

**RSPO PRINCIPLE AND CRITERIA –
 RECERTIFICATION ASSESSMENT
 Public Summary Report**

<p>Client Company name (Parent Company): SIPEF Group, Belgium</p>
<p>Client company Address: Kasteel Calesberg - Calesbergdreef 5 B-2900 Schoten - Belgium</p>
<p>Certification Unit: Hargy Palm Oil Palms Limited Including Hargy Palm Oil Mill, Barema Palm Oil Mill and Navo Palm Oil Mill (multi-mill certification)</p> <p>Location of Certification Unit: Bialla, West New Britain Province, Papua New Guinea</p>

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Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0021-05-000-00	Membership Approval Date	07/12/2005
Parent Company Name	SIPEF Group		
Address	Kasteel Calesberg - Calesbergdreef 5 B-2900 Schoten - Belgium		
Subsidiary (Certification Unit Name)	Hargy Oil Palms Limited including Hargy Palm Oil Mill; Barema Palm Oil Mill and Navo Palm Oil Mill		
Address	Private Mail Bag Kimbe Bialla, West New Britain Province, Papua New Guinea		
Contact Name	Graham King		
Website	https://www.sipef.be/	E-mail	gking@hargy.com.pg
Telephone	+675 983 1005; +675 983 1006	Facsimile	+675 983 1191

2. Certification Information			
Certificate Number	RSPO 535739	Date of First Certification	09/04/2009
		Certificate Start Date	09/04/2014
		Certificate Expiry Date	08/04/2019
Scope of Certification	Production of CPO and PK at Hargy Palm Oil Mill, Barema Palm Oil Mill and Navo Palm Oil Mill and 3 supply estates, namely Hargy Estate, Navo Estate Pandi Estate including smallholder growers and marketing activities through SIPEF N.V.		
Applicable Standards	RSPO Principle and Criteria Papua New Guinea National Interpretation 2017; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module D Identity Preserved)		

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates (Note for Auditors: Deg °, Minutes ', Seconds "; The format must be two decimal points) (Eg. 3° 51' 14.01" N)	
		Latitude	Longitude
Hargy Palm Oil Mill	Refer to map in Appendix	05° 18'40.05" S	151° 00'39.46" E
Barema Palm Oil Mill	Refer to map in Appendix	05° 12'40.25" S	151° 07'51.10" E
Navo Palm Oil Mill	Refer to map in Appendix	05° 05'38.86" S	151° 13'28.03" E
Hargy Estate	Refer to map in Appendix	05° 17'47.77" S	151° 03'28.03" E
Navo Estate	Refer to map in Appendix	05° 05'38.41" S	151° 13'30.01" E
Pandi Estate	Refer to map in Appendix	05° 00'44.29" S	151° 25'27.12" E
Smallholders*	Refer to map in Appendix	05° 18'40.05" S	151° 00'39.46" E

*Smallholder office is located at Hargy Palm Oil Mill.

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Hargy Estate	4,481.34	0	2,330.35	6,811.69	65.79
Navo Estate	6,039.16*	0	1,252.23	7,291.39	82.83
Pandi Estate	3,101.04*	0	3,264.57	6,365.61	48.72
Subtotal	13,621.54	0	6,847.15	20,468.69	66.55
Smallholders	13,874.73	0	18.00	13,892.73	99.87
Total	27,496.27	0	6,865.15	34,361.42	80.02

*Transferring 805.39ha of Sena and Vamukuma Division from Pandi Estate to Navo Estate.

6. Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Hargy Estate	1,096.67	621.98	2,641.65	121.04	0	3,384.67	1,096.67
Navo Estate	805.39*	2,028.63	3,205.14	0	0	5,233.77	805.39
Pandi Estate	0	3,101.04	0	0	0	3,101.04	0
Subtotal	1,902.06	5,751.65	5,846.79	121.04	0	11,719.48	1,902.06
Smallholders						11,175.73	2,699

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Total (ha)	1,796.91	5,851.57	5,846.79	121.04	0	22,895.21	4,601.06
Note:							

7. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Aug 2017 – Jul 2018)	Actual (Aug 2017 – Jun 2018)	Forecast (Nov 2018 – Nov 2019)*
Hargy Estate	134,554.99	140,681.68	154,749.85
Navo Estate	178,566.98	116,957.88	128,653.67
Pandi Estate	103,670.24	54,435.15	59,878.67
Smallholders	283,683.80	207,497.11	228,246.82
Total	700,476.01	519,571.82	571,529.01
Note: *This will be a new certificate and license period to realign the assessment to follow the raining season in PNG. The rainy season is between Feb to Apr. The original certification month was delayed during the initial assessment which had caused the audit cycle to be falling between Feb to Apr.			

8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *			
Estate	Tonnage / year		
	Estimated (Aug 2017 – Jul 2018)	Actual (Aug 2017 – Jun 2018)	Forecast (Nov 2018 – Nov 2019)
	N/A	N/A	N/A
Total		N/A	
Note:			

9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (Aug 2017 – Jul 2018)	Actual (Aug 2017 – Jun 2018)	Forecast (Nov 2018 – Nov 2019)
Nil			
Total			
Note:			

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10. Certified Tonnage			
	Estimated (Aug 2017 – Jul 2018)	Actual (Aug 2017 – Jun 2018)	Forecast (Nov 2018 – Nov 2019)
Hargy Palm Oil Mill	FFB	FFB	FFB
	184,733.57	147,434.67	162,178.14
	CPO (OER: 24.4 %)	CPO (OER: 23.71%)	CPO (OER: 24.4%)
	45,139.18	34,956.76	39,571.41
	PK (KER: 5%)	PK (KER: 5.16%)	PK (KER: 5%)
	9,341.10	7,601.04	8,108.91
Barema Palm Oil Mill	FFB	FFB	FFB
	257,253.79	165,703.06	182,273.37
	CPO (OER: 24.5%)	CPO (OER: 26.89%)	CPO (OER: 24.4%)
	63,273.81	44,560.58	44,474.70
	PK (KER: 5%)	PK (KER: 5.16%)	PK (KER: 5%)
	12,999.67	8,546.69	9,113.67
Navo Palm Oil Mill	FFB	FFB	FFB
	258,488.64	206,434.09	227,077.50
	CPO (OER: 22.7%)	CPO (OER: 24.17%)	CPO (OER: 24.5%)
	58,744.46	49,895.12	55,633.99
	PK (KER: 4.74%)	PK (KER: 5.17%)	PK (KER: 5%)
	12,255.63	10,667.83	11,353.88
Total FFB	700,476.00	519,571.82	571,529.01
Total CPO	167,157.45	129,412.46	139,680.16
Total PK	34,596.40	26,815.56	28,576.46
Note:			

11. Actual Sold Volume (CPO)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
CPO (MT)	122,335.85	0	0	0	122,335.85

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12. Actual Sold Volume (PK)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
PK (MT)	25,389.52	0	0	0	25,389.52

13. Actual Group certification Claims		
	Credit	Physical Volume (MT)
IS-CSP0	N/A	N/A
IS-CSPKO	N/A	N/A
IS-CSPKE	N/A	N/A

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: ASI-ACC-067)
Unit 3, Level 10, Tower A
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BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Jakarta and Australia which involve in RSPO Certification Program.

2.1 Assessment Methodology, Programme, Site Visits

The on-site recertification assessment was conducted from 01/08/2018-04/08/2018 & 06/08/2018-10/08/2018. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO Principles & Criteria 2013 (PNG NI 2017) and RSPO Supply Chain Certification Standard 2017 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base.

- The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula $N = (0.8\sqrt{y}) \times (z)$ where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula $(0.8\sqrt{y}) \times (z)$; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between

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the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4.

This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

The following table would be used to identify the locations to be audited each year in the 5 year cycle

Assessment Program					
Name (Mill / Supply Base)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (RAV)	Year 5 (N/A)
Hargy POM	X	X	X	X	The 5 year period was shorten due to realign of auditing period from April to July
Barema POM	X	X	X	X	
Navo POM	X	X	X	X	
Hargy Estate	X	X		X	
Navo Estate	X		X	X	
Pandi Estate		X	X	X	
Smallholders	X	X	X	X	

Tentative Date of Next Visit: August 5, 2019 - August 16, 2019

Total No. of Mandays: 32 .

