Central and Regional PAD, GIS, Research, Village Administration Government, Sub-District Government, community figures and land owner).</li> <li>4. Conducting socialization to the land owners based on the result of inventory. It is socialized by the department in charge (Regional PAD, inventory team and land owner). <ul style="list-style-type: none"> <li>▪ Confession over the land on the cultivated area and witnessed by village apparatus.</li> <li>▪ It should has ownership information from at least village administration government.</li> <li>▪ Evidence of ownership (SKT/others) for maximum for 5 Ha or referring the applied regulations.</li> <li>▪ The compensated land is free from any dispute.</li> </ul> </li> </ol>		
PT WNL has conducted RSPO New Planting Procedure (NPP) assessment on August 26 <sup>th</sup> 2013 for the land clearing post January 1st 2010		
<b>Status: Comply</b>		
<b>7.7</b>		
<b>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.</b>		

<p>The unit management prohibited to use of fire for preparing land (Dok.BGAAGRKS-PTKS-EE, May 27, 2011). These policy informed manually land clearing. This policy has been implemented in the field. Observations in Kitari Agro Real Estate and Pantai Mas, no land clearing.</p> <p>PT WNL has had policy in term of the burning prohibition as written on technical guideline number BGAAGRKS-PTKS-PLH. It was legalized on May 27<sup>th</sup> 2011. According to the policy, the land clearing is conducted mechanically (zero burning). The policy has been implemented. For example, the land clearing at Pelantaran Agro Estate on 2008. It was conducted by using stacking for 236.5 ha (there are records of land clearing program photographs and cooperative agreement letter number 152-SAB/WNLL-KAGE/AGR-JKT/07/2013 in term of the heavy equipment leasing for stacking program. Meanwhile, Pantai Mas Estate was conducting land clearing on 2013 by using stacking for 71.2 ha.</p>	
	<b>Status: Full compliance</b>
<b>7.8</b>	
<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
<p>According to the review of GHG emission document on 2015, the company has calculated the GHG emission on 2015 by using PalmGHG. Total emission for GHG (LUC, POME, chemical usage, and transportation) for 1.61 tCO<sub>2</sub> / tCPO Product.</p> <p>The company has reduced GHG emissionsuch as: chemical usage like fertilizer and pesticide based on recommendation; fuel usage and lubricant usage based on budget; processing on WWTP, application on land (land application); routinely maintenance for machine, calculating the GHG emission from LUC program, consumption of fuel and lubricant, chemical usage (fertilizer and pesticide), etc.</p>	
	<b>Status: Comply</b>
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>	
<b>8.1</b>	
<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>	
<p><b>Best management practices</b> The company has showed the commitment and no longer using parakuat since 2011.</p> <p><b>Social Impact</b> In related to social impact, the management of Windu Nabatindo Lestari has had Yearly Social Management Plan and has been evaluated periodically by CSR Staff through direct communication strategy to community and aim for assess of economic potentiality. Meeting result with related party will be a reference for yearly evaluation process related to Plan and Program has been done and arrange of plan for next year.</p> <p><b>Pollution and emission of Green House Gases</b> Company also has conducted feasibility study for Biogas Team (GREE ENERGY) on February 6-7<sup>th</sup>, 2016. The conclusions is Pundu Nabatindo Mill (PNBM) will applied the biogas plant after Gunung Makmur POM (PT. KMB).</p> <p><b>Continuous Improvement</b> The company was held internal audit RSPO P&amp;C on March 30<sup>th</sup>, 2016 that held by sustainability staff from head office.</p>	
	<b>Status: Comply</b>

**3.2. Summary of Assessment Report of Supply Chain Requirements**

<b>Klausul</b>	<b>(Module E) Pabrik CPO – Persyaratan Mass Balance</b>
----------------	---

<b>E.1</b>	<b>Definition</b>														
<p><b>E.1.1</b>  <b>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.</b></p>															
<p>Pundu Nabatindo Mill has a procedure regarding Supply Chain Certification System used. Mill implements Mass Balance with Module E. Pundu Nabatindo Mill receives FFB from own estates and third party suppliers – small holders and growers which are not within the certification scope. Certified supply bases are:</p>															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Estates certified</th> <th style="width: 50%; text-align: center;">Grower Non Certified</th> </tr> </thead> <tbody> <tr> <td>Pundu Nabatindo Estate (PNBE)</td> <td>Panagaraya Estate (PNRE)</td> </tr> <tr> <td>Katari Agro Estate (KAGE)</td> <td>Pantai Harapan Estate (PHRE)</td> </tr> <tr> <td>Pelantaran Agro Estate (PAGE)</td> <td>Rubung Buyung Estate (RBYE)</td> </tr> <tr> <td>Pantai Mas Estate (PMSE)</td> <td>PT Sinar Citra Cemerlang</td> </tr> <tr> <td></td> <td>CV alam tenera</td> </tr> <tr> <td></td> <td>PT Borneo Lancar Abadi</td> </tr> </tbody> </table>		Estates certified	Grower Non Certified	Pundu Nabatindo Estate (PNBE)	Panagaraya Estate (PNRE)	Katari Agro Estate (KAGE)	Pantai Harapan Estate (PHRE)	Pelantaran Agro Estate (PAGE)	Rubung Buyung Estate (RBYE)	Pantai Mas Estate (PMSE)	PT Sinar Citra Cemerlang		CV alam tenera		PT Borneo Lancar Abadi
Estates certified	Grower Non Certified														
Pundu Nabatindo Estate (PNBE)	Panagaraya Estate (PNRE)														
Katari Agro Estate (KAGE)	Pantai Harapan Estate (PHRE)														
Pelantaran Agro Estate (PAGE)	Rubung Buyung Estate (RBYE)														
Pantai Mas Estate (PMSE)	PT Sinar Citra Cemerlang														
	CV alam tenera														
	PT Borneo Lancar Abadi														
<p>During the assessment, auditor verified and interview to weighbridge operators (3), regarding records of RSPO Certified dan Non-Certified FFBs, begin at weighbridge station. They informs the mechanism of SCCS records (FFB and Kernel). FFB delivery's notes from certified supply bases marked with RSPO certified. While that, Non-Certified FFBs, No mark.</p>															
<p><b>Status: Comply</b></p>															
<b>E.2</b>	<b>Explanation</b>														
<p><b>E.2.1</b>  <b>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&amp;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.</b></p>															
<p>The facility has procedure of Supply Chain Certification System (SCCS) describes in doc. BGA/WNL-SOC/PRO-27/08/2012, Revision 1 date April 23, 2015). This procedure requires that actual volume CPO and Kernel certified, are calculated based on the daily reports of production. The estimates tonnage of CPO and Kernel products has been defined by Mutuagung Lestari.</p>															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2015 to June 18, 2016)</th> <th style="width: 50%; text-align: center;">The actual volume of certified products (June 19, 2015 to April 30, 2016)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">175,663.59</td> <td style="text-align: center;">FFB 51,953</td> </tr> <tr> <td style="text-align: center;">40,402.63</td> <td style="text-align: center;">CPO 11,525</td> </tr> <tr> <td style="text-align: center;">8,783.18</td> <td style="text-align: center;">CSPK 2,516</td> </tr> </tbody> </table>		The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2015 to June 18, 2016)	The actual volume of certified products (June 19, 2015 to April 30, 2016)	175,663.59	FFB 51,953	40,402.63	CPO 11,525	8,783.18	CSPK 2,516						
The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2015 to June 18, 2016)	The actual volume of certified products (June 19, 2015 to April 30, 2016)														
175,663.59	FFB 51,953														
40,402.63	CPO 11,525														
8,783.18	CSPK 2,516														
<p><i>*Since January 2016, Katari Agro Estate and Pelantaran Agro Estate did not supplied FFB to Pundu Nabatindo Palm Mill</i></p>															
<p><b>Status: Comply</b></p>															
<p><b>E.2.2</b>  <b>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).</b></p>															

Pundu Nabatindo Mill has registered to the RSPO IT platform. **Member registration number RSPO\_PO100001683.** The Mill do not claims the product sales of CPO and Kernel certified. Verification of weighbridge slip and sales contract, No claims of RSPO Product.

No Certified CPO sold to each buyer period of 19 June 2015 to 30 April 2016.

No Certified Kernel sold to each buyer period of 19 June 2015 to 30 April 2016

**Table of Loading CPO to buyer period 19 June 2015 to 30 April 2016**

Date	Contract	Buyer	Volume
12/30/2015	303/Ho/Sipb/Xii/2015	PT Wilmar Nabati Indonesia	1,010,260
1/5/2016	003/Ho/Sipb/I/2016	PT Wilmar Nabati Indonesia	600,000
1/6/2016	302/Ho/Sipb/Xii/2016	PT Wilmar Nabati Indonesia	350,000
1/7/2016	1200004766	PT Wilmar Nabati Indonesia	2,797,560
1/14/2016	1200004779	PT Sinar Alam Permai	1,500,000
1/15/2016	1200004648	PT Sinar Alam Permai	1,000,000
1/18/2016	1200004810	PT Wilmar Nabati Indonesia	2,300,000
1/18/2016	1200004766/ 007/Ho/Sipb/I/2016	PT Wilmar Nabati Indonesia	7,460
1/20/2016	1200004808	PT Wilmar Nabati Indonesia	1,050,000
1/21/2016	009/Ho/Sipb/I/2016 (1200004813)	PT Wilmar Nabati Indonesia	1,250,000
2/2/2016	014/Ho/Sipb/I/2016	PT Wilmar Nabati Indonesia	1,450,000
2/14/2016	1200004843	PT Asianagro Agung Jaya	1,100,000
2/14/2016	1200004842	PT Asianagro Agung Jaya	650,000
2/15/2016	016/Ho/Sipb/II/2016	PT Asianagro Agung Jaya	1,350,000
2/16/2016	017/Ho/Sipb/II/16	PT Asianagro Agung Jaya	100,000
2/19/2016	1200004965	PT Sukajadi Sawit Mekar	1,050,000
2/20/2016	1200004962	PT Sukajadi Sawit Mekar	650,000
2/20/2016	1200004964	PT Sukajadi Sawit Mekar	300,000
2/23/2016	1200004841	PT Sumber Indah Perkasa	1,000,000
2/23/2016	1200004818	PT Sumber Indah Perkasa	500,000
2/26/2016	035/Ho/Sipb/II/2016	PT Sumber Indah Perkasa	800,000
2/27/2016	036/Ho/Sipb/II/2016	PT Sumber Indah Perkasa	550,000
2/28/2016	1200005008	PT Sumber Indah Perkasa	250,000
3/5/2016	1200005004	PT Sumber Indah Perkasa	1,000,000
3/6/2016	1200004914	PT Sumber Indah Perkasa	500,000
3/17/2016	040/Ho/Sipb/III/16	PT Wilmar Nabati Indonesia	1,200,000
3/18/2016	1200005064	PT Wilmar Nabati Indonesia	300,000
3/21/2016	1200004969	PT Sinar Alam Permai	500,000
3/21/2016	047/Ho/Sipb/III/2016	PT Sinar Alam Permai	900,000
3/24/2016	052/Ho/Sipb/III/2016	PT Asianagro Agung Jaya	400,000
3/29/2016	1200005135	PT Sinar Alam Permai	1,200,000
3/22/2016	046/Ho/Sipb/III/2016	PT Sinar Alam Permai	100,000
4/8/2016	065/Ho/Sipb/IV/16	PT Wilmar Nabati Indonesia	1,500,000
4/9/2016	072/Ho/Sipb/IV/2016	PT Wilmar Nabati Indonesia	500,000
4/19/2016	1200005204	PT Wilmar Nabati Indonesia	2,507,380
4/28/2016	076/Ho/Sipb/IV/2016	PT Wilmar Nabati Indonesia	200,000
4/28/2016	1200005254	PT Wilmar Nabati Indonesia	200,000
6/6/2015	018/Kjb/Ssmwnl/V/2015	PT Sukajadi Sawit Mekar	-
6/13/2015	8104067261	PT Sukajadi Sawit Mekar	15,800
6/29/2015	8104067483	PT Wilmar Nabati Indonesia	1,153,960
6/29/2015	8104067483	PT Wilmar Nabati Indonesia	46,040
7/3/2015	026/Kjb-Wnl/VI/2015	PT Suka Jadi Sawit Mekar	1,500,000
7/23/2015	027/Ssm-Wnl/VI/2015	PT Suka Jadi Sawit Mekar	1,000,000
7/29/2015	8104067697	PT Wilmar Nabati Indonesia	1,195,220
7/29/2015	8104067697	PT Wilmar Nabati Indonesia	1,554,780
8/28/2015		PT Asianagro Agung Jaya	1,117,430
8/31/2015		PT Asianagro Agung Jaya	700,000
9/11/2015	8104069471	PT Wilmar Nabati Indonesia	300,000
9/13/2015	8104069471	PT Wilmar Nabati Indonesia	100,000

