

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

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

Name of Management Organisation : **Bumi Permai Mill – PT Prima Mitrajaya Mandiri Subsidiary of MP Evans Group PLC**

Plantation Name : PT Prima Mitrajaya Mandiri – Beringin Jaya Estate; Lembuswana Estate; Bumi Permai Estate; Prima Estate; Kahoi Estate  
PT Teguh Jayaprima Abadi – Rahayu Estate; Mahakam Estate

Location : Benua Puhun Village, Muara Kaman Sub District, Kutai Kartanegara District, Kalimantan Timur, Indonesia

Certificate Code : **MUTU-RSPO/062**

Date of Certificate Issue : 26 June 2015      Date of License Issue : 26 June 2018  
Date of Certificate Expiry : 25 June 2019      Date of License Expiry : 25 June 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
<b>ASA-4</b>	<b>14 to 19 May 2018</b>	Sandra Purba (Lead Auditor), Arif Faisal Simatupang, Asystasya Aishah Silalahi, Yudhi Yuniarto Tallutondok	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA-4</b>	<b>20 June 2018</b>

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on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

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**Figure 1. Location Map of PT Prima Mitrajaya Mandiri & Teguh Jayaprima Abadi in Kalimantan Timur Province**



**Figure 2. Operational Map of Beringin Jaya Estate - PT Prima Mitrajaya Mandiri**

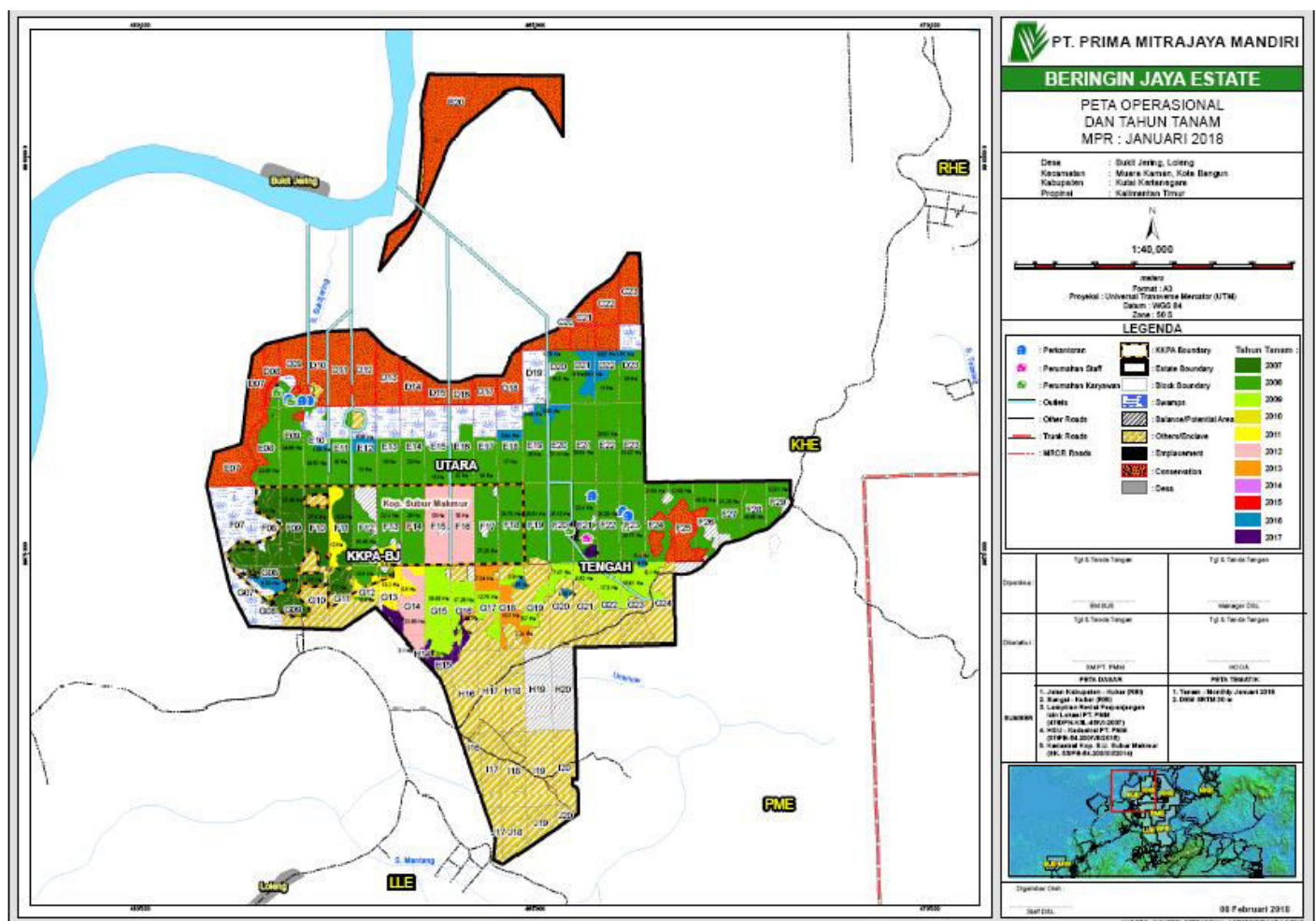


Figure 3. Operational Map of Beringin Jaya Estate - PT Prima Mitrajaya Mandiri

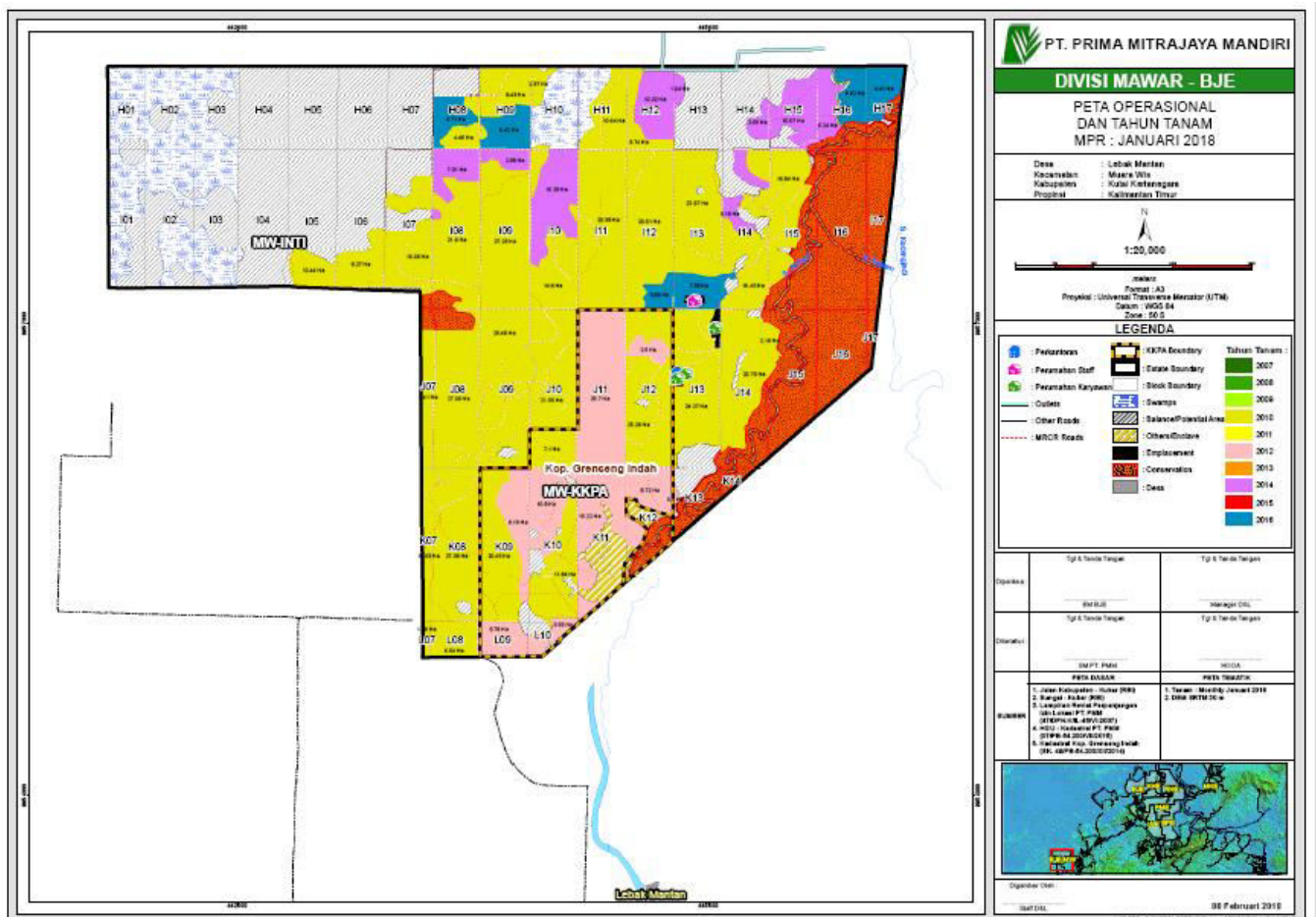




Figure 4. Operational Map of Bumi Permai Estate - PT Prima Mitrajaya Mandiri

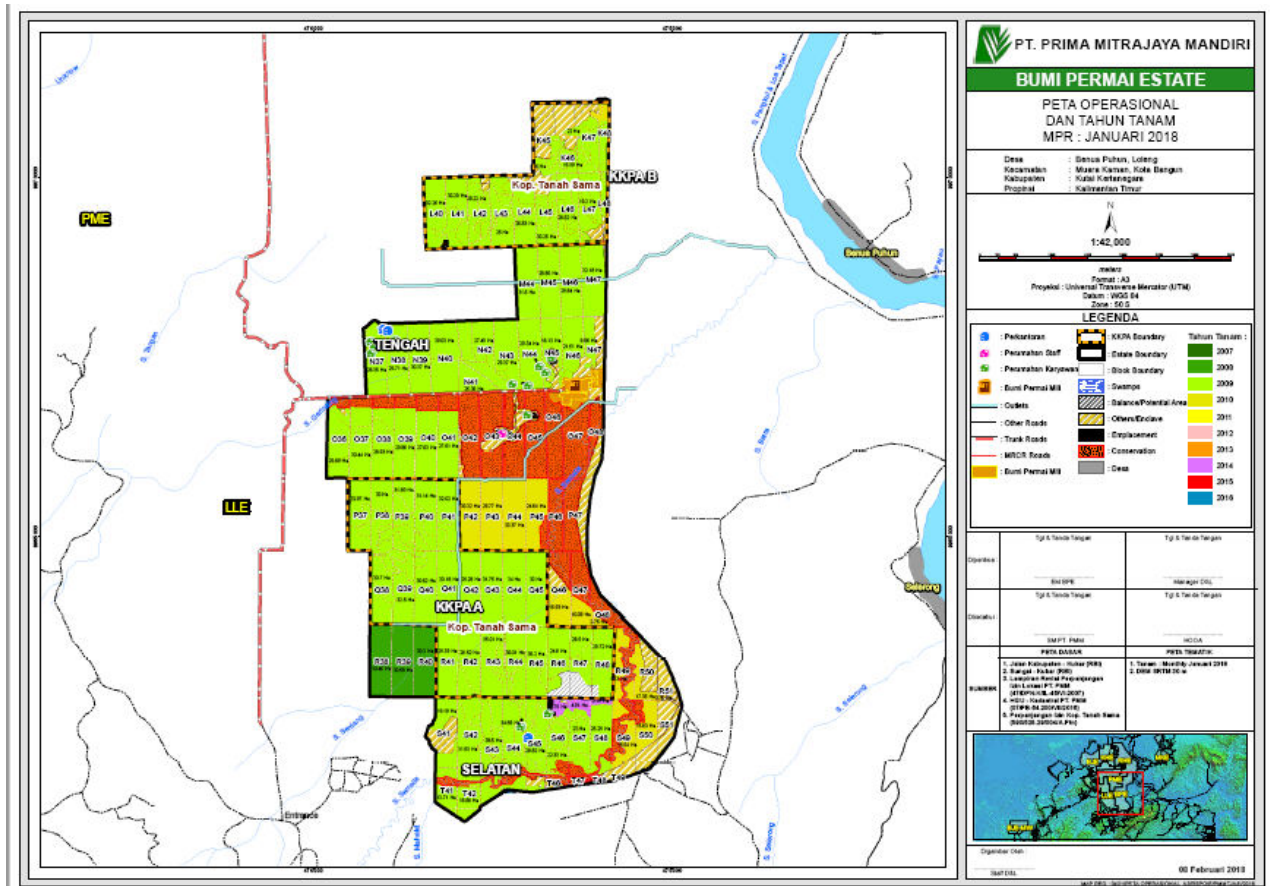
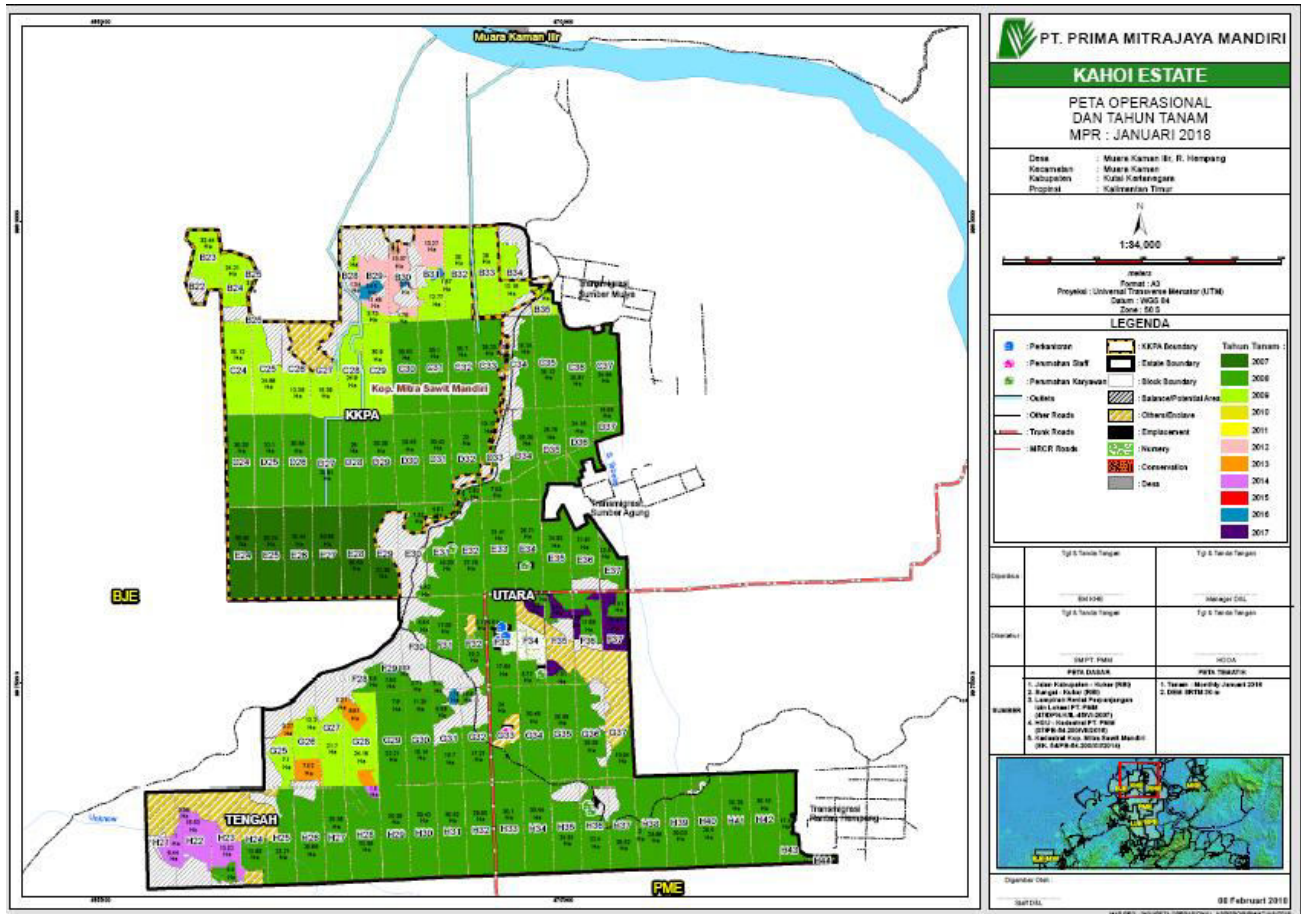
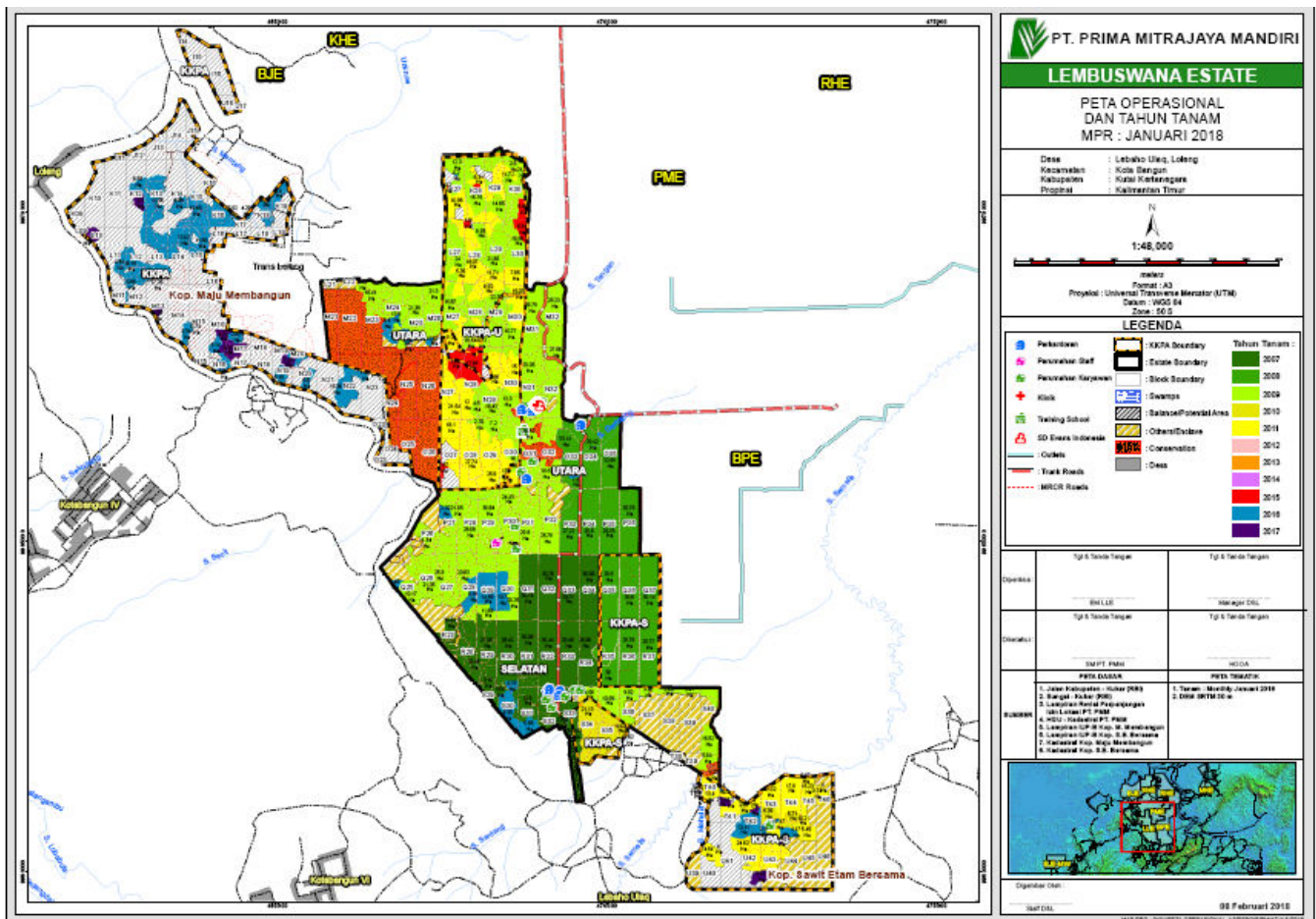