2.2 BSI Assessment Team:

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Nicholas Cheong	Lead auditor	Holds a Master of Environmental Management from the University Putra Malaysia and Bachelor of Science (Food Science) from Charles Sturt University Australia. He has more than 5 years of working experience in sustainability auditing for palm oil industry and hydropower plant. He is also a expert in Greenhouse Gas emissions accounting. He has also 2 years of working experience in wastewater treatment and operations. He has completed the ISO9001, ISO14001, RSPO P&C Lead Auditor course, RSPO Supply Chain Lead Auditor Course, Labor & Ethic Lead Auditor Course and MSPO Awareness Training. In his previous certification body, he was a Lead Assessor for Clean Development Mechanism and ISCC. He had been involved in Sustainable Palm Oil auditing for more than 4 years. In this assessment, the focus element includes legal requirements, social and workers welfare, workers health and safety and supply chain. He is fluent in both verbal/written in English and understand PNG culture.
Pratama Sedayu	Team Member / Supply Chain	Graduated from University of Jenderal Soedirman on 2008, majoring in Social Economic of Agriculture. He involved in RSPO certification since 2009 as a team member subsequently as a Lead Auditor, covering assessment against RSPO P&C in Indonesia, Malaysia, Thailand, Papua New Guinea, and Liberia. He completed the ISO 9001, ISO 14001, OHSAS 18001 Lead Auditor Course, HCV Identification and Management; ISPO Lead Auditor endorsed Course and RSPO P&C and RSPO SCCS Lead Auditor endorsed Courses. During this assessment, he assessed on the aspects of legal, supply chain for CPO Mills, estate best practices, environment management system, HCV and smallholder audits. He is fluent in both verbal/written in English and understand PNG culture.
Yudwi Wisnu Rahmanto	Team Member	Holds a Bachelor of Forestry with Silviculture background. He worked at professional independent Certification Body as an Auditor for last 8 years and has involved in auditing activities with various certification schemes. Selected training which have been followed, such as RSPO Endorsed Lead Auditor Training Course, RSPO NEXT Lead Auditor Course, ISPO Auditor/Lead Auditor Course, Quality Management System (QMS) ISO 9001 Auditor/Lead Auditor Course, GIS-Basic Mapping and Spatial Analysis, Timber Legality Assurance System (SVLK), Verification Organization Training C.A.F.E Practices (Starbucks), UTZ Programme and others internal training programs. During the assessment he assigned to verify Best Practices Management,GHG and Continual Improvement aspect. He is fluent in both verbal/written in English.
Eko Purwanto	Team Member	Holds a Bachelor of Forestry from Forest Conservation Department, Faculty of Forestry, Bogor Institute of Agriculture (IPB) in 2001. He has working experience at Oil Palm Plantation in East Kalimantan since 2003 to 2012, the last position was Estate Manager. He has implementing good agricultural practice including integrated pest management and limited pesticides uses. He has completed lead auditor training courses for RSPO P&C (2013), ISO 9001:2008 (2012), ISO 14001:2004 (2013), ISPO (2012)

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		and RSPO SCC (2012). He has also completed training course of ISO 14001 (2012), Minaut Indonesia (2011) and Introduction to HCV Toolkit HCV (2011). For the last 2 years, he has been involved in quality (ISO 9001) management system audits for very broad industrial and involved in Indonesia Sustainable Palm Oil (ISPO) audit for several plantations and mills since October 2012. During this assessment, he assessed on the aspects of mill and estate best management practices and supply chain for CPO mills. He is fluent in both verbal/written in English.
Angelus Palik	Local technical expert	Holds a Bachelor Degree in Geography & Environmental Science from University of Papua New Guinea. His working experience includes environmental & sustainability officer in Palm oil industry in PNG and OHSE Coordinator in Oil & Gas industry. During is experience as the environmental & sustainability officer in Palm oil industry, he has involved in RSPO implementation. He is fluent in both verbal/written in English and local language (piget).

Accompanying Persons: N/A

2.3 Assessment Plan

The Assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	NC	PS	EP	YW	AP
Monday, 30/07/2018	16.10 – 17.10	Flight Kuala Lumpur – Singapore	√	√	√	√	
	20.15 – 04.50	Flight Singapore – Port Moresby	√	√	√	√	
Tuesday, 31/07/2018	09.15 – 11.20	Flight Port Moresby – Hoskins	√	√	√	√	√
	11.20 – 14.00	Road travel Hoskins – Hargy Oil Palms Limited	√	√	√	√	√
Wednesday, 01/08/2018	08:00 – 08:30	Opening Meeting at Hargy Palm Oil Mill covering both POM and KCP	√	√	√	√	√
	09:00 – 12:30	Hargy Palm Oil Mill – P&C Field visit covering milling process, warehouse, workshop, wastes management storage & Landfill, Effluent treatment, OSH & ERP, SEIA requirement, water treatment, chemical storage, laboratory, housing facility, clinic and interviews	√		√	√	√
		Hargy Palm Oil Mill – SCC Field visit covering FFB receiving, weighbridge, interviews, storage area and bulk tank. General Chain of Custody document review		√			
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Hargy Palm Oil Mill – P&C <ul style="list-style-type: none"> • Verification of effectiveness of findings closure • Document review P1 – P8: Transparency and commitments, Legal Requirement, Land use rights and compensation, management responsibility, Long Term Economic and financial viability, Mill best practices, SOPs, OHS, trainings, Pay conditions, SEIA Management and Monitoring Plan, Grievances and complaints, Equality, human right and no harassment, Forced and trafficked labor, Community communication, CIP 	√		√	√	√
		Hargy Palm Oil Mill – SCC Document review on Supply Chain Module D, PalmTrace shipping announcement, contract, communication and claims.		√			
17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√	
Thursday, 02/08/2018	08:30 – 12:30	Hargy Estate (Barema Plantation) Field visit covering boundary inspection, field operations, best practices, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, SEIA requirement,	√		√	√	

Date	Time	Subjects	NC	PS	EP	YW	AP
		workshop, storage area (agrochemical, fertilizer, lubricant), agrochemical mixing area chemical waste management, landfill					
		Smallholder Assessment (Barema area) Field assessment, interview and individual smallholder document review		√			√
	11:30 – 12:30	Interview with stakeholders: Workers, Union Leader, contractor, village rep Community/stakeholder/ affected parties	√				
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Hargy Estate (Barema Plantation) <ul style="list-style-type: none"> • Verification of effectiveness of findings closure • Document review P1 – P8: Transparency and commitments, Legal Requirement, Land use rights and compensation, management responsibility, Long Term Economic and financial viability, Estate best practices, SOPs, OHS, trainings, pay conditions, SEIA, Management plan, Monitoring Plan, Grievances and complaints, Equality, human right and no harassment, Forced and trafficked labor , HCV Assessment, Management and Monitoring Plan, Peat Conservations (if any), Community communications, New Planting (if any), CIP. 	√		√	√	
		Smallholder Assessment (Barema area) cont. Field assessment, interview and individual smallholder document review		√			√
	17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√
Friday, 03/08/2018	08:30 – 12:30	Barema Palm Oil Mill – P&C Field visit covering milling process, warehouse, workshop, wastes management storage & Landfill, Effluent treatment, OSH & ERP, SEIA requirement, water treatment, chemical storage, laboratory, housing facility, clinic and interviews.	√		√	√	√
		Barema Palm Oil Mill – SCC Field visit covering FFB receiving, weighbridge, interviews, storage area and bulk tank. Document review on Supply Chain Module		√			
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Barema Palm Oil Mill – P&C <ul style="list-style-type: none"> • Verification of effectiveness of findings closure • Document review P1 – P8: Transparency and 	√		√	√	√

Date	Time	Subjects	NC	PS	EP	YW	AP
		commitments, Legal Requirement, Land use rights and compensation, management responsibility, Long Term Economic and financial viability, Mill best practices, SOPs, OHS, trainings, Pay conditions, SEIA Management and Monitoring Plan, Grievances and complaints, Equality, human right and no harassment, Forced and trafficked labor, Community communication, CIP					
	17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√
Saturday, 04/08/2018	08:30 – 12:30	Smallholder audit: Document review, interview and field visit: OPIC & Smallholder Manager.	√	√	√	√	√
	12:30	Interim Meeting / End of day	√	√	√	√	√
Sunday, 05/08/2018	N/A	REST DAY	√	√	√	√	√
Monday, 06/08/2018	08:30 – 12:30	Navo Estate (Ibana Plantation) Field visit covering boundary inspection, field operations, best practices, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, SEIA requirement, workshop, storage area (agrochemical, fertilizer, lubricant), agrochemical mixing area chemical waste management, landfill	√		√	√	
		Smallholder Assessment (Ibana area) Field assessment, interview and individual smallholder document review		√			√
	11:30 – 12:30	Interview with stakeholders: Workers, Union Leader, contractor, village rep Community/stakeholder/ affected parties	√				
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Navo Estate (Ibana Plantation) <ul style="list-style-type: none"> • Verification of effectiveness of findings closure • Document review P1 – P8: Transparency and commitments, Legal Requirement, Land use rights and compensation, management responsibility, Long Term Economic and financial viability, Estate best practices, SOPs, OHS, trainings, pay conditions, SEIA, Management plan, Monitoring Plan, Grievances and complaints, Equality, human right and no harassment, Forced and trafficked labor , HCV Assessment, Management and Monitoring Plan, Peat Conservations (if any), Community communications, New Planting (if any), CIP. 	√		√	√	