9/13/2015	8104069472	PT Wilmar Nabati Indonesia	750,000
9/15/2015	8104069471	PT Wilmar Nabati Indonesia	1,600,000
9/26/2015	042/Kjb/Ssm-Wnl/Ix/2015	PT Wilmar Nabati Indonesia	900,000
1/10/2015	1200004292	PT Asian agro Agung Jaya	1,000,000
4/10/2015	1200004263	PT Asian agro Agung Jaya	750,000
6/10/2015	255/Ho/Ktrk/X/15/036/Kjb/Ssm-Kmb/Viii/2015	PT Sukajadi Sawit Mekar	1,500,000
17/10/2015	043/Kjb/Ssm-Wnl/Ix/2015	PT Sukajadi Sawit Mekar	1,500,000
19/10/2015	261/Ho/Sipb/X/15	PT Sukajadi Sawit Mekar	500,000
20/10/2015	8104071311	PT Wilmar Nabati Indonesia	1,000,000
21/10/2015	8104076172	PT Wilmar Nabati Indonesia	1,000,270
26/10/2015	1810/Ho/Ktrk/X/2015	PT Sumber Indah Perkasa	1,540,130
11/6/2015	1200004467	PT Wilmar Nabati Indonesia	800,000
11/7/2015	1200004468	PT Wilmar Nabati Indonesia	550,000
11/1/2015	1200004444	PT Sukajadi Sawit Mekar	750,000
11/9/2015	1200004504	PT Sumber Indah Perkasa	2,000,000
11/14/2015	1200004506	PT Wilmar Nabati Indonesia	1,400,000
11/16/2015	1200004524	PT Sinar Alam Permai	1,500,000
11/5/2015	1200004445	PT Sukajadi Sawit Mekar	750,000
11/20/2015	1200004556	PT Wilmar Nabati Indonesia	2,800,000
11/30/2015	1200004616	PT Wilmar Nabati Indonesia	444,800
12/1/2015	1200004615	PT Sukajadi Sawit Mekar	400,000
11/30/2015	1200004616	PT Sukajadi Sawit Mekar	805,200
12/2/2015	288/Ho/Sipb/Xi/2015	PT Sukajadi Sawit Mekar	350,000
12/3/2015	290/Ho/Sipb/Xii/2015	PT Wilmar Nabati Indonesia	1,000,000
12/6/2015	291/Ho/Sipb/Xii/2015	PT Wilmar Nabati Indonesia	1,750,000
12/10/2015	309/Ho/Sipb/Xii/2015	PT Sukajadi Sawit Mekar	750,000
12/15/2015	308/Ho/Sipb/Xii/2015	PT Asianagro Agung Jaya	900,000
12/15/2015	317/Ho/Sipb/Xii/2015	PT Asianagro Agung Jaya	500,000
12/19/2015	337/Ho/Sipb/Xii/2015	PT Asianagro Agung Jaya	900,000
12/23/2015	1200004672	PT Asianagro Agung Jaya	1,750,000
12/24/2015	1200004713	PT Asianagro Agung Jaya	200,000
12/30/2015	303/HO/SIPB/XII/2015	PT Wilmar Nabati Indonesia	989,740
<b>Total</b>			<b>74,636,030</b>

Table of Loading Kernel to buyer

Date	Contract	Buyer	Volume
16 June 2015	1200003960	PT Wilmar Nabati Indonesia	216,100
24 June 2015	1200003978	PT Wilmar Nabati Indonesia	229,130
24 June 2015	1200003978	PT Wilmar Nabati Indonesia	70,870
03 July 2015	1200003993	PT Wilmar Nabati Indonesia	215,180
23 July 2015	1200004049	PT Wilmar Nabati Indonesia	282,840
04 Augustus 2015	1200004095	PT Wilmar Nabati Indonesia	250,000
18 Augustus 2015	1200004181	PT Wilmar Nabati Indonesia	250,000
23 July 2015	1200004049	PT Wilmar Nabati Indonesia	<b>1,980</b>
28 Augustus 2015	1200004121	PT Wilmar Nabati Indonesia	58,210
28 Augustus 2015	1200004212	PT Wilmar Nabati Indonesia	500,000
09 September 2015	1200004247	PT Wilmar Nabati Indonesia	250,000
16 September 2015	1200004270	PT Wilmar Nabati Indonesia	250,000
25 September 2015	1200004301	PT Wilmar Nabati Indonesia	475,580
25 September 2015	1200004301	PT Wilmar Nabati Indonesia	24,420
02 October 2015	1200004330	PT Wilmar Nabati Indonesia	350,000
09 October 2015	1200004356	PT Wilmar Nabati Indonesia	700,000
16 October 2015	1200004384	PT Wilmar Nabati Indonesia	500,000
	1200004438	PT Wilmar Nabati Indonesia	457,770
23 October 2015	1200004438	PT Wilmar Nabati Indonesia	226,400
07 November 2015	1200004483	PT Wilmar Nabati Indonesia	500,000

17 November 2015	1200004493	PT Sinar Jaya inti mulya	92,890
18 November 2015	1200004516	PT Wilmar Nabati Indonesia	250,000
24 November 2015	1200004542	PT Wilmar Nabati Indonesia	130,950
	273/HO/SIPB/XI/2015	Gudang Sampit	58,960
24 November 2015	1200004542	PT Wilmar Nabati Indonesia	619,050
17 November 2015	1200004493	PT Sukajadi Sawit Mekar	252,790
30 November 2015	273/HO/SIPB/XI/2015	Gudang Sampit	391,040
04 December 2015	1200004652	PT Sukajadi Sawit Mekar	250,000
10 December 2015	1200004651(295/HO/SIPB/XII/2015)	PT Sukajadi Sawit Mekar	750,000
21 December 2015	1200004701(332/HO/SIPB/XII/2015)	PT Sukajadi Sawit Mekar	244,970
22 December 2015	1200004659(300/HO/SIPB/XII/2015)	PT Wilmar Nabati Indonesia	250,000
28 December 2015	1200004593	PT Wilmar Nabati Indonesia	212,390
28 December 2015	1200004593	PT Wilmar Nabati Indonesia	37,610
02 January 2016	347/HO/SIPB/XII/15	PT Wilmar Nabati Indonesia	500,000
15 January 2016	1200004750	PT Wilmar Nabati Indonesia	250,000
	1200004759	PT Wilmar Nabati Indonesia	249,040
22 January 2016	1200004845	PT Wilmar Nabati Indonesia	250,000
	1200004846	PT Wilmar Nabati Indonesia	127,630
28 January 2016	1200004846	PT Wilmar Nabati Indonesia	122,370
02 February 2016	1200004888	PT Wilmar Nabati Indonesia	322,440
02 February 2016	1200004889	PT Wilmar Nabati Indonesia	300,000
19 February 2016	1200004759	PT Wilmar Nabati Indonesia	960
06 February 2016	1200004917	PT Wilmar Nabati Indonesia	375,000
06 February 2016	1200004918	PT Wilmar Nabati Indonesia	375,000
21 December 2015	1200004701	PT Sukajadi Sawit Mekar	5,030
16 February 2016	1200004951	PT Wilmar Nabati Indonesia	250,000
20 February 2016	1200004984	PT Sukajadi Sawit Mekar	244,980
20 February 2016	1200004983	PT Sinar Jaya inti mulya	249,760
02 March 2016	1200005023	PT Wilmar Nabati Indonesia	250,000
20 February 2016	1200004983	PT Wilmar Nabati Indonesia	240
03 March 2016	1200005024	PT Wilmar Nabati Indonesia	250,000
20 February 2016	1200004984	PT Wilmar Nabati Indonesia	5,020
17 March 2016	1200005066	PT Wilmar Nabati Indonesia	250,000
24 March 2016	1200005082	PT Wilmar Nabati Indonesia	159,890
26 March 2016	1200005123	PT Wilmar Nabati Indonesia	136,630
24 March 2016	1200005082	PT Wilmar Nabati Indonesia	90,110
26 March 2016	1200005123	PT Wilmar Nabati Indonesia	113,370
05 April 2016	1200005156	PT Wilmar Nabati Indonesia	250,000
11 April 2016	1200005183	PT Wilmar Nabati Indonesia	250,000
16 April 2016	1200005196	PT Wilmar Nabati Indonesia	598,080
<b>Total</b>			<b>15,324,680</b>

**Status: Comply**

**E.3 Documented Procedure**

**E.3.1**

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

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

The facility has established a mechanism for control FFB, CPO and Kernel products – Certified or Uncertified – following procedure of doc BGA/WNL-SOC/PRO-27/08/2012, Revision 1 dated April 23, 2015. Implementation of SCCS in mill is responsibility of the Controller Area. The retention time for all SCCS data and documents i.e. FFB report, CPO/Kernel produced, shipment at least for five (5) years.

- Definition of Mass Balance and Supply Chain system.
- Responsibility for Area Controller, Mill Manager, certification & compliance dept.; OQC Department, Commercial & Logistic Group Department. Controller Area responsibility is to ensure the implementation of SCCS mechanism in all units.
- FFB delivery's note from sustainable sources marked with "RSPO certified".
- RSPO certified products i.e. CPO and Kernel, are calculated based on the daily reports of process.
- The retention time for all SCCS data and documents at least for five (5) years.
- Certification and compliance Department will notified to CB, if there are over projection
- Certification and Compliance Department will provide training to staff and employees that involved in the implementation of supply chain system requirements.

During the assessment, auditor verified and interview to weighbridge operators (3), regarding records of RSPO Certified dan Non-Certified FFBs, begin at weighbridge station. They informs the mechanism of SCCS records (FFB and Kernel). FFB delivery's notes from certified supply bases marked with "RSPO certified". While that, Non-Certified FFBs, No mark.

**NC.2016.22.** Procedure of Supply Chain Certification Systems (BGA/WNL-SOC/PRO-27/08/2012) overall have not been applied in Mill and estates. volume of CPO dan Kernel product - certified and Uncertified – are not tracable. Record of certified CPO dan Kernel stock after selling, not available.

**SCCS E.3.1** Status: **Non Conformance 2016.22 with Major category**

**E.3.2**  
**The site shall have documented procedures for receiving and processing certified and non-certified FFBs.**

Mill has a mechanism of receiving and processing certified and Non-certified FFBs. FFB delivery notes from certified supply base has been marked with "RSPO certified".

Estates certified	Grower Non Certified
Pundu Nabatindo Estate (PNBE)	Panagaraya Estate (PNRE)
Katari Agro Estate (KAGE)	Pantai Harapan Estate (PHRE)
Pelantaran Agro Estate (PAGE)	Rubung Buyung Estate (RBYE)
Pantai Mas Estate (PMSE)	PT Sinar Citra Cemerlang
	CV alam tenera
	PT Borneo Lancar Abadi

FFB delivery notes from certified supply base has been marked with "RSPO certified". i.e.

Verified of FFB deliver note, April 27, 2016.

- FFB Ticket No 04324Q0216-PNRE Division 2; Panagaraya Estate as Non certified supply base.
- FFB Ticket No 06494P0116-PHRE – Division 1: Pantai Harapan Estate as Non certified supply base.
- FFB Ticket No 06234M0316-PNBE – Division 3. Pundu Nabatindo Estate as Certified supply base. Marked "certified".
- FFB Ticket No 06214M0316-PNBE – Division 3. Pundu Nabatindo Estate as certified supply base. Marked "certified".
- FFB Ticket No 1680. FFB received from PT Sinar Citra Cemerlang (out grower) as Non certified supply base.
- FFB Ticket No 27/4/2016. FFB received from CV alam tenera (out grower) as Non certified supply base.

Verified of FFB delivery note November 19, 2015

- FFB Ticket No 19834N0515-KAGE Division 5; Katari Agro Estate as certified supply base. Marked "certified".
- FFB Ticket No 18005J0115-RBYE – Division 1: Rubung Buyung Estate as Non certified supply base.
- FFB Ticket No 197400415-PMSE – Division 3. Pantai Mas Estate as certified supply base. Marked "certified".
- FFB Ticket No 24554Q0115-PNRE division 1; Panagaraya Estate as Non certified supply base
- FFB Ticket No 2787. FFB received from PT Sinar Citra Cemerlang (out grower) as Non certified supply base

- FFB Ticket No BLA/SPB/2015/11/07702. FFB received from PT Borneo Lancar Abadi (out grower) as Non certified supply base.

**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.**

The facility has documented the volume of certified and Non certified FFBs received. For the period 19 June 2015 to April 2016.

*Table Volume of certified FFBs and Non certified FFBs*

Month	Certified FFBs	Non Certified FFBs	Total
19 – 30 June 2015	371	7,014	7,386
July 2015	1,036	16,074	17,110
Augustus 2015	1,675	14,717	16,392
September 2015	8,026	27,514	35,540
October 2015	13,036	38,758	51,794
November 2015	9,805	31,855	41,660
December 2015	7,333	32,325	40,166
January 2016	3,378	21,959	25,337
February 2016	3,441	23,249	26,691
March 2016	1,324	20,904	22,227
1 – 30 April 2016	2,528	19,193	21,722
	51,953	253,563	306,024

**Status: Comply**

**E.4.2**

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

As verified during the ASA-3, Production of FFB, CPO and Kernel during the period of a year (19 June 2015 to 30 April 2016) no overproduction of certified tonnage.

	The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2015 to June 18, 2016)		The actual volume of certified products (June 19, 2015 to April 30, 2016)
FFB	175,663.59	FFB	51,953
CPO	40,402.63	CPO	11,525
CSPK	8,783.18	CSPK	2,516

**Status: Comply**

**E.5 Record keeping**

**E.5.1**

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.



**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.)**

The facility has been record and balance all the receiving of RSPO certified FFBs and delivers of RSPO certified CPO and Kernel, period 19 June 2015 to 30 April 2016.

The site has not claims the certified CPO and Kernel. Verification of the weighbridge slip and sales contract, no claims of RSPO Product.

**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.**

Pundu Nabatindo Mill (PNBM) has not outsources activities to the independent palm kernel crush.