Figure 5. Operational Map of Kahoi Estate - PT Prima Mitrajaya Mandiri

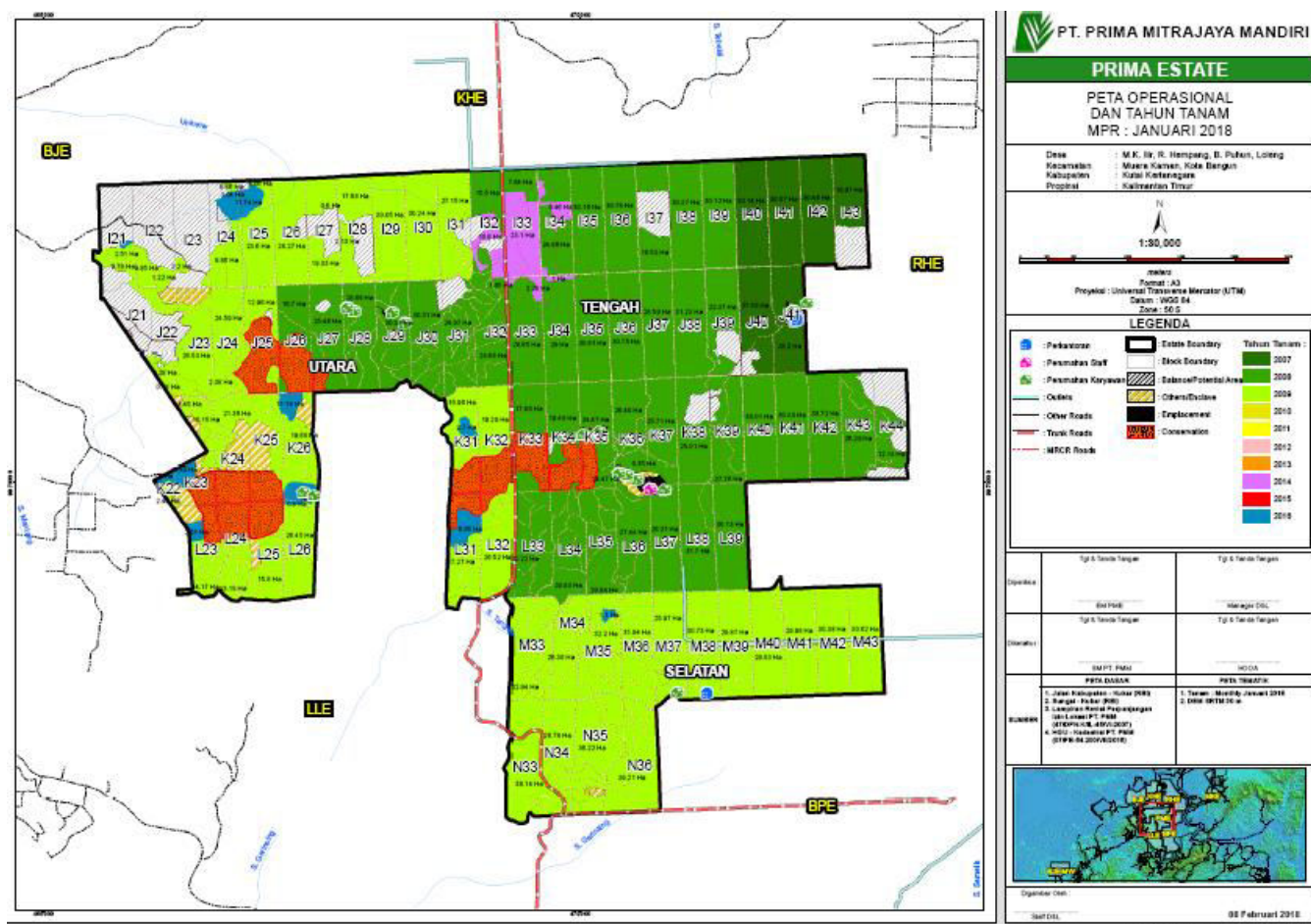


**Figure 6. Operational Map of Lembuswana Estate - PT Prima Mitrajaya Mandiri**

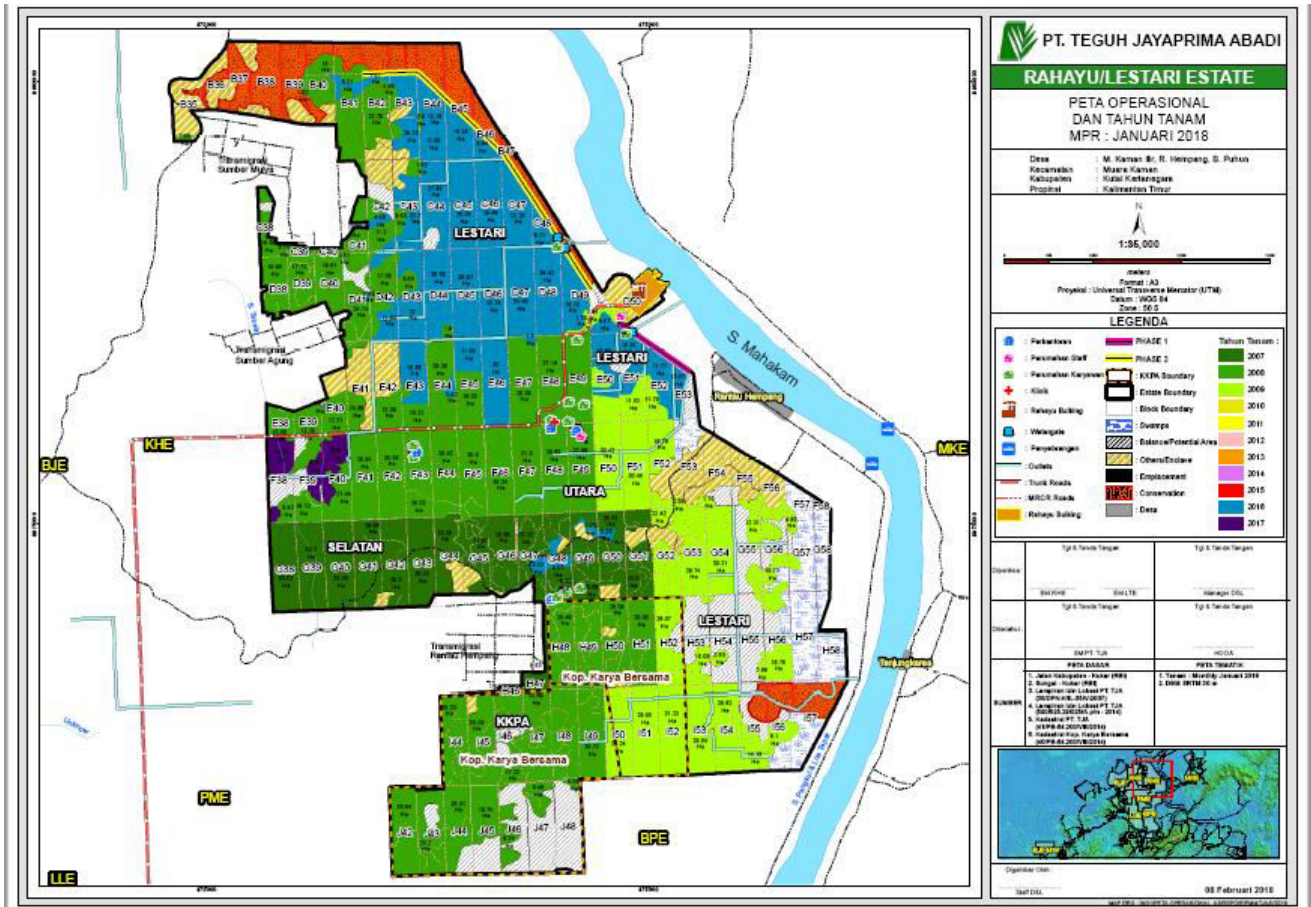




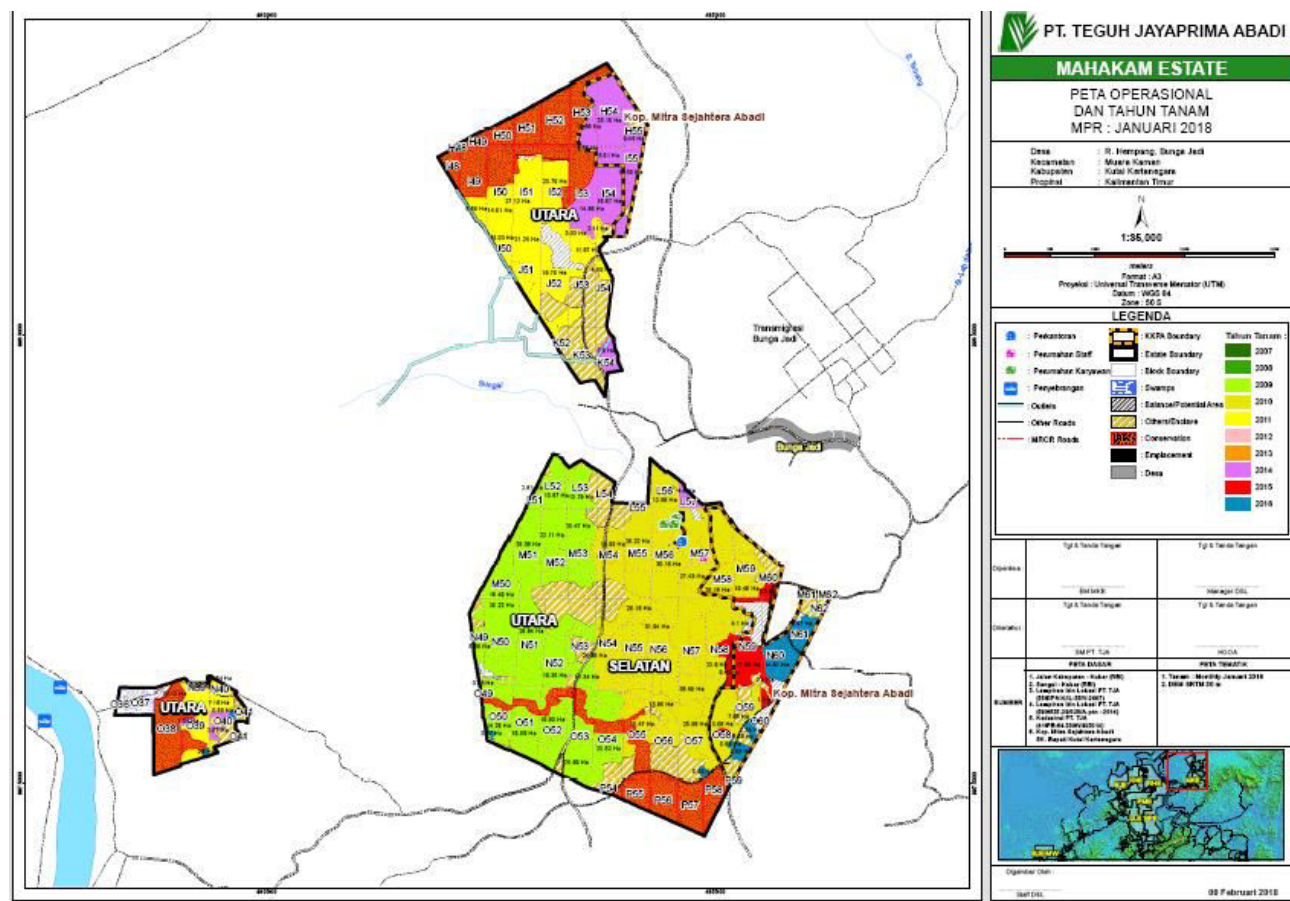
**Figure 7. Operational Map of Prima Estate - PT Prima Mitrajaya Mandiri**



**Figure 8. Operational Map of Rahayu Estate - PT Teguh Jayaprima Abadi**



**Figure 9. Operational Map of Mahakam Estate - PT Teguh Jayaprima Abadi**



### Abbreviations Used

ASA	:	Annual Surveillance Assessment
BJE	:	Beringin Jaya Estate
BKSDA	:	<i>Badan Konservasi Sumber Daya Alam</i>
BPE	:	Bumi Permai Estate
BPJS	:	<i>Badan Pelayanan Jaminan Sosial</i>
CH	:	Certificate Holder
CPO	:	Crude palm oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate social responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
EHS	:	Environmental Health & Safety
FFB	:	Fresh Fruit Bunch
FGD	:	Forum Group Discussion
FMIS	:	Financial Management Information System
FR	:	Frequency Rate
GCOHS	:	Guiding Committee of Occupational Health & Safety
GHG	:	Green-house Gas
HCV	:	High conservation value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HRD	:	Human Resources Department
ILO	:	International Labour Organization
ISCC	:	International Sustainability & Carbon Certification
ISPO	:	Indonesian Sustainable Palm Oil
ISO	:	International Standard Organization
IPM	:	Integrated Pest Management
IU	:	Immature Upkeep
KER	:	Kernel Extraction Rate
KHE	:	Kahoi Estate
KTP	:	<i>Kartu Tanda Penduduk</i> (ID Card)
LTA	:	Lost Time Accident
MKE	:	Mahakam Estate
MSDS	:	Material Safety Data Sheet
MU	:	Mature Upkeep
NGO	:	Non Government Organization
NPP	:	New Planting Procedure
LLE	:	Loleng Estate
LSU	:	Leaf Sampling Unit
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health & Safety
PIC	:	Person In Charge
PK	:	Palm Kernel
PME	:	Prima Estate
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PT KAJ	:	PT Kutai Agro Jaya
PT PMM	:	PT Prima Mitrajaya Mandiri



PT TJA	:	PT Teguh Jayaprima Abadi
RHE	:	Rahayu Estate
RKL RPL	:	<i>Rencana Kelola Lingkungan – Rencana Pantau Lingkungan</i> (Environmental Management & Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, and Endangered
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SOP	:	Standard Operation Procedure
SSU	:	Soil Sampling Unit
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>						
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016)</li> <li>• RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Revised on 14 June 2017</li> </ul>					
<b>1.2</b>	<b>Organisation Information</b>						
1.2.1	Organisation name listed in the certificate	<b>PT PRIMA MITRAJAYA MANDIRI, PT TEGUH JAYAPRIMA ABADI – MP EVANS GROUP PLC</b>					
1.2.2	Contact person	Abdul Aziz Muhshi (Manager Sustainability & Certification)					
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li>• RSPO registered company: Gedung Graha Aktiva Lt. 10, Jl. HR Rasuna Said Kav. 03 Blok X-1, Kuningan, Jakarta Selatan</li> <li>• Liaison Office: Gedung Graha Aktiva Lt. 10, Jl. HR Rasuna Said Kav. 03 Blok X-1, Kuningan, Jakarta Selatan</li> </ul>					
1.2.4	Telephone	021-52920338					
1.2.5	Fax	021-52920339					
1.2.6	E-mail	azizm@mpevans.co.uk					
1.2.7	Web page address	<a href="http://www.mpevans.co.uk">www.mpevans.co.uk</a>					
1.2.8	Management Representative who completed the application for certification	Sivabalan Subbiah (Head of Operation Agronomy Kaltim)					
1.2.9	Registered as RSPO member	1-0027-06-000-00, October 08 <sup>th</sup> , 2006					
<b>1.3</b>	<b>Type of Assessment</b>						
1.3.1	Scope of Assessment and Number of Management Unit	<ul style="list-style-type: none"> <li>• <b>PT PRIMA MITRAJAYA MANDIRI</b> (Bumi Permai Mill, Beringin Jaya Estate, Kahoi Estate, Lembuswana Estate, Bumi Permai Estate; Prima Estate);</li> <li>• <b>PT TEGUH JAYAPRIMA ABADI</b> (Rahayu Estate dan Mahakam Estate)</li> </ul>					
1.3.2	Type of certificate	Single					
<b>1.4</b>	<b>Locations of Mill and Plantation</b>						
1.4.1	Location of Mill						
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b> <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 0° 17' 44.84"</td> <td>E 116° 45' 39.65"</td> </tr> </table>	Latitude	Longitude	S 0° 17' 44.84"	E 116° 45' 39.65"
Latitude	Longitude						
S 0° 17' 44.84"	E 116° 45' 39.65"						
	Bumi Permai Mill	Benua Puhun Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia.					
1.4.2	Location of Certification Scope of Supply Base						
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b> <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td></td> <td></td> </tr> </table>	Latitude	Longitude		
Latitude	Longitude						
	PT PMM						

Beringin Jaya Estate	Bukit Jering and Lebak Mantan Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 13' 04"	E 116° 41' 20"
Kahoi Estate	Muara Kaman Hilir Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 12' 14"	E 116° 42' 54"
Lembuswana Estate	Loleng and Lebaho Ulak Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 15' 50"	E 116° 41' 24"
Bumi Permai Estate	Benua Puhun Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 17' 21"	E 116° 44' 27"
Prima Estate	Loleng Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 16' 15"	E 116° 44' 02"
<b>PT TJA</b>			
Rahayu Estate	Rantau Hemplang Village, Muara Kaman Sub-District, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00°13' 01"	E 116° 46' 09"
Mahakam Estate	Bunga Jadi Village, Muara Kaman Sub-District, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 12' 03"	E 116° 52' 03"

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	<b>*20,507.30</b> Ha
	• Community	- Ha

\*Area of 8,683.05 Ha has granted HGU and area of 11,824.25 Ha are in progress (currently has been reached cadastral)

**1.5.2 Area Statement**

• Total area	20,507.30	Ha
• Mature area	13,435.91	Ha
• Immature area	1,008.64	Ha
• Mill/ Emplishment/infrastructure	629.63	Ha
• Unplantable area (swamps, drain)	538.06	Ha
• Others area	1,676.30	Ha
• Reserved area	1,358.18	HA
• Nursery	8.94	HA
• HCV	1,851.64	Ha

**1.6 Planting Year and Cycles**
**1.6.1 Age profile of planting year**
**PT PMM**

Planting Year	Hectarage (Ha)									
	BJE		KHE		LLE		BPE		PME	Total
	Own Estate	Small holder	Own Estate	Small holder	Own Estate	Small holder	Own Estate	Small holder	Own Estate	
2007	-	137.38		175.37	395.17		-		166.92	874.84
2008	664.49	136.75	1,261.18	408.31	212.52	180.00	91.34		1,122.49	4,077.08

2009	134.78	-	66.16	319.42	591.68	244.99	841.39	967.11	972.62	4,138.15
2010	421.64	64.65	-				212.64		-	698.93
2011	-	43.50	-			262.11	-	-	-	305.61
2012	23.85	144.94		40.41			-		-	209.2
2013	21.52	-	16.31		-		-		-	37.83
2014	57.37	-	38.57		-		10.85		-	106.79
2015	-	-	41.14				-		-	41.14
2016	83.04	-		5.88		60.44	4		42.97	196.33
2017	25.93	-	24.78		4.85		0.4		-	55.96
<b>Total</b>	<b>1,432.62</b>	<b>527.22</b>	<b>1,448.14</b>	<b>949.39</b>	<b>1,204.22</b>	<b>747.54</b>	<b>1,160.62</b>	<b>967.11</b>	<b>2,305.00</b>	<b>10,741.86</b>

**PT TJA**

Planting Year	Hectarage (Ha)				
	RHE		MKE		Total
	Own Estate	Smallholder	Own Estate	Smallholder	
2007	378.82		-		378.82
2008	748.72	394.77	-		1,143.49
2009	360.72	122.49	321.82		805.03
2010	-		319.77	65.65	385.42
2011	-		166.08		166.08
2012	-		-		0
2013	-		-		0
2014	-		108.64		108.64
2015	-		-	39.94	39.94
2016	606.61		4.96	33.50	645.07
2017	30.2		-		30.2
<b>Total</b>	<b>2,125.07</b>	<b>517.26</b>	<b>921.27</b>	<b>139.09</b>	<b>3,702.69</b>

1.6.2	New Planting area after January 2010	3,027.14	Ha
1.6.3	Planting Cycle	1 <sup>st</sup> Cycle	

**1.7 Description of Mill and Supply Base**

1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Bumi Permai Mill	60	239,800.20	54,695.01	22.81	10,674.65	4.45

*\*Production data source from May 2017 to April 2018*

1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						TBS (tonnes/year)	%



Beringin Jaya Estate						
• Own Estate	3,229.07	1,432.62	16,431.80	8.4	16,431.80	100
• Koperasi Subur Makmur (399 smallholders)	618.07	377.63	7,666.92	14.5	7,666.92	100
• Koperasi Grenseng Indah (90 smallholders)		149.59				100
Kahoi Estate						
• Own Estate	1,842.90	1,448.14	20,843.77	8.7	20,843.77	100
• Koperasi Mitra Sawit Mandiri (1,087 smallholders)	1,106.97	949.39	14,643.04	15.4	14,643.04	100
Lembuswana Estate						
• Own Estate	2,102.99	1,204.22	24,483.79	12.5	24,483.79	100
• Koperasi Maju Membangun (1,184 smallholders)	805.85	567.54	16,942.09	22.7	16,942.09	100
• Koperasi Sawit Etam Bersama (612 smallholders)		180.00				100
Bumi Permai Estate						
• Own Estate	1,436.04	1,160.62	13,958.00	6.6	13,958.00	100
• Koperasi Tanah Sama (652 smallholders)	1,365.19	967.11	18,029.61	18.6	18,029.61	100
Prima Estate	2,801.61	2,305.00	42,369.24	18.4	42,369.24	100
PT PMM	15,308.69	10,741.86	175,368.26	16.33	175,368.26	100
Rahayu Estate						
• Own Estate	2,944.85	2,125.07	22,416.89	8.5	22,416.89	100
• Koperasi Karya Bersama (815 smallholders)	658.58	517.26	7,859.90	15.2	7,859.90	100
Mahakam Estate						
• Own Estate	1,419.16	921.27	16,567.84	15.6	16,567.84	100
• Koperasi Mitra Sejahtera Abadi (151 smallholders)	176.02	139.09	-	-	-	-
PT TJA	5,198.61	3,702.69	46,844.63	12.65	46,844.63	100
TOTAL	20,507.30	14,444.55	222,212.89	16.53	222,212.89	100
*Production data source from May 2017 to April 2018 There were several changes of estates hectarage due to data reconciliation by estates, final block mapping in April 2017 and block transfer.						
FFB description from other source						
Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
				FFB (tonnes/year)		
PT. Kutai Agro Jaya	Independent Outgrower (Non Certified)	-	15,300.88	15,300.88		
Kop. Sawit Etam Bersama	Associate smallholders (Non-certified)	612 smallholders	248.07 Ha	2,286.43		
TOTAL				17,587.31		

*\*Production data source from May 2017 to April 2018*

	*Production data source from May 2017 to April 2018					
1.7.4	Product categories		FFB, CPO, PK			
1.8	Tonnage of Product					
1.8.1	Past Annual Claim Certified Product		Estimated 26 June 2017 to 25 June 2018 (tonnes/year)	Actual 26 June 2017 to 12 May 2018 (tonnes/year)		
	• FFB Production		297,248	195,921.63		
	• CPO Production		77,347	47,262.01		
	• Palm Kernel (PK) Production		13,953	9,388.04		
1.8.2	Product selling					
	Tonnage of selling product		Period of actual selling product (26 June 2017 to 12 May 2018)			
	• CSPO sold as RSPO certified product		3,000.21			
	• CSPK sold as RSPO certified product		8,974			
	• CSPO sold under other scheme (ISCC)		36,001.92			
	• CSPK sold under other scheme		-			
	• CSPO sold as conventional		-			
	• CSPK sold as conventional		15.61			
Production decrease up to> 50% due to the flood of Mahakam River in Kutai Kartanegara District on May - November 2017						
1.8.3	Estimate of Certified FFB Claim					
	Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
	Beringin Jaya Estate					
	• Own Estate		3,229.07	1,432.62	17,582	9.00
	• Koperasi Subur Makmur (399 smallholders)		618.07	377.63	8,203	15.60
	• Koperasi Grenseng Indah (90 smallholders)			149.59		
	Kahoi Estate					
	• Own Estate		1,842.90	1,448.14	22,302	9.30
	• Koperasi Mitra Sawit Mandiri (1,087 smallholders)		1,106.97	949.39	15,668	16.50
	Lembuswana Estate					
	• Own Estate		2,102.99	1,204.22	26,197	13.40
	• Koperasi Maju Membangun (1,184 smallholders)		805.85	567.54	18,128	24.30
	• Koperasi Sawit Etam Bersama (612 smallholders)			180.00		
	Bumi Permai Estate					
	• Own Estate		1,436.04	1,160.62	14,935	7.00
	• Koperasi Tanah Sama (652 smallholders)		1,365.19	967.11	19,291	19.90
	Prima Estate		2,801.61	2,305.00	45,335	19.70
	PT PMM		15,308.69	10,741.86	187,641	17.47

Rahayu Estate							
• Own Estate			2,944.85	2,125.07	23,986	9.10	
• Koperasi Karya Bersama (815 smallholders)			658.58	517.26	8,410	16.30	
Mahakam Estate							
• Own Estate			1,419.16	921.27	17,727	16.70	
• Koperasi Mitra Sejahtera Abadi (151 smallholders)			176.02	139.09	-	-	
PT TJA			5,198.61	3,702.69	50,123	13.54	
TOTAL			20,507.30	14,444.55	237,764	14.70	
*Projected FFB production for 26 June 2018 to 25 June 2019							
Estimate of Certified Palm Product Claim							
Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
			Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
Bumi Permai Mill	60	237,764	54,686	23.00	13,077	5.50	MB
*Projected CSPO and CSPK production for 26 June 2018 to 25 June 2019							
Other Certifications							
ISCC		EU-ISCC-CERT-DE119-62175724 (by ASG CERT)					
Others		ISPO					
Time Bound Plan							
Time Bound Plan for Other Management Units							
Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
MILL	Time Bound Plan						
Pangkatan (PT Pangkatan Indonesia)	2012	Pangkatan Estate (PT Pangkatan Indonesia)	2012	Labuhanbatu – North Sumatera, Indonesia	Certified 19 October 2012		
		Bilah Estate (PT Bilah Plantindo)	2012	Labuhanbatu – North Sumatera, Indonesia	Certified 19 October 2012		
		Sennah Estate (PT Sembada Sennah Maju)	2012	Labuhanbatu – North Sumatera, Indonesia	Certified 19 October 2012		
Bumi Permai (PT Prima Mitrajaya Mandiri)	2013	Beringin Jaya Estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014		
		Kahoi estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014		
		Lembuswana estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014		
		Bumi Permai estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014		
		Prima estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014		
		Koperasi Sawit Etam Bersama – Tahap II	2019	Kutai Kertanegara – East Kalimantan	-		
		Koperasi Maju Membangun – Tahap II	2019	Kutai Kertanegara – East Kalimantan	-		

			Koperasi Tanah Sama – Tahap II	2019	Kutai Kertanegara – East Kalimantan	-
			Rahayu Estate (PT Teguh Jayaprima Abadi)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Mahakam Estate (PT Teguh Jayaprima Abadi)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
	Rantau Hempang (PT Prima Mitrajaya Mandiri)	2019	-	-	Kutai Kertanegara – East Kalimantan	-
	-	-	PT Bumi Mas Agro	2023	Kutai Timur – East Kalimantan	2023
			Koperasi Dugai Jaya Mandiri	2023	Kutai Timur – East Kalimantan	2023
			Koperasi Marukangan Sejahtera Mandiri	2023	Kutai Timur – East Kalimantan	2023
			Koperasi Jaya Harapan Bersama	2023	Kutai Timur – East Kalimantan	2023
	Tengkalat POM (PT Gunung Pelawan Lestari)	2017	PT Gunung Pelawan Lestari	2017	Bangka	Cerified 2017
			Koperasi Ikhtiar Sejahtera	2017	Bangka	Cerified 2017
			Koperasi Silip Lestari	2017	Bangka	Cerified 2017
			Koperasi Mapur Mandiri	2017	Bangka	Cerified 2017
			Koperasi Gunung Muda Sejahtera	2017	Bangka	Cerified 2017
	-	-	PT Simpang Kiri Plantation Indonesia	2023	Aceh	Currently FFB delivered to outside mill
	-	-	PT Evans Lestari	2023	Musi Rawas – South Sumatera	Currently FFB delivered to outside mill
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Smallholder under PT PMM (Koperasi Sawit Etam Bersama – Tahap II, Koperasi Maju Membangun – Tahap II, Koperasi Tanah Sama – Tahap II) planned to be certified in 2019, currently is in progress of land use title issuance.					