Date	Time	Subjects	NC	PS	EP	YW	AP
		Smallholder Assessment (Ibana area) cont Field assessment, interview and individual smallholder document review		√			√
	17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√
Tuesday, 07/08/2018	08:30 – 12:30	Navo Palm Oil Mill – P&C Field visit covering milling process, warehouse, workshop, wastes management storage & Landfill, Effluent treatment, OSH & ERP, SEIA requirement, water treatment, chemical storage, laboratory, housing facility, clinic and interviews.	√		√	√	√
		Navo Palm Oil Mill – SCC Field visit covering FFB receiving, weighbridge, interviews, storage area and bulk tank. Document review on Supply Chain Module D,		√			
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Navo Palm Oil Mill – P&C <ul style="list-style-type: none"> • Verification of effectiveness of findings closure • Document review P1 – P8: Transparency and commitments, Legal Requirement, Land use rights and compensation, management responsibility, Long Term Economic and financial viability, Mill best practices, SOPs, OHS, trainings, Pay conditions, SEIA Management and Monitoring Plan, Grievances and complaints, Equality, human right and no harassment, Forced and trafficked labor, Community communication, CIP 	√		√	√	
		Smallholder Assessment (Bakada area) Field assessment, interview and individual smallholder document review		√			√
	17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√
Wednesday, 08/08/2018	08:30 – 12:30	Pandi Estate (Bakada Plantation) Field visit covering boundary inspection, field operations, best practices, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, SEIA requirement, workshop, storage area (agrochemical, fertilizer, lubricant), agrochemical mixing area chemical waste management, landfill	√		√	√	
		Smallholder Assessment (Bakada area) Field assessment, interview and individual smallholder document review		√			√
	11:30 – 12:30	Interview with stakeholders: Workers, Union Leader, contractor, village rep	√				

Date	Time	Subjects	NC	PS	EP	YW	AP
		Community/stakeholder/ affected parties					
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Pandi Estate (Bakada Plantation) <ul style="list-style-type: none"> • Verification of effectiveness of findings closure • Document review P1 – P8: Transparency and commitments, Legal Requirement, Land use rights and compensation, management responsibility, Long Term Economic and financial viability, Estate best practices, SOPs, OHS, trainings, pay conditions, SEIA, Management plan, Monitoring Plan, Grievances and complaints, Equality, human right and no harassment, Forced and trafficked labor , HCV Assessment, Management and Monitoring Plan, Peat Conservations (if any), Community communications, New Planting (if any), CIP. 	√		√	√	
		Smallholder Assessment (Bakada area) cont Field assessment, interview and individual smallholder document review		√			√
	17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√
Thursday, 09/08/2018	08:30 – 12:30	Smallholder Assessment (Hargy Area) Field assessment, interview and individual smallholder document review	√	√			
		Smallholder Assessment (Karla Area) Field assessment, interview and individual smallholder document review			√	√	√
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 17:00	Smallholder Assessment (Hargy Area) cont. Field assessment, interview and individual smallholder document review	√	√			
		Smallholder Assessment (Karla Area) cont. Field assessment, interview and individual smallholder document review			√	√	√
	17:00 – 17:30	Interim Meeting / End of day	√	√	√	√	√
Friday, 10/08/2018	08:30 – 12:30	Smallholder audit cont. if there is outstanding on 04/08/2018			√	√	√
	12:30 – 13:30	Lunch / Break	√	√	√	√	√
	13:30 – 14:30	Team discussion and closing meeting preparation	√	√	√	√	√
	14:30 – 15:30	Closing meeting	√	√	√	√	√

Section 3: Assessment Findings

3.1 Normative requirement applied for this assessment:

- SIPEF Group Multiple Management Units / Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NIWG 2017
- RSPO P&C INA-NIWG 2016
- RSPO P&C MY-NIWG 2014
- RSPO P&C PNG-NIWG 2017

3.2 Time Bound Plan progress for multiple management units

Time Bound Plan		
Requirement	Remarks	Compliance
Does the plan include all current subsidiaries, estates and mills?	Hargy Palm Oil Mill Limited is a subsidiary of SIPEF Group. SIPEF Group has disclose all of its companies, mills and estates. The timebound plan including un-certified units/companies.	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	No. There are delay in getting the all the estates and mills certified since obtaining RSPO membership. The main reason of delay is due to delay in land acquisition and starting of planting.	Yes
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three-year from the date of acquisition. Certification plan for the new acquisition shall be available.	The most recent acquisition was on 01/08/2017, PT. Dendymarker Indah Lestari which is RSPO certified. The certification has been verified from the RSPO website.	Yes
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	There are no changes in time bound plan compared to the last annual surveillance assessment. <ul style="list-style-type: none"> • PT. Agro Kati Lama, from 2019 to 2021; • PT. Agro Muara Rupit, from 2019 to 2024; • PT. Agro Rawas Ulu, from 2019 to 2024. SIPEF provides sufficient explanation on the changes in implementation of timebound plan. SIPEF latest projections stipulates that company will have enough crop to justify the building of the two mills by the year 2021 (for Kati Lama Mill) and 2024 (for Muara Rupit Mill), as indicated in the time-bound plan. The target	Yes

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	<p>years for the building of these mills have been set taking into consideration the current rate of planting in the three estates and plasma schemes that will constitute the supply base of the two mills.</p> <p>Audit team accepted management explanation on the matter.</p>	
<p>Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised</p>	<p>No isolated lapse. SIPEF is able to demonstrate adequate evidence related to changes in implementation of the plan.</p>	<p>Yes</p>
<p>Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a Major non-compliance shall be raised</p>	<p>The delay of not able to certify all the estate within the 5 years period from the day of RSPO membership is accepted by the assessment team.</p>	<p>Yes</p>
<p>Have there been any stakeholder comments?</p>	<p>The assessment team has conducted a search in internet to confirm that there is no new comments or dispute raised by the communities on those units that have not been certified.</p>	<p>Yes</p>
<p>Un-Certified Units or Holdings</p>		
<p>No replacement after dates defined in NIs Criterion 7.3:</p> <ul style="list-style-type: none"> • Primary forest. • Any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. 	<p>As NPP has been conducted, it can be confirmed that there is no replacement of primary forest as the LUCA has been completed and accepted by RSPO.</p> <p>As part of the NPP, HCV assessment has been conducted and any HCV area requires to be maintained are stated in the management plan of the NPP.</p>	<p>Yes</p>
<p>Any new plantings since January 1st 2010 shall comply with the RSPO New Plantings Procedure.</p>	<p>All new planting after January 1st, 2010 have undergone and complies with RSPO New Planting Procedure.</p>	<p>Yes</p>
<p>Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6.</p> <p>The RSPO RaCP tracker shall be checked to confirm for any land conflicts/Liabilities https://www.rspo.org/certification/remediation-and-compensation/racp-tracker. The progress on the Liabilities shall be verified and reported.</p>	<p>No land conflict noted. The assessment team has conducted a search in internet to confirm that there is no new comments or dispute raised by the communities on those units that have not been certified.</p> <p>RSPO RaCP tracker was checked and ther was on case reported. However there was no compensation required as the company has passed the LUCA</p>	<p>Yes</p>
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.</p>	<p>No labor dispute noted. The assessment team has conducted a search in internet to confirm that there is no new comments or dispute raised by the communities on those units that have not been certified.</p>	<p>Yes</p>

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Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	No non-legal compliance noted. The assessment team has conducted a search in internet to confirm that there is not new comments or dispute raised by the communities on those units that have not been certified.	Yes
Did the company conduct internal audit against the uncertified management units requirement? If yes, a positive assurance statement shall be available.	The internal audit has been conducted for all uncertified units and positive assurance statement has been made.	Yes

3.3 Progress of scheme smallholders and/or outgrowers

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification?	The smallholders attached to the HOPL are fully certified.	Yes

3.4 Details of findings

The nonconformity is listed below. The summary report of the assessment by criteria is listed in Appendix A.

During the Certification Assessment there were 4 Major & no Minor nonconformities raised. The Hargy Palm Oil Limited – Hargy Palm Oil Mill (including Barema Palm Oil Mill and Navo Palm Oil Mill) and Supply base Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for it effectiveness and closed accordingly.

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1664926-201807-M1	Clause & Category (Major / Minor)	6.5.2 - Major
Date Issued	10/08/2018	Due Date	07/11/2018
Closed (Yes / No)	Yes	Date of nonconformity Closure	01/10/2018
Statement of Nonconformity:	Workers payment are not according to the contract agreement and pay conditions.		
Requirement Reference:	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal,		

	<p>period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p>
<p>Objective Evidence:</p>	<ol style="list-style-type: none"> 1. In Barema Plantations, chemical mixing worker Ansga Wate was not paid according to the work hours he worked during fortnight with code 1814. The productivity Sheet 1814 (Gang Number BR01UP01) stated 72 hours. However, he was only paid for 48 hours as per the payslip. Additional evidence found for no back pay – Edon Thomas (24hours); Michael Kenneth (24hours); Peter Ato (16hours); Joe Philip (8hours); Kuku Monso (32hours). 2. At Barema Mill, the employment grade and salary offer stated in the Employment form of the weighbridge operator Rachel was sighted to be strike off and was changed from grade from 4-1 to 3-1 and salary offered from K5.18 to K3.73. There was no evidence to show that when was the changes was made and if this change is before she accepts the offer or after she accept the offer. The terms and conditions for this worker are not clear. 3. At Bakada Plantations, security worker Serah Josky was not paid according to the work hours she had worked during the fortnight with code 1814 and 1815. According to her payslip, on fortnight 1814 her worked hours was 120 hours and fortnight 1815 was 94 hours. According to the Employment Act – Clause 52.4, normal work hours shall be deemed to be 44 hours a week. Additional evidence found for non payment of overtime - Stanlet Taita (120 hour for 1815), Yating Meiyo (120 hours for 1815) and Malari Niba (120 hours for 1814).
<p>Corrections:</p>	<ol style="list-style-type: none"> 1. A re-check to be done on same gang to confirm if any other workers within the gang have been affected as well. A total of 8 employees including Ansga Wate were found to be affected by the same issue. All 8 worker's hours have been correceted and submitted for back pay in PPE 1816. The backpay has been effected and copies of pay preparation for PPE 1816 as well as copies of the payslips for PPE 1816 for the 8 workers are attached as evidence of the correction done. (see attached; copies of pay prep records & copies of payslips for PPE 1816). 2. Management will brief her regarding her correct grade and level and will prepare & issue a staff order. A staff order is an official document advising an employee of a change in terms & conditions. 3. The following is to occur: Correcting the Underpayment <ul style="list-style-type: none"> • Affected Security Staff to be identified and names and timesheets given to Payroll • Payroll to calculate the additional un paid hours and commence payments over 4 pay periods commencing 24 Aug. CA to draft a letter to all security staff detailing the following: <ul style="list-style-type: none"> • There was an error made in the calculation of their wages. • This has been corrected and affected staff will be back paid over 4 pay periods. • All security employees will be issued contracts to reflect their new terms & conditions. To be completed by 30 Sep 2018. All new security employees will be issued with contracts upon engagement. • A new roster is being implemented starting 13 Aug 2018 and will be completed at all sites by 30 Sep 2018.
<p>Root Cause Analysis:</p>	<p>There is a system & processes in place, however in these cases; procedures were</p>