**Status: Comply**

**3.3 Conformity Checklist of Certificate and Logo Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	
<b>ASA-2</b>	The PT WNL has been certified by Mutuagung Lestari with certificate code <b>MUTU - RSPO / 042</b>	✓
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	
<b>ASA-2</b>	The company did not use RSPO logo	✓
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	
<b>ASA-2</b>	The company did not use RSPO logo	✓
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	
<b>ASA-2</b>	The company did not use RSPO logo	✓

**3.4 Summary of RSPO Partial Certification**

<b>The Management Unit name, under subsidiaries:</b>		
1. PT Bumitama Gunajaya Abadi 2. PT Karya Makmur Langgeng		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	
	<p><b>PT Bumitama Gunajaya Abadi</b>          The management unit shows the evidence of the compliance over all law associated with the estate operational. For example:</p> <ul style="list-style-type: none"> <li>• Location permit from West Kotawaringin Regent for ± 26,900 Ha.</li> <li>• Plantation business permit from the West Kotawaringin Regent for 18,000 Ha of land and mill with capacity for 90 Ton of FFB/Hour.</li> <li>• Land Use Title (HGU) for 5,632.835 Ha.</li> <li>• Hazardous waste storing permit from the West Kotawaringin Regent.</li> </ul> <p><b>PT Karya Makmur Langgeng</b>          The management unit shows the evidence of the compliance over all law associated with the estate operational. For example:</p> <ul style="list-style-type: none"> <li>• Location permit from Ketapang Regent for ± 19,000 Ha on 2006.</li> <li>• The extension of the location permit from Ketapang Regent for ± 19,000 Ha on 2010.</li> <li>• Plantation business permit from the Ketapang Regent for 16,700 Ha and mill with capacity for 60 Ton of FFB/Hour on 2013.</li> <li>• Environment permit from West Kalimantan Governor on 2013.</li> </ul>	√
	<b>Status: Comply</b>	
<b>2.2</b>	<b>The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	
	<p><b>PT Bumitama Gunajaya Abadi</b>          PT Bumitama Gunajaya Abadi has shown the evidence of the record of the right achievement over the land. The document describes the declaration letter of land handover; the agreement letter of the land and crops compensation; ownership letter from the Chief of village; receipt of the land compensation payment and map of land handover. For example:</p> <ul style="list-style-type: none"> <li>➢ Area for 20 Ha in Block M-39 of Tonam Raya Estate:             <ul style="list-style-type: none"> <li>- Declaration letter of the land handover which was signed by the company and the compensated party on June 26<sup>th</sup> 2013 and was witnessed by the Chief of Kotawaringin Hulu Village.</li> <li>- Payment receipt which was given by the company to the land owner and was witnessed by the Chief of Kotawaringin Hulu Village and the company GIS Staff, TRYE Manager, Coordinator of Public Affair Department and the Head of Company Administration on June 26<sup>th</sup> 2013.</li> <li>- Agreement letter of the nucleus estate land acquisition (land and crops compensation) by both parties which states that the land owner grant the land to be managed by the company in scheme smallholder program.</li> <li>- Information letter number 593/131/Pem from the Chief of Kotawaringin Hulu Village dated June 21<sup>st</sup> 2013 which describes the land ownership and hectarage.</li> <li>- Map of land handover in participative mapping by the company. It is approved by the land owner and is witnessed by the Chief of Kotawaringin Hulu Village.</li> <li>- Declaration letter on behalf of Gusti Baret on June 25<sup>th</sup> 2013. It describes that they have received payment from the company, the landowner and the family shall not sue the company at the compensated location.</li> </ul> </li> <li>➢ Area for 5.43 Ha in Block R-46 of Kotawaringin Estate:</li> </ul>	√

	<ul style="list-style-type: none"> <li>- Agreement letter number 008/RGN-KTWE/06/2012 dated June 27<sup>th</sup> 2012 by both parties and it was witnessed by the Head of Kotawaringin Lama Sub-District and was witnessed by the Chief of Rungun Village.</li> <li>- Declaration letter of the land handover which was signed by the company and the compensated party on June 27<sup>th</sup> 2013 and was witnessed by the Chief of Rungun Village.</li> <li>- Payment receipt which was given by the company to the land owner and was witnessed by the Chief of Rungun Village, the company GIS staff, KTWE Manager, Coordinator of Public Affair Department and the Head of Company Administration.</li> <li>- Agreement letter of the nucleus estate acquisition with the land and crops compensation signed by both parties. It describes that the land owner grants the land to the company to be managed in scheme smallholder program (50:50).</li> </ul> <p><b>PT Karya Makmur Langgeng</b></p> <p>The management has shown the evidence of the record of the land acquisition. There was a process of the land compensation for the operational area of PT KML which was conducted on April 19<sup>th</sup> 2013 to September 19<sup>th</sup> 2013. There are 154 location hotspot within 2,522.85 ha. All evidence of the land compensation documentations are available. (Documentation of all land acquisition is available).</p> <ul style="list-style-type: none"> <li>• Data of land acquisition.</li> <li>• ID.</li> <li>• Official record of the land measurement.</li> <li>• Map of the compensated location.</li> <li>• Official Record of the price agreement.</li> <li>• Declaration letter of the land lease.</li> <li>• Cultivation Information letter (SKGR) of the land ownership.</li> <li>• Supporting letter over the rights origins.</li> <li>• Information letter over the land origins.</li> <li>• Brief summary of the land acquisition.</li> <li>• Information letter over the approval of the land heir.</li> <li>• Information letter from the land heir.</li> </ul>	
	<b>Status: Comply</b>	
<b>6.3</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</b>	
	<p><b>PT Bumitama Gunajaya Abadi dan PT Karya Makmur Langgeng</b></p> <p>The management unit has procedure of the land and crops compensation number SOP-BGB-GRTT-PAD-001 dated October 12<sup>th</sup> 2012. It was approved by the Area Controller 5. It describes the stages on the land and crops compensation for stocktaking the future-compensated land, socialization to the landowners, negotiation on land and crops compensation, management approval, conducting payment, land handover and documentation. According to the result of the document review, all the process of the compensation have been documented and the company does not force the community.</p>	√
	<b>Status: Comply</b>	
<b>6.4</b>	<b>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.</b>	
	<p><b>PT Bumitama Gunajaya Abadi dan PT Karya Makmur Langgeng</b></p> <p>The management unit has procedure of the land and crops compensation number SOP-BGB-GRTT-PAD-001 dated October 12<sup>th</sup> 2012. It was approved by the Area Controller 5. It describes the stages on the land and crops compensation for stocktaking the future-compensated land, socialization to the landowners, negotiation on land and crops compensation, management approval, conducting payment, land handover and documentation. According to the result of the document review, all the process of the compensation have been documented and the company does not force the community.</p>	√

	<b>Status: Comply</b>	
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
	<p><b>PT Bumitama Gunajaya Abadi</b> PT Bumitama Gunajaya Abadi has identified HCV on 2012. According to the landsat image of 2003, the condition of the land layer on the area of PT Bumitama Gunajaya Abadi is consisted of the bushe (1,187.74 ha), small bushes (1,706.73 ha), secondary forest (66.83 ha), tersier forest 1,886.95 ha), mix land (252.51 ha) and the enclave (552.24 ha).</p> <p><b>PT Karya Makmur Langgeng</b> PT Karya Makmur Langgeng has identified HCV before the land clearing program. The HCV was identified on 2012. Meanwhile, the land clearing was conducted after NPP program on 2013.</p>	√
	<b>Status: Comply</b>	
<b>7.5</b>	<b>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.</b>	
	<p><b>PT Bumitama Gunajaya Abadi</b> The management unit has procedure of the land and crops compensation number SOP-BGB-GRTT-PAD-001 dated October 12<sup>th</sup> 2012. It was approved by the Area Controller 5. It describes the stages on the land and crops compensation for stocktaking the future-compensated land, socialization to the landowners, negotiation on land and crops compensation, management approval, conducting payment, land handover and documentation. According to the result of the document review, all the process of the compensation have been documented and the company does not force the community. There is evidence of the compensation over the land acquisition. For example, the payment receipt in Tonam Raya Estate, Block M-39 for 20 Ha on June 26<sup>th</sup> 2013. It was given to the land owner and witnessed by the Chief of Kotawaringin Hulu, the company GIS staff, TRYE Manager, Coordinator of the Public Affair Department and the Head of the Company Administration.</p> <p><b>PT Karya Makmur Langgeng</b> The management unit has socialized the estate establishment to achieve the community's approval. There are minutes of meeting of the estate establishment socialization of PT.Karya Makmur Langgeng in Simpang Dua and Simpang Hulu Sub-District, Ketapang District on:</p> <ol style="list-style-type: none"> <li>Dated March 5<sup>th</sup> 2012 in the Church of Pantan Hamlet, Kampar Sebomban Village, Simpang Dua Sub-District. It was attended by <b>TP3K (Team of the District Estate Establishment Guidance) Ketapang</b>, The Forum of the Sub-District Head of Simpang Dua, the Head of Dayak Customary Board of Simpang Dua, the Chiefs of Villages and Village Supervising Board (BPD) of Kampar Sebomban, the Chief of Pantan Hamlet, the Chief of Mentawa Hamlet, the Chief of Semandang Kanan Village, the Chief of Sekucing Baru Hamlet, the Chief of Sei Tontang Hamlet, the Chief of Selantak Hamlet.</li> <li>Dated March 6<sup>th</sup> 2012 in the Hall of the Elementary School of Kek Lipur Hamlet, Paoh Concong Village, Simpang Hulu Sub-District. It was attended by <b>TP3K (Team of the District Estate Establishment Guidance) Ketapang</b>, The Forum of the Sub-District Head of Simpang Dua, the Head of Dayak Customary Board of Simpang Hulu, the Chiefs of Paoh Concong Village, the Chief of Kek Lipur Hamlet, Chief of Baram Hamlet and the community representatives.</li> </ol> <p>The management has shown the evidence of the record of the land acquisition. There was a process of the land compensation for the operational area of PT KML which was conducted on April 19<sup>th</sup> 2013 to September 19<sup>th</sup> 2013. There are 154 location hotspot within 2,522.85 ha.</p>	√
	<b>Status: Comply</b>	
<b>7.6</b>	<b>Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	

	<p><b>PT Bumitama Gunajaya Abadi</b>          The management unit has procedure of the land and crops compensation number SOP-BGB-GRTT-PAD-001 dated October 12<sup>th</sup> 2012. It was approved by the Area Controller 5. It describes the stages on the land and crops compensation for stocktaking the future-compensated land, socialization to the landowners, negotiation on land and crops compensation, management approval, conducting payment, land handover and documentation. According to the result of the document review, all the process of the compensation have been documented and the company does not force the community. There is evidence of the compensation over the land acquisition. For example, the payment receipt in Tonam Raya Estate, Block M-39 for 20 Ha on June 26<sup>th</sup> 2013. It was given to the land owner and witnessed by the Chief of Kotawaringin Hulu, the company GIS staff, TRYE Manager, Coordinator of the Public Affair Department and the Head of the Company Administration. It was supported by the evidence of the payment receipt.</p> <p><b>PT Karya Makmur Langgeng</b>          The management has shown the evidence of the record of the land acquisition. There was a process of the land compensation for the operational area of PT KML which was conducted on April 19<sup>th</sup> 2013 to September 19<sup>th</sup> 2013. There are 154 location hotspot within 2,522.85 ha. All evidence of the land compensation documentations are available. (Documentation of all land acquisition is available).</p> <ul style="list-style-type: none"> <li>• Data of land acquisition.</li> <li>• ID.</li> <li>• Official record of the land measurement.</li> <li>• Map of the compensated location.</li> <li>• Official Record of the price agreement.</li> <li>• Declaration letter of the land lease.</li> <li>• Cultivation Information letter (SKGR) of the land ownership.</li> <li>• Supporting letter over the rights origins.</li> <li>• Information letter over the land origins.</li> <li>• Brief summary of the land acquisition.</li> <li>• Information letter over the approval of the land heir.</li> <li>• Information letter from the land heir.</li> </ul>	√
	<p><b>Status: Comply</b></p>	

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

**3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-1 Assessment**

NCR No	Ref Std	Finding	Area	Grade	Deadline	Corrective Action	Observation	Status	Closed Date
2015.01	2.1.2	<b>Information of Legal Requirements</b> PT WNL is not able to show all information of legal requirements associated with plantation such as Environment Ministry number 5 year 2014 and ratification of international convention.	Estate and Mill	Minor	ASA-2	PT WNL must be able to show all information of legal requirements associated with plantation	<p><b>Root Cause:</b> PT WNL does not review and update the statute referring the SOP of regulation identification and evaluation.</p> <p><b>Corrective Action:</b> PT WNL should update the most updated statute regulation.</p> <p><b>Preventive Action:</b> PT WNL should Review the statute referring the SOP of regulation identification and evaluation</p> <p><b>Auditor Verification</b> <b>May 19<sup>th</sup> 2015</b> PT WNL has shown the list of the updated regulations referring the document number LAW-WNL-002, Revision 03, dated May 1<sup>st</sup> 2015. The list of law requirements associated with plantation such as Environment Ministry number 5 year 2014. NC number 2015.01 is closed.</p>	Closed	May 19 <sup>th</sup> 2015
2015.02	2.1.3	<b>Evaluation on compliance over legal requirements</b> PT WNL is not able to show evaluation over all legal requirements associated with plantation such as Environment	Estate and Mill	Minor	ASA-2	PT WNL must be able to show evaluation over all legal requirements associated with plantation	<p><b>Root Cause:</b> PT WNL does not review and update the statute referring the SOP of regulation identification and evaluation</p>	Closed	May 19 <sup>th</sup> 2015