<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-4</b>	<p>1. <b>Sandra Purba (Lead Auditor)</b>. Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG vericator and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next. Involve in many audit activities of similar scheme (ISPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. During this audit, she verified GHG, social, and SCCS aspects.</p> <p>2. <b>Arif Faisal Simatupang (Auditor)</b>. Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has attended the RSPO Awareness Training, Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Training of Management System Certification ISO 9001-2008, Training of Environmental Management System, Awareness of ISO 17021 and ISO 17065, and training of Management High Conservation Value (HCV) and RSPO lead auditor training course. He has been 4 years of working experience as a Field Assistant on oil palm plantation companies in Indonesia. During the assessment he assigned to verify legal, land conflict, and transparency aspect.</p> <p>3. <b>Asystasya Aishah Silalahi (Auditor)</b>. Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, and several in house training related to environmental, BMP, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she assigned to verify of HCV, environment, and worker welfare aspects.</p> <p>4. <b>Yudhi Yuniarto Tallutondok (Trainee)</b>. Indonesian, Bachelor degree of fishery, Padjajaran University. Have work experience more than 3 years as operational staff in one of private oil palm plantation in Indonesia and currently working in independent certification body as auditor. Has been involves in several audit of similar scheme such as ISPO, has followed training course such as Basic Management Development Program Agronomy, in house training of mapping and conflict resolution, ISPO and RSPO awareness. During this audit he assessed on Best Management and OHS aspects.</p>
<b>2.2</b>	<b>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-4</b>	<p>Number of auditors : 3 auditors and 1 auditor trainee</p> <p>Number of days for <b>ASA-4</b> at site : 5 days</p> <p>Number of working days for <b>ASA-4</b> at site : 20 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-4</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the <b>PT Prima Mitrajaya Mandiri</b> and <b>PT Teguh Jayaprima Abadi (MP Evans Group PLC)</b> to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-4</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>RC</b>).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this <b>ASA-4</b> assessment. All</p>

information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-4/**.

The assessment program please find Appendix 2

### 2.2.3 Locations of Assessment

#### ASA-4

##### Bumi Permai Mill

1. **Water Inlet and Water Reservoir.** Observation related measurement of water inlet (flowmeter) and water reservoir.
2. **Water Treatment Plant (WTP).** Observation related management of water process and OHS aspect.
3. **Composting EFB.** Observation related utilization of EFB and POME for the composting process and the prevention of environmental pollution potential.
4. **WWTP.** Observation of the management of waste water from the production process of mill.
5. **Biogas Plant / Metan Capture.** Observations and interviews with Staff related to POME utilization as a renewable energy source, and as part of GHG mitigation.
6. **Security and weigh-bridge.** Observation and interview related to SCCS implementation.
7. **Bulking.** Observation related SCCS implementation
8. **Agrochemical Storage.** Observation about storage condition and interview with worker related to OHS implementation and hazardous waste management.
9. **Hazardous waste storage.** Observation about storage condition, OHS implementation, and document of hazardous waste management.
10. **Workshop.** Observation workshop condition and interview with worker about OHS implementation, worker welfare, and waste management.
11. **Hydrant simulation.** Simulation of hydrant No 2.
12. **Grading.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
13. **Processing Station (Sterilizer, Thresher, Press, Kernel Station, Clarificataion, Storage Tank).** Observation and interview on procedure implementation, safety dan worker welfare aspect.
14. **Boiler.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
15. **Engine Room.** Observation and interview on procedure implementation, safety dan worker welfare aspect.

##### Bumi Permai Estate

1. **Cadastral peg no.: PLM LL Q05/PLM BP 07.** Installed based on the latest cadastral measurement by BPN, border between KUD Tanah Sama with BPE
2. **HCV ID 29, HCV 4.2, block of T42, South Division, riparian of Semilis River.** Observation related to HCV management.
3. **Legal Peg no.: PMM032B, block of T42, South Division.** Border with KKPA of South, Lembuswana Estate. The legal peg maintained and in accordance with coordinate
4. **Legal Peg no.: PMM033B, Block of T41, South Division.**
5. **Agrochemical Storage.** Observation about storage condition and interview with worker related to job description, OHS implementation, hazardous waste management, and worker welfare.
6. **Sterilizer storage.** Observation about storage condition and OHS implementation.
7. **PPE storage.** Observation of storage condition and PPE.
8. **Hazardous waste storage.** Observation about storage condition, OHS implementation, and document of hazardous waste management.
9. **Solar station.** Observation about station condition, oil trap, and fire extinguisher
10. **Landfill Division Tengah Block M34.** Observation about landfill condition and waste management.
11. **Housing complex division Selatan.** Observation related to housing condition.
12. **Mawar Daycare.** Interview with daycare worker related to worker welfare, facilities provided for workers, complaint mechanism, and first aid box monitoring.
13. **Harvesting and FFB Transportation, South Division Block R38.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
14. **Land Application, Centre Division Block N41.** Observations land application based on permit.

15. **Path and Circle Spraying, Centre Division Block N40.** Observation and interview on procedure implementation, safety dan worker welfare aspect.

#### **Beringin Jaya Estate**

1. **Land Demarcation and HGU Pegs No. PMM 106B and PMM 107B.** Observation on aspect of land demarcation and maintenance of HGU pegs.
2. **HCV 4.1, 4.2, 4.3 'Swamp Area' Block B20.** Observations marking of HCV management, monitoring of RTE species, etc.
3. **HCV ID 5, block of E8, D8 and E7, North Division, HCV 4.1 and 4.2.**
4. **HCV 6, ID 8, block of F09.**
5. **HCV 1.3, ID 12 Block of F24-25.**
6. **Agrochemical Storage.** Observation about storage condition and interview with worker related to job description, OHS implementation, hazardous waste management, and worker welfare.
7. **Sterilizer storage.** Observation about storage condition and OHS implementation.
8. **PPE storage.** Observation of storage condition and PPE.
9. **Hazardous waste storage.** Observation about storage condition, OHS implementation, and document of hazardous waste management.
10. **Landfill Divisi Tengah Block F22.** Observation about landfill condition and waste management.
11. **Housing complex division Utara.** Observation related to housing condition.
12. **Beringin Daycare.** Interview with daycare worker related to worker welfare, facilities provided for workers, complaint mechanism, and first aid box monitoring
13. **Drain Block and Water Level, North Division Block D19.** Observation of water management control.
14. **Subsidence Pole and Piezometer, North Division Block E19.** Observation of peat instrument to monitoryzed and analyzed peat subsidence.
15. **Harvesting and FFB Transportation, North Division Block E19.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
16. **Selective Weeding, South Division Block F24.** Observation and interview on procedure implementation, safety dan worker welfare aspect.

#### **Rahayu Estate**

1. **Land Demarcation and HGU Pegs No. TJA55, TJA56, TJA59, TJA70.** Observation on aspect of land demarcation and maintenance of HGU pegs.
2. **HCV 1.3, 3, 4.1, 4.3 block B41, North Division.** The HCV area maintained well
3. **HCV 1.3, 3, 4.1, 4.3 (ID 01), block of B39, North Division.**
4. **Agrochemical Storage.** Observation about storage condition and interview with worker related to job description, OHS implementation, hazardous waste management, and worker welfare.
5. **Sterilizer storage.** Observation about storage condition and OHS implementation.
6. **PPE storage.** Observation of storage condition and PPE.
7. **Hazardous waste storage.** Observation about storage condition, OHS implementation, and document of hazardous waste management.
8. **Housing complex division Tengah.** Observation related to housing condition.
9. **Daycare.** Interview with daycare worker related to worker welfare, facilities provided for workers, complaint mechanism, and first aid box monitoring
10. **Harvesting and FFB Transportation, North Division Block E19.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
11. **Path and Circle Spraying, South Division Block G45.** Observation and interview on procedure implementation, safety dan worker welfare aspect
12. **Bunding Area. Lestari Division.** Observations related to corporate strategy to prevent flooding of land due to high river water.
13. **Water Gate. Lestari Division Blok C48.** Observations related to water level monitoring and water pumps used when river water levels are high to prevent flooding.

	<p><b>14. Subsidence Pole and Piezometer, North Division Block E19.</b> Observation of peat instrument to monitorized and analyzed peat subsidence.</p> <p><b>Public Consultation</b></p> <ol style="list-style-type: none"> <li>1. Labor Agency of Kutai Kartanegara Regency</li> <li>2. Enviroment Agency of Kutai Kartanegara Regency</li> <li>3. National Land Agency of Kutai Kartanegara Regency (No Respon)</li> <li>4. Plantation Agency of Kutai Kartanegara Regency (No Respon)</li> <li>5. Village of Bukit Jering</li> <li>6. Village of Rantau Hempang</li> <li>7. Smallholder Cooperative of Karya Bersama – Village of Rantau Hempang</li> <li>8. Smallholder Cooperative of Sawit Etam Bersama – Village of Lebahau Ulak</li> <li>9. Smallholder Cooperative of Subur Makmur – Village of Bukit Jering</li> <li>10. Bipartite cooperation</li> <li>11. Gender Committee</li> <li>12. Local contractors</li> </ol>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-4</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT PMM &amp; PT TJA was held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement at web <a href="http://www.mutucertification.com/wp-content/uploads/2018/05/Public-Announcement-PT-Prima-Mitrajaya-Mandiri-PT-Teguh-Jayaprima-Abadi-english-ASA-4.pdf">www.mutucertification.com</a> on 30<sup>th</sup> April 2018 (<a href="http://www.mutucertification.com/wp-content/uploads/2018/05/Public-Announcement-PT-Prima-Mitrajaya-Mandiri-PT-Teguh-Jayaprima-Abadi-english-ASA-4.pdf">http://www.mutucertification.com/wp-content/uploads/2018/05/Public-Announcement-PT-Prima-Mitrajaya-Mandiri-PT-Teguh-Jayaprima-Abadi-english-ASA-4.pdf</a>).</li> <li>2. Public consultation by phone with government agencies in Kutai Kartanegara Regency (Labor agency and Environment Agency) on 15<sup>th</sup> May 2018.</li> <li>3. Public consultation by interview with locals of the nearby village (Bukit Jering and Rantau Hempang Village), KUD and local contractor on 15<sup>th</sup> May 2018.</li> <li>4. Consultation meeting and interview with Internal Stakeholder (Bipartite cooperation and gender committee) on 16<sup>th</sup> May 2018.</li> <li>5. Consultation with NGO (<i>Bina Kelola Lingkungan, Lembaga Konsultasi Perburuhan, Lembaga Ornitologi dan Informasi Satwa, Lembaga Pengembangan Lingkungan Hidup dan Sumberdaya Manusia, WALHI wilayah Kaltim, Biosfer Manusia</i>) via email on 8<sup>th</sup> May 2018.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Prima Mitrajaya Mandiri &amp; PT Teguh Jayaprima Abadi</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<b>Please find appendix 1</b>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>RC</b> ) will be determined 8 – 12 months after this <b>ASA-4</b> (May 2019).



### 3.0. ASSESSMENT FINDINGS

#### 3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Bumi Permai Mill – PT Prima Mitrajaya Mandiri & PT Teguh Jayaprima Abadi, MP EVANS GROUP PLC operation consisting of one (1) mill and seven (7) oil palm estates.

During the assessment, there were no Nonconformities eight (8) opportunity(s) for improvement were identified.

MUTUAGUNG LESTARI found that of Bumi Permai POM – PT. Prima Mitrajaya Mandiri & PT Teguh Jayaprima Mandiri complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016, and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors June 2017 (Module 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>		
<b>1.1.1</b> The CH has had procedures related to transparency of giving information to stakeholders (Doc. No. PMM/SOP/Uumum-02). Has been described publicly available documents and limited documents as per its importance. The authority to provide information has been arranged according to the level of importance. Based on consultation with Village Head of Bukit Jering, Rantau Hempang, as well as smallholder cooperatives of Karya Bersama, Sawit Etam Bersama and Subur Makmur, it is known that the procedure of transparency has been communicated to the stakeholders. Stakeholders already known the communication PIC, and no obstacles in dealing with the company. The smallholder cooperative has known the details of income, production costs, and outstanding debt.		
<b>1.1.2</b> Record of request for information is stored in the information book on each management unit. Based on the document review there is a request for information coming on 12 March 2018 from Village Head of Bukit Jering related to the application for usage of the CH's road to install the state electricity installation and conduct concrete hardening road as the access to the village. The CH has submitted its initial response within less than two weeks in according to the procedure, but no final decision has been made, related the land use of land title for external parties requires approval from the Board of Directors. This becomes an opportunity for improvement related the follow-up responses from management. <b>OFI.</b>  Other than that the CH has submitted mandatory reports regularly to the related agencies such as employment report, environment management report, and plantation development report.		
	<b>Status: Comply</b>	
<b>1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</b>		
<b>1.2.1</b> Management has List of transparent and confidential documents for public is recorded in Appendix of Transparency		

Documents dated 2 January 2016. Types of document which is available to the public such as documents are company policies, job description, SOP's, HCV assessment and management plan, GHG monitoring, hazardous materials monitoring, CSR, Guiding Committee of Occupational Safety & Health, list of stakeholder, internal and external complaints, list of employee, company organization chart, OHS Guiding Committee structure, employee agreement. The document can be provided with the record not abused and in accordance with its designation. Based on stakeholder consultation with smallholders, the document of deduction of the smallholders payment can be access by the smallholders and they have know the debt of smallholder payment through cooperative.

**Status: Comply**

### 1.3

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

#### 1.3.1

Policy on integrity and ethical behavior in all operational implementation and transactions is recorded document of Anti-bribery and corruption code of conduct dated 29 July 2013. The document which is available in bahasa, explains fair conduct of business, prohibits any employee for corruption, and bribery and provide information in accordance with applicable laws. Based on interview with workers, labor union, representatives of gender committees, village head, board of smallholder cooperatives, as well as local contractor, already known about code of integrity and ethical behavior.

**Status: Comply**

## PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

### 2.1

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

#### 2.1.1

Certificate holder consistently applies legislation relating to plantation and palm oil mill. The Certification Unit has shown compliance with laws and regulations, for example has had land use title and business permit (refer to criteria 2.2), has been implements the requirement related to OHS aspect for example reported OHS Committee reports, work accidents report according to regulations, PPE management, etc (refer to criteria 4.7), has been implements the requirement of environment aspect such as EIA management and monitoring in routinely (refer to criteria 5.1), has been manage the hazardous waste and domestic waste in accordance with applicable regulation (refer to criteria 5.3), has comply with minimum wage referring the decree of East Kalimantan Governor (refer to indicator 6.5.1). Related to agreement of specified time contract workers (PKWT), the company needs to adjust the time validity according to Kepmenaker 101/2004. **#OFI**

#### 2.1.2; 2.1.3 and 2.1.4

To ensure compliance to regulations, company has SOP Implementation of Applicable Law Regulations (No. TJA/SOP/Umum-01) and (No. PMM/SOP/Umum-01) dated 1 January 2011 describes the person in charge is Legal/HRD Manager and RSPO Manager. Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously every 6 months to monitor compliance with each clause in each rule. The latest internal audit conducted on 22 February 2018, and has been updated the new regulation such as the regulation of minimum payment of 2018.

**Status: Comply**

### 2.2

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

#### 2.2.1

The CH has demonstrate the legality of the land and the process of land legality that is still in the process. Summary of certified area that has land use title and not has land use title described as follows :

Description	PT PMM	PT TJA	TOTAL
Certified Area	15,308.36 ha	5,198.94 ha	20,507.30 ha
Has land use title (HGU)	11,006.91 ha	12.19 ha	11,019.10 ha
Do not has HGU (progress)	4,301.45 ha	5,186.75 ha	9,488.20 ha

The detail described as follows :

#### PT PMM

Has obtained land use title (HGU) with the Decree of the Head of National Land Agency No. 02/HGU/KEM-ATR/BPN/2017 dated 05 January 2017 with a total area of **8,683.05 ha**, and there is land use title for building (HGB) of mill covering 12,23 ha based on Decree of the Head of National Land Agency No. 28/HGB/BPN-64/2015 dated 03 August 2015. For areas that have not received HGU, there are some area that still process of release status of forest area covered 760 ha with the status of Production Forest that can be converted.

Smallholder Cooperatives managed by PT PMA

1. Grengseng Indah Cooperative (Beringin Jaya Estate) has received the HGU with Decree of National Land Agency of East Kalimantan Province number 83/HGU/BPN-64/2016 dated September 29, 2016 with a total area of 176.21 Ha
2. Subur Makmur Cooperative (Beringin Jaya Estate) has received HGU with the Decree of the Minister of Agrarian and Spatial number 11/HGU/KEM-ATR/BPN/2017 dated 24 January 2017 with total area of 391.7 Ha.
3. Sawit Etam Cooperative (Lembuswana Estate) has obtained HGU with decree of National Land Agency of East Kalimantan Province No. 84/HGU/BPN-64/2016 dated September 29, 2016 with a total area of 180 Ha.
4. Mitra Sawit Mandiri Cooperative (Kahoi Estate) has obtained HGU with the Decree of the Minister of Agrarian and Spatial No 083/HGU/KEM-ATR/BPN/2016 dated December 22, 2016 with a total area of 971.59 Ha.
5. Maju Bangun Cooperative (Lembuswana Estate) has obtained HGU with the Decree of the Minister of Agrarian and Spatial No. 083/HGU/KEM-ATR/BPN/2016 dated December 22, 2016 with total area of 592.13 Ha.
6. Tanah Sama Cooperative (Bumi Permai Estate) is still in progress of obtain the HGU. At ASA-3, the company showed the progress of handling letter from National Land Agency of East Kalimantan Province with letter No.490/6-64/IV/2016 dated 21 April 2016 related to the completeness of the data.

#### PT TJA

- PT TJA has land use title for building (HGB) of bulking has had land use title for building covering 12.19 ha.
- For the Estates not yet have HGU, still in cadastral stage
- For the cadastral area in Rahayu Estate with an area of 2,466.18 Ha (Land Map No. 41/PB-64.200/VIII/2014, dated August 12, 2014) is still in the process of obtain the HGU. The latest process is the collection of Physical data and Juridical data on 22 March 2017 in accordance with the letter from the Office of BPN. 360/9-64/III/2017 dated 9 March 2017.
- For the area of Rahayu Estate which is included in the location permit based on Kutai Kartanegara Regent's Decree No: 590/525.29/025/A.Ptn dated 30 December 2014 with area of 641 Ha, until this assessment is still in the process of forest area release.
- For the area of Mahakam Estate (location permit No. SK 100/DPN.K/IL-100/X-2008 27 October 2008 covering an area of ± 13,550 ha), is still in the process of releasing forest area.

Smallholder Cooperatives managed by PT TJA

1. Karya Bersama Cooperative (Rahayu Estate) is still in the process of obtaining the HGU with the last process conducted is Physical data and Juridical data collection on March 22, 2017 in accordance with Letter from BPN Office No. 360/9-64/III/2017 dated March 09, 2017.
2. Mitra Sejahtera Abadi Cooperative (Mahakam Estate):
  - Letter of Release of Plasma Location with total area of 140 Ha (No. 004/MSA/Regent/III/2011 dated March 21, 2011) sent to Kutai Kartanegara District with attachment Letter of Plasma Area Removal from PT. TJA, location maps and coordinate point.

- Letter of Land Release (No. 007/KSU-MSA/BJ/III/2015 dated March 23, 2015) to PT. Tanito Harum known by Head of Bunga Jadi Village, Head of Plantation Agency and Cooperative Agency
- Until the time of assessment, proposal letter to PT. Tanito Harum and Kutai Kartanegara District no response yet.

Its become opportunity for improvement and will be observe in the next assessment, related progress on the land use title (HGU) of PT Teguh Jayaprima Abadi (scope of certificate which not yet HGU). **#OFI**

### 2.2.2

The CH has shown the implementation of boundary pegs monitoring in accordance with SOP and has been recorded in document of Boundary Pole Inspection that conducted every 6 months. Based on field observation of boundary pole and demarcation aspect in Bumi Permai Estate, Beringin Jaya Estate, and Rahayu Estate, it is known that the CH has adjusted the location of the boundary pegs in accordance with the HGU/cadastral map coordinates. There is no indication the planting outside the land right, or land disputes.