	not followed and/or relevant manager(s) were not consulted as required.
Corrective Actions:	<ol style="list-style-type: none"> All employees are provided with a Terms and Condition Letter on engagement. In this letter HOPL offers the employee the role, terms and conditions (working hours, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice) and the employee has the right to accept or decline. This shall occur before an employee starts work. HR has developed training program for all managers to ensure that managers are aware of their HR responsibilities. Employees are given a copy of the Disciplinary Guidelines which is signed off by both the employee in acknowledgement that they have read or had read to them the details and have understood. It is also signed off by the Manager/HR Representative that they have explained the details. The employee is also given access to the Employee handbook upon request which is referenced in both documents.
Assessment Conclusion:	<p>Offsite assessment was conducted to close this assessment. The Lead auditor had considered that due to the objective evidence found are considered to be non-systematic and the evidence are:</p> <ol style="list-style-type: none"> HOPL implemented an internal audit to audit payment correctness. This internal audit was conducted prior to the audit finding. As the finding was due to awareness of the assistant manager that he shall not wait for the workers to approach for the incorrect payment. Awareness of managers regarding importance of having appropriate date in contracts. Only 1 operations that was sampled that overtime was overlooked by the management. <p>The corrective action taken was consistent with the root cause analysis. The lead auditor deems that the corrective action taken will be effective to close the non-compliance.</p>

Nonconformity			
NCR Ref #	1664926-201807-M2	Clause & Category (Major / Minor)	4.7.3 - Major
Date Issued	10/08/2018	Due Date	07/11/2018
Closed (Yes / No)	Yes	Date of nonconformity Closure	01/10/2018
Statement of Nonconformity:	Implementation of work place safety is insufficient		
Requirement Reference:	All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Protective equipment as defined in Safety Data Sheets or Standard Operating Procedures shall be available to, and used by, all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation and harvesting.		
Objective Evidence:	Through interview with the workers and assistance managers during estate assessment, it was found that they are not aware on the procedures and		

	frequencies to inspect and change the face mask cartridge. When the cartridge are not inspect and change frequently, it may lead to more damage to the user.
Corrections:	Conduct risk assessment for chemical handlers (mixers and sprayers) based on MSDS recommendations and review PPE requirements for all chemicals in use. Reviewed risk assessment and PPE requirements to be immediately shared to all field operations and to stores (for ordering and stocking of necessary PPE).
Root Cause Analysis:	Training & awareness on safe work practices & PPE use is not consistently implemented and understood by all relevant employees.
Corrective Actions:	Review of current workplace practice in the area of safety training and the use of PPE in all potentially hazardous operations such as pesticide application, machine operations, land preparation and harvesting. Outcomes of this review is implemented to improve workplace safety for all employees.
Assessment Conclusion:	<p>During the onsite assessment, the assessment team found that the cartridge was still usable while the manager understood the importance of the cartridge. During the review of the medical surveillance report, there was no unfit condition of the workers that was handling chemical. Hence the risk of health damage is not high as HOPL has been monitoring the workers conditions. The root cause analysis was due to training and inconsistency in implementation. This does not show a complete management system failure. Therefore the lead auditor team deemed that the risk of reoccurrence of this NC after the correction is relative low. Hence offsite assessment was considered.</p> <p>The corrective action taken was accordance to the root cause analysis. The lead auditor deems that the corrective action taken will be effective to close the non-compliance.</p>

Nonconformity			
NCR Ref #	1664926-201807-M3	Clause & Category (Major / Minor)	5.5 – Major (RSPO Supply Chain)
Date Issued	10/08/2018	Due Date	07/11/2018
Closed (Yes / No)	Yes	Date of nonconformity Closure	01/10/2018
Statement of Nonconformity:	Contract between Hargy Oil Palms Limited and FFB cartage contractor was not provide statement that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.		
Requirement Reference:	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>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.</p>		
Objective Evidence:	<ul style="list-style-type: none"> Hargy Oil Palms Limited performs outsourcing activities for FFB transport. Contract between Hargy Oil Palms Limited and FFB cartage contractor sighted. However, there was no statement in the FFB transport contract, to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. 		

	<ul style="list-style-type: none"> Contract Maura Transport Services-6-232071 for FFB Self Delivery Services between Hargy Oil Palms Limited and Maura Transport Services, dated 9 July 2018 up to 9 July 2019 for delivery contract. Contract Smalholders FFB Cartage Services between Hargy Oil Palms Limited and Rere Construction, dated 15 September 2017 up to 15 September 2018.
Corrections:	Revise all FFB cartage contracts and insert a clause to give CB access to contractor documents. Issue new contracts to all FFB Cartage contractors
Root Cause Analysis:	Contract has not been revised to allow for certification body to conduct audit of contractor compliance.
Corrective Actions:	Included a clause in all FFB contracts stating that HOPL shall ensure that CBs have access to FFB contractors if an audit is deemed necessary.
Assessment Conclusion:	<p>The correction was verified by the assessment team to be sufficiently correct the objective evidence.</p> <p>The root cause of the non-compliance was lack of awareness and training. Training evidence was verified by the assessment team confirm training was conducted to close the non-compliance.</p> <p>Considering the outsource activity is only transporting, the lead assessor deemed that the risk is low. Therefore the lead assessor deemed that on offsite assessment is sufficient.</p>

Nonconformity			
NCR Ref #	1664926-201807-M4	Clause & Category (Major / Minor)	5.11 – Major (RSPO Supply Chain)
Date Issued	10/08/2018	Due Date	07/11/2018
Closed (Yes / No)	Yes	Date of nonconformity Closure	01/10/2018
Statement of Nonconformity:	A number of records for general corporate communicatoin and business to business communication, used by Hargy Oil Palms Limited - Palm Oil Mills was found using RSPO Corporate Logo - this was not in compliance with the RSPO Rules on Market Communications and Claims.		
Requirement Reference:	<p>5.11 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.</p> <p>RSPO Rules on Market Communications and Claims General corporate communications</p> <p>4.5 Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.</p> <p>Business to business communications</p> <p>5.1 Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.</p>		

<p>Objective Evidence:</p>	<p>The use of RSPO Corporate Logo was sighted on number of records:</p> <ul style="list-style-type: none"> • Export invoice for PHO-10186 SG date of shipment 28 September 2017 for Vessel MT Stena Imperator, found the use of RSPO Corporate Logo; • Shipping folder MT Stena Imperator 28-30 September 2017, found to use RSPO Corporate Logo; • Contract Smalholders FFB Cartage Services between Hargy Oil Palms Limited and Rere Construction, dated 15 September 2017 up to 15 September 2018; found to use RSPO Corporate Logo; • Contract Maura Transport Services-6-232071 for FFB Self Delivery Services between Hargy Oil Palms Limited and Maura Transport Services, dated 9 July 2018 up to 9 July 2019 for delivery contract; found to use RSPO Corporate Logo; • Hargy Oil Palms Limited displayed the RSPO Corporate Logo in the company website (www.hargy.com.pg). • Hargy Oil Palm Limited Letter head
<p>Corrections:</p>	<p>For shipping documents, going forward, all shipping documents will be checked to ensure no use of the RSPO corporate logo.</p> <p>Smallholder Manager will revise all FFB Cartage contracts to remove the RSPO Corporate Logo.</p> <p>The corporate website www.hargy.com.pg links directly to www.sipef.com (see attached email thread from Sipef IT)</p> <p>Remove the RSPO Corporate Logo from the company letter head</p>
<p>Root Cause Analysis:</p>	<p>Lack of diligence in making sure that the RSPO Corporate Logo is not used anymore in documentation across the sites. The corporate website is no longer live and was most likely cached.</p>
<p>Corrective Actions:</p>	<p>Training and awareness across all sites involving all relevant employees on the use of the RSPO Corporate logo. This will be done by sending out an Instruction and also conducting awareness sessions at all sites to employees concerned.</p>
<p>Assessment Conclusion:</p>	<p>Sample of invoices and latest letter head was verified by the assessment team to be sufficiently correct the objective evidence.</p> <p>The root cause of the non-compliance was lack of awareness and training. Training evidence was verified by the assessment team confirm training was conducted to close the non-compliance.</p> <p>Considering the memo has been issued and the monitoring of any logo usage is under the custodian of the ESD team, the Lead Assessor deemed that a system has been implemented to ensure continuous compliance to claims and communication. Furthermore, the risk is reduces as HOPL does not perform any product claims.</p>

<p style="text-align: center;">Opportunity for Improvements</p>	
<p>OFI #</p>	<p style="text-align: center;">Description</p>
<p>OFI 1</p>	<p>4.7.5 - The company has emergency procedures and instructions of fire emergency response, Mills are completed with Hydrant, Fire Extinguishers and records of training and emergency drill. However, during demonstration of fire emergency response, the first attempt the nozzle was jammed. Water, can only flow in second attempt after the nozzle being replaced.</p>

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Positive Findings	
PF #	Description
PF 1	Continuous commitment demonstrated by management to implement RSPO requirements.
PF 2	Good communication with stakeholders and smallholders.
PF 3	CSR program are carried out with stakeholders and community engagement feedback.
PF 4	Centralized Grievance monitoring which has reduced the probability of un-followup case.