		Ministry number 5 year 2014 and ratification of international convention.					<p><b>Corrective Action:</b> PT WNL should update the most updated statute regulation</p> <p><b>Preventive Action:</b> PT WNL should Review the statute referring the SOP of regulation identification and evaluation</p> <p><b>Auditor Verification</b> <b>May 19<sup>th</sup> 2015</b> PT WNL has shown the list of the updated regulations referring the document number LAW-WNL-002, Revision 03, dated May 1<sup>st</sup> 2015. The list of law requirements associated with plantation such as Environment Ministry number 5 year 2014. NC number 2015.02 is closed.</p>		
2015.03	4.7.6	<p><b>Work Accident Insurance</b> PT WNL is not able to show that all employees whether temporary nor permanent employees have been registered to the work accident insurance program.</p>	Estate	Minor	ASA-2	PT WNL must be able to show that all employees whether temporary nor permanent employees have been registered to the work accident insurance program	<p><b>Root Cause:</b> The policy in term of Manpower BPJS issued by the Head Office is not implemented by Regional HRD Personnel</p> <p><b>Corrective Action:</b> PT WNL should compose the program of BPJS registration to employees.</p> <p><b>Preventive Action:</b> PT WNL should evaluate the compliance over regulation regularly. NC number 2015.03 is closed.</p>	Closed	30 April 2016



						<p><b>Auditor Verification</b>  <b>April 30<sup>th</sup> 2016</b>  The company was sighted of Employee List non-permanent workers karyawan per March 2016, total 493 workers:</p> <ul style="list-style-type: none"> <li>- MPNR: 8 workers</li> <li>- KRYE: 44 workers</li> <li>- PMSE: 103 workers</li> <li>- PNBE: 39 workers</li> <li>- KAGE: 115 workers</li> <li>- PNRE: 44 workers</li> <li>- PHRE: 61 workers</li> <li>- PAGE: 30 workers</li> <li>- RBYE: 48 workers</li> <li>- KAGM: 1 workers</li> </ul> <p>The health insurance for the workers (by Badan Penyelenggara Jaminan Sosial) has been paid by the company on 18 April 2016 via Mandiri Bank.  Non Conformance 2015.03 was closed.</p>		
2015.04	SC E.4.1	<p><b>Verification and documentation of the received certified and non-certified FFB volume</b>  Pundu Nabatindo Mill is not able to show the documentation of the RSPO certified and non-certified FFB volume.</p>	Mill	Major	May 23 <sup>rd</sup> 2015	<p>Pundu Nabatindo Mill must able to show the documentation of the RSPO certified and non-certified FFB volume</p> <p><b>Root Cause:</b>  Lack of control from the mill assistan on the recording of the incoming FFB receipt.</p> <p><b>Corrective Action:</b>  PT WNL should separate the RSPO certified and non certified FFB in Pundu Mill.</p> <p><b>Preventive Action:</b></p>	Closed	May 19 <sup>th</sup> 2015

							<ul style="list-style-type: none"> <li>- PT WNL should improve the control function of the Mill Assistant.</li> <li>- PT WNL should conduct briefing on the weighbridge operator in term of the control function of the Mill Assistant over the recording of the incoming RSPO certified and the noncertified FFB.</li> </ul> <p><b>Auditor Verification</b>  <b>May 19<sup>th</sup> 2015</b>  Pundu Nabatindo Mill has shown the data of the RSPO certified and noncertified FFB receipt for period of June 19<sup>th</sup> 2014 – April 22<sup>nd</sup> 2015. NC number 2015.04 is closed.</p>		
2015.05	SC E.5.1	<p><b>Documentation of the balancing (<i>mass balance</i>) the receipt of the RSPO certified FFB and the delivery of RSPO certified products (CPO and PK)</b>  Pundu Nabatindo Mill is not able to show the documentation of the balancing between between the volume of the RSPO-certified FFB and RSPO-certified product dispatch (CPO and PK).</p>	Mill	Major	May 23 <sup>rd</sup> 2015	Pundu Nabatindo Mill must able to show the documentation of the balancing between between the volume of the RSPO-certified FFB and RSPO-certified product dispatch (CPO and PK)	<p><b>Root Cause:</b>  Lack of knowledge of the staff in term of the supply chain requirements.</p> <p><b>Corrective Action:</b>  PT WNL should provide the data of CSPO and Certified PK sales via greenpalm</p> <p><b>Preventive Action:</b></p> <ul style="list-style-type: none"> <li>- PT WNL should give the information of the sales information to the Mill Unit over the sales conducted by Commercial Dept.</li> <li>- PT WNL should compose and socialize the SOP of delivery order &amp; claim including the RSPO logo</li> </ul>	Closed	May 19 <sup>th</sup> 2015

							usage.		
							<p><b>Auditor Verification</b>  <b>May 19<sup>th</sup> 2015</b>  Pundu Nabatindo Mill has shown the data of the RSPO-certified product sales via greenpalm for period of June 19<sup>th</sup> 2014 – April 22<sup>nd</sup> 2015. NC number 2015.05 is closed.</p>		

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

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2016.1	2.1.1	<b>Compliance With Applicable Laws.</b> During the assessment, unit using the water for processing in Mill and domestic, however there is no license of processing water used.	Mill	Major	July 3 <sup>rd</sup> 2016	The company should be show license of processing water used.	<ul style="list-style-type: none"> <li>• Root cause: Lack of knowledge of Document &amp; Legal team, do to no regulation related with Surface Water Use Permit and there was not yet socialization from the relevant agencies.</li> <li>• Corrective action (+evidence) There are evidence decree of tax and retribution for surface water discharged from relevant agencies.</li> <li>• Preventive action: Socializing and internal control/audit internal every year and RSPO monthly meeting in Regional Office.</li> </ul> <p><b>Observation at 24 June 2016</b></p> <ul style="list-style-type: none"> <li>• The company has showed Determination Letter about surface water tax from relevant agencies in Kotawaringin Timur District dated 21 June 2016). Payment of surface water tax refers to local regulation No. 07 year 2010 about local taxes.</li> <li>• Surface water tax was paid on June 21, 2016.</li> </ul> <p>• Auditor conclusion: Based on above evidence, this NC has closed.</p>	Closed	24 June 2016
2016.2	2.2.2	<b>The physical markers are located and visibly maintained</b>	Estate	Minor	ASA-03	The company shall showed the evidences of that	<ul style="list-style-type: none"> <li>• Root cause: Lack of Coordination between Regional</li> </ul>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		Based on field visit for boundaries pole check at Katari Agro Estate and Pantai Mas Estate that showed several area there is not yet had boundary pole refer to Coordinate List from National Land Agency. The document of monitoring result of boundary poles also was showed that several area not yet had boundary poles.				boundary poles was installed and appropriate for Coordinate List from National Land Agency.	<p>Sustainability Assistant with Regional GIS and related staff of legal in regional area</p> <ul style="list-style-type: none"> <li>• <i>Corrective action (+evidence)</i> Monitored and installed of boundary poles refer to coordination list was approved by National Land Agency</li> <li>• <i>Preventive action:</i> Socialization of RSPO P &amp; C and monitoring of carry out of monthly monitoring/review</li> <li>• <b>Auditor Observation:</b> <b>24 June 2016</b> The management unit was sent corrective evidence of official letter of socialization and RSPO refreshing on 26 May 2016 and 21 June 2016. All the participant come from estate and mill operation unit.</li> <li>• <b>Auditor conclusion:</b> There was no evidences that the area without boundary poles was follow up by the management unit to installed the boundary poles.</li> </ul>		
2016.3	3.1.1	<b>Business and Management Plan</b> Long Term Plan 2012 - 2020 are shown yet to consider CPO Production, Kernel Production, OER, KER, operating costs period 2012 - 2020, the financial indicators (income vs. expense) and estimated price.	<b>Mill &amp; Estate</b>	<b>Major</b>	<b>July 3<sup>rd</sup> 2016</b>	The business or management plan should contain: <ul style="list-style-type: none"> <li>- Crop projection</li> <li>- Mill extraction rate</li> <li>- Operation cost</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Root cause:</i> Lack of knowledge of personal in charge (head of administration and estate manager) due to turnover staff.</li> <li>• <i>Corrective action (+evidence)</i></li> </ul>	<b>Closed</b>	<b>June 24<sup>th</sup> 2016</b>

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
						<ul style="list-style-type: none"> <li>- Forecast prices.</li> <li>- Financial indicators</li> </ul>	<p>Preparing data of financial indicator especially prices estimation from commercial/finance department in head office.</p> <ul style="list-style-type: none"> <li>• <i>Preventive action:</i> Conducting socialization of financial indicator and prices estimation to all related staff in unit/estate. Head of administration will monitored in RSPO monthly meeting start from July 2016.</li> <li>• <i>Auditor Observation:</i> <b>7 Juni 2016</b> Long term planning periode 2016 – 2018 has considered CPO production, Kernel production, OER, KER, operational cost, financial indicator (income vs cost) and prices estimation.               <ul style="list-style-type: none"> <li>a. Own FFB production and third party 681,895 ton (2016), 729,888 ton (2017), 768,264 ton (2018).</li> <li>b. CPO production: 160,245 ton (2016), 171,524 ton (2017), 180,542 ton (2018).</li> <li>c. Kernel production: 30,685 ton (2016), 32,845 ton (2017), 34,572 ton (2018).</li> <li>d. Production cost information, sales and profit not showed as public information.</li> </ul> </li> <li>• <i>Auditor conclusion:</i></li> </ul>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Based on evidences showed, non compliances has closed.		
2016.4	4.3.4	<p><b>Water Management Program</b></p> <p>The company can not show document of trenches maintenance. For example in block B36 Division 2 PMSE.</p>	Estate	Major	July 3 <sup>rd</sup> 2016	The company must be able to show document of trenches maintenance. For example in block B36 Division 2 PMSE.	<ul style="list-style-type: none"> <li>• <i>Root cause:</i> Trench maintenance program delayed due to rainfall was very high on February. The heavy weight unit (excavator) still used in the flood area.</li> <li>• <i>Corrective action (+evidence)</i> <ol style="list-style-type: none"> <li>a. Annual planning and realization for trenches 2016.</li> <li>b. Minutes of activity trenches maintenance in block B36 PMSE and it photograph.</li> <li>c. Planning and realisation document per Juni 21 2016 in PMSE.</li> </ol> </li> <li>• <i>Preventive action:</i> Do monitoring of trenches maintenance in each estates.</li> </ul> <p><b>Observation on June 30, 2016</b></p> <p>The company has shown rainfall data since January to June 2016. It shows that rainfall was high and completed with technically explanation from estate manager.</p> <ul style="list-style-type: none"> <li>• <i>Auditor conclusion:</i> Based on evidence that shown, non compliance No. 2016.4 has closed.</li> </ul>	Closed	June 30 <sup>th</sup> 2016
2016.5	4.4.1	<p><b>Implementation of environmental management and monitoring plan</b></p> <p>- The result of surface water quality test result (Cempaga River and Katari River) in 2nd semester of 2015</p>	Mill & Estate	Minor	ASA-03	Monitoring quality and avvailability of surface / graund water must be implemented	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action (+evidence)</i></li> <li>• <i>Preventive action:</i></li> </ul>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		cannot be shown yet - Flow meter mill processes are not working (broken).					<ul style="list-style-type: none"> <li><i>Auditor conclusion:</i></li> </ul>		
2016.6	4.6.1	<b>Justification of pesticides use.</b> The company cannot show justification of pesticides use.	Estate	Major	July 3 <sup>rd</sup> 2016	The company must be able to show justification of pesticides use.	<ul style="list-style-type: none"> <li><i>Root cause:</i> Lack of control due to lack of knowledge of estate manager to updating pesticide usage list. Beside that, there was no RSPO personal in charge that monitored pesticides usage in each unit due to employee mutation.</li> <li><i>Corrective action (+evidence)</i> Preparing of pesticides justification document for all pesticides that usage in operational.</li> <li><i>Preventive action:</i> Maximalize control of estate manager to hired RSPO personal in charge who monitored pesticides usage.</li> <li><i>Auditor Observation:</i> <b>Observation on June 30, 2016</b> The company has shown several evidence: a. Sustainability policy that approved on August 13, 2015. On that document described the company committed on integrated pest management to reduce pesticides usage especially 1A and 1B WHO listed Stockholm and Rotterdam convention.</li> </ul>	Closed	June 30 <sup>th</sup> 2016



CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>b. Pesticides management procedure (BGA/AGRKS – SOP – 14) that approved on June 3, 2010 in chapter policy and pesticides management guide.</p> <p>• <b>Auditor conclusion:</b> Based on evidence that shown above, non compliances No. 2016.6 has closed</p>		
2016.7	4.6.4	<p><b>Commitmen to pesticide use category 1A and 1 B WHO</b> The company can not show commitment to minimize/eliminated pesticide class 1A and 1B WHO.</p>	Estate	Minor	ASA-03	The company must be able to show commitment to minimize/eliminated pesticide class 1A and 1B WHO.	<p>• <b>Root cause:</b> The company has now on developing owl as a natural predator to control rat attack. So far, there was no rodenticides outside brodifacoum or bromadiolon.</p> <p>• <b>Corrective action (+evidence)</b></p> <ol style="list-style-type: none"> <li>1. The company has released Inter Office Memo (IOM) regarding to commitment and policy to reduce rodenticides 1A and 1B WHO and to prioritize owl to control rat attack.</li> <li>2. Circulation letter from Research &amp; Development Department to introduction owl as rat control.</li> <li>3. Integrated pest management procedure to control rat. The main program is to do early warning system such as regular census and performing control if an attack above economical threshold.</li> </ol> <p><b>Observation at June 30, 2016:</b> Sustainability policy that approved on August 13, 2015. On that document described the company committed on integrated pest</p>	Closed	June 30 <sup>th</sup> 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>management to reduce pesticides usage especially 1A and 1B WHO listed Stockholm and Rotterdam convention.</p> <ul style="list-style-type: none"> <li><i>Auditor conclusion:</i> Based on evidence above, non compliance No. 2016.7 has closed.</li> </ul>		
2016.8	4.6.11	<p><b>Specific MCU to pesticide operator</b> According to result of specific Medical Check Up (<i>cholinesterase</i>) at 15-16 February 2016, it's known that one person spraying worker in KAGE who the results is below threshold. But can no to shown evidence of Cholinesterase re-test has conducted one month later in accordance to recommendation of a doctor.</p>	Estate	Major	July 3 <sup>rd</sup> 2016	The company must be able to shown Cholinesterase re-test of operator to ensure that does not happen Occupational Diseases	<ul style="list-style-type: none"> <li><i>Root cause:</i> Exhaustion a Reagen in Laboratory of Metro Pundu Clinic due to the increased number of request the checking of Cholinesterase.</li> <li>Corrective action (+evidence) Re-Medical Check up for workers who recommended to specific medical check up by a doctors.</li> <li><i>Preventive action:</i> Increase the stock of chemicals (Reagen) for next year according to this year requirement data in Laboratory of Metro Pundu Clinic.</li> </ul> <p><b>Observation at 10 June 2016</b> Management unit showed results of a re-Medical Check Up (<i>cholinesterase</i>) on behalf Sri Lestari (KAGE) with result of 4.2 dated 23 May 2016.</p> <p>Management unit showed Mutation Letter No. 003/EM-KAGE/II/2016 dated 22 February 2016, on behalf Sri Lestari. She was mutation from BSS team to manual weeding team.</p>	Closed	June 30 <sup>th</sup> 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p><b>Observation at 22 June 2016</b> Management unit showed letter from company doctor about result of cholinnesterase test on behalf Sri Lestari is below of normal value. So it must be moved for 6 months and has to do re-medical check up six month later.</p> <p><b>Observation at 30 June 2016</b> Based on a letter from company doctor No. 007/3-RH Sustainability 3-RH 2/VI/2016 dated 30 June 2016 explaind related to the reagents need procurement for Medical Check Up of BSS team and BMS team. Duing the year to 558 BMS and BSS workers. estimation of use per semester is 500 ml.</p> <ul style="list-style-type: none"> <li>• Auditor conclusion: Based on above evidence, this NC has closed.</li> </ul>		
2016.9	4.6.12	<p><b>System Monitoring Presence Pregnant Women in BSS team</b> The company couldn't to show the results of periodic monitoring to identify presence of pregnant workers in BSS team</p>	Estate	Major	July 3 <sup>rd</sup> 2016	The company must be able to show the results of periodic monitoring to identify presence of pregnant workers in BSS team	<ul style="list-style-type: none"> <li>• Root cause: Lack of knowledge from management unit, it cause replacement of staff and manager level.</li> <li>• Corrective action (+evidence) Make the program of pregnant monthly check by paramedic team. Pregnancy test was held on 3 May 2016, employees mutation for pregnant worker.</li> <li>• Preventive action: Monitoring by the RSPO PIC in each unit and controlling by regional office.</li> </ul> <p><b>Observation at 31 May 2016</b> Management unit has showed pregnancy test result for 46 employees BMS team in KAGE;</p>	Closed	21 June 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>and also pregnancy test result for 19 employees BSS team in KAGE dated 3 May 2016. All workers are not in condition of pregnancy.</p> <p><b>Observation at 21 June 2016</b></p> <ul style="list-style-type: none"> <li>- Katari Agro Estate (KAGE) has showed program of pregnancy test for BMS team and BSS team year 2016, it will be start from May 2016 to December 2016.</li> <li>- Pantai Mas Estate (PMSE) has showed program of pregnancy test for BMS team and BSS team year 2016, it will be start from May 2016 to December 2016.</li> <li>- Minute of activity and documentation of pregnancy test for 16 BSS (<i>Block Spraying System</i>) employee and 27 BMS employee at PMSE dated 16 June 2016.</li> <li>- Minute of activity and documentation of pregnancy test for 18 BSS employee and 44 BMS (<i>Block Manuring System</i>) employee at KAGE dated 19 June 2016. There was 1 pregnancy employee on behalf Delfiana (BMS team Division II) and recommended to mutation on manual weeding.</li> <li>- Mutation letter No. 016/EM-KAGE/VI/2016 dated 19 June 2016 on behalf Delfiana to Manual Weeding.</li> </ul> <p>• Auditor conclusion: Based on above evidence, this Non conformance was closed.</p>		
2016.10	4.7.2.	<b>HIRAC of Evaluation</b> There have been work accidents resulting	<b>Mill &amp; Estate</b>	<b>Major</b>	<b>July 3<sup>rd</sup> 2016</b>	The company able to show results of the HIRAC	<ul style="list-style-type: none"> <li>• <i>Root cause:</i> Lack of knowledge management unit. It</li> </ul>	<b>Closed</b>	<b>20 June 2016</b>

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		in lost time accident on Estate and Mill since one year ago. But is not able to show results of the HIRAC evaluation				evaluation	<p>cause Occupational Health and Safety (OHS) responsible staff is new person.</p> <ul style="list-style-type: none"> <li>• <i>Corrective action (+evidence)</i> <ol style="list-style-type: none"> <li>1. Internal Office Memo (IOM) about HIRAC Evaluation No. 003/Sustainability 3-RH 2/VI/2016 dated 14 June 2016.</li> <li>2. Minute of meeting HIRAC Evaluation in PMSE and KAGE.</li> <li>3. HIRAC evaluation in Mill</li> </ol> </li> <li>• <i>Preventive action:</i> Monthly meeting and monthly monitoring in Regional office to checking. And also internal audit every years by OQC Sustainability.</li> </ul> <p><b>Observation at 20 June 2016</b></p> <ol style="list-style-type: none"> <li>1. The company has showed IOM about HIRAC Evaluation No. 003/Sustainability 3-RH 2/VI/2016 dated 14 June 2016. During last years there are 153 accident with <i>Lost Time Accident (LTA)</i> 457 hours and 124 cases with medical aid category. HIRAC evaluation result is accordance to SOP of Identification and Evaluation Potential Risk.</li> <li>2. Some activity were evaluated in Mill such as: Loading Ramp station, Boiler Station, and workshop.</li> <li>3. All estate operational has evaluated of HIRAC, such as: risk control of spraying are use PPE's as: gloves, face shield, apron, rubber booth, safety maskr and safety helmt.</li> </ol>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<ul style="list-style-type: none"> <li><i>Auditor conclusion:</i> Based on above evidence, this Non conformance was closed.</li> </ul>		
2016.11	4.7.3	<p><b>Provide PPE to Employees</b></p> <p>According to field observation and interview with harvesting worker I block H56 KAGE, all worker was used PPE's. While according to field observations and interview with Fertilizing workers in Block B36 PMSE, they were explained that Company doesn't yet provide PPE's. For example: there are no available safety boot for loading &amp; unloading worker.</p>	KAGE	Major	July 3 <sup>rd</sup> 2016	The company able to show evident that employees have available PPE's	<ul style="list-style-type: none"> <li><i>Root cause:</i> Lack of knowledge management unit. It cause OHS responsible staff is new person.</li> <li><i>Corrective action (+evidence)</i> Providing Personal Protective Equipment to all workers according to SOP.</li> <li><i>Preventive action:</i> Socializing and training to new responsible staff, and also monitoring every month joint with OHS Committee meeting in Regional office. Internal audit will be conduct every years by OQC sustainability.</li> </ul> <p><b>Observation at 21 June 2016</b></p> <ul style="list-style-type: none"> <li>- Division II KAGE has showed handover of apron to 20 BMS team dated 25 April 2016.</li> <li>- Division II KAGE has showed handover 4 PPE's as helm, booth shoes, and gloves to BMS team dated 5 February 2016.</li> <li>- KAGE has showed handover 24 PPE's as helm, booth shoes, and gloves to BMS team dated 5 February 2016.</li> <li>- KAGE has showed handover 24 PPE's as helm to BMS team dated 3</li> </ul>	<b>Closed</b> with observatio n	<b>30 June 2016</b>

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>January 2016.</p> <ul style="list-style-type: none"> <li>- KAGE has showed handover 37 PPE's as helm, knife sheath, to harvesting team dated 5 February 2016.</li> <li>- KAGE has showed handover 44 PPE's as helm, knife sheath, to harvesting team dated 29 April 2016.</li> </ul> <p><b>Observation at 30 June 2016:</b> KAGE showed documentation of handover PPE's to harvesting team, BMS team and Fertilise loading team dated 24 June 2016.</p> <ul style="list-style-type: none"> <li>• <i>Auditor conclusion:</i> Based on above evidence, this NC has closed.</li> </ul>		
2016.12	4.7.7	<p><b>Calculation of Lost Time Accident (LTA)</b></p> <p>PNBM can't be show that all work accidents have been recorded by using Loss Time Accident</p>	Mill	Minor	ASA-03	PNBM must be able to show that all work accidents have been recorded by using Loss Time Accident	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action (+evidence)</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor conclusion:</i></li> </ul>	Open	
2016.13	5.1.3	<p><b>Implementation and Reporting of Environmental Documents</b></p> <p>These plans have not been implemented in accordance with the recommendation of EIA, among others:</p> <ul style="list-style-type: none"> <li>- Monitoring of Benthos and Plankton in Bangkuang River, Cempaga Buang Rivers and Katari River.</li> <li>- Monitoring of flora and fauna,</li> </ul>	Mill & Estate	Minor	ASA-03	The company should demonstrated the implementation of Environment plan in appropriate with the EIA recommendation.	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action (+evidence)</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor conclusion:</i></li> </ul>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		<p>regullary in 6 months.</p> <ul style="list-style-type: none"> <li>- Monitoring of water quality in Cembaga River and Katari River.</li> <li>- The number of the population</li> <li>- The public income.</li> <li>- The potential for traffic accidents</li> <li>- Transmission of the disease</li> </ul>							
2016.14	5.3.3	<p><b>Waste management</b></p> <ul style="list-style-type: none"> <li>• There is a pack of used agrochemical (roundup) for the water container and put on the house backyard.</li> <li>• On PMSE landfill, there is a reckless waste management where the organic and anorganic waste are not separated. It broke the procedure BGA/WNL/IK-LAK/04/12.</li> <li>• Leachate (<i>leachate</i>) generated by operational program (EFB cumulation) at mill flow to the soil (environment). There is no drainage nor sewer to WWTP.</li> <li>• Broken oil trap in KAGE Workshop of division 1.</li> </ul>	Miil & Estate	Minor	ASA-03	<p>Waste management must be done properly in accordance with the procedures and related regulations.</p> <p>Companies should ensure the handling of waste from manufacturing operations and the garden does not cause pollution to the environment.</p>	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action (+evidence)</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor conclusion:</i></li> </ul>	Open	
2016.15	5.6.3	<p><b>Reported GHG</b></p> <p>The result of calculation is not yet reported to RSPO secretariat</p>	Miil & Estate	Minor	ASA-03	<p>The company must be reported result of calculation to RSPO secretariat</p>	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action (+evidence)</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor Observation:</i></li> <li>• <i>Auditor conclusion:</i></li> </ul>	Open	



CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2016.16	6.5.2	<p><b>Working Agreement and Company Regulation</b></p> <ul style="list-style-type: none"> <li>- Company Regulation the period of 2014-2016 has expired in January 1<sup>st</sup>, 2016.</li> <li>- Work agreement for no permanent worker is not in accordance to Manpower Minister Decree No 100 of 2004.</li> <li>- Based on interview with harvesting worker in block B36 PMSE and babysitter in Daycare KAGE, each worker's has been worked two weeks and 1.5 years. But Companies can't to show work agreement for two workers.</li> </ul>	PT. WNL	Major	July 3 <sup>rd</sup> 2016	<p>The company must be able to show a valid company rules</p> <p>Companies must show employee work agreements in accordance with the laws and regulations in the field of employment.</p> <p>Companies must be able to show Employee Agreement.</p>	<ul style="list-style-type: none"> <li>• Root cause: Regional Human Resource Department is new and jointly to other region for the company efficiency program.</li> <li>• Corrective action (+evidence) <ul style="list-style-type: none"> <li>• Renew the company regulations for 2 years later.</li> <li>• Providing work agreement and remuneration according to regulation.</li> </ul> </li> <li>• Preventive action: <ul style="list-style-type: none"> <li>• Improving of control function by Head of administration and Regional HRD and Head Office HRD.</li> <li>• RSPO monthly meeting to monitored, internal audit every years and monitoring from OQC Sustainability every three-month in the future.</li> <li>• Creating reminder system of renew company regulation every six month before.</li> <li>• IOM from the Regional HRD to the entire unit to make changes of work agreement according to Manpower Decree No. 100 year 2004.</li> <li>• Identify of work agreement by each unit and monthly monitoring and monthly RSPO meeting.</li> </ul> </li> </ul> <p><b>Observation at 21 June 2016</b></p>	Closed with observation	21 June 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>The management unit showed Letter from the Director General of Industrial Relations and Labor Social Security No. 13 / PHIJSK-PK / PP / VI / 2016 dated June 15, 2016; explained that the renewal of Company regulation is in the process accordance with the provisions of the legislation in force.</p> <p>There are work agreement with time limit:</p> <ul style="list-style-type: none"> <li>No. 017/PT. WNL-PMSE/SPK-PTT/IV/2016 dated 2 May 2016 on behalf Darius valid for 2 years.</li> <li>No. 057/PT. WNL-KAGE/SPK-PTT/II/2015 dated 1 August 2015 on behalf Sumitra valid for 2 years.</li> <li>No. 001/PT. WNL-KAGE/SPK-PTT/IV/2014 dated 1 August 2014 o behalf Anita Namur valid for 2 years.</li> </ul> <p>• Auditor conclusion: Based on above evidence, this Non conformance was closed.</p>		
2016.17	6.5.3	<p><b>Facilities and infrastructure for employees are adequate</b> According to field observation in workers residential Division I KAGE, it's known that some of septic tank in the leak condition. In addition, domestic waste sanitary conditions are less good.</p>	PT. WNL	Minor	ASA-03	Companies should provide adequate facilities and infrastructure for employees	<ul style="list-style-type: none"> <li><i>Root cause:</i> Lack of control from field assistant division I KAGE, cause it has mechanism about worker complaint.</li> <li><i>Corrective action (+evidence)</i> Repairing of damaged septic tank.</li> <li><i>Preventive action:</i> Conducting a periodic monitoring by reporting a worker complaint at morning</li> </ul>	Closed with observation	30 Juni 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>call or mailbox at each estate.</p> <p><b>Observation at 30 June 2016</b> It has been shown evidence the minutes of repairing septic tanks damage amount 15 unit at 19 June 2016. All of the septic tank is planned to be completed on June 2016.</p> <ul style="list-style-type: none"> <li><i>Auditor conclusion:</i> Based on corrective evidence has shown, this nonconformity was close out.</li> </ul>		
2016.18	6.10.3	<p><b>The contracts are fair, legal and transparent.</b> Based on document verification and interview with related staff and the local contractor was known that the company has been cooperated with CPO and PK transporter. However the company did not sighted evidence of valid cooperation contract document for CPO and PK loaded.</p>	PT. WNL	Minor	ASA-03	The company shall show the evidence of valid cooperation contract document for CPO and PK loaded.	<ul style="list-style-type: none"> <li><i>Root cause:</i></li> <li><i>Corrective action (+evidence)</i></li> <li><i>Preventive action:</i></li> <li><i>Auditor conclusion:</i></li> </ul>	Open	
2016.19	6.10.4	<p><b>Evident of payment of labor contract</b> The company can not show valid mutual agreement of CPO and PK transporting.</p>	PT. WNL	Minor	ASA-03	The company must be able to show valid mutual agreement of CPO and PK transporting.	<ul style="list-style-type: none"> <li><i>Root Cause</i> The payment process was carry out by head office and the data was filled by Commercial Department in Head Office. All of the process of contract preparation till the payment process was directly manage by Head Office and take time to request those documents.</li> <li><i>Corrective action (+evidence)</i> Request of data to Commercial Department in</li> </ul>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Head Office related to payment evidence of CPO and Kernel loading by the company to local contractor.</p> <ul style="list-style-type: none"> <li><i>Preventive action:</i> <ol style="list-style-type: none"> <li>1. Improve the coordination related to request of payment data to Commercial Department in Head Office.</li> <li>2. Request and prepare the data before audit process.</li> </ol> </li> <li><i>Auditor Observation:</i> <p><b>7June 2016:</b>                      The company was sent the evidence of payment process from PT WNL to contractor (CV Surya Mentaya Sawit and CV. Borneo Mulia Abadi). However not yet showed payment evidence of loading payment for PT DJT (based on stakeholder consultation). Other than could not detail explained the process as RSPO guidance:</p> <ol style="list-style-type: none"> <li>a. What is the mode of recording/documenting transactions between millers and dealers?</li> <li>b. What is the mode of recording/documenting transactions between millers and smallholders?</li> <li>c. Have agreed payments been made in a timely manner?</li> </ol> </li> <li><i>Auditor conclusion:</i>                      Based on evidence was showed by the</li> </ul>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							company, the non conformance in this indicator still not comply .		
2016.20	6.13.1	<p><b>Policy to respect for human rights must be documented and communicated to all levels of employees and operational</b></p> <p>Based on field visit and interview the workers on division II and II Katari Agro Estate (KAGE) and division 1 Pantai Mas Estate (PMSE) that knows the human right policy did not understood by the workers.tersebut. It was indication that the policy not yet fully socialization to all level operatinal work.</p>	Mill & Estate	Major	July 3 <sup>rd</sup> 2016	Companess must be able to show evient that Policy to respect for human rights must be documented and communicated to all levels of employees and operational	<ul style="list-style-type: none"> <li><i>Root cause:</i> The socialization has been done, however there was not cover overall of operation unit because the rponsible staff was appointed on April 2016, one month before the Annual Surveillance Audit (ASA 02).</li> <li><i>Corrective action (+evidence)</i> The company was showed the evidence of socialisation of Human Right Policy to all levels workforce and operations</li> <li><i>Preventive action:</i> Socialize the Human Right Policy to new employee in all levels of workforce and operations</li> <li><i>Auditor Observation :</i></li> </ul> <p><b>24 June 2016</b> There was showed of official report of Human Right socialization in all levels of workforce and operations, consist of:</p> <ol style="list-style-type: none"> <li>Official Report of Socialization process in Central Pundu Traksi (CPNT), dated 22 June 2016</li> <li>Official Report of socialization of Human Right and Code of Conduct in Pantai Mas</li> </ol>	Closed	23 June 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Estate (PMSE) on 31 May 2016 and 11 June 2016 3. Official Report of socialization of Human Right by RSPO clerk on 21 June 2016 in Division V Katari Agro Estate (KAGE). 4. Official Report of socialization of Human Right by division assistant on 21 June 2016 in Division III Katari Agro Estate (KAGE). 5. Official Report of socialization of Human Right by division assistant on 21 June 2016 in Division II Katari Agro Estate (KAGE) 6. Official Report of socialization of Human Right by division assistant on 21 June 2016 in Division Katari Agro Estate (KAGE) 7. Official Report of socialization of Human Right in Pundu Nabatindo Mill (PNBM) on 13 June 2016  • <b>Auditor conclusion:</b> Based on evidence was showed by the management unit, the non compliance in this indicator was <b>Closed Out</b> .		
2016.21	7.3.3	<b>Dates of land preparation</b> There was no to be shown Dates of land preparation and commencement after November 2005.	Estate	Minor	ASA-03	Companies must be able to show <b>Dates of land preparation</b> and commencement after November 2005.	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action (+evidence)</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor conclusion:</i></li> </ul>	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2016.22	E.3.1	<p><b>SCCS</b>            Procedure of Supply Chain Certification Systems (BGA/WNL-SOC/PRO-27/08/2012) overall have not been applied in Mill and estates. volume of CPO dan Kernel product - certified and Uncertified – are not tracable. Record of certified CPO dan Kernel stock after selling, not available.</p>	Mill	Major	03 Juli 2016	<p>The facility should implemented Procedur (BGA/WNL-SOC/PRO-27/08/2012) regarding Supply Chain Certification System.</p>	<ul style="list-style-type: none"> <li>• <i>Root cause:</i> Lack of control by Mill Manager of Pundu nabatindo Mill (PNBM) caused the responsible person was new staff</li> <li>• <i>Corrective action:</i> <ul style="list-style-type: none"> <li>a. Implementation of daily documentation for certified and non certified CPO and Kernel balance</li> <li>b. The documentation will doing by menas of separation of certified FFB Delivery Note and non certified FFB Delivery Note. The documentation will begun by harvest clerk and weightbridge clerk. The data will process by the section head in mill and check/review by mill manager.</li> </ul> </li> <li>• <i>Preventive action:</i> The Asisstant/Manager shall monitoring &amp; ensure of recorded mechanism mekanisme and SCCS inventarization (FFB , CPO, Kernel), well implemented and will reviwed and direct observe of daily production report and incoming materials</li> <li>• <i>Auditor conclusion:</i> Volume Stock of certified and non certified product of CPO and Kernel was traceable. Based on corrective evidences was showed by management unit, the non</li> </ul>	Closed	23 June 2016

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							compliance in this indicator was <b>Closed Out</b> .		
2016.23	RSPO Certification System 4.2.4	<p><b>Time Bound Plan.</b> The revision of Time Bound Plan was sighted by the management of BGA group did not yet included of another units (PT. Fajar Buana Nabati, PT Gemilang Subur Maju and another Smallholder Plantation).</p> <p>There is not comply to <b>RSPO Certification System point 4.2.4</b> that ALL directly managed or owned land (or estates). Where the directly managed or owned land sends its crop to more than one certification unit, it shall be assessed together with the unit which receives the larger share of its crop at that time. Associated smallholders must be assessed within 3 years from when their fruit was first included in the mill certification.</p>	PT WNL (BGA Group)	Major	3 Juli 2016	The BGA Group shall shows the evidence of Time Bound Plan revision and sufficient justification appropriate with RSPO Certification System.	<ul style="list-style-type: none"> <li>• <b>Root cause:</b> Lack of understanding of RSPO Certification system of CCM (<i>Certification and Compliance</i>) Team Department.</li> <li>• <b>Corrective action (+evidence)</b> <ol style="list-style-type: none"> <li>a. Coordination with auditor about RSPO Certification System 4.2.4 (Time Bound Plan RSPO for all FFB sources from each own estate).</li> <li>b. Time Bound Plan revision according to RSPO Certification system 4.2.4.</li> </ol> </li> <li>• <b>Preventive action:</b> The CCM (<i>Certification and Compliance</i>) team will improve understanding related to the provisions contained in the RSPO certification system which will be coached by CCM team and implemented in the 2<sup>nd</sup> half.</li> </ul> <p><b>Observation at 16 June 2016</b> BGA group has showed time bound plan revision approved by Director of CSR &amp; Sustainability and Certification Compliance Department Head dated June 15, 2016. It has been added FFB supply base from smallholders (cooperation).</p> <p><b>Observation at 28 June 2016</b> Company has showed Letter No. 003/EXT/BGA/VI/2016 of the Director of PT.</p>	Closed with observation	28 June 2016



CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Bumitama Gunajaya Agro dated 27 June, 2016. Letter was explained that PT. Fajar Bumi Nabati is not part of BGA Group.</p> <p>It has been shown the cooperation agreement between PT. Windu Nabatindo Lestari (signed by the director) with PT. Fajar Bumi Nabati (signed by the director) of the sale and purchase of FFB of oil palm on December 21, 2015 for the sale and purchase of FFB.</p> <ul style="list-style-type: none"> <li>• <b>Auditor conclusion:</b> Based on above evidence, this Non compliance was closed.</li> </ul>		

**3.5.3 Opportunity for Improvement**

No	Ref Std	Descriptions
1	<b>Major</b> 2.1.1	The Company has an opportunity to follow up on processing of renewal 3 operator licensed and 1 Electric Technician Licensed in Pundu Nabatindo Mill (PNBM)
2	<b>Major</b> 4.1.1	The Company has an opportunity to evaluate acceleration pruning activities
3	<b>Minor</b> 4.3.3	The Company has an opportunity evaluate the effectiveness of the plan and the realization of road maintenance
4	<b>Minor</b> 5.3.3	The company has an opportunity improve condensate drainage channels from Mill to WWTP, so as to minimize the runoff of waste into the soil body

**3.5.4**

No	Descriptions
1	The company has been doing the Partnership Cooperation Agreement "Smallholder" with the surrounding community through <i>Koperasi Harapan Abadi</i>
2	PT WNL have bought TBS Locally sourced from independent smallholders farm.
3	The company has been providing educational facilities from kindergarten up to high school
4	Conducting Safety briefing and the provision of PPE in the factory for guests