### 2.2.3, 2.2.4, 2.2.5 & 2.2.6

Based on document review, consultation with surrounding communities as well as field observation, it is known that there is no land disputes occurred, although there are land that is still owned by residents because it has never been compensated. The villages head told that the process of land compensation that has been done conducted without any violence.

**Status: Comply**

### 2.3

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

#### 2.3.1; 2.3.2; 2.3.3; 2.3.4

Based on interviews with management and document verification, no land acquisition activities were conducted during the ASA-3 to ASA-4 periods. The latest land acquisition was done in January 2016. Results of interviews with communities around known that there are no indigenous rights, the lands in surrounding area is individualized owned. The CH has shown evidence of land acquisition with the involvement of landowners, the adjacent parties and the village authorities. There is also a map of the land acquired that signed by the landowner, the adjacent parties and village authorities.

**Status: Comply**

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

### 3.1

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

#### 3.1.1 & 3.1.2

The CH has had work plan documents for 4 years (2017 – 2021) that includes smallholder scheme. The document describes projections of productions of costs, the price of CPO, areal statement, replanting programme production of FFB, CPO and PK, capacity, and profitability. Evaluation of achievement conducted annually, changes will be made if necessary. One of the control function is to conduct annually financial audit by public accountants.

The smallholder schemes are also discussed in yearly management review, including the determination of production projections and discussing existing problems such as flood-prone areas. The certification unit has planned the drain flushing and the embankment construction plan.

The CH has not yet arrange replanting program and assessment of the extent of vulnerability in the peat areas because the oil palm age are still 11 years old.

**Status: Comply**

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

**4.1**
**Operating procedures are appropriately documented and consistently implemented and monitored.**
**Major 4.1.1**

The certification unit has owned and documented procedures related to operational activities in estates and mill into Bahasa Indonesia. For example related to the operational activities of the estate such as SOP Harvest and Transportation, Nursery, Land Preparation, Oil Palm Planting, Non-Produce Plant, Weed Control, Pest and Disease, Water Conservation and Management, Planting and Fertilization. Procedures related to operational activities in the mill include SOP of FFB Receiving, FFB Grading Guidance, processing and Process of CPO quality samples. Based on field observation and interviews with Bumi Permai Estate (BPE) workers on Harvesting activities in Blok R38 South Division, Spraying on Block N40 Centre Division, at Beringin Jaya Estate (BJE) on Harvesting Activity in Blok E19 North Division, Selective Weeding in Block F24 South Division, it can be concluded that workers can explain technical work and demonstrate it well in accordance with the procedures they have.

**Minor 4.1.2**

Based on the results of the document review, known that the company has routinely conducted the activity of inspection or monitoring activities according to the operating procedure at least once a year. For example, the internal audit report of Bumi Permai Estate operations carried out by the Internal Audit Department dated February 26 – March 1, 2018 which describes implementation of plantation upkeep, bank cash administration and accounts payable, inventory, wage administration and personnel, harvest administration and transport of FFB, FMIS, vehicle activity, heavy equipment and machinery and follow up reports internal audit.

**Minor 4.1.3**

The certification unit has records of the results of monitoring and follow-up activities, such as incompatibilities at the time of the internal audit of the operations of Bumi Permai Estate dated February 26 – March 1, 2018 which describes spot condition of MR and CR roads in low-lying areas that were severely damaged by the prolonged floods so that the evacuation of FFB became obstructed in this case the company has done road repair with mud clearance and backfilling using gravel

**Major 4.1.4**

The Company has procedures for receiving FFB from third parties listed in the FFB supplier selection declaration letter. Based on interviews with weighbridge operator and document review of FFB acceptance, it is known that BPM receives fruit from third parties, namely from PT Kutai Agro Jaya (PT.KAJ). The Company shows the Letter of Sale and Purchase Agreement of FFB (No. BPM/PMM/02/12/2016 dated February 1, 2016) with PT KAJ. Daily FFB acceptance has been documented by the mill on the "FFB Daily Crop Statement" document. For the period of January 2018, FFB received from PT.KAJ is 1,394.66 tons.

<b>Status: Comply</b>
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**4.2**
**Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.**
**Minor 4.2.1 and Minor 4.2.2**

The CH have a procedure related to the management of planting fertility listed in the procedure number PMM / SOP / AGRO-09 dated January 1, 2011 on Fertilization. This procedure discusses the procedure of fertilizing application in breeding, fertilizing of nuts, inorganic fertilization in IU, fertilization of bare length, taking of LSU and SSU, control of fertilizer quality, fertilizing with FS, fertilizing with airplane, compost fertilization, ash, land application in MU, and quality control. At the time of the audit activity the certificate holder shows documents related to the fertilization program of 2017 for each management unit. The document describes fertilizer progress and fertilizer use per ton of FFB. The result of interview with the management known that the certificate holder has implemented the fertilization program in 2017 well according to the recommendation based on the analysis of leaf and soil. Based on of interviews with the management known that each day, divisions report the realization of work on the previous day including activities of fertilization to Estate Offices, while for the summary will be made by each division admin every month to be used as a monthly evaluation by the Estate Manager.

**Minor 4.2.3**



The certification unit has the SOP of the sampled soil and leaf soil in the no. PMM / SOP / AGRO-09 or No. TJA / SOP / AGRO-09 dated January 1, 2011. Leaf and soil sampling is conducted by the Environmental Laboratory of the Mulawarman University Environmental Research Center in Samarinda. At the time of the audit activity, the certificate holder can show the procedures to the auditor and can explain it well. Parameters tested include pH, CEC, Organic C, N total, C / N Ratio, Texture, bulk density, MC, permeability and pyrite content. The results of the analysis are incorporated into the fertilization program shown in the Fertilizer Recommendation Report - 2018 document. The sampling of soil for BPE, BJE and RHE was conducted on December 22, 2015. Leaf sampling based on representation of cropping years and soil type in 1 division. Leaf sampling is only done 10% of the 1 block sample area. All parameters analyzed later on to be used as a base of annual fertilizer recommendation calculation by the Environmental Laboratory of the Mulawarman University Environmental Research Center in Samarinda. LSU for BJE was conducted on 16 June 2017 with 16 samples, for BPE with 52 samples on 16 June 2017 and Rahayu with 66 samples on June 13, 2017. The results of interviews with research staff known that soil and leaf analysis results were used as the basis for determining fertilizer recommendations. In this case the certificate holder may show a sample of temporary fertilizer recommendations for each estate.

**Minor 4.2.4**

Apart from chemical fertilizers application, The certificate holder known to have a nutrient recycling strategy such as the utilization of pruning, the application of POME, and the utilization of plant residues after replanting. The certificate holder utilize Empty bunch to help with minimal soil nutrient enrichment. An empty bunch application is executed every month at a dose of 300 kg / staple or 40 tons / ha. At the time of the audit activity, the certificate holder may show the recording of the Empty bunch application for the second semester of 2017. The certificate holder has a license to utilize the POME in oil palm plantations based on the decision of Regent Kutai Kartanegara Number 660.1/002/B.II.1/SK-LA/BLHD/III/2014 dated Marh 7, 2014. The certificate holder can irrigate the land with an area of 200 Hectares located at 20 Blocks. The result of field visit in Block N41 Central Division of Bumi Permai Estate is known that the company utilizes factory liquid waste to maintain soil fertility with dose 750 M3 / Ha / Year for 3 rotation.

<b>Status: Comply</b>
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**4.3**
**Practices minimize and control erosion and degradation of soils.**
**Major 4.3.1**

The certification unit has a map that describes the existence of marginal and critical soils such as the land suitability map of PT PMM Beringin Jaya Estate with a scale of 1: 34,000 which explains there are 3 land suitability classes S2 (quite appropriate), S3 (marginal fit) and N (not appropriate). It also described the types of soil contained in the area such as soil types such as Typic Distrudepts, Typic Endoaquepts, Typic Hapludults and Sapric Haplohemist.

**Minor 4.3.2**

The certification unit has a planting policy on the slope of which is contained in the Guideline of Oil Palm Cultivation B Palm Pointing Cultivation Point B which explains how to make the planting path on the hilly / slope area by making the pitch. In addition, the certification unit also has SOP No. PMM / SOP / AGRO-05) dated 1 January 2014 on soil and water conservation which states that soil conservation activities include constructing silplit / foot hill drain, trenches, planting of vertiver conservation crops and cover crops and also contained in SOP no. PMM / SOP / AGRO-04 dated January 1, 2011 concerning the planting of cover crops explaining that the type of cover crop used is Mucuna bracteata. Management of the slope area for example is done by making the terrace and planting Mucuna bracteata. Based on the results of field observation in BPE, BJE and RHE, known that the company has implemented slope area management procedure by making the terrace.

**Minor 4.3.3**

The certificate holder represents 2018 Budget document that one of the points in it describes in relation to a road improvement plan that includes re-road hardening, insertion of road hardening and mechanical / manual road repairs. Based on field observation, along the sample location in Bumi Permai Estate Block R38, Block N41, and Block N41, and also at Rahayu Estate Block E39, Block G45, and Block C45, found the road condition is in good condition and can be passed.

**Major 4.3.4**

The CH has a management procedure in the ground-level subsidence setting contained in document No. TJA / SOP /

AGRO-12 dated January 1, 2012, on water management. Some of the strategies undertaken include the manufacture and installation of piezometers for ground water level monitoring for no more than 60 cm and installation of collection and main drain. Water level is maintained at a height of 50 - 70 cm. The CH shows documents related to water level monitoring for example at Rahayu Estate period of December 2017. On December 20 – 31, 2017 the water level is consistent in the range of 50 - 55 cm. Observations are conducted regularly every week or four times a month. The decrease in the level of ground level is monitored by using subsidence stakes mounted in the field on the peat area. There is a monitoring record of ground level observations conducted once-a-year monitoring as found in Bumi Permai Estate Block N37 (F24 block previously located at Beringin Jaya Estate) and it is known that the land decline in Bumi Permai Estate Block N37 is 1 cm / year. Based on field observation in BJE on peat area in Block E19, found peat area in flood condition due to flooded Mahakam River, so that auditor can not observe subsidence, water level and piezometer.

### Minor 4.3.5

The certification unit has not carried out an assessment of the extent of vulnerability in the peat areas. Based on the hectare statement data of 2018, the earliest planting years in PT PMM and PT TJA were in 2007 or at the time of the 4th surveillance audit activity was ten years old. One-cycle life is set for 25-30 years. As such, the certification unit does not have a replanting plan in the near future. However, the certification unit has implemented water management activities, including drainage system, water level and water table monitoring with piezometer.

### Minor 4.3.6

The certification unit has a management strategy on fragile soil and other land issues contained in the semi-detailed soil survey of PT PMM and PT TJA conducted by PT Earth Line in 2009. The report outlines the suitability of the land along with the necessary actions to increase the suitability of the land. Based on the report, known that the limiting factor in the land in the operational area of the company is low nutrient content, land with steep slope, sandy soil, flood-prone land and peat soil. Some recommended strategies include increasing soil organic content through nutrient recycling through the application of EFB compost and palm oil mill effluent, laying of frond among the palm. Based on field observations in BPE and RHE, known that the certification unit has implemented the above mentioned vulnerable management strategy well.

**Status: Comply**

## 4.4

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

#### Minor 4.4.1

Consistently CH has demonstrated water management plans for mill and estate in the following records:

- Environmental Management Plan as part of the EIA documents. The document includes following measures protection of buffer zone and surface waters and management of the wastewater through land application of to avoid water pollution.
- HCV area management plan drawn up in 2011, which includes the protection of riparian water and surface waters.
- The annual work plan of mills which includes plan for fulfillment of water needs to ensure water availability and water saving.
- The annual work plan of Estate which includes the plan of establishment of water reservoir in preparation for the dry season.

Based on field visits that all measures of water management plan have been well implemented such as protection of river buffer zone, monitoring the surface water quality, implementation of land application, saving of water resources and water reservoir establishment.

#### Major 4.4.2

CH has identified all rivers and wetlands inside plantation concession areas. Documentation available in the EIA report and analysis of HCV containing distribution maps of the river in the area of PT. PMM and PT. TJA. The report showed the presence of some small streams and wetlands: Keham River (PT PMM), Kedang Semilis River (PT PMM), Paseban River (PT PMM), swamp as natural water reservoirs in the rain season. All of riparian and swamp identified as HCV has been designated as protected areas in accordance with SOP River Buffer Zone Management (PM/SOP/Uum-15).

Field observations in Bumi Permai Estate (Semilis River Block T42 South Division) showed evidence of surface water flow protection measures and including riparian wetlands, namely:

- Determination of river buffer zone with a distance of 50 meters left-right of small river and 100 meters for large rivers.

Demarcation of the border is done with the installation of boundary markers river border.

- No chemicals application (fertilizers and herbicides) in the buffer zone area,
- Conducting erosion control plantings (Cover Crop) such as *Mucuna bracteata* and *Vertiver Grass*.
- Riparian conditions still have good cover, mostly overgrown with bushes and perennials.
- Periodic water quality testing every three months with the parameters of environmental quality standards as stipulated in Government Regulation No. 82 in 2001. The latest test results are available for the second half of 2017 shows that all parameters of water quality complies with the quality standards set.

### Minor 4.4.3

Waste water of oil palm processing has processed through Waste Water Treatment Plant (WWTP) station. Sighted that POME from Bumi Permai Mill has been managed properly as described, waster water pocessing in WWTP with total capacity of 20,800 m3 using the anaerobic system, nutrient cycling through Land Application (after BOD and pH meet the requirements), some POME used as a mixture of composting to accelerate the composting process, and some of POME (30%) is used as a raw material for methane capture unit. Based on field visit on land application in Centre Division Block N41, Bumi Permai Estate. There are no run off and maintenance of flatbed routinely. The Block is accordance with the permit.

Effluent water quality has also been monitored regularly, as seen in the following:

- Daily Monitoring on waste water discharged and pH used for methane capture unit (30% of the daily discharge POME). Done thorough Log Book recording based on flowmeter measurement and pH testing by the laboratory staff.
- Daily monitoring on discharged waste water and pH of waste sent to land application. Done through Log Book recording based on flowmeter measurement and pH testing.
- Land Application Permit available in the decree of Kutai Kartanegara Regent number 660.1/002 /BHI/SK-LA/BLHD/III/2014. Formal testing on effluent quality for land application by external accredited laboratory (Sucofindo Samarinda - KAN LP-258-IDN). The test results has been reported regularly to the authorities. The test results for recent year until February 2017 showed that effluent qalty for land application is still meet standard in accordance Ministrial Regulation number 28 and 29, 2003.

### Minor 4.4.4

Bumi Permai Mill using river water and rainwater as raw water for FFB processing. The raw water is treated first at water treatment plant (WTP) to meet standard. The volume of water use is monitored on a daily basis using a flow meter installed at several outlets including those leading to the processing unit. The water use ratio of 2017 is 1.35 m<sup>3</sup>/ton FFB. The company sets a standard water use ratio of 1.5 m<sup>3</sup>/ton FFB (Letter of Manager Mill No: 01/SE-Efisiensi/BPM/01/2014), so that the general use of water in the Mill is still in the efficiency range. A field visit showed that the water treatment plant is in good condition. Flowmeter is in good condition and there is no indication of the inefficiency of water use.

**Status: Comply**

## 4.5

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

### Major 4.5.1

The certificate holder has an integrated pest monitoring and control program listed in the budget of 2018. The budget is in accordance with the procedures listed in the integrated pest control procedures for the once month leaf eater caterpillar census, rhinoceros beetle every two weeks, the rat pest is done once a month and monitoring the barn owl box once a month.

Based on interviews with research staff, part of the other IPM plan is not spraying soft ferns, as soft ferns are a habitat for leaf eater caterpillar predators, in addition to saving pesticide use. The application of biological control agents such as beneficial plants for reducing pesticide use. Based on the leaf eater caterpillar census document review at BPE, BJE and RHE period of January 2018, no pest attacks were found that crossed the economic threshold. Based on the results of field visits known that there are no characteristics of pest attacks such as leaf midrib is not found indication of leaf eater caterpillar attacks and on FFB there are no features of new pest rats. So there is no use of pesticides for the control of pests and diseases of oil palm.

**Minor 4.5.2**

Unit certification demonstrates records of training provided to workers involved in the process of integrated pest management on February 12, 2018 Beringin Jaya Estate which was attended by 17 participants and on March 31, 2018 in Rahayu Estate. The results of interviews with employees are known that employees have received training related to integrated pest control, employees can explain the rotation of pest census and when the use of chemicals to control pests, beneficial plant uses, and the use of natural predators in controlling pests.

<b>Status: Comply</b>
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**4.6**
**Pesticides are used in ways that do not endanger health or the environment**
**Major 4.6.1 and Major 4.6.2**

The company has procedures related to chemical activities such as spray work and pest control. The procedure is contained in procedure No. PMM / SOP / K3-11 or No. TJA / SOP / K3-11 dated January 1, 2011 describing the toxic hazardous waste management (B3), No. TJA / SOP / General-17 dated January 1, 2011 concerning storage and mixing of chemicals. TJA / SOP / General-16 for PT TJA or No. PMM / SOP / General-16 for PT PMM dated January 1, 2011 on the use of paraquat and glyphosate. Companies use pesticides listed in pesticide commissions according to actual targets and targets in the field. Based on the results of field visits at the Bumi Permai Estate spraying activity, and Rahayu Estate, spraying is known using herbicide made from Isopropylamine glyphosate.

At the time of the audit activity, the certificate holder may show documents relating to the pesticide toxicity record (LD50) for each management unit. In the document documented product name used, active ingredient, LD50, percentage of active ingredient, total application, total active ingredient, production FFB and pesticide unit / kg, hectare application and pesticide unit / Hectares. The result of document review of toxicity data of April 2018 period revealed that the document informs usage amount for each pesticide such as the use of starane in BPE 7.50 liters, in BJE 9.50 liter and in RHE of 43.83 liters. The document also inform the rotation/number of application.

The results of interviews with research staff found that the company attempted to replace the pesticides used periodically to avoid the emergence of resistance.

Based on interview with foreman and pesticide applicators in Bumi Permai Estate and Rahayu Estate, known that the interviewee were able to explained and demonstrate several technical skills such as PPE used, spraying techniques and prohibited application areas such as HCV and riparian areas which marked with redcross on palm trunks or yellow-red poles.

**Major 4.6.3**

The certification unit implements an integrated pest management system by collaborating on biological and chemical controls. The use of chemical techniques is not done in a preventive manner, but based on the results of early warning systems of detection and census. The development of useful plants such as *Turnera subulata* is used as a biological control technique as a place to live predator nettle caterpillars. Based on the results of field visits along the sampling sites in Beringin Jaya Estate (BJE), Bumi Permai Estate (BPE) and Rahayu Estate (RHE), found beneficial plant development *Turnera subulata* along the site of the visit.

**Minor 4.6.4**

The certification unit has a complete list of pesticides belonging to the World Health Organization Class 1A or 1B, or those listed in the Stockholm or Rotterdam Conventions. The document is listed in the List of Pesticides documents Classification of 2018 which identifies trade names, active ingredients, active ingredient content, LD 50 (mg / kg), WHO classification and product classification. For example, for the Supretox trademark (paraquat dichloride) classification of WHO class II and Ratgone 0.005 BB (Brodifacum) IA. This is confirmed by circular No. SE / HoOA-Kaltim / 01/2013/002 dated 01 January 2013 stating that the company has a commitment to reduce the use of paraquat as the growth of plant life. The certification unit shows the graph of decreasing use of paraquat dichloride for example, for 2015 as much as 928 liters, 2016 as much as 338 liters and 2017 as much as 253 liters. Based on this it is known that the use of paraquat decreased every year.

Based on the results of field observations, it is known that the company no longer use parakuat until April 2018. The certification unit shows evidence of limited pesticide training for spray operators using paraquat active ingredients in the

form of training certificates, such as those held on April 27, 2017 at PT TJA. The certification unit still uses Brodifacoum active ingredients for rat pest control. However, its use is based on the detection and rat census. The company strives to minimize the use of brodifacoum active ingredients. The company up to now has not controlled rat attacks using natural enemies.

**Major 4.6.5 and Minor 4.6.9**

At the time of the audit activity, the certificate holder present documents related to the realization of employee training in 2017 and the employee training program of 2018 which includes the use and handling of pesticides while working.

Based on interview with foreman and pesticide applicators in Bumi Permai Estate and Rahayu Estate known that pesticide applicator have been given training of safe use of pesticide, pesticide applicator can explain the action when poisoning, pesticide applicator also explained that routine health checks are conducted every 6 months and pesticide applicators have been trained in the use of good and proper PPE so they have realized the importance of maintaining health in their work. From the interviews known that pesticide applicators have a good understanding of the procedure of PPE replacement, for example if the glove is damaged then the applicator pesticide report to the foreman accompanied by the handover of damaged gloves, then the foreman made a report on the replacement of PPE to the assistant. The assistant will approve the replacement of the PPE if it has received the defective item. The process of replacing PPE is 2 days long.

Field observation results at Center Division Block N40 of Bumi Permai Estate and South Division Block G45 of Rahayu Estate known that spray workers have been provided PPE in accordance with the MSDS of pesticides used eg glasses, respirator masks, apron, rubber gloves and boots.

Field observation results in the BPE, BJE and RHE Chemicals Warehouse are known that MSDS (Material Safety Data Sheet) is available for each pesticide used. The chemical warehouse officer can explain well in terms of MSDS and its usefulness.

**4.6.6**

Chemical material (pesticide) are kept in pesticide storage and kept separately with other material. Pesticide storage is in accordance with recognised best practices. Pesticides is kept in a room separately with other material with adequate ventilation. Based on field observation to Bumi Permai Estate and Beringin Jaya Estate, did not sighted ex pesticide container is used for other purpose. Used pesticide container is kept in temporary hazardous waste storage in each estate and every month will be sent to hazardous waste storage in Kahoi Estate.

CH has pesticide record in the storage and the record is in accordance with pesticide stock.

**Minor 4.6.7**

Based on interviews with spray workers in Blok N40 Centre Division Bumi Permai Estate and Block G45 South Division Rahayu Estate, known that they have a safe working practices. This was evidenced by workers use and handling of pesticides in accordance with the material safety sheet. Spray workers also use personal protective equipment in accordance with the risk analysis of companies such as aprons, masks, gloves, goggles, and boots. Before doing the job, the foreman will do safety briefing reminding of safe work. Results of field observation at BPE and RHE known that certificate holders have a special place for mixing pesticides, PPE storage, work tools and bathing after spraying. The same thing is expressed when the auditor conducted an interview with pesticide applicators in the field. Employees can explain well the procedure before spraying up to go home.