3.4.1 Status of Nonconformities Previously Identified and Observations

No Non-conformities raised in the last assessment.

3.4.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1037572M17 – RSPO SCCS	Major	D.3.2	28/03/2014	08/04/2014
1037572M18 – RSPO SCCS	Major	D.3.3	28/03/2014	08/04/2014
1037572N4	Minor	4.7.2	28/03/2014	06/03/2015
10375752N5	Minor	4.7.3	28/03/2014	06/03/2015
10375752N10	Minor	4.7.5	28/03/2014	Escalated to Major NC
10375752N9	Minor	5.3.2	28/03/2014	06/03/2015
10375752N13	Minor	5.6.2	28/03/2014	06/03/2015
10375752N15	Minor	6.5.3	28/03/2014	06/03/2015
1161437M1	Major	4.7.5	06/03/2015	04/05/2015
1161437M1	Major	5.6.1	06/03/2015	04/05/2015
1161437M1	Minor	4.8.2	06/03/2015	20/02/2016
1161437M1	Minor	5.2.4	06/03/2015	20/02/2016
1295340M1	Major	2.2.1	20/02/2016	20/04/2016
1295340M2	Major	4.7.3	20/02/2016	20/04/2016
1295340M3	Major	6.3.2	20/02/2016	20/04/2016
1295340M4 – RSPO SCCS	Major	D.4.1	20/02/2016	20/04/2016
1295340N1	Minor	4.1.2	20/02/2016	01/08/2017
1295340N2	Minor	4.7.5	20/02/2016	01/08/2017
1664926-201807-M1	Major	6.5.2	10/08/2018	01/10/2018
1664926-201807-M2	Major	4.7.3	10/08/2018	01/10/2018
1664926-201807-M3 – RSPO SCCS	Major	5.5	10/08/2018	01/10/2018
1664926-201807-M4 – RSPO SCCS	Major	5.11	10/08/2018	01/10/2018

3.5. Stakeholders Consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Hargy Palm Oil Limited – Hargy Palm Oil Mill (including Barema Palm Oil Mill and Navo Palm Oil Mill) and Supply base Certification Unit’s environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.


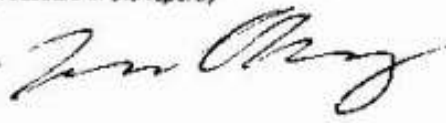
Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as below.

List of Stakeholders Contacted	
Internal Stakeholders Workers Gender leader Union leader Social officer	Union/Contractors/Local Communities Chairman of Gamupa (land owner) Chairman of Remaling (land owner) Chairman of Sena Palm Oil Estate (land owner) Chairman of Ela Lumkere Estate (land owner)
Government Departments (by email) East New Britain Community Development Office	NGO (by email) WWF Papua New Guinea West New Britain Community Development Forum Inc Eco Custodian Advocates Papua New Guinea Wildlife Conservation Society Papua New Guinea

IS #	Description
1	<p>Feedbacks: Remaling ILG Chairman</p> <ol style="list-style-type: none"> 1. There are no communications issues between HOPL and Remaling ILG. Any grievances, it will be launched to Community Affairs office. 2. So far there is no dispute. 3. The Chairman indicated that the community welfare should be focus on the clan that is involved in ILGs. 4. The Chairman would like to know about the new development. <p>Management Responses: HOPL recognises Remaling ILG as the body/authority encompassing any issues emanating from the ILG. Benefits given to the ILG by HOPL directly is the prerogative of the ILG Executives to disseminate and disburse to the respective Clan group under the ILG.</p>

	<p>There will be no new developments until the relevant HCV/HCS studies have been done to meet requirements of the RSPO New Planting Procedure (NPP) and the results of these studies will determine whether new development will take place or not.</p> <p>Audit Team Findings: The assessment team had able to verify that the community welfare management of HOPL is based on community engagement. The details of the assessment is provided in Criteria 6.11</p>
<p>2</p>	<p>Feedbacks: Sena Oil Palm Estate Chairman The Chairman indicated that the they would need HOPL to continue to provide support to Ulamona Health center.</p> <p>Management Responses: HOPL support to Ulamona Health Centre is an ongoing commitment as part of Hargy’s Corporate Social Responsibility and this support will continue.</p> <p>Audit Team Findings: The assessment team had able to verify that the community welfare management of HOPL is based on community engagement. The details of the assessment is provided in Criteria 6.11</p>
<p>3</p>	<p>Feedbacks: Ela Lumkere Estate Chairman The Chairman would like to know about the new development.</p> <p>Management Responses: There will be no new developments until the relevant HCV/HCS studies have been done to meet requirements of the RSPO New Planting Procedure (NPP) and the results of these studies will determine whether new development will take place or not.</p> <p>Audit Team Findings: The assessment team was able to verify that there is no new development by HOPL. All areas of development up to now is covered is the las NPP submission.</p>
<p>4</p>	<p>Feedbacks: Gamupa Chairman</p> <ol style="list-style-type: none"> 1. The Chairman commented that he is worry about what will happen to the leased land after 25 years where the rental ends. 2. The Chairman commented that more employment opportunities shall be given to the local graduates. <p>Management Responses: The sub-lease agreement specifically highlights that after the end of the 25 sub-lease agreement. It is upon the lease-holder (LanCo) to permit the tenant to continue as a periodic lease from year to year. (Rent & Others on the same condition of the Lease).</p> <p>It is incumbent upon the respective applicant have the sound knowledge and qualification for the job they are applying for. There is a SIPEF Scholarship that supports locals from the LLB Project areas. Recipients, however must meet the requirements which is specifically for Engineering and Agricultural Graduates.</p> <p>Audit Team Findings: The assessment team had reviewed the hiring process of HOPL. The hiring process is based on experience and qualification. There was no discrimination found in the hiring process.</p>

Formal Signing-off of Assessment Conclusion and Recommendation

Formal Signing-off of Assessment Conclusion and Recommendation	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Hargy Palm Oil Limited – Hargy Palm Oil Mill (including Barema Palm Oil Mill and Navo Palm Oil Mill) and Supply base has complied with the RSPO Supply Chain Certification Standard (June 2017) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Hargy Palm Oil Limited – Hargy Palm Oil Mill (including Barema Palm Oil Mill and Navo Palm Oil Mill) and Supply base is continued.</p>	
Report prepared by	Acceptance of Assessment Conclusion
Name: Nicholas Cheong	Name: GRAHAM KING
Company Name: PT BSI Indonesia	Company Name: HARGY OIL PALMS (TD)
Title: Team Leader	Title: GENERAL MANAGER
Signature: 	Signature: <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i> 
Date: 22/11/2018	Date: 29/11/18