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>National Land Agency of East Kotawaringin District (Head of National Land Agency)</b></p> <ul style="list-style-type: none"> <li>PT Windu Nabatindo Lestari (WNL) has the legalized and valid land use title.</li> <li>Post 2014, there is no land dispute between company against other company.</li> <li>There is no customary land on company's land use title.</li> </ul> <p><b>Suggestion:</b> Land Dispute should be mapped and reported to the related agency.</p>	<p>PT WNL will improve management performance of HGU.</p> <p>PT WNL is committed to maximize the land use comply with a permit</p> <p>Land dispute resolved first by informal channels, if it has been mediated in the district will be reported to the related agencies.</p>	<p>PT Windu Nabatindo Lestari (WNL) has the legalized and valid land use title, that is HGU No. No.24 of 9.616,28 Ha., HGU No.50 of 1.934,583 Ha. <b>It refers to the criteria of 2.2</b></p> <p>Concession area of PT WNL was clear and clean, compensation settlement or award of compensation of land have been conducted through related party agreements. In the area of PT WNL there are no land under control of indigenous rights. <b>It Refers to the criteria of 2.3</b></p>
<p><b>Region Secretary of East Kotawaringin District (General Government Administration)</b></p> <ul style="list-style-type: none"> <li>According to the data base of period of 2012/2014, the land dispute between the company and the locals has met the resolution.</li> <li>The occurred land dispute did not goes to court. It was handled only by head of village, head of subdistrict and regency.</li> <li>According to the data base of period 2015/2016, there is no any incoming report in term of land dispute.</li> </ul> <p><b>Suggestion:</b></p> <ul style="list-style-type: none"> <li>Land Dispute should be mapped and reported to the related agency.</li> <li>The land dispute should have been able to be controlled by providing jobs and business for the locals.</li> </ul>	<p>PT WNL will improve management of conflict</p> <p>Land dispute resolved first by informal channels, if it has been mediated in the district will be reported to the related agencies.</p> <p>50 % locals worker form the locals</p>	<p>Concession area of PT WNL was clear and clean, compensation settlement or award of compensation of land have been conducted through related party agreements. In the area of PT WNL there are no land under control of indigenous rights. <b>It Refers to the criteria of 2.3</b></p> <p>Workers came from the local community and outside the region. The company also has implemented CSR programs to the local community. <b>It Refers to the criteria of 6.11 and 6.12</b></p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>Manpower Agency of East Kotawaringin District (Division of Manpower Monitoring)</b></p> <ul style="list-style-type: none"> <li>Wage for workers of PT. WNL refer to the decree of minimum wage standard for period of 2016 for IDR 2,250,000.</li> <li>Wage of permanent daily workers and temporary daily workers in PT WNL has referred to decree of minimum wage standard. However, in term of outsource workers, the company must be able to make sure that their wage has referred to minimum wage standard.</li> <li>There is still temporary daily workers in PT. WNL</li> <li>There is no foreign workers in PT. WNL</li> <li>There is no contract substitution in PT. WNL.</li> <li>The company has reported work accidents in small scale to BPJS and the report of heavy scale to manpower agency. There was one heavy scale work accident at mill. The work accident has been claimed to BPJS.</li> <li>Manpower Agency is not able to make sure whether all workers have been registered to BPJS of manpower and health or not.</li> <li>All workers should have been registered to manpower and health BPJS program.</li> <li>Structure of Occupational Health and Safety Guiding Committee for Estate and mill of PT WNL has been legalized and still valid as well as routinely reported.</li> <li>There is no underage workers at PT WNL. There is only kids who help their parents.</li> <li>Report of Manpower of PT WNL for period of 2015 has been reported.</li> <li>PT. WNL has tested routine machine maintenance and test on April 26th 2016.</li> </ul>	<p>PT WNL is committed to provide the right worker comply related regulation.</p> <p>Worker who pass the probation will be appointed as permanent worker</p> <p>PT. WNL will increase the use of local worker</p> <p>Worker social assurance has been registered on BPJS and will be proposed to Health Insurance who have identity card and family card.</p> <p>PT. WNL will increase guiding committee of occupational safety and healthy function.</p> <p>PT WNL was not use child labor</p> <p>PT. WNL will improve the functioning of labor</p> <p>All operators in the PT. WNL have gained license of SIO</p> <p>PT. WNL is committed to provide the right employees comply with relevant regulations</p> <p>PT. WNL will improve the functioning of worker union</p> <p>PT. WNL will improve partnerships with the cooperative</p> <p>50 % locals worker form the locals</p>	<p>The Company has implemented wage in accordance with government standards, residential facilities, electricity, clean water, health facilities to workers. <b>It Refers to the criteria of 6.5</b></p> <p>The Company has implemented a partnership program with local communities, CSR and empowerment of local contractors. <b>It Refers to the criteria of 6.1 and 6.11</b></p> <p>The Company does not use migrant labor and no substitution contract. <b>It Refers to the criteria of 6.12</b></p> <p>PT WNL was not use child labor. <b>It Refers to the criteria of 6.7</b></p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> <li>Manpower Agency cannot make sure whether all specific operators have had certificate or not.</li> <li>The company has provided housing complex, electricity, clean water and clinic for workers.</li> <li>Labour union has been formed at PT. WNL.</li> <li>PT. WNL has had valid company regulation.</li> <li>PT. WNL has had scheme smallholder cooperation unit as well as employee cooperation unit.</li> <li>Recruitment of the locals who work at PT. WNL is relatively small despite they have known the socialized information.</li> </ul>		
<p><b>Forestry and Plantation Agency of East Kotawaringin Distrit (Divisio of scheme smallholder)</b></p> <ul style="list-style-type: none"> <li>According to the database of private palm oil plantation progress of East Kotawaringin District on December 2013, the actualization of scheme smallholder in PT WNL is 3,610 Ha.</li> <li>Permit for scheme smallholder has been known by the Regent.</li> <li>Scheme smallholder progress is frequently reported and recorded on the report of plantation business progress (LPUP).</li> <li>The price of FFB refers to the price regulated by the regional government, through result of pricing meeting attended by stakeholders (Province Plantation agency, Regional Plantation Agency, Representative of scheme smallholder. Result of the meeting is disseminated by each attendance.</li> <li>The informan does not know any form of guiding conducted by company to the smallholders.</li> </ul>	<p>PT. WNL will improve partnerships with the cooperative FFB purchase plasma and non-plasma according to relevant regulations</p> <p>The Company has conducted socialization and training to the cooperatives.</p>	<p>The Company has implemented a partnership program with local communities, CSR and empowerment of local contractors. <b>It Refers to the criteria of 6.1 and 6.11</b></p> <p>FFB purchase plasma and non-plasma according to relevant regulations and The Company has conducted socialization and training to the cooperatives. <b>It Refers to the criteria of 6.10</b></p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>Environment Agency of East Kotawaringin Distrit (Head of Environment Law Compliance)</b></p> <ul style="list-style-type: none"> <li>• PT. WNL has had environment permits such as environment impact assessment and environmental management and monitoring effort which had been legalized and still valid.</li> <li>• Replanting and its analysis of impact has been written on environment impact assesment.</li> <li>• PT. WNL has had hazardous waste storage which has been legalized and still valid.</li> <li>• Management including the period of storing hazardous waste is referring to the requirment of permit and storing period allowed by regional government for only 90 and 360 days. Government regulation no 101 year 2014.</li> <li>• Hazardous waste including pesticide packs are stored ate the licensed hazardous waste storage and it should not be used as water jerry can, trash can and other household activity.</li> <li>• Chemical packs or pesticide packs are used for mixing same chemical substance.</li> <li>• Medical waste is categorized as hazardous waste, it should be managed based on the determined storing period and it should be then given to the licensed waste collector and reported to the related agency for every quarter.</li> <li>• PT. WNL has had permit for land application. It has been legalized and still valid.</li> <li>• Domestic waste is dumped at landfill and should not be burned.</li> <li>• The company has managed and monitor the solid, liquid and air waste as written on environmental management</li> </ul>	<ul style="list-style-type: none"> <li>• The company will monitored all aspect of plantation and mill operations.</li> <li>• Replanting should be in appropriate with Environment impact analysis.</li> <li>• Facility will improve the hazardous management.</li> <li>• Facility will improve the hazardous management.</li> <li>• Facility will improve the hazardous management.</li> <li>• Facility will improve the hazardous management.</li> <li>• Facility will improve the hazardous management.</li> <li>• Facility should control water effluent</li> <li>• Facility committed no use of fire</li> <li>• The company maintain environment or increase the performance.</li> </ul>	<p>Point 1, 2, 10 and 12 The unit management has been identified aspects of plantation and Mill operations which is have environment impacts. Refers to indicators 5.1</p> <p>Document of Environment Impact Analysis (EIA) for:</p> <ul style="list-style-type: none"> <li>• Construction of mill, capacity 90 Ton of FFB/Hour and planting in 9,616.28 Ha. EIA has been approved, number 16/komisi-Kotim/VI/2008 dated June 28<sup>th</sup> 2008</li> <li>• Construction of Mill with capacity of 120 Ton FFB/Hour and the supporting facilities. EIA or the environment permit has been approved regarding the Head of Kotawaringin Timur Degree number 188.45/294/Huk-BLH/2013 dated May 30<sup>th</sup> 2013.</li> <li>• Developing Pelantaran Agro Estate for 1,934.58 hectar. Environment permit referring the Head of Kotawaringin Timur number 188.45/297/Huk-BLH/2013 dated May 30<sup>th</sup> 2013.</li> </ul> <p>During the assessment, The company has control and monitored environment aspect to minimize the negative effects of plantation and mill operations.</p> <p><b>Point 3, 4</b> During the inspection, the hazardous waste storage has proper coordinate. It is located in free flood area, away from housing, good mini fire extinguisher, there are symbols of</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>and monitoring plan and it has been reported to the related agency every semester.</p> <ul style="list-style-type: none"> <li>PT. WNL for this year is suggested to follow the environment assessment held by government (Proper).</li> <li>There is no any incoming report compalaining about environment contamination caused by estate/mill operational.</li> <li>Coordination between company and environment agency is good.</li> </ul>	<ul style="list-style-type: none"> <li>The company maintain environment or increase the performance.</li> <li>The company will monitored all aspect of plantation and mill operations.</li> <li>The company should coordinate with local government.</li> </ul>	<p>hazardous waste, MSDS, secondary trapping.</p> <p>Point 8. Land application permit No. 660/38/BLH-PP/LA/V/2012 date May, 31 2012, issued by Head of Kotawaringin Timur.</p>
<p><b>Informal Leader of Pantai Mas Village</b></p> <ul style="list-style-type: none"> <li>The PT WNL was give aid to the community, for example:               <ul style="list-style-type: none"> <li>- Road development across the village</li> <li>- Mosque renovation</li> <li>- Aid for fresh water</li> </ul> </li> <li>The company existence was impact to community access for working at plantation and mill operation.</li> </ul>	<ul style="list-style-type: none"> <li>The company was gave aids to Pantai Mas village comprise of road development, mosque renovation and fresh water facility</li> <li>The PT WNL will improve of work access for local communities</li> </ul>	<ul style="list-style-type: none"> <li>The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>The aid and CSR program ought to implementation based on community need assessment.</li> <li>There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>
<p><b>Head of Pundu Village</b></p> <ul style="list-style-type: none"> <li>The company was carry out of CSR programme for the community surround</li> <li>The company was brought training for fire anticipation to several member of community</li> <li>The aid propose by the community was generally proposed by letter from the head of village to the company</li> <li>The company was gave several aid to community surround, for example::               <ul style="list-style-type: none"> <li>- Maintenance of Football area in village</li> <li>- Sponsored for football event in village</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The CSR program was carry out in Pundu Village on 2015 related to sport event and the facilities, road maintenance, health services for impact of land fire and education aspect</li> <li>The training program for anticipation of land fire was carry out cooperation with local government.</li> <li>Refer to procedure, the communities shall submit of propose to the company when their need the aid. The company will verify based on priority scale.</li> <li>The Pundu Village was near village from the plantation area</li> </ul>	<ul style="list-style-type: none"> <li>The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>The aid and CSR program ought to implementation based on community need assessment.</li> <li>There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>- The company was provided sport facility (Sport centre) for community surround</p> <ul style="list-style-type: none"> <li>• The PT WNL was bring many aid for road mainrtence in village surround</li> <li>• There is no negative issues related to nagtive impact of plantation and mill operation to environment surround.</li> <li>• Most of river surround plantation area still in good condition.</li> </ul> <p><u>Suggest:</u></p> <ul style="list-style-type: none"> <li>• The company ough to synchronous of CSR budget with community programme in related village</li> <li>• The company must pro active in CSR implementation although there is no propose from community surround</li> <li>• The CSR programme shall be clear the plan for implementation</li> <li>• Better if the company support the acces of independent smallholder to fertilize</li> <li>• It is needed for palm oil agriculture training to community surround</li> <li>• Development of water cathcment in village surroun in related for anticipate of dry session and land fire.</li> <li>• Training for young group in sport activities</li> </ul>	<p>and was acquired significant benefit.</p> <ul style="list-style-type: none"> <li>• The program synchronize among the copany with the community was done since 2015 and focus on community economically empowerment and the program related to social aspect and environment was done based on priority scale.</li> <li>• Refer to procedure, the communities shall submit of propose to the company when their need the aid. The company will verify based on priority scale.</li> <li>• The company will open chance for community related to productive activities based on business group was approved by the local government.</li> <li>• The company will develop of cooperation with related agencies for bridging of agriculture productivity increase</li> <li>• The training for palm oil cultivation was carry out only in Cempaga Hulu Senior High School</li> <li>• The sport facility aid was giving and the developing program will implementation based on company human resources abilities</li> </ul>	
<p><b>The informal leader (Custom Head)</b></p> <ul style="list-style-type: none"> <li>• The company was impact to economically increase for community surround in palm oil agriculture</li> <li>• The custom head was proposed of aid for the community</li> </ul>	<ul style="list-style-type: none"> <li>• The PT WNL will improve of community welfare surround of plantation area</li> </ul>	<ul style="list-style-type: none"> <li>• The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>• The aid and CSR program ought to implementation based on community need assessment.</li> </ul>



Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
		<ul style="list-style-type: none"> <li>There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>
<p><b>The informal leader of Upar Mandiri Village</b></p> <ul style="list-style-type: none"> <li>The company was giving several aid to community surround, for example for road maintenance across the village.</li> <li>The CSR programme by the company prefer to communicate to head of village.</li> </ul>	<ul style="list-style-type: none"> <li>The PT WNL will improve of CSR program</li> <li>The company will always give aid and cooperation with community related to CSR program</li> </ul>	<ul style="list-style-type: none"> <li>The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>The aid and CSR program ought to implementation based on community need assessment.</li> <li>There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>
<p><b>The informal leader of Pantai Harapan Village</b></p> <ul style="list-style-type: none"> <li>The company has been deveop of road across village surroundi</li> <li>The road development was impact also for make easy for electricity installation development to village adjacent the plantation area</li> <li>The company was also impact to easy access for the woman group for working in plantation area.</li> <li>The PT WNL was implemented of Smallholder scheme. There was available agreement between the company with "Koperasi Harapan Abadi" as representation of community member from several village.</li> <li>The PT WNL also was provided school facility (Kindergarten until Middle High School level) and school bus for community surround.</li> </ul>	<ul style="list-style-type: none"> <li>The PT WNL will improve of CSR program</li> </ul>	<ul style="list-style-type: none"> <li>The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>The aid and CSR program ought to implementation based on community need assessment.</li> <li>There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>Chairman of “Harapan Abadi Cooperation Unit”</b>            Until right now, the Koperasi Harapan Abadi has had about 2.500 members and 5.000 Ha plantation area was spread in 10 Village in Cempaga Hulu sub District</p> <ul style="list-style-type: none"> <li>• The CSR programme by the company prefer to synchronize with program by the community..</li> <li>• The smallholders was understood that FFB price based on standard was appoved by the Agriculture Agency in every month</li> <li>• In the early period year 2015 the FFB price was decreased as effect by the market price. The company has been informed to smallholder and they are understood these situation. al tersebut secara langsung kepada para anggota koperasi</li> <li>• The Cooperation Unit has been pointed personnel in charge related to operation monitoring in smallholder plantation activities.</li> </ul>	<ul style="list-style-type: none"> <li>• The PT WNL will improve of CSR program</li> </ul>	<ul style="list-style-type: none"> <li>• The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>• The aid and CSR program ought to implementation based on community need assessment.</li> <li>• There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>
<p><b>Head of Bukit Batu Village</b></p> <ul style="list-style-type: none"> <li>• The CSR programme by the company prefer for priority to village level</li> <li>• The aids from the company prefer if based on company initiative without propose by the company.</li> <li>• The CSR programme by the company prefer to communicate to head of village.</li> <li>• The CSR programme by the PT WNL shall priority to productive activities (fruit agriculture).</li> <li>• Sebaiknya perusahaan memberikan bantuan perbaikan rumah bagi keluarga yang tidak mampu</li> <li>• There is no issues of social conflict or land conflict between the company and the communtiy surround.</li> <li>• The commmunity expect of quick respond by the company if any suggestion from the community.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to procedure, the communities shall submit of propose to the company when their need the aid. The company will verify based on priority scale.</li> <li>• The company will focus on community economically empowerment and the program related to social aspect and environment was done based on priority scale.</li> <li>• The CSR program by PT WNL will implementation periodically based on company budget planning</li> <li>• All of proposal was will verify and based on budged priority scale. submit</li> <li>• The company will always carry out the CSR program based on local government approve.</li> </ul>	<ul style="list-style-type: none"> <li>• The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>• The aid and CSR program ought to implementation based on community need assessment.</li> <li>• There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> <li>• Suggest for CSR programme by the company not only in material thing but in any kind of training for the community member (productive activities).</li> <li>• There is no negative issues related to environment impact of plantation and mill operation of PT WNL</li> <li>• Suggest for school bus aid by the company to the villager</li> </ul>	<ul style="list-style-type: none"> <li>• Will carry out based on company budget planning</li> </ul>	
<p><b>Head of Keruing Village</b></p> <ul style="list-style-type: none"> <li>• There is no negative issues related to environment impact of plantation and mill operation of PT WNL</li> <li>• Suggest for aid of electricity by the company to near area surround. The power of electricity can supply from Palm Oil Mill sourced.</li> </ul>	<ul style="list-style-type: none"> <li>• The PT WNL will improve of environment management</li> <li>• The company will propose to head office management</li> </ul>	<ul style="list-style-type: none"> <li>• The company has been gave several aid and carry out CSR program to community surround. The documentation was observed by auditor and described <b>indicator 6.11.1</b></li> <li>• The aid and CSR program ought to implementation based on community need assessment.</li> <li>• There was no significant complaint and conflict in social interaction among the company and community surround. It was described in related <b>criteria (2.2 and 6.3)</b></li> </ul>
<p><b>Local Contractor (FFB Supplier)</b></p> <ul style="list-style-type: none"> <li>• The company was cooperated with local supplier for FFB supply.</li> <li>• The agreement draft by the company was proposed to each contractor before their sign the document.</li> <li>• The FFB price based on business price mechanism by the company because price standard was approved by the Agriculture Agency sometimes is lower than market price.</li> <li>• There was any agreement between the company and the local contractor that the FFB sources must supply from legally sourced and traceable.</li> <li>• The company has been implementation of program for productivity increase of the community surround.</li> </ul>	<ul style="list-style-type: none"> <li>• PT. WNL will improving agreement of FFB purchasing with smallholder especially with surrounding village.</li> </ul>	<p>The company has establishing several business relationship with villagers especially in surrounding village. It refer to criteria 6.10.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>The CPO and PK Transporter of PT WNL</b></p> <ul style="list-style-type: none"> <li>The cooperation between the PT WNL with local contractor for CPO and PK has been done for three years ago</li> <li>The cooperation between company and the local contractor was implies to increase of community income.</li> <li>The local contractor was satisfy to the cooperation with the company and the payment period was effective.</li> </ul> <p>Since 2014 there is no written agreement periodically. The agreement was formatted letter and issued by commercial department in head office and direct pointed to the local contractor.</p>	<ul style="list-style-type: none"> <li>PT. WNL will improving agreement of CPO transporting with local transporter</li> </ul>	<p>The company has establishing agreement of CPO transporting with local transporter since the Pundu Nabatindo Mill operated in order to increasing villagers income. It refer to criteria 6.10.</p>
<p><b>Head and Secretary of Mandiri Worker Union - PT. WNL</b></p> <ul style="list-style-type: none"> <li>The early chairman was resign and has been succession by the new person. Has been plan for meeting of worker union on June 2016 related to new committee</li> <li>The Worker Union has established in each operation unit and socialization programmee was arranged.</li> <li>There is no issues related to industrial dispute between company and the workers</li> <li>The worker union has been encouraged of new health insurance for the workers (BPJS) based on government regulation.</li> <li>The quality of company facility for the workers (housing, etc) was good categorized.</li> <li>The workers expect for provide new room for the union worker activities.</li> </ul>	<ul style="list-style-type: none"> <li>The company will provides the opportunity for employees to unionize.</li> </ul>	<p>The company has a policy that allow all worker to join labor union. Further, The company has facilitating labor union to unionize. They might using a meeting room and it facilitate for labor union meeting. It refer to criteria 6.6</p>

**1.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

**4.1 Formal Sign-off of Assessment Findings**

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

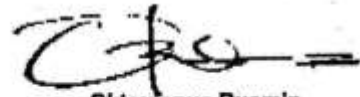
Signed on behalf of:

PT Windu Nabatindo Lestari  
Management Representative.



Diar H. Damanik  
30 June 2016

Mutuagung Lestari  
Lead Auditor



Oktovianus Rusmin  
30 June 2016

**APPENDICES**
**Appendix 1. List of Stakeholder Contacted in the RSP0 Certification Process**

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	National Land Agency of East Kotawaringin District	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Direct interview	April 26 <sup>th</sup> , 2016	✓	
2	Region Secretary of East Kotawaringin District (General Government Administration)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Direct interview	April 26 <sup>th</sup> , 2016	✓	
3	Manpower Agency of East Kotawaringin District (Division of Manpower Monitoring)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Direct interview	April 26 <sup>th</sup> , 2016	✓	
4	Forestry and Plantation Agency of East Kotawaringin Distrit (Divisio of schme smallholder)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Direct interview	April 26 <sup>th</sup> , 2016	✓	
5	Environment Agency of East Kotawaringin Distrit (Head of Environment Law Compliance)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Direct interview	April 26 <sup>th</sup> , 2016	✓	
6	Informal Leader of Pantai Mas Village	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
7	Head of Pundu Village	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
8	The informal leader (Custom Head)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
9	The informal leader of Pantai Harapan Village	East Kotawaringin District	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
10	Chairman of "Harapan Abadi Cooperation"	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
11	Head of Bukit Batu Village	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
12	Head Keruing Village	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
13	Local Contractor (FFB Supplier)	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia District	-	Direct interview	April 26 <sup>th</sup> , 2016	✓	

14	CPO/PK Transporter	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
15	Worker Union Leader of PT WNL	District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	-	Focus Group Discussion	April 26 <sup>th</sup> , 2016	✓	
16	Sawit Watch Indonesia	Jakarta	info@sawitwatch.or.id	Questionnaire via email	May 2 <sup>nd</sup> , 2016.		✓
17	Wahana Lingkungan Hidup Indonesia	Pekanbaru	informasi@walhi.or.id	Questionnaire via email	May 2 <sup>nd</sup> , 2016.		✓
18	World Wild Found Indonesia	Pekanbaru	wwf-indonesia@wwf.or.id	Questionnaire via email	May 2 <sup>nd</sup> , 2016.		✓

<b>Appendix 2. Assessment Program</b>			
<b>DATE</b>		<b>30 April – 4 May 2016</b>	
<b>PLANNED TIM</b>	<b>ACTUAL DURATION</b>	<b>PROCESSES / CLAUSES TO BE AUDITED</b>	<b>AUDITOR</b>
<b>Saturday, 30 April 2016</b>			
08.00 - 08.30	08.00 - 08.30	<b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Management Representative Speech (Introduction of PIC, Profile of Mill and Estates Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditors</b>
08.45 - 12.00	08.45 - 12.00	<ul style="list-style-type: none"> <li>Review of Previous Visit Non-conformance (ASA 02)</li> <li>Document Review</li> </ul>	
<b>Sunday, 1 May 2016</b>			
	No audit activity (may day)	<ul style="list-style-type: none"> <li>Document Verification</li> <li>Completing of Check List</li> </ul>	<b>All Auditors</b>
<b>Monday, 2 May 2016</b>			
08.00 – 12.00	08.00 – 12.00	<b>Field Observation to Katari Agro Estate</b> <ul style="list-style-type: none"> <li>Stakeholder consultation with village surround</li> <li>Legal boundary &amp; HCV area</li> <li>Waste management (hazardous storage, solid waste, landfill, sanitary,etc).</li> <li>Environment Monitoring Station</li> <li>Workers facilities (housing, worship, health care, school, union,etc)</li> <li>Manuring, Spraying, Harvesting, IPM, Workers safety, land fire, etc</li> </ul>	<b>ORN</b> <b>TNB</b> <b>SHL</b>  <b>MMS</b> <b>MMS</b> <b>APP</b>
12.00 – 14.00	12.00 – 14.00	<b>BREAK</b>	
14.00 – 16.30	14.00 – 16.30	<ul style="list-style-type: none"> <li>Document Verification &amp; Completing of Check List</li> </ul>	<b>All Auditors</b>
16.30 – 17.00	16.30 – 17.00	<ul style="list-style-type: none"> <li>Clarification of Field Observation</li> </ul>	<b>All Auditors</b>
<b>Tuesday, 3 May 2016</b>			
08.00 - 12.00	08.00 - 12.00	<b>Field Observation to Pantai Mas Estate</b> <ul style="list-style-type: none"> <li>Legal boundary &amp; HCV area</li> <li>Waste management (hazardous storage, solid waste, landfill, sanitary,etc).</li> <li>Environment Monitoring Station</li> <li>Manuring, Spraying, Harvesting, IPM, Workers safety, land fire, etc</li> <li>Workers facilities (housing, worship, health care, school, union,etc)</li> </ul>	<b>TNB</b> <b>SHL</b>  <b>MMS</b> <b>APP</b> <b>ORN</b>
12.00 – 14.00	12.00 – 14.00	<b>BREAK</b>	
14.00 – 16.00	14.00 – 16.00	<b>Field Observation to Pundu Nabatindo POM</b> <ul style="list-style-type: none"> <li>Supply Chain verification</li> <li>FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> </ul>	<ul style="list-style-type: none"> <li><b>MMS</b></li> <li><b>MMS</b></li> </ul>



DATE		30 April – 4 May 2016	
PLANNED TIM	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> <li>• Environmental , Inspection to Chemical Storage, Hazardous Waste Storage, POME Pond</li> <li>• Fire Control Simulation,</li> <li>• Occupational Health &amp; Safety Aspect</li> <li>• Interview with Worker's Union of Mill, Local Contractor, Gender Committee</li> </ul>	<ul style="list-style-type: none"> <li>• SHL</li> <li>• APP</li> <li>• TNB</li> <li>• ORN</li> </ul>
16.00 – 17.00	16.00 – 17.00	<ul style="list-style-type: none"> <li>• Field Observation Clarification</li> </ul>	<ul style="list-style-type: none"> <li>• All Auditors</li> </ul>
20.00 – 24.00	20.00 – 24.00	<ul style="list-style-type: none"> <li>• Team Auditor Meeting (Preparation for Audit Conclusion)</li> </ul>	<ul style="list-style-type: none"> <li>• All Auditors</li> </ul>
<b>Wednesday, 4 May 2016</b>			
08.00 – 10.00	08.00 – 10.00	<ul style="list-style-type: none"> <li>• Closing Meeting</li> </ul>	All Auditors
11.00 – 15.00	11.00 – 15.00	<ul style="list-style-type: none"> <li>• Traveling from Plantation Area to Palangkaraya</li> </ul>	
17.30 – 19.30	17.30 – 19.30	<ul style="list-style-type: none"> <li>• Flight from Palangkaraya to Jakarta</li> </ul>	