**Major 4.6.8**

Based on the results of document review and interview with community, and field observation, known that the company does not apply air spraying

**4.6.10**

Based field observation in hazardous waste in Bumi Permai and Beringin Jaya Estate, the used pesticide container are kept and then recorded on hazardous waste logbook. Afterward more, used pesticide container in transit hazardous waste storage will be sent to hazardous waste storage every month and then deliver it to the licensed waste collector by using the licensed transportation.



**Major 4.6.11**

The Company shows the Recapitulation of Medical Check Up Result of December 2017 for all worker at BPE, BJE and RHE including spray worker (24 worker in RHE, 39 worker in BPE and 22 worker in BJE) with the result that all workers are still within the normal Limit. Based on interviews with chemicals workers, it was explained that health checks were conducted on a regular basis every year and the results of the examination were notified to the workers. For the period of 2017, there is no worker who exposed disease due to pesticides.

**Major 4.6.12**

Field observations and interviews with spray employees in the Block G45 South Division of RHE and Block N40 of the Central Division of BPE known that the company does not have a specific procedure for checking pregnancy but the employee explains that pregnancy control is performed on the basis of H1 schedule of each employee, if there are employees who past the H1 schedule it is advisable to check the pregnancy.

<b>Status: Comply</b>
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**4.7**

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

**Major 4.7.1**

There is no revision over occupational health and safety policy. Company has an OHS Policy that authorized by the President Director on January 2, 2011 which is available in Indonesian language.

Based on interview with spray employees in the Block G45 South Division of RHE and Block N40 of the Central Division of BPE and process station at mill obtained informations that the workers be aware about OHS Policy. In other that the employees also know potential risks when working.

The CH has shown OHS work program for 2018, arranged by Secretary of OHS Committee (Licensed OHS). Several program in 2018 such as:

- Work program of OHS in mill for 2018 which covers OHS implementation, monthly meeting, OHS documentation, socialization and training, devices calibration, monitoring of operator licences, material handling management, medical monitoring and Hyperkes, three-monthly report, regular monitoring, monthly OHS activity, work program evaluation and target of achievement. The CH was able to shows work program realization of 2017.
- Work program of OHS in estate for 2018 which covers OHS Committee program, checklist of fire extinguisher, monitoring of first aid kit on the working station and fields, PPE inspection, PPE distribution, evaluation of OHS regulation fullfilment, training on emergency procedures, medical checkup (includes special checkup). The CH was able to shows work program realization of 2017

Evidence of OHS work program implementation has recorded in training report, medical check-up report, records of purchasing of OHS related equipments (PPE, first aid kit, fire extinguisher, hydrant, etc.), OHS Committee monthly meeting notes and three-monthly OHS Committee reports.

Based on observation to BPE, BJE and BPM, it was found first aid box, fire extinguishers and hydrant stations were satisfactory maintained. Regular checklist monitoring were also available. Moreover, simulation of hydrant were considered satisfactory.

**Major 4.7.2 and Major 4.7.3**

Certificate holder keeps a document of risk analysis for occupational health and safety program. The document is prepared to identify and to analyze the hazard potentials possibly occur at every work area, and its recommendation to minimize the incidents. The risk assessment has covers all working activities on the mill and estates. The analysis has covers risk hazard identification, sources of hazard risk, frequency (routine, non-routine, emergency), potential risk identification (sources and impacts), control management, risk analysis of severity level and value level. Based on document verification and field observation at mill and estate has revealed that the unit management has done necessary dissemination of the risk analysis document to all of its employees.

Based on field observations known that the employees has been using PPE in accordance with risk analysis and specified hazard identification, for example the spray worker using personal protective equipment in accordance with specified hazard identification and risk analysis like apron, google, hand clove and safety shoes. in addition, interview with spraying

worker in Rahayu Estate and Bumi Permai Estate revealed that company would substitute or replace the PPE if there is a damage or broken on the old one.

Based on field visits, interviews and document review with new contract worker in the factory area known that the new PPE is given 1 month after work. The results of interviews with management known that at the time the employee is working the PPE stock is still in order status so that new can be given 1 month next. **OFI**

The results of field visits, interviews with workers and documents verification known that the workers have been given training in safe work practices. This was evidenced when the employee can demonstrate how to work correctly and appropriately in accordance with the procedures, for example for mill employees who work at machine room has been using earmuff, safety shoes, masker, gloves, safety helmet. Results of interviews with employees also obtained information that each morning roll call (before work) is always informed / socialized steps of safe work.

#### **Major 4.7.4**

Specific personnel assigned to be responsible for the OHS program have also be appointed. Certificated holder has established an organization named Guiding Committee of Occupational Health and Safety (*GCOHS*), who is responsible for the OHS program. On the *GCOHS* report covers the entire OHS activities, including; *GCOHS* recommendations, investigation results of occupational accidents, *GCOHS* activity reports, employees' health checkup reports, and *GCOHS* minutes of meeting held every month.

The CH has OHS organizations which issued by the Head of Manpower and Transmigration Province of Kalimantan Timur, presented in Decree Letter No. KEP.566/1274/P2K3/PPK/DTKT/2017 dated April 17<sup>th</sup> 2017 for PT TJA OHS Committee, No. KEP.566/1275/P2K3/PPK/DTKT/2017 dated April 17<sup>th</sup> 2017 for PT PMM OHS Committee. The OHS Committee Secretary of PT PMM was a Licensed OHS Expert which valid until February 3<sup>rd</sup> 2019, and OHS Committee Secretary of PT TJA was a Licensed OHS Expert which valid until February 24<sup>th</sup> 2021

The monthly meeting of OHS Committee has conducted, as required by Minister of Manpower Regulation (Permenaker) No. 155, 1984 Article 3. The evidence has presented in the minutes, for example as follows:

- Minutes of OHS Committee meeting in PT TJA (estate) on February 28, 2018 held in training center. The discussion in the meeting of issues related to the environment and OHS.
- Minutes of OHS Committee meeting in PT PMM (estate) on March 30, 2018 held in BPE estate office. The discussion in the meeting of issues related to the environment and OHS.
- Minutes of OHS Committee meeting in PT PMM (mill) on February 28, 2018 held at BPM factory office and attended by 15 participants. The discussion in the meeting is a review of previous meetings, previous safety briefing, the results of housekeeping safety, safety induction using video, BPM safety budget progress, work accident report, follow up HGB BPM, and procurement lab coats for lab analyst

#### **Minor 4.7.5**

Certificate holder has had the procedure of Emergency Response in PMM/SOP/Umm-10 dated January 1, 2011. According to interviews with workers in mill and Estate known that the employees been know the procedure in case of an emergency. The results of field visits in housing and mill show that the company has set an evacuation route with a map and other markers as well as an adequate *sign board* to facilitate evacuation in case of emergency.

At the time of the field visits it is known that in the mill, warehouse, workshop and division offices have supplied first Aid box which monitored regularly. As for the operational activities in the field supervisors have been equipped with First Aid bag. The results of the interviews obtained information that supervisors have received first aid training and have understood the stages of first aid in case of work accidents in the field. Based on field visits in mill and estates and the results of inspection document of first aid box known that the contents of first-aid box has been in accordance with the regulation that is 21 items.

#### **Minor 4.7.6**

Certificate holder has provided the employees with insurance to cover occupational accident in accordance with the provision set by the government (BPJS). Such insurance is named Workers Social Security Agency (Worker Social Security Agency for employment), which is routinely paid every month. Based on occupational accident report document verification known that there is work accident of workshop employees during the work of unloading the tractor wheel

causing injuries on the right hand. Available Reports using 3 KK 1 forms, 3a KK 2 forms and 3b KK form 3 and some attachment documents such as: home patient care summary, x-ray examination, routine blood examination, birth certificate, victim family card, photocopy of membership of BPJS card Employment, identity copies, and copies of passbooks.

**Minor 4.7.7**

Certificate Holder shows the recapitulation of work accidents using LTA for the period of 2017, among others:

Bumi Permai Mill	→ Frequency Rate (FR) = 63,58 and Severity Rate (SR) = 0.
Beringin Jaya Estate	→ Frequency Rate (FR) = 0 and Severity Rate (SR) = 0.
Bumi Permai Estate	→ Frequency Rate (FR) = 60,27 and Severity Rate (SR) = 46,28
Rahayu Estate	→ Frequency Rate (FR) = 3,83 and Severity Rate (SR) = 3,83.

<b>Status: Comply</b>
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**4.8**

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

**4.8.1**

CH has training program for workers for period of 2018 for operational training. The aspect in the training program are such as environment, labor best management practice aspect, ect. Some of training program, namely:

**PT TJA**

- Awareness of RSPO/ISPO/ISCC planed in February 2018
- Spraying training planed in January 2018
- Harvesting training planed in May and August 2018
- OHS training to manuring worker planed in February, April, July, and October 2018
- FFB loading training to contractor worker planed in May 2018

**PT PMM**
**Estate**

- Awareness of RSPO/ISPO/ISCC planed in February, June, and September 2018
- Fire fighting Training planed on May 2018
- OHS training to manuring, harvesting, spraying, IPM, and upkeep worker planed on January, February, June, and August 2018

**Mill**

- Risk assessment planed on January and October 2018
- Socialization of sexual harassment policy planed on March 2018
- Hazardous material and hazardous waste management planed on January 2018

Based on interview with worker in estate and mill, they have received some training related to their work, such as harvesting best practice, training for manuring, and spraying, first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity.

**4.8.2**

Company has showed the documentation of training or socialization whether it is internal or external training in form of minutes of meeting, list of attendees, and photo activity. For example:

**PT TJA**

- OHS training to manuring worker in 3<sup>rd</sup> May 2017 attended by 15 participants
- Manuring training on 27<sup>th</sup> April 2018 attended by 8 participants

**PT PMM**

- Socialization of company policy and procedure to worker of Divisi Tengah BPE on 7<sup>th</sup> April 2018 attended by 11 participants
- OHS training and manuring agronomy on 7<sup>th</sup> February 2018 to worker of Divisi Utara BJE attended by 14 participants

<b>Status: Comply</b>
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**PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**
**5.1**

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

**5.1.1.**

PT. PMM and PT TJA has adequate environmental document, as described belows:

1. Environmental Impact Assessment (EIA) for Mill, composed in 2010 covering an an area of  $\pm$  46,055 Ha including Storage Tank and special dock area  $\pm$  28 Ha. Has been approved by Regent Kutai Kartanegara on December 13, 2010.
2. EIA for Estate of PT PMM, made in 2008 covering area of 21,500 hectares. Has been approved by the regent Kutai Kartanegara on 24 September 2008.
3. EIA for estate of PT TJA in 2009 covering an area of 13 550 hectares, approved by local authorities on March 16, 2009.

Structure and content of those EIA documents in PT PMM and PT TJA have met the requirement and regulations and have been approved by the authorities. Those EIA documents provided evidence of public consultation processes with the interested parties to identify impacts and formulatunge necessary mitigation measures.

**5.1.2**

Based on the EIA document, CH has developed an Environmental Management Plan (RKL) as outlined in the matrix of impact management plan:

PT. PMM

1. Management and monitoring plan of environmental impacts in mill that includes aspects: work safety, public health problems, noise, ambient air quality, odor, occupational health, public health, emergency, Potential fires and explosions.
2. Management and monitoring plan of environmental impacts in Estate of PT. PMM covers: Decrease in water quality, reduction in the number and diversity of aquatic biota, decline in business opportunities for community, disorders of occupational health and safety, ambient air quality, public health, attitudes and perceptions of community.

PT. TJA

Implementation report of RKL-RPL in Estate of PT. TJA including:

- Decrease in the quality of surface water (Sabiluntung, Mahakam, and lakes around the project)
- The decline in aquatic biota at project site
- The emergence of risk of health problems and accidents
- Quality of ambient air
- Disruptions of traffic
- Disruption of public health
- Impaired occupational health for workers
- The decline in environmental sanitation
- Decrease in ambient air quality
- Noise
- Attitude and positive perception of society
- Quality of HR community
- Employment and business opportunities

RKL-RPL implementation reports for Bumi Permai Mill, Estate of PT PMM and Estate of PT TJA have been submitted to the local authorities on a regular basis. Provided evidence of submission of the report for 2nd semester 2017 among other:

- RKL RPL of PT PMM and TJA on 5<sup>th</sup> March 2018 to Environment Agency of Kalimantan Timur Province and Kutai Kartanegara Regency
- RKL RPL of BPM on 6<sup>th</sup> March 2018 to Environment Agency of Kalimantan Timur Province and Kutai Kartanegara Regency

CH has implemented the environment management plan, for example based on field observation in estate and mill, all workers are provided by PPE, such as ear plug and ear muff and there is a periodical medical examination for worker. Besides, there is also signboard for prohibition of chemical spraying in riparian areas to prevent the decrease in water quality.

### 5.1.3

Consistent with the RKL documents, CH has drawn up a plan for environmental Monitoring (RPL). Environmental monitoring plan (RPL) draw up the major monitoring protocols such as location, time, method, stakeholders, and the impact parameter. As guidance to the monitoring process, CH has SOP Environmental Management and Monitoring (PMM/SOP/Umm-32). Implementation of RKL RPL is conducted periodically every 6 months. The latest environment management and monitoring report is for 2<sup>nd</sup> semester of 2017.

Based on monitoring results, all parameters monitored are still within the established quality standards. And also, there is no complain from stakeholders (surrounded village society) about operational activities from CH.

**Status: Comply**

### 5.2

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

#### 5.2.1.

CH has conducted the identification of HCV in the operational area of PT. PMM & TJA in 2011 - 2012 in collaboration with competent third party (Envirologic and Aksenta Consulting). Executive identification member is RSPO approved HCV assessor. The identification of HCV have involved communities surrounding villages (Benua Puhun, Rantau Hempang, Loleng), owner of enclave area and land acquisition team. Based on identification, HCV area covering 1,411 hectares in PT PMM and 440.60 hectares in PT TJA.

The identification results showed the presence of HCV and the presence of protected species legislation with endangered category (tiles) and vulnerable, as follows:

- Endangered species: Trenggiling (*Manis javanica*), Kucing ikan (*Prionailurus planiceps*), Bekantan (*Nasalis larvatus*), Owa kelawat (*Hylobates muelleri*),
- Vulnerable species: Pesut mahakam (*Orcaella brevirostris*), Beruk (*Macaca nemestrina*), Sero ambrang (*Aonyx cinerea*), Babi jenggot (*Sus barbatus*), Surili (*Presbytis frontata*)

The management unit has compiled a Management and Monitoring Plan of HCV. The measures taken to protect RTE and HCV are:

- Tighten patrol against threats on HCV and threatened species.
- Training protected vegetation inventory and monitoring inspections.
- Creation and maintenance of signboards.
- Installment of signboard of HCV and conservation area in each estate
- Conducting enrichment and greening in conservation areas and open area.
- Training wildlife conflict mitigation.
- monitoring of wildlife and vegetation.
- Identify threats and sources of threats.
- Dissemination periodically to workers and the public.
- Regular checks at the place of workers and staff to determine the illegal hunting of protected wildlife.
- Creating a mechanism flowchart protected animals.

#### 5.2.2 & 5.2.4

CH shows conservation work plan for 2018 (until 2020) that describes:

- Training of animal inventory and monitoring
- Training of animal conflict mitigation
- Mapping
- Make a 50 meter mark along the riparian of Kedang Semilis river as a buffer zone



- Animal monitoring
- Vegetation analysis
- Animal conflict mitigation
- Create a flow chart of protected animal mechanisms

The implementation of HCV management plan for PT PMM and TJA for period of 2017, among others:

The company has monitored the conservation area (HCV), for example, conducted animal monitoring in the period of March 2017 - February 2018. Mitigation of wildlife is done in each estate every month. Based on the results of mitigation, there are 18 species of animals with a total of 136 that have been found by workers / citizens in the conservation area. Company also install HCV signboard in each estate.

The result of implementation of HCV management plan is documented and reported to local agencies and BKSDA through "Laporan dan Review Action Plan Periode Maret 2017 – Februari 2018" once a year.

The results of management plan in 2017 is input during the preparation of the management plan 2018.

### 5.2.3.

Based on field observation in the HCV area in Block T42 South Division of Bumi Permai Estate it is known that riparian of Semilis River is maintained and there are information prohibition of hunting, planting tree species. The field observation showed that HCV signboard installed in each estate. Based on interview with worker in BPE, BJE, and RHE, it is known that they already know about conservation area and prohibition to capture, collect, or kill RTE species.

### 5.2.5.

Based on the results of the study documents, it is noted that the entire area of the concession including HCV areas have been freed from the interests of other parties. The management unit showed evidence of land compensation agreement for HCV area, for example:

- Evidence of indemnity at Block N26/27, O25/26 for an area of 16:43 Ha.
- Evidence of indemnity located in Block K/L24/25 covers area of 8.7 ha.

**Status: Comply**

## 5.3

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

### 5.3.1

CH has identified the source of waste and pollution for PT PMM and PT TJA. The source of waste and pollution for period of 2017 such as

- Source of waste of pesticide storage : packaging of pesticide (solid). The handling of the container is cleaned 3 times in the mixing area and then stored in the hazardous waste warehouse. Waste in hazardous waste storage is submitted to collector after 3 months.
- Source of waste of fertilizer storage: sack fertilizer (solid). Collected and stored in fertilizer warehouse, to be reused as a reconditioning container. CH should re-identified source of waste from fertilizer storage. (OFI)

### 5.3.2 & 5.3.3

CH has hazardous waste storage in each unit, mill and estate. The permit of Hazardous Waste storage in Mill 3 is progress of renewal of hazardous waste permit through decree No. 660.1 / 654 / B.II.3 / DLHK explaining that PT Prima Mitrajaya Mandiri has filed a letter of application for extension of hazardous waste storage permit and is currently still in the settlement post. Based on field observation in hazardous waste storage in mill and estate, the waste is placed accordance with its kind.

The waste is collected by the transporter of hazardous waste (PT Sumber Agung Srimarti) with agreement letter No 02/RSPO/SPK/TJA-SAS/03/2018 and 01/RSPO/SPK/PMM-SAS/03/2018 and valid until 26<sup>th</sup> March 2019. Document of hazardous waste transporting is in form of minutes of meeting of handover and manifest.

The latest handover of hazardous waste of PT PMM, among others:

- No UB 003544 for infectious waste as much as 0.03 tonnes on 31<sup>st</sup> March 2018

- No UB 0003546 for contaminated waste as much as 0,209 tonnes on 31<sup>st</sup> March 2018
- No UB 0003545 for used oil as much as 2.57 tonnes on 31<sup>st</sup> March 2018
- No UB 0003543 for used accu as much as 0.168 tonnes on 31<sup>st</sup> March 2018

**PT TJA**

- No UB 0003549 for infectious waste as much as 0.0215 tonnes on 31<sup>st</sup> March 2018
- No UB 0003547 for used rags, filter, pesticide container, lamp, as much as 0.0703 tonnes on 31<sup>st</sup> March 2018
- No UB 0003548 for used oil as much as 0.33 tonnes on 31<sup>st</sup> March 2018
- No UB 0003550 for used accu as much as 0.025 tonnes on 31<sup>st</sup> March 2018

Based in field observation in housing complex in BPE, BJE, and RHE, there is no hazardous waste that is reused. The incoming and outcoming waste is recorded in hazardous waste balance sheet that updated every month.

Based on interview with agrochemical storage operator in BPE, BJE, and RHE it is know that pesticide containers after use must be washed first with rinsing at least 3 times and packaged perforated before being stored in Warehouse Temporary Hazardous Waste. Water cleaning rinsing should be accommodated and can be used again in the field.

**Status: Comply**

**5.4**
**Efficiency of fossil fuel use and the use of renewable energy is optimised.**

CH has consistently implemented efficiency of fossil fuel efforts through renewable energy usage by using shell and fiber. It efforts has documented and monitored well. For example, in monitored renewable energy usage and efficiency analysis document recorded as follows:

**Monitoring of solid waste for boiler fuel**

Month	FFB Process (ton)	Solid Waste Production (ton)		Use of boiler fuel BPM (ton)		Use of shell in boiler RHB (ton)
		Fiber	Shell	Fiber	Shell	
January 2018	19,571.57	1,033.59	1,413.07	3,033.59	1,327.22	40.85
February 2018	19,596.14	3,037.40	1,414.84	3,037.4	1,408.97	5.87
March 2018	26,306.36	4,077.49	1,899.32	4,077.49	1,887.49	11.87
April 2018	30,547.62	4,734.88	2,205.54	4,734.88	2,179.21	26.33
<b>Total</b>	<b>239,779</b>	<b>36,519</b>	<b>15,293</b>	<b>36,519</b>	<b>14,944</b>	<b>349</b>

**Monitoring of solar using for genset**

Month	Uses of Solar	Liter/ton FFB	Total KWH	Genset	Turbin	Gas engine
January	9,872.60	0.50	556,897	6 %	82 %	12 %
February	12,992.60	0.66	497,658	4 %	81 %	15 %
March	1,652.00	0.06	661,053	1 %	86 %	13 %
April	15,064.00	0.49	795,498	7 %	86 %	7 %

Based on table above, we can see total KWH for FFB process per month. For example, for March 2018 total KWH for 26,306.36 tonnes FFB Process is 661,053. Genset uses for FFB process is about 5,081.00 KWH and the solar used for genset is 0.06 L/Tonnes FFB or equivalent with 1% from total KWH.

The turbin using steam power coming from boiler and the boiler fuel derived from shell and fiber. So, based on data above, it is known that uses of renewable energy is bigger than fossil fuel. For example, the efficiency of fossil fuel from renewable energy for March 2018 is as much as 86%.

Renewable energy used by CH is form fiber and shell. Fiber and shell used for Boiler in Mill and Bulking. The percentage of fiber and shell uses is 86 % in mill and 13 % in RHB. So, CH has saved the use of fossil fuel as much as 86 % for BPM and 13 % for RHB.

Based on field visit on mill known that BPM has been applying methane trapping technology which 70% of mill effluent used for composting and 30% for the biogas plant. The biogas unit produces power by an average of 830 kW.

**Status: Comply**

## 5.5

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

### 5.5.1 & 5.5.2

The company policy on zero burning during land clearing is presented in SOP document of Land clearing procedure (PMM / SOP / AGRO-02 and TJA / SOP / AGRO-02) dated January 1, 2011 explaining the Zero Burning land clearing system, however Using a mechanical system starting from the preparation stage, land clearing system, blocking, road building and terrace making. Based on field observations in BPE, BJE, and RHE, it was found that there was no evidence of burning activities for land clearing and other operational activities.

Burning activities are not allowed for pest control and during land preparation for replanting.

**Status: Comply**

## 5.6

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

### 5.6.1, 5.6.2

The Company has identified the sources of gas emissions and pollution, as indicated in the document of inventory and mitigation report of PT PMM and PT TJA, based on those documents emissions and pollution generated by the mill and plantation operational such as CO<sub>2</sub>, NO<sub>2</sub>, CH<sub>4</sub> and noise. Evidence of mitigation plan and its implementation can be demonstrated such as: not use urea as fertilizer in estate for manuring activity, reducing the use of fossil fuel for FFB transportation and processing at the mill with the use of shell and fiber for fuel and planned the effective route, as well installed the biogas plant to capture the methane to be converted into electrical energy.