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance
Principle 1: Commitment to Transparency		
Criterion 1.1		
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO criteria, in appropriate languages and forms to allow for effective participation in decision-making.		
1.1.1	<p>There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision-making.</p> <p>- Minor compliance -</p> <p>HOPL maintained a stakeholders list for the entire operations of HOPL that is including Navo Mill, Barema Mill, Pandi Estate, Hargy Estate and Navo Estate. The latest the stakeholder list was dated 16/04/2018. The changes include contact person (e.g. Conservation Environment and Protection Authority (CEPA) to Esmalyne Tau; Department of Police to John Midi and Mr Yangen; Local Communities & wards – Urumaili to John Gala, Ewasse to Elison Toirima) and new stakeholders (e.g. Lamo Auru Conservation Association)</p> <p>The SOP for Dissemination of Company Information & Documents No.PRO-ESD-SUS-002-02 states that site manager is responsible to forward any request for information or documents to the Environment & Sustainability Department for perusal and recommendation. Sustainability Officer for reviewing request for information and giving advice on whether disseminate or not. General Manager is responsible for authorization of company documents for dissemination to persons outside the company such as stakeholders.</p> <p>For external stakeholders, the List of Publicly Available Documents (REG-ESD-SUS-001-11) dated 30/06/2018 is available to inform about the information that can be obtain from HOPL. Interviewed conducted with local stakeholder confirmed that they are aware on their rights for information.</p> <p>The Community Affairs office is responsible to disseminate the information to smallholders and community surrounding the HOPL operations through Field Day. Sample of the Field Day reviewed:</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Field Day at Gigipuna VOP on 13/06/2018. Field Day at Nantabu VOP in May 2018. Field Day at Barema block #1333 in April 2018. Field Day at Kaiamu VOP on 17/01/2018.	
1.1.2	Records of requests for information and responses shall be maintained. - Major compliance -	The request for information is captured both centralized at Communities Affairs Office and each Operating units. Information request sample verified: In Hargy Mill there is no request for information received from the last assessment until this assessment. In Community Affairs there is not request for information received from the last assessment until this assessment.	Yes
Criterion 1.2			
Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			
1.2.1	Publicly available documents shall include, but are not necessarily limited to [Major]: <ul style="list-style-type: none"> • Evidence of the right to use the land/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts • (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); 	The list of document that is available for the public is documented in the List of Publicly Available Documents (REG-ESD-SUS-001-11) dated 30/06/2018. The list is make publicly available at the notice board within the vicinity of HOPL operation. The list of document that is made available to public including: Environment Policy OH&S Policy OH&S Plan (on request) Drugs & Alcohol Policy Policy Against forced or trafficked labour Sexual Harassment Policy Grievance Policy	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<ul style="list-style-type: none"> • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; Human Rights Policy (Criterion 6.13). <p>- Major compliance -</p>	<p>Policy on Child Labour Responsible Plantations Policy Smoke-Free Workplace Policy Policy Concerning Ethical Conduct Policy on Protection of Reproductive Rights Communication Policy Equal Employment Opportunity Policy SEIA and Environmental Aspects & Impacts Register (on request) Details of complaints and Grievances (on request and approved by GM) Land Acquisition & Negotiation procedures & process (on request and approved by GM) Land Titles/User Rights (on request and approved by GM) Continuous Improvement Plan (on request and approved by GM) HCV Documentation (on request and approved by GM) Public Summary of Certification Assessment Report (on request and approved by GM) Pollution Prevention and Reduction Plan (on request and approved by GM) The policies are published on notice boards within the HOPL operating sites, the Hargy website (www.hargy.com.pg), and Employee Handbook.</p>	
	<p>Associated Smallholder Requirement: Oil Palm Industry Corporation (OPIC) to hold relevant documents and make available to interested parties on request.</p>	<p>Smallholder of Hargy Oil Palms Limited did not receive inquiry and or provide response to stakeholders. However they understand that all information request/inquiry directed to OPIC and Hargy Oil Palms Limited.</p>	Yes
<p>Criterion 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.</p>			
1.3.1	<p>There shall be a written policy committing to a code of</p>	<p>The Policy Concerning Ethical Conduct (POL-HRD-GEN-003-02) dated 16/12/2015 has</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>- Minor compliance -</p>	<p>been established and communicate to stakeholders via the the Hargy website and notice boards within the HOPL operating sites. The policy emphasized on no illegal gratification and corrupt practices (Solicitation and/or acceptance of corrupt payments, making corrupt payments, commission, using company resources), and receiving/giving gifts.</p> <p>There were no grievances recorded on matter related to business ethical conduct of HOPL.</p> <p>In order to ensure HOPL is dealing with appropriated contractors, the controlled applied is a Tri-verification mechanism. Any contract that is proposed by the proposer will approved by the Head of Department and later verified by the Legal Dept. and Finance Dept. to ensure that the company has met the country legal requirements. In the contracts, the HOPL Environmental, OHS and Other polices are introduced to the contractors.</p> <p>Samples of contract reviewed:</p> <p>Contract with K.I.P Oil Contractors (Agreement No. HOPLHPR14/2017) for Hire of Heavy Equipment Machinery dated 04/05/2017.</p> <p>Contract with Micheal Soa for smallholders seeding cartage service dated 16/10/2017.</p> <p>Contract with Kulsau (Agreement No. 01/2017) for construction of Foot Bridges dated 19/06/2017.</p> <p>Contract with Sena Oil Palm Estate for Trade Store Lease Agreement dated 01/04/2018.</p> <p>Internal Stakeholders:</p> <p>The communication of the policies is available in the Employee Handbook and notices boards.</p> <p>During the compound meeting, company policies has been explained to the workers. Samples of meeting observed – Barema Plantations on 11/04/2018; Barema Mill on 27/07/2018.</p> <p>External Stakeholders:</p> <p>Community Affairs had communicated the policies to the Smallholders and surrounding</p>	

Criterion / Indicator		Assessment Findings	Compliance
		community during Field Days.	
	Associated Smallholder Requirements: Oil Palm Industry Corporation (OPIC) required to have a written policy committing to a code of ethical conduct and integrity in all operations and transactions.	The associated smallholder interviewed can explain the ethical code implemented by honest FFB harvested and recorded. No cheating in FFB weighing.	Yes
Principle 2: Compliance with applicable laws and regulations			
Criterion 2.1			
There is compliance with all applicable local, national and ratified international laws and regulations.			
2.1.1	Evidence of compliance with relevant legal requirements shall be available. - Major compliance -	<p>The Legal Department Head is responsible to track the changes of the regulations. Through interview, it was confirmed to the assessment team that he tracks the changes on the laws using the Pacific Islands Legal Information Institute (PaCLII) website.</p> <p>The last review on the List of PNG Applicable Registration was conducted on 31/01/2018. Examples of newly included relevant legal requirements includes Cybercrime Code Act 2016, Business Name Act 2014, Lukautim Pikinini Act 2015, Public Private Partnership Act 2014 and Road Traffic Act 2014.</p> <p>The Procedure on Compliance Obligation (PRO-ESD-EMS-002-09) dated 29/04/2016 is in place to manage the legal requirements. Based on the procedures, HOPL had conducted the Legal compliances check using the Legal Compliance Checklist. The last check was conducted on 24/07/2018 by the Environmental & Sustainability Department (ESD). The review is conducted once a year.</p> <p>Samples of legal compliance verified:</p> <p>The Annual Return Form 22 under the Companies Act 1997 for 01/01/2016 – 31/12/2016 was submitted to Investment Promotion Authority on 31/09/2017.</p> <p>Copies of legal tractor driving license of Barema Plantations are kept on site for monitoring of expiry.</p> <p>Copies of Environmental permit for Barema Mill was sighted. The approval given by the</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>PNG Director of Environment for 25 years permit expiring on 26/06/2030. Example of complying to the permit observed – 1) clause 14 – triple interceptor for oil traps is available. 2) clause 55 – there is no waste water discharge to waterways. The treated waste water is discharged to land application. The analysis was reviewed and has meet with the Land Application parameters stated in the Environmental Code of Practice 2013 (noted that there are several spikes on the Oil & Grease but the value has been consistently below 50ppl). 3) clause 63 – Environmental Performance Report dated 28/02/2018 submitted to the Conservation and Environment Protection Authority.</p>	
<p>Associated Smallholder Requirement: Associated smallholders are to comply with all applicable PNG legal requirements.</p>	<p>Based on interview with associated smallholder, they understand that they have to comply with PNG legal requirements. For example, for land owners sitting on state land/Land Settlement Scheme – LSS they have to pay for land rental fee to the government.</p> <p>No.021453 – Maiwara Robby: LSS; pays land rental PGK75 per annum; He attended field days with OPIC and received information on law and order, stop drinking habit – may lead to suspension, no domestic violence;</p> <p>No.021218 – Michael Kawakin: LSS; Certificate Lease Volume 73 Folio 162 under name Michael Kungu Kawakin, Portion 1218, Milinch ulawun, Fourmil Talasea, Area 7.13 Ha dated 22 September 1982; pay land rental PGK100 on 27 April 2018;</p> <p>No.031252 – Livai Sikaka: LSS; Certificate Land Title Volume 79 Folio 244 Portion 1252, Milinch Ulawun, Fourmil Talasea under name Sikaka Tupaia, dated 17 October 1983 for 6.39 Ha; pays rental fee;</p> <p>No.031420 – Per Kom: LSS; Land Title Portion 1420, Milinch Ulawun, Fourmil Talasea for Per Kom, area 6.55 Ha dated 20 September 1979 – valid for 55 years; pays rental fee;</p> <p>No.031398 – Moses Kapo: LS; Land Title Volume 93, Folio 38, Portion 1398, Milinch Ulawun, Fourmil Talasea, area 7.96 Ha, under name Moses Kapo, dated 18 September 1984; pays rental fee;</p> <p>And for smallholder type Village Oil Palm/VOP, sitting on customary land, they have to obtain CLUA:</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance	
	<p>No.141413 – Peter Loma: VOP; holds CLUA for 2.54 Ha;</p> <p>No.410017 – Mr. Hendy Megea: VOP; CLUA have for 20 years , from Buali Clans, original date 14 March 2011 for 1.5 Ha.</p> <p>No.070758 – Julius Niu: VOP; CLUA valid for 25 years upon 2 Ha land, has been signed and filed with the Abunana clan;</p> <p>No.077486 – Augustine Taumosi: VOP; CLUA has been signed and filed for 0.5 Ha land;</p> <p>No.070794 – Winfried Maela: VOP; CLUA No.070794 with Abunama Clan dated 31 August 2016 for 25 years; the land 2 Ha;</p> <p>No.077102 – Neris Varmari: VOP; CLUA has been signed and filed with Abulmosi Clan dated 31 August 2016 valid for 25 years;</p> <p>No.070783 – Nathaniel Meleko: VOP; CLUA No.070783 with Abulmosei Clan, dated 31 August 2016 valid for 25 years,</p> <p>No.0707256 – Denny Lako: VOP; CLUA No.0707256 with Labale Clan has been signed and filed, dated 31 August 2016 valid for 25 years;</p> <p>No.460024 – Tride Voluti: VOP; CLUA has been signed and filed in 2016;</p> <p>No.161678 – Ervel Morisa: VOP; CLUA has been signed and filed for 6 Ha;</p>		
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>- Minor compliance -</p>	<p>The list of regulations required by HOPL operations is in place and it is managed as per the Procedure Compliance Obligation (PRO-ESD-EMS-002-09) dated 29/04/2016.</p> <p>The ESD is responsible to complete the compliance assessment on the regulation where by the tracking for any updates of regulation is conducted by the Legal Officer together with the Head of Departments.</p>	Yes
	<p>Associated Smallholder Requirement:</p> <p>Does not apply to individual associated Smallholders however OPIC to provide information as part of their extension activities.</p>	<p>Based on interview with associated smallholder, they understand that they have to comply with PNG legal requirements. For example, for land owners sitting on state land/Land Settlement Scheme – LSS they have to pay for land rental fee to the government.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance								
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	On annual basis, legal compliance of HOPL is assessed by the ESD. The last assessment was on 24/07/2018. The legal compliance checklist was checked against the list of PNG Applicable Legislations. All of the applicable legislations are accessed to be complied.	Yes								
	Associated Smallholder Requirement: OPIC and Companies to monitor compliance during extension activities. Block inspection reports to provide evidence of compliance.	Based on interview with associated smallholder, they understand that they have to comply with PNG legal requirements, as suggested by OPIC's extension officer. For example, for land owners sitting on state land/Land Settlement Scheme – LSS they have to pay for land rental fee to the government.	Yes								
2.1.4	A system, appropriate to the scale of the organisation, for tracking any changes in the law shall be implemented. - Minor compliance -	Based on interview with associated smallholder, they understand that they have to comply with PNG legal requirements. For example, for land owners sitting on state land/Land Settlement Scheme – LSS they have to pay for land rental fee to the government.	Yes								
	Associated Smallholder Requirement: OPIC to disseminate information on legal changes to associated Smallholders. Company Smallholder departments to disseminate this information in locations where OPIC is not represented.	Based on interview with associated smallholder, they acknowledge that OPIC gives information on latest legal requirement/update. understand that they have to comply with PNG legal requirements. For example, for land owners sitting on state land/Land Settlement Scheme – LSS they have to pay for land rental fee to the government.	Yes								
Criterion 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	For companies, documents that demonstrate legal ownership or lease and permitted use of the land must be available. - Major compliance -	The land titles for lands that was developed by HOPL are available and kept onsite. Acknowledging the deficiency of the local PNG government in issuing the land titles, the following are updates on the land title received at Pandi Estate since last assessment.	Yes								
		<table border="1"> <thead> <tr> <th>No</th> <th>Land title No</th> <th>Issue date & validity</th> <th>Area (ha)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Sulvuse Estates Limited, Portion 1; Ulawun Milinch, Talasea Fourmil; East</td> <td>Commencement date 21/02/2018; valid 99</td> <td>383.00</td> </tr> </tbody> </table>		No	Land title No	Issue date & validity	Area (ha)	1	Sulvuse Estates Limited, Portion 1; Ulawun Milinch, Talasea Fourmil; East	Commencement date 21/02/2018; valid 99	383.00
		No		Land title No	Issue date & validity	Area (ha)					
1	Sulvuse Estates Limited, Portion 1; Ulawun Milinch, Talasea Fourmil; East	Commencement date 21/02/2018; valid 99	383.00								

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Criterion / Indicator		Assessment Findings			Compliance
			New Britain; Title reference: 25/181	years	
		2	Hargy Oil Palms Limited, Portion 3; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/182	Commencement date 21/02/2018; valid 99 years	146.00
		3	Hargy Oil Palms Limited, Portion 6; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference:	Commencement date 21/02/2018; valid 99 years	35.00
		4	Hargy Oil Palms Limited, Portion 7; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/185	Commencement date 21/02/2018; valid 99 years	65.00
		5	Gamupa Oil Palm Development, Portion 13; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/191	Commencement date 21/02/2018; valid 99 years	614.00
		6	Gamupa Oil Palm Development, Portion 12; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/190	Commencement date 21/02/2018; valid 99 years	27.15
		7	Gamupa Oil Palm Development, Portion 11; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/189	Commencement date 21/02/2018; valid 99 years	20.70
		8	Gamupa Oil Palm Development, Portion 10; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/188	Commencement date 21/02/2018; valid 99 years	92.91

Criterion / Indicator		Assessment Findings				Compliance
		9	Gamupa Oil Palm Development, Portion 9; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/187	Commencement date 21/02/2018; valid 99 years	20.90	
		10	Gamupa Oil Palm Development, Portion 5; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/184	Commencement date 21/02/2018; valid 99 years	186.50	
		11	Gamupa Oil Palm Development, Portion 4; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/183	Commencement date 21/02/2018; valid 99 years	27.89	
		12	Abulmosi Oil Palm Estate Ltd, Portion 8; Ulawun Milinch, Talasea Fourmil; East New Britain; Title reference: 25/186	Commencement date 21/02/2018; valid 99 years	1390.00	
		The annual land leasing of the lands was made on 08/01/2018. The payment voucher has been verified. Total lease paid was K64,346.00.				
	<p>Associated Smallholder Requirement:</p> <p>For associated smallholders, evidence of the "Right to use the land" will be demonstrated by compliance with the following:</p> <p>a) Land title or lease <u>OR</u> uncontested occupancy where boundaries have been defined by a registered surveyor and portion numbers allocated by the Surveyor General <u>or</u> boundaries have been defined by traditional means and agreed between neighbours with common boundaries and other interested parties; <u>AND</u> there is no significant dispute over tenure (see 2.2.4)</p>	<p>Sample of the smallholder verified:</p> <p>No.021453 – Maiwara Robby: Survey portion 1453-1453 for 14.88 Ha dated 26 April 2017; pays land rental PGK75 per annum;</p> <p>No.021218 – Michael Kawakin: LSS; Certificate Lease Volume 73 Folio 162 under name Michael Kungu Kawakin, Portion 1218, Milinch Ulawun, Fourmil Talasea, Area 7.13 Ha dated 22 September 1982; pay land rental PGK100 on 27 April 2018; boundary pegs are clearly identified;</p> <p>No.031252 – Livai Sikaka: LSS; Certificate Land Title Volume 79 Folio 244 Portion 1252, Milinch Ulawun, Fourmil Talasea under name Sikaka Tupaia, dated 17 October 1983 for 6.39 Ha; boundary pegs are maintained; pays rental fee;</p> <p>No.031420 – Per Kom: LSS; Land Title Portion 1420, Milinch Ulawun, Fourmil Talasea for Per Kom, ara 6.55 Ha dated 20 September 1979 – valid for 55 years; boundary pegs are</p>				Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>maintained;</p> <p>No.1427 – Seve Manau: LSS; land title with passed parents OPIC and Hargy is helping to get new land title; boundary pegs are clearly located;</p> <p>No.031398 – Moses Kapo: LS; Land Title Volume 93, Folio 38, Portion 1398, Milinch Ulawun, Fourmil Talasea, area 7.96 Ha, under name Moses Kapo, dated 18 September 1984; boundary pegs area clearly located;</p> <p>No.141413 – Peter Loma: VOP; holds CLUA for 2.54 Ha; no boundary pegs, only tree as signs;</p> <p>No.101020 – Kevin Tomarum: VOP; 1 Ha; current planting year 1985 planted 1 Ha; holds CLUA; clear boundary near customary land;</p> <p>No.010350 – Manare Vio: LSS; boundary pegs are clearly located;</p> <p>No.450045 – Nakmai Mathias: VOP; CLUA has been submitted. Boundary are clear, using natural sign such as trees.</p> <p>No.410017 – Mr. Hendy Megea: VOP; CLUA have for 20 years , from Buali Clans, original date 14 March 2011 for 1.5 Ha. Boundary signs for the land are clear, located on S 4⁰59'58.8" and E 157⁰16'27.6".</p> <p>No.370003 – Augustine Vatata: VOP; CLUA for 2 Ha; boundary signs are clear; sampled boundary signs located S 4⁰59'24.6" and E 151⁰16'38.2";</p> <p>No.070714 – Avamon Hosea: VOP; CLUA has been signed and filed; the boundary signs are clearly located S 4⁰58'46.7" and E 151⁰17'56.0";</p> <p>No.070758 – Julius Niu: VOP; CLUA valid for 25 years upon 2 Ha land, has been signed and filed with the Abunana clan; the boundary signs are clearly located S 4⁰58'27.3" and E 151⁰18'43.7";</p> <p>No.077486 – Augustine Taumosi: VOP; CLUA has been signed and filed for 0.5 Ha land; the boundary signs are clearly located S 4⁰57'54.9" and E 151⁰19'8.8";</p> <p>No.070794 – Winfried Maela: VOP; CLUA No.070794 with Abunama Clan dated 31 August 2016 for 25 years; the land 2 Ha; the boundary signs are clearly located S</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>4°57'55.9" and E 151°19'34.4";</p> <p>No.077102 – Neris Varmari: VOP; CLUA has been signed and filed with Abulmosi Clan dated 31 August 2016 valid for 25 years; No dispute; the boundary signs are clearly located sampled S 4°58'24.4" and E 151°19'55.2";</p> <p>No.077191 – Mrs.Gertrude Gabo: VOP; the boundary signs are clearly located sampled S 4°58'3.0" and E 151°19'0.0"; no spraying only grass cutting; grass cutting by worker, paid PGK100 per cutting; pruning paid PGK100; field day (training): not join, only information from OPIC;</p> <p>No.077192 – Augustine Poilela: VOP; CLUA has been signed and filed; the boundary signs are clearly located sampled S 4°58'26.7" and E 151°19'36.2";</p> <p>No.070783 – Nathaniel Meleko: VOP; CLUA No.070783 with Abulmosei Clan, dated 31 August 2016 valid for 25 years, has been signed and filed; the boundary signs are clearly located sample S 4°58'30.6" and E 151°19'30.2";</p> <p>No.0707256 – Denny Lako: VOP; CLUA No.0707256 with Labale Clan has been signed and filed, dated 31 August 2016 valid for 25 years; the boundary signs are clearly located sampled S 4°56'46.5" and E 151°21'6.7";</p> <p>No.390076 – Francis Keltoe: previously Gamupa Independent Estate, but since it was found to be located in state land, then apply land title and apply sub-lease agreement, divided between the clan member; the boundary signs are clearly located sampled on S 5°01'34.9" and E 151°24'12.3";</p> <p>No.090915 – Apisai Toruga: VOP; CLUA has been signed and filed; the boundary signs are clearly located sampled on S 5°16'34.9" and E 151°2'13.8"; No land dispute because he is Clan leader; No land after 2010 was being signed with CLUA;</p> <p>No.090947 – Joan Sobi: VOP; CLUA has been signed and filed in 2013; the boundary signs are clearly located on sampled S 5°16'53.7" and E 151°2'36.7";</p> <p>No.460024 – Tride Voluti: VOP; CLUA has been signed and filed in 2016; the boundary signs are clearly located, sampled S 5°31'23.3" and E 151°52'40.5";</p> <p>No.161678 – Ervel Morisa: VOP; CLUA has been signed and filed for 6 Ha; the boundary</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>signs are clearly located, sampled on S 5°28'11.0" and E 151°55'11.9";</p> <p>No.161643 – Elias Dimon: VOP; CLUA has been signed and filed in 2017; the boundary signs are clearly located, sampled S 5°27'24.1" and E 150°56'10.6"; No land dispute;</p> <p>No.080819 – Peter Gavuri: VOP; CLUA has been signed and filed in 2017; the boundary signs are clearly located, sampled on S 5°26'50.6" and E 150°57'19.5"; No land dispute;</p> <p>No.080834 – Ben Lowa: VOP; CLUA has been signed and filed in 2017; the boundary signs are clearly located, sampled on S 5°26'50.5" and E 151°57'28.2";</p>	