During field observation, all workers in process station have used PPE (earplug / ear muff), and there are reports of audiometry test results for the period of 2018 (reportedly no employees with hearing loss).

Noise tests are conducted regularly every 6 months by accredited labs, eg for sem 2 year of 2017, noise at boiler was 87 dBA, noise at engine room was 75 dBA and biogas plant was 59 dBA.

### 5.6.3

The Company has performed GHG calculations using RSPO PalmGHG calculator, the calculation results reported in this ASA-4 summary report, as following:

#### Summary of net GHG emissions from PalmGHG calculator

Product	tCO <sub>2</sub> e/t Product
CPO	2.45
PK	2.45
PKO	0
PKE	0

Description	Unit	Value
Total Planted Area	Ha	15106
Total Planted Area on Peat	Ha	2705.51
Conservation Area	Ha	1852

**Mill production:**

Description	Unit	Value
FFB processed	T	225,019.4
Crude Palm Oil (CPO) Production	T	55,264.013
Palm Kernel (PK) Production	T	10,130.36
OER	%	24.56
KER	%	4.5

**Mill extraction rate:**

Description	Unit	Value
Oil Extraction Rate, OER	%	24.56
Kernel Extraction Rate, KER	%	4.5

**Summary of Plantation/field emissions and sink**

Description	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/t FFB
Emission Source									
Land Conversion	107520.48	7.12	0.52	0	0	0	0	0	0
CO <sub>2</sub> Emissions from Fertiliser	8139.29	0.54	0.04	0	0	0	0	0	0
N <sub>2</sub> O Emissions	33440.81	2.21	0.16	0	0	0	0	0	0
Fuel Consumption	1418.37	0.09	0.01	0	0	0	0	0	0
Peat Oxidation	147720.85	9.78	0.71	0	0	0	0	0	0
Sinks									
Crop Sequestration	-141418.35	-9.36	-0.68	0	0	0	0	0	0
Sequestration in Conservation Area	0	0	0	0	0	0	0	0	0
Total	156821.45	10.38	0.75	0	0	0	2124.41	0	0

**Mill emission and credit**

Description	tCO <sub>2</sub>	tCO <sub>2</sub> e/t FFB
Emissions Sources		
POME	1073.14	0
Fuel Consumption	356.13	0
Grid Electricity Utilisation	0.02	0
Credits		
Export of Excess Electricity to Housing & Grid	-0.02	0
Sale Of PKS	0	0
Sale Of EFB	0	0
Total	1429.27	0.01

**Palm oil Mill Effluent (POME) Treatment**

Divert to compost	70 %
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Divert to anaerobic digestion	30 %
<b>POME Diverted to Anaerobic Digestion</b>	
Divert to anaerobic pond	0.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	100 %
<b>Status: Comply</b>	
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>	
<b>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.</b>	
<b>6.1.1, 6.1.2</b>	
<p>A social impact assessment was done in June 2012, conducted by PT Aksenta Gagas Dinamika and final report prepared in October 2012. In the SIA report document showed enclosed the involvement of the community and employees. Community and employees participative are showed in FGDs attendant list and photograph, questioner document, and direct interviews. There is a list of attendance and documentation of meetings with the surrounding community which involves 94 parties. Confirmation through interviews was conducted with the surrounding community, stating that they have been involved in the assessment of the SIA and there is no issues raised.</p>	
<b>6.1.3, 6.1.4, 6.1.5</b>	
<p>Sighted the social impact management plan for the period of 2018 for PT PMM and PT TJA consists of management of impact to external and internal, such as: capacity building in the form of training to plasma farmers and cooperative management, conduct meeting with stakeholders, cooperation with local contractors and opportunities apprenticeship / academic research, providing OSH facilities, providing crèche for employees' children, and etc. The plan has been prepared in a participatory way as per annual stakeholder meeting, as well completed with schedule, frequency and person in charge.</p> <p>A review of the social impact management plan was made on March 2, 2018 for PT TJA and PT PMM, the results of the review indicate that all the plans established in 2017 have been implemented and several are on-going. In the assessment of SIA, has involved smallholders (as villagers around). As well in the preparation of social impact management program, sighted the farmers training minute and coaching minute of cooperative unit board and report of inspection routine. There was no issued raised during consultation to stakeholders (communities, contractors, employees and supplier).</p>	
<b>Status: Comply</b>	
<b>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.</b>	
<b>6.2.1, 6.2.2</b>	
<p>The CH has had a procedures related communication and consultation with stakeholders, that are procedure of Information Transparence (No. PMM/SOP/Umm-02 dated 2 January 2011), procedure of Complain Internal &amp; External (No. PMM/SOP/Umm-05 dated 2 January 2011) and procedure of Communication &amp; Consultation (No. PMM/SOP/Umm-20 dated 1 September 2013). The designated officer to conduct communication and consultation is Partnership Manager. During the consultation with village head and board of smallholder cooperatives, explained that communication activities are usually done through Partnership Manager.</p>	
<b>6.2.3</b>	
<p>The CH has identified stakeholders related to the operational activity. All stakeholders identified has been listed, consist of 8 villages, 8 smallholder cooperatives, 3 police station, 3 regional military base, 3 hospitals, 6 government agencies, 3 companies around the plantation and 17 contractors. Each Estate already has communication books and information</p>	



requests from stakeholders. Most of these communications are related to the application/request, and all have been addressed by management. For example, the Bukit Jering Village request related to the installation of PLN network (state owned electricity company) and the hardening access road of to the village.

<b>Status: Comply</b>
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### 6.3

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

#### 6.3.1

The CH has had procedures for handling complaints that contained in SOP of internal and external complaint (No. PMM/SOP/Umum-05 dated 1 January 2011). The procedure covered the responsibilities, procedures and documentation of complaints, as well as RSPO complaints system. All complaints submitted to management and written complaints will be recorded in the register of incoming mail. There is clause that states guarantee the confidentiality of whistle blowers and witnesses of the complainant. There is also suggestion box as a means of submitting complaints anonymously. Based on consultation with stakeholders, this procedure has been socialized and understood by stakeholders.

#### 6.3.2

Based on the documents, there was a dispute between 7 temporary employees at Kahoi Estate (represented by the SERBUNDO worker union), where the 7 temporary employees refused to renew the temporary contract and wanted to be appointed as permanent worker, due to the CH still needed them. Where some of them have worked for more than 1.5 years and have made temporary contract extensions several times, which is not in accordance with Indonesian regulation. This case has submitted into the RSPO Complaints System.

The CH already has initial documentation up to the latest update with details as follows :

- 24 August 2017, copy of letter from SERBUNDO to RSPO secretariat.
- 25 August 2017, a letter from the RSPO Secretariat regarding requests for information on procedures related the employment, and contracts for the workers.
- 31 August 2017, the CH emails the information request to the RSPO secretariat.
- 11 October 2017, the CH sends additional documents to RSPO's secretariat regarding complaint handling procedures.
- 19 March 2018, a tripartite meeting between the CH, the workers, and the RSPO secretariat in Balikpapan. With the results that the CH willing to re-employ the employees as permanent worker. The next meeting will take place in the first week of April 2018.
- 11 April 2018, bipartite meeting between CH and employee to discuss compensation for wage process (wages when employee not working due to dispute resolution process). It was agreed that in the future 3 meetings would be held to discuss the wages of the process.

Related to this become opportunity for improvement that will be observe in the next assessment, related those follow-up process of wage process. **OFI**

<b>Status: Comply</b>
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### 6.4

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

#### 6.4.1 & 6.4.2

The mechanism related compensation of legal right has been set up in the SOP of land acquisition, dated 1 January 2009. The procedure has been explained that the land acquisition process is conducted with the involvement of local communities. The value of the compensation provided by the CH based on an agreement between the land owner and the CH. Public consultation with the village head around known that the process of land acquisition has been conducted by involving the communities, the village authorities, land owners, the adjacent parties and the CH.

#### 6.4.3

Based on interviews with management and document verification, no land acquisition activities were conducted during the period of ASA-3 to ASA-4. The latest land acquisition was done in January 2016. The process and the agreement of land acquisition, as well as price agreement has been documented by the CH and stored by the legal department. Documentation of land acquisition has involved land owners, the adjacent parties and village authorities.

<b>Status: Comply</b>
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## 6.5

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

### 6.5.1

CH has work agreement for contract worker which explain about the wages, work hour, duty and responsibility, and other provisions. The contract that is showed to auditor is for 6 workers. The wages is in accordance with Kalimantan Timur Governor Decree No 561/K.824/2017 about minimum wage for Kutai Kartanegara Regency as much as Rp 2,712,491.15 per month. The wage for contract worker is set in the work agreement. Based on interview with worker in estate, they received the payslip document and the amount is in accordance with the applicable regulation. Based on document review of wage documentation, it is known that the wage is paid in accordance with the regulation. The payment overtime also in accordance with the applicable regulation based on documentation of overtime recapitulation. For example:

RHE

- Wage documentation for March 2018 for worker with registration number G01344 with basic wage Rp 2,712,492 and other income is from overtime. Deduction components is worker and health insurance and the cost of housing maintenance.

BJE

- Wage documentation for March 2018 for worker with registration number G01442 with basic wage Rp 2,712,492 and other income is from overtime. Deduction components is worker and health insurance

BPM

- Wage documentation for March 2018 for contract worker with registration number S0288 with basic wage Rp 2,712,492 and absent for 2 days and other income is from overtime. Deduction components is worker and health insurance
- Wage documentation for March 2018 for worker with registration number S0060 with basic wage Rp 2,712,492 and absent for 4 days and other income is from overtime. Deduction components is worker and health insurance

### 6.5.2

Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract.

CH also has company regulation. The company regulation is ratified on 4<sup>th</sup> July 2017 through Head of Manpower and Transmigration Agency of Kutai Kartanegara Decree NO. SK 0124/1.6.1/2017. This document is regulated about company and worker responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on. Based on interview with the worker, it is known that they understand about worker's rights and obligation as written in Company Regulation.

### 6.5.3 & 6.5.4

Based on field observation in housing complex in BPE, BJE, and RHE, it is known that CH has been providing housing facilities, lighting, water, cooperatives, places of worship, clinics and educational facilities. Based on interview with the residents, it is known that there is no complaint related ot housing facilities. The facilities provided by the CH is adequate. Adequette food supply can be accessed by the nearest market. Moreover, there are some kiosk in housing complex. Personnel can get the staple food with reasonable price.

<b>Status: Comply</b>
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## 6.6

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

**6.6.1**

Policy related to the freedom of made a worker association is still same as previous assessment that contained in Policy of Freedom of Association for Employees which has been approved by the President Director of PT Evans Indonesia dated January 2, 2011. Based on interview with representative of Bipartite, it is true that company is giving freedom for worker to establish a worker union. However, the existing Bipartite system was feels satisfactory to facilitate a good communication between workers and company. Workers also stated that forming a labor union is not necessary in the near future. The Bipartite has been registered to Labor Agency of Kutai Kartanegara Regency.

**6.6.2**

The worker union conducted internal meeting periodically or where there is an issue with company or the member of Bipartite. There are meeting documentation, such as minutes of meeting on 16<sup>th</sup> March 2018 attended by 27 participants. The documentation is available in office unit and available for member if they were asking. Regarding to the issue of contract workers, it has been brought to RSPO complaint system and settlement is in progress.

<b>Status: Comply</b>
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**6.7**

**Children are not employed or exploited.**

**6.7.1**

The minimum age for new worker recruitment is 18 years old, it is based on company policy. Based on document review and field observation, there are no workers under 18 years old. Based on public consultation with Manpower Agency of Kutai Kartanegara Regency and field observation, there is no issue regarding child labor. Based on interview with worker in estate and mill, they know the minimum age to work in the company. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children.

<b>Status: Comply</b>
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**6.8**

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

**6.8.1 & 6.8.2**

Policy related to does not discriminate the workers does not change from the previous assessment that listed in the policy of equality of employment opportunity that approved by the President Director. It is revealed that the hired employees have diverse educational, ethnic and religious backgrounds. All workers are treated equally and have equal opportunity. Based on field observation and interview with spraying and manuring female worker, it is known that there is no issue or complain from worker regarding discrimination. Also, information from board of labor union stated that there is no issue related discrimination. The workers that has been interviewed is came from various social origin, race, and religion.

**6.8.3**

CH kept the personal file of each worker in estate office. Based on interview with management, the recruitment is conducted through the company requirement. Worker promotion, mutation or demotion is done through the employee performance assessment and also medical check up. Company showed documentation of employee recruitment, such as photocopy of KTP, Family ID, application letter, medical check up and if the result was good, will be recruited and signed the work agreement.

<b>Status: Comply</b>
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**6.9**

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

**6.9.1, 6.9.2, 6.9.3**

Policy related to Sexual Harassment is approved by the President Director dated January 2, 2011. It explains that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations.

Based on interview with female worker in child day care, it is known that they understand the policy. Also, interview with committee of Gender Committee in estate and mill, it is known that there is no issue or complaint related to sexual harassment on the workplace. CH also form gender committee for handling the harassment issue around female workers. It is also known that they understand the mechanism of complaint submission. Complaint can be submitted to board of bipartite cooperation, gender committee, or their foreman.

Based on interview with the board of gender committee, the company provides the female worker with pregnant and nursing leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And also, CH give special breast feeding time for female worker, but prohibit the worker from working with chemical material.

**Status: Comply**

## 6.10

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

#### Minor 6.10.1 and Major 6.10.2

Based on the agreement of smallholdings development between companies with cooperative, the determination of the purchasing price of smallholder's FFB refers to formal regulation of Price Determination Committee of Provincial Government of East Kalimantan. Determination is conducted once in a month.

The Company can show the Minutes of Meeting Result of FFB Pricing Team in Kalimantan Timur Province from March to April 2018. Price determination is based on CPO and kernel prices and also adjusted for planting year. Based on interviews with smallholder's cooperatives, it was explained that the price was obtained directly from the Plantation Agency and was informed to the members.

Based on the explanation, it is known that the FFB pricing is not under the control of the plantation or the factory.

#### Minor 6.10.3

The Agreement signed by representative of cooperative and company and also known by Head of village, sub-district head, Head of Plantation Agency, head of Cooperative Agency and Head of Kutai Kartanegara Regency. Based on interviews with cooperatives, it is explained that the cooperation agreement is made together and is known by various parties and each cooperative holds a copy of the agreement.

#### Minor 6.10.4

The calculation of payments is recorded in the Recapitulation of Cost and Income Plasma documents which describes all operational costs, the calculation of FFB sales to the calculation of income. The document has been approved by the representative of cooperative and company. For example, calculations on Karya Bersama Cooperative and Serba Usaha Subur Makmur Cooperative for the period of August 2017 has been reviewed and approved. Based on the document, it is known that the payment has been adjusted to the price from the Plantation Agency.

Based on the interview with the cooperative, it was explained that the calculation and payment of FFB are reviewed together every month. So far there is no problem about the calculation and timing of payments.

**Status: Comply**

## 6.11

### Growers and millers contribute to local sustainable development wherever appropriate.

#### 6.11.1, 6.11.2

Sighted the CSR program for the period 2018 for PT PMM and PT TJA consists of religious aspect, educational and sports, socio-cultural aspect and villages development. As well, shown the CSR realization report in every aspects of the period 2017/2018 in the forms of physically and fund assisting for example:

- Assistance of MTQ program competitions in Kota Bangun District on 5 August 2017 and Muara Kaman sub-district on 20 June 2017
- Provide school bus and ambulance in remote villages
- Village access road maintainance for eg in Bunga Jadi village on 12 Sept 2017.

Can be shown evidence of effort to improve the smallholders productivity, such as provide the specific department (Kemitraan Dept), coaching to cooperative unit board routinely and trainings of farmers.

**Status: Comply**

## 6.12

### No forms of forced or trafficked labour are used.

#### 6.12.1; 6.12.2; 6.12.3

Based on document review, field observation, and interviews with worker and stakeholders, it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the company's procedure. All

workers have work agreement that explain about the obligation and rights of the worker, and other provision. They work based on the contract and work order. Based on field observation and interviews with the workers in Estate and Mill, it is known that there is no discrimination among them. They came from local and nonlocal worker. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children. Based on interview bipartite cooperation member, there is no issue related to force labour. And there is no inter area workers.

**Status: Comply**

### 6.13

#### **Growers and millers respect human rights**

##### 6.13.1

CH already had policy of CSR which is endorsed by president director on 27th of April 2015 in order to respect human rights. The policy explains about respecting human rights and respecting race, nationality, culture, religion and prohibition of force labor, ensuring that all employees receive fair remuneration, fair management and have opportunity to career development.

Based on interview with worker in estate (BPE, BJE, and RHE) and mill, they know and understand about workers rights. And also, from consultation with internal stakeholder (worker union), it is known that there is no complaint related to human rights violation. If there is a complaint, the complaint can still be resolved by amicable way between employees.

**Status: Comply**

#### **PRINCIPLE #7 Responsible development of new plantings**

### 7.1

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

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement and location permit.

There is evidence of EIA assessment prior to land clearing in 2007 in the document of PMM and TJA by Charlie Ross, on the document stated the areas in PT PMM and TJA are not primary forest.

HCV assessment to a large area that is based on location permit of PT PMM and PT TJA carried out on August 2011 by Aksenta.

The planted area which conducted in 2016-2017 an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA has been included in the EIA, NPP and HCV assessment document.

**Status: Comply**

### 7.2

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

##### 7.2.1 & 7.2.2

The CH has a map of Semi Detailed Soil Survey Report that has been conducted from 3 June to 5 July 2009 and 24 to 25 November 2009 by PT Earthline. The soil survey covering PT PMM 18,207.70 ha and PT TJA 7,290.44 ha. The document describes and presents the document of land suitability maps of both physical condition (topography and slope) and soil type. The data presented based on the data taken in the field and the results of laboratory analysis.

**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.**

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement.



There is evidence of EIA assessment prior to land clearing in 2007 in the document of PMM and TJA by Charlie Ross on the document stated the areas in PT PMM and TJA are not primary forest.

HCV assessment to a large area that is based on location permit of PT PMM and PT TJA carried out on August 2011 by Aksenta.

The planted area which conducted in 2016-2017 an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA has been included in the EIA, NPP and HCV assessment document.

Liability of disclosure has been sent to RSPO Compensation Team on 23 July 2014.

<b>Status: Comply</b>	
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#### 7.4

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

##### Minor 7.4.1

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement and location permit.

The certification unit has maps that infiltrate the potential of fragile soils derived from the semi-detailed soil survey results of 2009 conducted by PT Earthline with a scale of 1: 90,000 and a land suitability map of PT PMM with scale of 1: 40,000 and PT TJA with a scale of 1: 35,000. Based on the map study it can be concluded that there is no soil with a slope of > 20°. The report shows that there are also peatlands (Sapric Haplohemists) covering 25.98 % or 1,893.99 ha in PT PMM and 19.95 % or 3,632.30 ha in PT TJA area.

##### Major 7.4.2

The certification unit does planting on fragile soils, for example in sandy areas and peat areas. Planting in the sand area is done by providing additional compost. In these areas, the certification unit carries out embedded areas. In the peatlands water management by monitoring the level of surface water at altitude 50-70 cm using a water level stick. However, during field observations in BPE and BJE, peatland areas were found to be inundated due to the overflowing Mahakam River.

<b>Status: Comply</b>	
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#### 7.5

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

##### 7.5.1

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement and location permit.

Based on interviews with management and document verification, no land acquisition activities were conducted during the period of ASA-3 to ASA-4. The latest land acquisition was done in January 2016 and has been verified on previous assessment.

Since ASA-2 until ASA-4 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM. The CH has conducted RSPO NPP on February 2013.

<b>Status: Comply</b>	
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#### 7.6

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

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement and location permit.

Based on interviews with management and document verification, no land acquisition activities were conducted during the period of ASA-3 to ASA-4. The latest land acquisition was done in January 2016 and has been verified on previous assessment. The process and the agreement of land acquisition has been documented by the CH and stored by the legal department. Documentation of land acquisition has involved land owners, the adjacent parties and village authorities.

Since ASA-2 until ASA-4 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM. The company has conducted RSPO NPP on February 2013.

<b>Status: Comply</b>
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**7.7**

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

**7.7.1 & 7.7.2**

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement and location permit.

Policy related to method of zero burning for land preparation still same as the previous assessment that contained in SOP Land Clearing dated January 1, 2011 describes the land clearing system without use of fire (Zero Burning).

Based on the results of document review, interviews with management, interviews with workers (workers from the surrounding area) and field observations in RHE, BPE, and BJE, it is known that the company does not burn in land clearing activities, but uses mechanics such as the use of heavy equipment and chainsaws.

<b>Status: Comply</b>
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**7.8**

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

**7.8.1; 7.8.2**

Land clearing are conducted from 2007 to 2016, the company has conducted a NPP assessment in February 2013 for all areas based on cadastral measurement and location permit.

Since ASA-2 until ASA-4 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM

Within the scope of the ASA-4 audit, CH has performed NPP for all new planting over the year 2010. No areas with high carbon opened to plantations and CH has identified the source of greenhouse gases emission (refers to 5.6.2).

Some efforts to minimize net greenhouse gas emissions include:

- Enrich HCV with tree planting to increased uptake of carbon (carbon sequestration).
- Reduction of fossil fuels.
- The implementation of zero burning.
- Optimal utilization of biomass fuels as an energy source in mill
- Implementation of Water management systems, among others by making peat subsidence and monitoring the water surface elevation
- Dissemination of zero burning policy

<b>Status: Comply</b>
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**PRINCIPLE #8 Commitment to continuous improvement in key areas of activity**
**8.1**

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

The company has conducted several continuous improvement programs, among others:

- Has installed methane capture to reduce GHG emissions
- Renewable Fuel by using a biogas for source of electricity.
- Waste reduction: utilization of shell and fiber for boiler fuel. Besides that, EFB is also used as a raw material for composting.
- The company has a program to reduce plastics by using re-chargeable water bottle (not use mineral water bottle)
- The company has a yearly internal audit plan to monitor the effectiveness of standard implementation, such as in periode of 2018 has been done in March 2018, there is no NC found at the time of internal audit.
- For social aspect, the company continuously conduct stakeholder meeting in annual basis and carry out training / coaching to smallholders/cooperative unit board. There was the addition of smallholder area (KUD Sawit Etam Bersama) an area of  $\pm 300$  Ha which entered to smallholders scheme development phase 2.

**Status: Comply**

**3.2. Summary of Assessment Report of Supply Chain Requirement**
**3.2.1 General chain of custody requirements for the supply chain**

Clause	Requirement														
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>														
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>Question: Does the organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products at their premises or through the outsourcers?</p> <p>There is no physical handling of the products handed over to third parties, the whole process convert from FFB into CPO / PK and the product transportation is done solely by BPM - PT PMM.</p> <p><b>Status: Comply</b></p>														
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Question: Is the organization buying from RSPO licensed traders who pass the certification number of the product manufacturer and the applicable supply chain model?</p> <p>No. The organization did not buying from RSPO licensed traders.</p> <p><b>Status: Comply</b></p>														
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>Question: Is the site level or its parent company a member of RSPO and registered on RSPO IT platform?</p> <p>BPM has registered and fulfilled all supply chain requirements through the RSPO IT supply chain managing organization (RSPO IT platform or book and claim).</p> <table border="1"> <thead> <tr> <th colspan="2">Member Information</th></tr> </thead> <tbody> <tr> <td>Member Name</td><td>PT. PRIMA MITRAJAYA MANDIRI</td></tr> <tr> <td>RSPO member no.:</td><td>1-0027-06-000-00 (19 June 2015)</td></tr> <tr> <td>Member ID</td><td>RSPO_PO1000001488</td></tr> <tr> <td>License ID</td><td>CB52729</td></tr> <tr> <td>Start Date</td><td>6/26/2017</td></tr> <tr> <td>End Date</td><td>6/25/2018</td></tr> </tbody> </table> <p><b>Status: Comply</b></p>	Member Information		Member Name	PT. PRIMA MITRAJAYA MANDIRI	RSPO member no.:	1-0027-06-000-00 (19 June 2015)	Member ID	RSPO_PO1000001488	License ID	CB52729	Start Date	6/26/2017	End Date	6/25/2018
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5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Question: Is the site level or its parent had a processing aids?</p> <p>The mill have not processing aids</p>														

	<b>Status: Comply</b>
<b>5.2</b>	<b>Supply chain model</b>
<b>5.2.1</b>	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p> <p><b>Question: Has the organization applied the Supply Chain Model correctly?</b></p> <p>Yes, the mill has apply the supply chain model correctly, namely model MB.</p>
	<b>Status: Comply</b>
<b>5.2.2</b>	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p><b>Question: Has the organization applied a combination of Supply Chain Model correctly?</b></p> <p>The mill only applying one model namely model MB.</p>
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</b>	<p>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.</p> <p><b>Questions : Documented procedures established and covering all provisions following:</b></p> <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>• Identification of the role 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 organization's procedures for the implementation of this standard.</li> </ul> <p>SOP adoption of SCCS sighted namely procedure of RSPO Sustainability for palm oil mill, document no. : PMM / MAN-03B effective date October 31, 2013 describes process of FFB reception in mill and verification on certified and uncertified FFB. The responsible personnel:</p> <ul style="list-style-type: none"> <li>• Mill Manager: oversees the implementation of procedures in mill and bulking and provides direction if there are deviations</li> <li>• Adm Head: assisting manager in supervising and reporting to manager</li> <li>• S &amp; C department: performs monitoring procedures, maintains and performs documentation, ensures that all information has been properly recorded and reported</li> <li>• Wheigh-bridge operators: to verification all FFB consignee note as well CPO/PK, inputs information through computerized systems, verifies certified / non-certified products through receipts note and field lists that provided on wheigh-bridge, issued weighing tickets and attaching certified logo on certified products tickets.</li> </ul> <p>There is SOP of CPO despatch from internal and external storage in RHB, document no: 004 / FIN / SOP / VII / 2012 clause 3.3.C explained that every shipping manifest for CSPO / CSPK sales will be marked as certified by ship agent.</p> <p>The FFB separation mechanism from the certified and non certified areas is described in SOP no: SOP / 4.1 / 0.2, in clause 4.C stated that the number of the block and field is displayed on the receipt document to be verified by the weighing station to define the source is certified or non -certified.</p> <p>Based on interview as well observed during visit to wheigh-bridge, sighted the operator has been aware regarding the list of uncertified block in LLE.</p> <p>The mill considered to update and evaluate the procedures for applying SCCS requirements that refer to Supply Chain Requirements November 2014 revised on June 2017, effective 1 Jan 2018 (Module E: Mass Balance). <b>#OFI</b></p>



	<b>Status: Comply</b>
<b>5.3.2</b> The site shall have a written procedure to conduct annual internal audit	
Question : Documented annual internal audit procedures established and covering all provisions : i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) Effectively implements and maintains the standard requirements within its organization.	
Internal audit mechanism and schedule is explained in the RSPO sustainability manual for palm oil mill (PMM/MAN-03B) clause 4.0 which mentioned that the internal audit are conducted once a year before the external ASA. It includes the compliance of traceability, mass balance report and sales reporting through the RSPO IT Platform.	
	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</b> The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier	
Question : All RSPO product information is provided by suppliers in accordance with : <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> <li>• Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> <li>• The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> <li>• A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> <li>• The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements.</li> </ul>	
The mill does not purchased CPO/PK from other sources.	
	<b>Status: Comply</b>
<b>5.4.2</b> The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
Question : Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?	
BPM already has SOP of handling non-conformance product / document in the document no: MNL / 6.1 / 12 valid date 17 Jan 2018. Explained in procedure that if there is any error in delivery of product then customer can complain within 1 month after product / document received.	

	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.
	<b>Question : Are the outsourcers RSPO certified?</b>
	There is no physical handling of the products handed over to third parties, the whole process convert from FFB into CPO / PK and the product transportation is done solely by BPM - PT PMM.
	<b>Status: Comply</b>
<b>5.5.2</b>	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: <ul style="list-style-type: none"> <li>a. The site has legal ownership of all input material to be included in outsourced processes;</li> <li>b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance</li> </ul>
	<b>Question : Has the site established outsourcing procedures, agreement and keeps legal ownership of the products during the outsourcing</b>
	There is no physical handling of the products handed over to third parties, the whole process convert from FFB into CPO / PK and the product transportation is done solely by BPM - PT PMM.
	<b>Status: Comply</b>
<b>5.5.3</b>	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.
	<b>Question : Has the site maintained names and contact details of all outsourcers?</b>
	There is no physical handling of the products handed over to third parties, the whole process convert from FFB into CPO / PK and the product transportation is done solely by BPM - PT PMM.
	<b>Status: Comply</b>
<b>5.5.4</b>	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products
	<b>Question : Has MUTU informed about any new outsourcers?</b>
	There is no physical handling of the products handed over to third parties, the whole process convert from FFB into CPO / PK and the product transportation is done solely by BPM - PT PMM.
	<b>Status: Comply</b>
<b>5.6</b>	<b>Sales and goods out</b>
<b>5.6.1</b>	The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer
	<b>Question :</b>
	All RSPO product information is provided by the organisation in accordance with : <ul style="list-style-type: none"> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> </ul>

- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- Supply chain certificate number of the seller;
- A unique identification number.
- Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products
- For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.
- 

Information regarding to RSPO certified products is available in the sales contract document, which informs such as : document number, name of buyer, address of buyer, amount, shipping date, name of jetty, certificate code of seller and buyer, sales contract number, type of product.

Records of CSPO/CSPK transaction which informs month, tonnage and buyer sighted for periode of 26 June 2017 – 12 May 2018:

**CSPO (13 transaction)**

Bulan	Volume	Buyer	Scheme
June 2017	-	-	-
July 2017	3000.241	PT Dermaga Kencana Indonesia	ISCC
<b>Aug 2017</b>	<b>3000.214</b>	<b>PT Dermaga Kencana Indonesia</b>	<b>RSPO</b>
	3000	PT Karyaindah Alam Sejahtera	ISCC
Nov 2017	3000.240	PT Dermaga Kencana Indonesia	ISCC
Dec 2017	3000.078	PT Dermaga Kencana Indonesia	ISCC
Jan 2018	6000.328	PT Dermaga Kencana Indonesia	ISCC
Feb 2018	3000.152	PT Dermaga Kencana Indonesia	ISCC
March 2018	6000.43	PT Dermaga Kencana Indonesia	ISCC
Apr 2018	9000.448	PT LDC East Indonesia	ISCC
<b>Total</b>	<b>39002.131</b>		

Amount of 19,447 MT CSPO has been removed from quota to be sales as credit.

Based on sales recapitulation of CSPK in mill and cross verified to transaction record in plam-trace known that CSPK sold during the license is amount of 8619.26 MT (10 transaction), entirely sold to PT Wilmar Nabati Indonesia. CSPK has been shipped from mill is amount of 8974 MT, as much as 354.74 MT yet annouced to RSPO (due to the contract is not completed yet).

**Status: Comply**

**5.7**

**Registration of transactions**

**5.7.1**

Supply chain actors who:

- are mills, traders, crushers and refineries; and
- take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable

Question :

Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)

BPM has registered and fulfilled all supply chain requirements through the RSPO IT supply chain managing organization (RSPO IT platform or book and claim).

Member Information	
Member Name	PT. PRIMA MITRAJAYA MANDIRI
Member ID	RSPO_PO1000001488
License ID	CB52729
Start Date	6/26/2017
End Date	6/25/2018

Total transaction of CSPO during 26 Jun 2017 – 12 May 2018 is 13 transaction to PT Dermaga Kencana Indonesia, PT Karyaiah Alam Sejahtera and PT LDC East Indonesia. Sales of CSPK is done to PT WINA as much as 10 transaction

	<b>Status: Comply</b>
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**5.7.2**  
The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:

- Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.
- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

**Question :**  
Did the organization correctly perform the applicable actions on RSPO IT Platform?

Yes, all transaction has been reported to RSPO through RSPO IT Platform. As much as 354.74 MT CSPK has yet annouced to RSPO (due to the contract is not completed yet).

	<b>Status: Comply</b>
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**5.8**      **Training**

**5.8.1**  
The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff

**Question :**  
Has the organization established RSPO training plan?

Training of SCCS are done once a year, for 2018 planned in March 2018.

	<b>Status: Comply</b>
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**5.8.2**  
Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

**Question :**  
Has the organization Delivered Effective RSPO training?

Observation and interviews with weighbridge operator, security, bulking clerck, bulking assistant and mill head adm are done, its observed that the key personnel able to demonstrate the implementation of SCCS.

Record of SCCS training observed which held on 19 March 2018 as much as 11 participant.

**Status: Comply**

## 5.9 Record keeping

### 5.9.1

The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements

Question :

All records are accurate, complete, up-to-date and accessible?

Yes, all records are accurate, complete and up-to-date, kept in mill office and bulking office. The mill considered to improve coordination with RHB in regard of mass-balance calculation report of FFB, CPO and PK and its accuracy. **#OFI**

**Status: Comply**

### 5.9.2

Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock

Question :

All records are kept for minimum two years and comply with legal and regulatory requirements?

Yes, according to the company's procedure (document control and maintaining confidentiality), all records are kept for 10 years.

**Status: Comply**

### 5.9.3

The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

Question :

For all palm oil / palm kernel oil volumes purchased (input) and claimed (output) records kept over a period of twelve (12) months.?

Yes, the records of FFB received and CPO/PK delivered are kept over a period of 12 month.

**Status: Comply**

## 5.10 Conversion factors

### 5.10.1

Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ([www.rspo.org](http://www.rspo.org)); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries

Question :

Conversion rates applied accurately?

Not applicable, since the mill only convert FFB to CPO/PK.

**Status: Not applicable**

### 5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if



appropriate.	
Question : Conversion rates periodically updated?	
Not applicable, since the mill only convert FFB to CPO/PK.	
	<b>Status:</b> Not applicable
<b>5.11</b>	<b>Claims</b>
5.11.1 The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	
Question : Any communication to any stakeholder group / customers issued in accordance with RSPO Rules on Market Communications and Claims?	
Yes, all communication to customers is in accordance with RSPO Rules on Market Communications and Claims	
	<b>Status:</b> Comply
<b>5.12</b>	<b>Complaints</b>
5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Question : Documented procedures for stakeholders complaints established?	
The handling of complaints from stakeholders (buyers and suppliers) is stipulated in the SOP of complaint, No: PMM / SOP / General-05 dated January 1, 2011, explained that the complaint is submitted in writing, responded within 2 weeks by related parties, each settlement process is documented and stored.	
	<b>Status:</b> Comply
<b>5.13</b>	<b>Management review</b>
5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
Question : Management reviews performed annually at planned intervals?	
Yes, management review regarding to SCCS implementation has been held in annually. The latest are done in Jan 2018.	
	<b>Status:</b> Comply
5.13.2 The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	
Question : Has all input required above has been included in the management review?	
Some of issues reviewed in the latest management review is internal audit result and new SCCS standard & requirements.	
	<b>Status:</b> Comply
5.13.3	

The output from the management review shall include any decisions and actions related to:

- Improvement of the effectiveness of the management system and its processes.
- Resource needs.

Question :

Has all output required above has been included in the management review?

Yes, in the result of management review has been included regarding to improve of management system and resources need. All implementation will be verified in the next assessment.

**Status: Comply**

**3.2.2 (Module E) CPO Mills - Mass Balance Requirements**

Clause	Requirement																
E.1	Definition																
E.1.1																	
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.																	
In its implementation, BPM applies SCC Module E (MB) where it has received and processed FFB from its own certified estates, full-managed smallholders scheme uncertified area (field of LL10K3 and LL11K4) and uncertified outside source (PT KAJ). The product can claim only the volume of oil palm products produced from processing of the certified FFB as MB.																	
	Status: Comply																
E.2	Explanation																
E.2.1																	
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.																	
Product estimates that may be produced during the license period 26 June 2017 - 25 June 2018 have been recorded in the ASA-3 certificate annex. Actual production is verified by the auditor in the ASA-4 audit, including the projection for the next license period, in detail as follows:																	
	<table><tr><th></th><th>Estimated 26 June 2017 – 25 June 2018</th><th>Actual 26 June 2017 – 12 May 2018</th><th>Estimated 26 June 2018 – 25 June 2019</th></tr><tr><td>FFB</td><td>297,248</td><td>195,921.63</td><td>237,767.79</td></tr><tr><td>CSPO</td><td>77,347</td><td>47,262.01</td><td>59,441.95</td></tr><tr><td>CSPK</td><td>13,953</td><td>9,388.04</td><td>13,077.23</td></tr></table>		Estimated 26 June 2017 – 25 June 2018	Actual 26 June 2017 – 12 May 2018	Estimated 26 June 2018 – 25 June 2019	FFB	297,248	195,921.63	237,767.79	CSPO	77,347	47,262.01	59,441.95	CSPK	13,953	9,388.04	13,077.23
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CSPO	77,347	47,262.01	59,441.95														
CSPK	13,953	9,388.04	13,077.23														
	Status: Comply																
E.2.2																	
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).																	
BPM has registered and fulfilled all supply chain requirements through the RSPO IT supply chain managing organization (RSPO IT platform or book and claim).																	
<table><tr><th colspan="2">Member Information</th></tr><tr><td>Member Name</td><td>PT. PRIMA MITRAJAYA MANDIRI</td></tr><tr><td>Member ID</td><td>RSPO_PO1000001488</td></tr><tr><td>License ID</td><td>CB52729</td></tr><tr><td>Start Date</td><td>6/26/2017</td></tr><tr><td>End Date</td><td>6/25/2018</td></tr></table>		Member Information		Member Name	PT. PRIMA MITRAJAYA MANDIRI	Member ID	RSPO_PO1000001488	License ID	CB52729	Start Date	6/26/2017	End Date	6/25/2018				
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License ID	CB52729																
Start Date	6/26/2017																
End Date	6/25/2018																
Sales records are showing per month, include information of tonnages and buyers, during the period 26 June 2017 – 12 May 2018, as follows:																	

**CSPO (13 transaction under RSPO and ISCC)**

Month	Volume	Buyer	Scheme
June 2017	-	-	-
July 2017	3000.241	PT Dermaga Kencana Indonesia	ISCC
<b>Aug 2017</b>	<b>3000.214</b>	<b>PT Dermaga Kencana Indonesia</b>	<b>RSPO</b>
	3000	PT Karyaindah Alam Sejahtera	ISCC
Nov 2017	3000.240	PT Dermaga Kencana Indonesia	ISCC
Dec 2017	3000.078	PT Dermaga Kencana Indonesia	ISCC
Jan 2018	6000.328	PT Dermaga Kencana Indonesia	ISCC
Feb 2018	3000.152	PT Dermaga Kencana Indonesia	ISCC
March 2018	6000.43	PT Dermaga Kencana Indonesia	ISCC
Apr 2018	9000.448	PT LDC East Indonesia	ISCC
<b>Total</b>	<b>39002.131</b>		

Amount of 19,447 MT CSPO has been removed from quota to be sales as credit.

Based on sales recapitulation of CSPK in mill and cross verified to transaction record in plam-trace known that CSPK sold during the license is amount of 8619.26 MT (10 transaction), entirely sold to PT Wilmar Nabati Indonesia. CSPK has been shipped from mill is amount of 8974 MT, as much as 354.74 MT yet annouced to RSPO.

**Status: Comply**

**E.3 Documented procedures**
**E.3.1**

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

- Complete and up to date procedures covering the implementation of all the elements in these requirements;**
- 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.**

SOP adoption of SCCS sighted namely procedure of RSPO Sustainability for palm oil mill, document no. : PMM / MAN-03B effective date October 31, 2013 describes process of FFB reception in mill and verification on certified and uncertified FFB. The responsible personnel:

- Mill Manager: oversees the implementation of procedures in mill and bulking and provides direction if there are deviations
- Adm Head: assisting manager in supervising and reporting to manager
- S & C department: performs monitoring procedures, maintains and performs documentation, ensures that all information has been properly recorded and reported
- Wheigh-bridge operators: to verification all FFB consignee note as well CPO/PK, inputs information through computerized systems, verifies certified / non-certified products through receipts note and field lists that provided on wheigh-bridge, issued weighing tickets and attaching certified logo on certified products tickets.

There is SOP of CPO despatch from internal and external storage in RHB, document no: 004 / FIN / SOP / VII / 2012 clause 3.3.C explained that every shipping manifest for CSPO / CSPK sales will be marked as certified by ship agent.

The FFB separation mechanism from the certified and non certified areas is described in SOP no: SOP / 4.1 / 0.2, in clause 4.C stated that the number of the block and field is displayed on the receipt document to be verified by the weighing station to define the source is certified or non –certified.

Based on interview as well observed during visit to wheigh-bridge, sighted the operator has been aware regarding the list of uncertified block in LLE.

The mill considered to update and evaluate the procedures for applying SCCS requirements that refer to Supply Chain

Requirements November 2014 revised on June 2017, effective 1 Jan 2018 (Module E: Mass Balance). #OFI

**Status: Comply**

### E.3.2

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

SOP adoption of SCCS sighted namely procedure of RSPO Sustainability for palm oil mill, document no.: PMM / MAN-03B effective date October 31, 2013 describes process of FFB reception in mill and verification on certified and uncertified FFB

Observation and interviews with weighbridge operator are done, its observed that the key personnel can demonstrate and explain the certified and non-certified sources of FFB, as well the non-certified field/block list has been available in weighbridge station.

**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.**

FFB Certified and non-certified received period of 26 June 2017 to 12 May 2018 detailed in the following table:

MONTH	Total FFB received (Group + Out Crop) (MT)	Total FFB received (Group) - certified	Total FFB received non-cert (Out-crop + group non-cert . area)
26 JUNE '17	2,121.48	2,114.75	6.73
JULY '17	22,165.07	20,430.99	1,734.08
AUG '17	21,940.69	19,758.83	2,181.86
SEPT '17	17,721.20	15,950.01	1,771.19
OCT '17	13,429.57	11,969.01	1,460.56
NOV '17	13,188.80	12,031.72	1,157.08
DEC '17	12,530.49	11,417.76	1,112.73
JAN '18	19,608.97	18,214.31	1,394.66
FEB '18	19,628.89	18,461.87	1,167.02
MAR '18	26,321.56	24,996.06	1,325.50
APR '18	31,309.18	29,315.17	1,994.01
12 MEI '18	11,274.79	11,261.15	13.64
Total	211,240.69	195,921.63	15,319.06

FFBs from LLE smallholders scheme which non certified area (Maju Membangun Cooperative unit and Sawit Etam Bersama Cooperative unit) have been separated in Mass Balance Sustainability (CPO) documents and included in the total non-cert FFB received (Out-crop + group non-cert area).

**Status: Comply**

#### E.4.2

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

There is no overproduction of the estimated product specified during the license period 26 June 2017 – 12 May 2018, can be seen in the following table:

	Estimated 26 June 2017 – 25 June 2018	Actual 26 June 2017 – 12 May 2018
<b>FFB</b>	297,248	195,921.63



<b>CSPO</b>	77,347	47262.01
<b>CSPK</b>	13,953	9,388.04

	<b>Status: Comply</b>
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<b>E.5</b>	<b>Record keeping</b>
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**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.
- 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.)

BPM has recorded and balance all receipts of RSPO certified FFB and deliveries of CSPO and CSPK on a three-monthly basis, verified that all deliver under RSPO is from a positive stock.

**CSPO**

MONT H	Total FFB received	Cert FFB received	FFB Non Cert received	Total CPO produce d	CPO Cert	CPO un cert	Stock RHB (after Sounding)	TOTAL STOCK		DISPATCH			STOCK BALANC E CSPO
								CSPO	NON CSPO	RSPO	ISCC	NON CSPO	
Carry Forward Mei 2017													1,447.56
26 Jun '17	2121.48	2099.469	22.011	490.552	485.24	5.31	1,447.94	1,432.26	15.68	-	-	-	2,879.82
Jul '17	22165.07	20177.349	1987.721	5427.459	4940.67	486.79	5,037.64	4,643.46	394.17		3,000.24		4,523.05
Aug '17	21940.69	19545.507	2395.183	5515.526	4914.10	601.43	4,681.54	4,216.51	465.02	3,000.21		3,000.01	5,739.35
							-						
Sept '17	17721.2	15774.864	1946.336	4432.328	3945.74	486.58	4,003.66	3,603.69	399.97		3,000.19	3,000.32	6,342.84
Oct '17	13429.57	11845.5	1584.07	3262.074	2876.83	385.25	3,878.57	3,456.23	422.34			3,000.07	9,799.07
Nov'17	13188.8	11859.3	1329.5	3233.17	2906.25	326.92	1,306.99	1,191.97	115.02		3,000.24	3,000.20	7,990.80
							-						
Dec '17	12530.49	11251.452	1279.038	3145.039	2825.15	319.89	1,763.77	1,607.70	156.07		3,000.08		6,598.42
Jan '18	19608.97	17997.004	1611.966	4795.134	4400.20	394.93	3,793.68	3,481.23	312.45		3,000.28		7,079.38
Feb '18	19628.89	18240.94	1387.95	4833.915	4491.51	342.41	2,474.90	2,299.59	175.31		6,000.20		3,378.77
							-						
Mar '18	26321.56	24753.287	1568.273	6312.322	5935.94	376.39	2,137.26	2,009.82	127.44		6,000.43		(611.84)
Apr'18	31309.18	28971.595	2337.585	7411.769	6844.67	567.10	7,089.13	6,546.72	542.41		3,000.05		2,934.83
12 May '18	11274.79	11113.582	161.208	2733.398	2695.71	37.69	3,642.12	3,591.90	50.22		6,000.40		526.33
TOTAL										3,000.21	36,002.11	12,000.60	526.33

**CSPK**

MONT H	Production		STOCK PK BPM		STOCK PK RHB		TOTAL STOCK PK		DISPATCH			STOCK BALANCE	
	CSPK	NON CSPK	CSPK	NON	CSPK	NON	CSPK	NON	RSPO	ISCC	NON CSPO	CSPK	NON
Carry Forward Mei to 25 Jun 2017													
26 -30 Jun 17	82.75	0.91	1,445.44	15.82	-	-	1,445.44	15.82	-	-	31.43	1,445.44	(15.61)
Jul 17	900.72	88.65	562.89	(78.34)	1,783.27	151.38	2,346.16	73.04	1,701.29			644.87	73.04

Aug 17	914.96	111.86	482.35	66.07	1,077.48	118.83	1,559.83	184.90	800.01			759.82	184.90
Sept 17	785.07	96.73	516.76	167.52	1,028.13	114.11	1,544.89	281.63	600.45			944.44	281.63
Oct 17	595.52	79.68	9.15	174.25	1,530.81	187.06	1,539.96	361.31	1,713.51			(173.55)	361.31
Nov 17	564.42	63.42	(16.90)	385.38	407.77	39.35	390.87	424.73				390.87	424.73
Dec 17	525.09	59.48	46.10	399.76	869.87	84.44	915.97	484.20	800.00			115.97	484.20
Jan 18	856.45	76.87	138.77	486.25	833.65	74.82	972.42	561.07	761.25			211.17	561.07
Feb 18	901.62	68.70	517.35	584.38	595.44	45.39	1,112.79	629.78				1,112.79	629.78
Mar 18	1,230.75	78.10	174.25	570.33	2,169.28	137.55	2,343.53	707.88	1,638.75			704.78	707.88
Apr 18	1,483.54	122.93	659.35	704.13	1,528.97	126.68	2,188.32	830.81	600.00			1,588.32	830.81
May 18	547.51	7.66	1,094.74	823.91	1,041.09	14.56	2,135.83	838.46	-	-	90.26	2,135.83	748.20
Total	9,388.40	854.98				1,094.17			8,615.26	-	121.69		
Status: Comply													

**3.1 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>X or√</b>
<b>ASA-4</b>	The company does not use RSPO logo.	√
<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>X or√</b>
<b>ASA-4</b>	The company does not use RSPO logo.	√
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>ASA-4</b>	The company does not use RSPO logo.	√
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA-4</b>	The company does not use RSPO logo.	√

### 3.2 Summary of RSPO Partial Certification.

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

MP Evans Group PLC Time Bound Plan (TBP) is explained in table 1.10. MP Evans Group PLC has sixteen (17) management units with three (3) mills. MP Evans Group PLC has informed the TBP progress, MUTU has considered that MP Evans Group PLC is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by MP Evans Group PLC on 17 May 2018.

MUTU has verified partial certification for un-certified unit's subsidiary of MP Evans Group PLC based on their Time Bound Plan. There are one (1) uncertified mills and six (7) uncertified estates of MP Evans Group PLC. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is developed under MP Evans Group PLC</p> <p><b>Auditor verification</b> Based on the document review, there is a company internal audit that was conducted on 20 and 21 February 2017 and the positive assurance is at this table that is also been verified.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>PT. Simpang Kiri Plantation Indonesia.</b> RACP is not applied for this unit because the last land clearing was conducted before November 2005. The unit does not have mill.</li> <li>- <b>PT. Evans Lestari (PT.EL)</b> has conducted HCV and SIA identification by Forestry Faculty of Institute Pertanian Bogor (IPB) on March 2013 led by Dr. Ir. Jarwadi Budi Hernowo Msc. Before land clearing, therefore the unit has no liability related to RACP. PT Evans Lestari also conducted NPP on 17 December 2013 conducted by Certification Body of Control Union.</li> </ul> <p><b>Auditor verification</b> Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) the three uncertified units of:</p>

		<p><b>PT Simpang Kiri Plantation Indonesia:</b> Last land clearing happened before November 2005 and there is no new land clearing of new planting.</p> <p><b>PT Evans Lestari</b> Land clearing was conducted after November 2005 but has been first conducted HCV identification before land clearing. Liability of disclosure has been sent to RSPO Compensation Team on 23 July 2014.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p>New planting/land clearing after 1<sup>st</sup> January 2010.</p> <p><b>Auditor verification</b> Based on internal audit, documented time of land clearing and liability disclosure sent to RSPO, there is new planting/land clearing after 1<sup>st</sup> January 2010 for PT Gunung Pelawan Lestari and PT Evans Lestari but NPP has been conducted for these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p><b>Auditor verification</b> Based on evidence provided, the company merely conducted planting on the area that has been compensated from the land owner by FPIC. The documentation of each land compensation/leasing is documented.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p><b>Auditor verification</b> There is no indication of labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries and also from stakeholder consultation during 1<sup>st</sup> surveillance audit of the PT PMM.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is process for land legality.</p> <p><b>Auditor verification</b> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <p><b>Update legal for PT Evans Lestari:</b> the company has got plantation business permit (IUP) from Bupati Decree of Musi Rawas No. 891/KPTS/Disbun/2012 dated 12 November 2012 for 20,000 ha. It is in accordance with the scale of the company location permit (Decree of Bupati Musi Rawas No.</p>



		578/KPTS/BPM=PTP/2012 dated 30 October 2012 for 20,000 ha). However the location permit has been expired – need further HGU process information or any other legal process.
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**3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.**
**3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-3**

<b>NCR No.</b>	:		<b>Issued by</b>	:	
<b>Date Issued</b>	:		<b>Time Limit</b>	:	
<b>NC Grade</b>	:		<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:				
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i>					
NO NONCONFORMITY					
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i>					
<b>Correction</b> <i>(filled by organization audited):</i>					
<b>Corrective Action</b> <i>(filled by organization audited):</i>					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>					
<b>Verified by</b>	:				

**3.2.3 Identification of Findings, Corrective Actions and Observations at ASA-4**

<b>NCR No.</b>	:	-	<b>Issued by</b>	:	-
<b>Date Issued</b>	:	-	<b>Time Limit</b>	:	-
<b>NC Grade</b>	:	-	<b>Date of Closing</b>	:	-
<b>Standard Ref. &amp; Requirement</b>	:	-			
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i>					
NO NONCONFORMITY					
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i>					
<b>Correction</b> <i>(filled by organization audited):</i>					
<b>Corrective Action</b> <i>(filled by organization audited):</i>					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>					
<b>Verified by</b>	:				

**3.2.4 Opportunity for Improvement**

No	Ref. Std.	Description
1	1.1.2 Major	The follow-up process of the aspiration of Bukit Jering Village community related to the installation of state electricity 70nstation and hardening road for the access road of the village.
2	Major 2.1.1	Preparation of work agreement for specified time contract worker refers to the applicable regulations and progress realization of appointment of contract worker which more than 2 years
3	2.2.1 Major	Progress of the land use title (HGU) of PT Teguh Jayaprima Abadi (scope of certificate which not yet have land use title/HGU).
4	4.7.3 Major	Consistency of company policy related to the provision of PPE to contract worker.
5	5.3.1 Major	Identification of waste sources in relate to fertilizer activity
6	6.3.2 Major	Follow up the process of agreement related to the settlement of industrial relations case of Kahoi Estate employees with Serbundo.
7	SCCS E.3.1 & CoC 5.3.1	Update and evaluation of procedures for applying SCCS requirements that refer to Supply Chain Requirements November 2014 revised on June 2017, effective 1 Jan 2018 (Module E: Mass Balance)
8	SCCS CoC 5.9.1	Accuracy of calculation and reporting of mass balance production and sale of certified products (CPO and PK)

**4.5.4 Noteworthy Positive Components**

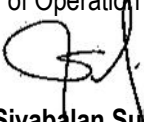
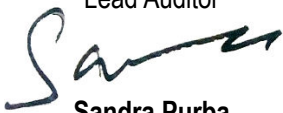
No	Ref Std	Descriptions
1		Has realized partnership with full managed farmers
2		Received ISPO and ISCC certificates.
3		Obtain environmental management award (PROPER) with green predicate successively in 3 years

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

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Verification</b>
<b>Plantation Agency, Regency of Kutai Kartanegara</b>  <i>Notes : The auditor team has attempted to contact the Agency, but no PIC can be found for questioning.</i>	
<b>Land Agency, Regency of Kutai Kartanegara</b>  <i>Notes : The auditor team has attempted to contact the Agency, but no PIC can be found for questioning.</i>	
<b>Environmental Agency, Regency of Kutai Kartanegara</b>  <ul style="list-style-type: none"> <li>- The Company already has environmental permit documents that area still valid.</li> <li>- Mandatory reports related environmental has been submitted regularly.</li> <li>- Currently there are no cases of environmental pollution.</li> </ul>	During the assessment, known that environmental permits are still valid. The Mandatory reports related environmental has been submitted regularly. There is no casses of environmental pollution. Describes in criterion 5.1, 5.3 and 5.6
<b>Manpower Agency, Regency of Kutai Kartanegara</b>  The Company has shown compliance in mandatory reporting, as well as the implementation of the minimum wage of 2018. There are no complaints from stakeholders related to industrial relation, as well as PPE or worker welfare. All employees have been included in the Health / Employment insurance (BPJS program).	Based on the audit results, it is concluded that the CH complies with labor laws, such as on minimum wage, overtime, employment and health insurance (described in criterion 6.5).
<b>Head of Bukit Jering Village</b> The company has empowered the surrounding community, among others by building smallholder partnership, the use of local labor, and participatory CSR programs. There are no land dispute or environmental cases.	The CH has provided evidence of comunity development programs. The results of the assessment there are no cases of land disputes or environmental pollution that affect the village community.
<b>Head of Rantau Humpang Village</b> The company has empowered the surrounding community, among others by building smallholder partnership, the use of local labor, and participatory CSR programs. There are no land dispute or environmental cases.	The CH has provided evidence of comunity development programs. The results of the assessment there are no cases of land disputes or environmental pollution that affect the village community.
<b>Board of Smallholder Cooperative of Karya Bersama</b> Partnership cooperation is going well. the payment of the proceeds is done according to the price of the Plantation Agency. Aspects of transparency such as reporting of results, costs, to the technical implementation in the field have been done well. There is no negative issue.	The CH has shown evidence related the payment related the regulation, and the transparation aspect related to production, payment, and costs.
<b>Board of Smallholder Cooperative of Sawit Etam Bersama</b> Partnership cooperation is going well. the payment of the proceeds is done according to the price of the Plantation Agency. Aspects of transparency such as reporting of results, costs, to the technical implementation in the field have been done well. There is no negative issue.	The CH has shown evidence related the payment related the regulation, and the transparation aspect related to production, payment, and costs.

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Board of Smallholder Cooperative of Subur Makmur</b> Partnership cooperation is going well. the payment of the proceeds is done according to the price of the Plantation Agency. Aspects of transparency such as reporting of results, costs, to the technical implementation in the field have been done well. There is no negative issue.	The CH has shown evidence related the payment related the regulation, and the transparation aspect related to production, payment, and costs.
<b>Local contractors</b> No issue. The company has agreement with all contractors, signed by both parties, the copies are provided to contractors, payment are done in accordance with agreement (twice a month).	The CH has shown the evidence regarding to contractors and payment.
<b>Bipartite Cooperation Institution</b> <ul style="list-style-type: none"> <li>• Communication between the company and workers' representatives goes well.</li> <li>• Wages in accordance with the minimum wage of Kutai Kartanegara Districts of 2018</li> <li>• All workers (contract and permanent) have been registered in BPJS program.</li> <li>• Workers from the local area and from outside the region</li> <li>• Promotion is based on employee performance appraisals.</li> <li>• Facilities for workers consist of school transport, housing, electricity, clean water, sports facilities, religious facilities.</li> <li>• There are no issues related to employment, such as discrimination, child worker, forced labor</li> <li>• Each worker has been complemented with working agreement that mutually agreed.</li> </ul>	Auditor has verified the conformities with indicator: <ul style="list-style-type: none"> <li>▪ 4.7.6 about worker insurance</li> <li>• 6.5.1 about implementation of minimum wage is in accordance with applicable regulation</li> <li>• 6.5.3 about facilities for worker</li> <li>• 6.7.1 about child labor, there is no child labor in company</li> <li>• 6.8.1, 6.8.2, and 6.8.3 about discrimination issue and worker promotion</li> <li>• 6.12.1, 6.12.2, and 6.12.3 about force labour, there is no force labour in company</li> </ul>
<b>Gender Committee of Mahakam Estate, Kahoi Estate and Prima Estate</b> <ul style="list-style-type: none"> <li>• Policy on protection against sexual harassment and violence has been socialized to workers and workers' families.</li> <li>• Policy related to reproductive rights are known by workers.</li> <li>• Access to buy adequate food can be reached easily, in the worker housing there are cooperatives and shops that sell basic needs, there are also pitchman that selling basic needs which come every day.</li> <li>• The specific complaints mechanism been communicated well through gender committee.</li> <li>• Reporter's identity for grievances will be kept confidential.</li> <li>• There is no issue of sexual harassment</li> </ul>	Auditor has verified the conformities with indicator: <ul style="list-style-type: none"> <li>- 6.5.4 about facilities to get adequate food</li> <li>- 6.9.1, 6.9.2, &amp; 6.9.3 about sexual harassment policy has been socialized to worker</li> </ul>



4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Prima Mitrajaya Mandiri &amp; PT Teguh Jaya Abadi MP Evans Group PLC Head of Operation Agronomy</p>  <p><b><u>Sivabalan Subbiah</u></b> Thursday, 31 May 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Sandra Purba</u></b> Thursday, 31 May 2018</p> </div> </div>

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

No	Institution/NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	National Land Agency	Kutai Kartanegara Regency, Kalimantan Timur Province	-	Interview by Phone	15 May 2018		✓
2	Plantation Agency	Kutai Kartanegara Regency, Kalimantan Timur Province	-	Interview by Phone	15 May 2018		✓
3	Environment Agency	Kutai Kartanegara Regency, Kalimantan Timur Province	-	Interview by Phone	15 May 2018	✓	
4	Labor Agency	Kutai Kartanegara Regency, Kalimantan Timur Province	-	Interview by Phone	15 May 2018	✓	
	Bina Kelola Lingkungan	-	<a href="mailto:hamzahbikal@gmail.com">hamzahbikal@gmail.com</a>	Email	8 <sup>th</sup> May 2018		✓
	Lembaga Konsultasi Perburuan	-	<a href="mailto:jabuk@smd.mega.net.id">jabuk@smd.mega.net.id</a>	Email	8 <sup>th</sup> May 2018		✓
	Lembaga Ornitologi dan Informasi Satwa	-	<a href="mailto:lories@smd.mega.net.id">lories@smd.mega.net.id</a>	Email	8 <sup>th</sup> May 2018		✓
	Lembaga Pengembangan Lingkungan Hidup dan Sumber Daya manusia	-	<a href="mailto:danum@smd.mega.net.id">danum@smd.mega.net.id</a>	Email	8 <sup>th</sup> May 2018		✓
	WALHI wilayah Kaltim	-	<a href="mailto:kaltim@walhi.or.id">kaltim@walhi.or.id</a>	Email	8 <sup>th</sup> May 2018		✓
	Biosfer Manusia	-	<a href="mailto:bioma@cbn.net.id">bioma@cbn.net.id</a>	Email	8 <sup>th</sup> May 2018		✓
5	Rantau Humpang Village	Muara Kaman Sub-District, Kutai Kartanegara Regency, Kalimantan Timur Province	-	Direct Interview	15 May 2018	✓	
6	Bukit Jering Village	Muara Kaman Sub-District, Kutai Kartanegara Regency, Kalimantan Timur Province	-	Direct Interview	15 May 2018	✓	
7	Smallholder Cooperative of Karya Bersama	Rantau Humpang Village, Muara Kaman Sub-District, Kutai Kartanegara Regency, Kalimantan Timur Province	-	Direct Interview	15 May 2018	✓	
8	Smallholder Cooperative of Sawit Etam Bersama	Lebahau Ulak Village, Muara Kaman Sub-District, Kutai Kartanegara Regency, Kalimantan Timur Province	-	Direct Interview	15 May 2018	✓	
9	Smallholder Cooperative of Subur Makmur	Bukit Jering Village, Muara Kaman Sub-District, Kutai Kartanegara Regency, Kalimantan Timur Province	-	Direct Interview	15 May 2018	✓	
10	<b>Bumi Permai Mill :</b> Water Reservoir – 1 Staf WWTP and composting – 1 worker			Direct Interview	15 May 2018	✓	

	WTP – 1 worker Biogas Plant – 1 Staf Chemical storage – 1 pekerja Hazardous waste storage – 2 pekerja Workshop – 2 pekejra Grading – 3 workers Process – 6 workers Boiler – 2 workers Engine Room – 2 workers					
11	<b>Bumi Permai Estate :</b> PPE Storage – 1 pekerja Daycare – 2 orang Sterilizer storage – 1 pekerja Pesticider storage – 1 pekerja Hazardous waste storage – 2 pekerja  Harvesting – 5 workers Spraying – 5 workers Land Application – 2 workers			Direct Interview	15 May 2018	√
12	<b>Beringin Jaya Estate :</b> HGU pegs – 1 Staf  PPE Storage – 1 pekerja Daycare – 2 orang Sterilizer storage – 2 pekerja Pesticide storage – 2 pekerja TPS LB3 – 2 pekerja Harvesting – 5 workers Spraying – 5 workers Drain Block – 1 operator Subsidence Pole – 1 operator			Direct Interview	16 May 2018	√
13	<b>Rahayu Estate :</b> HGU pegs – 1 Staf PPE Storage – 1 pekerja Daycare – 2 orang Sterilizer storage – 2 pekerja Pesticide storage – 2 pekerja TPS LB3 – 2 pekerja  Harvesting – 5 workers Spraying – 5 workers Water Gate – 1 operator Subsidence Pole – 1 operator			Direct Interview	17 May 2018	√

**Appendix 2. Assessment Program**

DATE		14 – 19 May 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 14 May 2018			
06.00 – 09.00	06.00 – 09.00	Jakarta → Balikpapan	All Auditor
09.00 – 15.00	09.00 – 15.00	Balikpapan → PT Prima Mitrajaya Mandiri	
15.00– 16.00	15.00– 16.00	Opening meeting <ul style="list-style-type: none"><li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li><li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li></ul>	All Auditor
16.00– 17.00	16.00– 17.00	Documents Review <ul style="list-style-type: none"><li>Review of previous (Initial assessment) findings</li><li>Verification of Basic Information Mill and Estate</li><li>Confirmation of Time Bound Plan</li><li>Review of Partial Certification</li></ul>	All Auditor
Tuesday, 15 May 2018			
08.00 – 12.00	08.00 – 12.00	Stakeholder Consultation with affected village, cooperative of smallholder, and local contractor	Faisal
		Stakeholder Consultation with relevant agencies in Kutai Kartanegara Regency by telephone	Faisal
		Field Observation of Bumi Permai Estate <ul style="list-style-type: none"><li>Observation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li></ul>	Tasya
		<ul style="list-style-type: none"><li>Observation of Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management</li></ul>	Yudhi
		<ul style="list-style-type: none"><li>Observation of Workers Facilities (Housing, School, Worship Place, etc..)</li></ul>	Yudhi
12.00 – 14.00	12.00 – 14.00	<ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries).</li></ul>	Sandra
		<ul style="list-style-type: none"><li>Implementation of conservation area /HCV, POME LA.</li></ul>	Sandra
12.00 – 14.00	12.00 – 14.00	Break	All Auditor
14.00 – 17.00	14.00 – 17.00	Field Observation of Bumi Permai Mill <ul style="list-style-type: none"><li>SCCS verification</li></ul>	Faisal
		<ul style="list-style-type: none"><li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li></ul>	Tasya
		<ul style="list-style-type: none"><li>Observation of Chemical Storage, Hazardous Waste Storage, Fire Control Facilitie</li></ul>	Yudhi
		<ul style="list-style-type: none"><li>Observation of WTP, EBA, IPAL</li></ul>	Sandra
Wednesday, 16 May 2018			

DATE		14 – 19 May 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	08.00 – 12.00	<b>Field Observation of Beringin Jaya Estate</b> <ul style="list-style-type: none"> <li>• <i>Observation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>• <i>Observation of Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management</i></li> <li>• <i>Observation of Workers Facilities (Housing, School, Worship Place, etc..)</i></li> <li>• <i>Implementation of Legal Aspect (Land Ownership, Legal Boundaries).</i></li> <li>• <i>Implementation of conservation area /HCV</i></li> </ul>	Tasya  Yudhi Yudhi Faisal  Sandra
12.00 – 14.00	12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 17.00	14.00 – 17.00	<i>Stakeholder Consultation with gender committee, Labor Union, worker cooperative</i>  <i>Verification of stakeholder consultation result and field observation.</i>  <i>Document review and completing audit checklist.</i>	Yudhi  All Auditor  All Auditor
<b>Thursday, 17 May 2018</b>			
08.00 – 12.00	08.00 – 12.00	<b>Field Observation of Rahayu Estate</b> <ul style="list-style-type: none"> <li>• <i>Observation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>• <i>Observation of Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management</i></li> <li>• <i>Observation of Workers Facilities (Housing, School, Worship Place, etc..)</i></li> <li>• <i>Implementation of Legal Aspect (Land Ownership, Legal Boundaries).</i></li> <li>• <i>Implementation of conservation area /HCV</i></li> </ul>	Tasya  Yudhi Yudhi Faisal  Sandra
12.00 – 14.00	12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 17.00	14.00 – 17.00	<i>Verification of stakeholder consultation result and field visit.</i>  <i>Document review and completing audit checklist.</i>	All Auditor  All Auditor
<b>Friday, 18 May 2018</b>			
08.00 – 12.00	08.00 – 12.00	<i>Document review and completing audit checklist.</i>	All Auditor
12.00 – 15.00	12.00 – 15.00	<i>Break and internal discussion by auditor team preparing for Closing Meeting</i>	All Auditor
15.00 – 17.00	15.00 – 17.00	<b>Closing Meeting:</b>	All Auditor



DATE		14 – 19 May 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> <li><i>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</i></li> <li><i>Comments, Responses and Questions</i></li> </ul>	
<b>Saturday, 19 May 2018</b>			
07.00 – 13.00	07.00 – 13.00	PT Prima Mitrajaya Mandiri → Balikpapan	All Auditor
15.00 – .....	15.00 – .....	Balikpapan → Jakarta	