<p>2.2.2</p> <p>For Company owned or leased land, Legal boundaries shall be clearly demarcated by identifiable markers.</p> <p>- Minor compliance -</p>	<p>Hargy Estate: HOPL is in coordination with Land Department to install boundary pegs in replanting area to avoid overplanting. The boundary re-survey conducted in 2015 – 18 boundary pegs identified and GPS coordinate captured in Hargy Estate – Barema Plantation Division 1, Block 08A28/A29 (5° 11' 59.74626" S and 151° 4' 10.79331" E); Block 07B23/B24 (5° 12' 9.57988" S and 151° 5' 13.64103" E); Division 2 Block 06C23 (5° 11' 48.56475" S and 151° 5' 39.17087" E).</p> <p>Navo Estate: The Estate has Map of Portion 624, Milinch of Ulawun, Fourmil of Talasea; Certificate of Title Volume 1/Volume 33, date of issuance 7th July 1983, valid for 99 years, and Map of Part of Portion 2040, Milinch of Ulawun, Fourmil of Talasea; Survey Plan No.15/932, date of issuance 17th February 2005, valid for 25 years. Field visit to boundary marker in Navo Estate, located in Ibana Plantation Block 06P01 (5° 2' 42.30312" S and 151° 15' 18.18708" E); Block 06O01 (5° 2' 39.65842" S and 151° 13' 54.95424" E) bordering with Saltemana Oil Palm Ltd; Block 05M04 (5° 3' 18.36027" S and 151° 13' 31.73448" E) Tianepo VOP area; and Block 01L13 (5° 4' 29.62106" S and 151° 12' 48.29793" E) bordering with Buffer zone of Ibana river. Legal boundaries are clearly demarcated and accurate compared to map.</p> <p>Pandi Estate: Company has a map "Survey of Portions 1 and 2 (East New Britain Province), Milinch of Ulawun (NE) Fourmil of Talasea", Cat. No. 15/979. Registered on 25th October 2011 by Surveyor General. Visit to verify the location of boundary markers conducted to Block 11A01 (4° 59' 20.7369" S and 151° 25' 5.55143" E; and 4° 59' 18.62287" S and 151° 24' 56.06895" E) bordering with customary land; Block 11C01 (4°</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>Associated Smallholder Requirement: For Smallholder allotments, boundaries may be identified by traditional means provided that boundary locations are agreed by all neighbouring parties that share common boundaries.</p>	<p>58' 29.25542" S and 151° 25' 30.77253" E) bordering with Pandi River buffer zone. Legal boundaries are clearly demarcated and accurate compared to map.</p> <p>All smallholders being sampled are able to demonstrate document showing legal ownership of the land and actual legal use of the land. Based on field visit, it is clearly visible that boundaries are well demarcated. For VOP's land, boundary is identify with natural vegetation and/or specific crops with neighboring land. Village Oil Palm (VOP) blocks visited found physical signs were used to mark oil palm plantation. These were common practices within VOP. Based on interview with smallholders, boundary locations are agreed by all neighboring parties that share common boundaries.</p> <p>In example: Plot No. 111210 Robin Andrias (VOP land). In the North side, this land is bordered by Jenny Senis land. The boundary mark using pineapple crops and frond stacking. While, in the West side bordering with Osila Eli's land, land demarcation uses betle nut palm.</p> <p>Smallholder No.331816, under name Balele Martin, has boundary marker on 5° 6' 16.40844" S and 151° 10' 23.298" E along to 5° 6' 22.02" and 151° 10' 28.9361"</p> <p>Smallholder No.331925, under name Elary Benedict, has boundary marker on 5° 6' 43.6129" S and 151° 11' 2.961" E along to 5° 6' 37.2995" and 151° 11' 8.8753"</p> <p>Smallholder No.331961, under name Henry Tonny, has boundary marker on 5° 8' 1.5383" S and 151° 11' 28.3399" E along to 5° 8' 5.63492" and 151° 11' 32.304"</p> <p>Smallholder No.060647, under name Nancy John, has boundary marker on 5° 10' 53.45" S and 151° 7' 56.37" E along to 5° 10' 50.35" and 151° 8' 2.56"</p> <p>Smallholder No.060607, under name Phillip Kalinka, has boundary marker on 5° 11' 59.909" S and 151° 8' 48.095" E along to 5° 11' 57.6996" and 151° 8' 44.77"</p>	<p>Yes</p>
<p>2.2.3 Where there are or have been disputes over the right to use the land or the position of a boundary, for Company land, additional proof of legal acquisition of title and</p>	<p>There is no land acquisition by HOPL since the last assessment.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
	evidence that fair value has been paid to previous owners and/or occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -		
	Associated Smallholders Requirement: For Smallholder land, agreement of resolution of disputes shall be demonstrated by appropriate documentation or by demonstrated agreement of interested parties.	Based on field visit and interview with associated smallholder, no dispute over land.	Yes
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. - Major compliance -	In order to manage any land dispute, the Land Negotiation Procedures was established. Land conflict recorded for smallholders block 10395. The conflict recorded was dispute between Nickson (Nixon) Ningi (Nigi) with Senis Awe whereby the late father of Nickson Ningi sold the land to Senis Awe without the consent from the family. The	Yes
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance -	Samples of grievance in the HOPL Grievance Database was verified. There was not significant land conflict reported between land owners and HOPL. Interview with clan leaders confirmed that there is no land dispute between community and HOPL.	Yes
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. - Major compliance -	Stakeholders were interviewed to confirmed that there is no such evidence that HOPL has instigated violence in maintaining peace.	Yes
	Associated Smallholder Requirement:	Based on field visit and interview with associated smallholder there is no instigated	Yes

Criterion / Indicator		Assessment Findings	Compliance
	2.2.4, 2.2.5 and 2.2.6 – These indicators apply to Smallholders.	violence to resolve conflict.	
Criterion 2.3:			
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.			
2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance -	HOPL is maintaining maps of the Customary lands that are being lease leased back from the clan owners for Plantations (Sena, Vamakuma and Remaining). The overall map covering the entire Lands that are leased by HOPL with scale of 1:88,000 (which includes the Plantations Lands) is available and HOPL maintained its' own GIS team to managed the mapping. The assessment team had verified the availability of the maps. HOPL has identify a Continuous Improvement Plan to include all the Village Oil Palm location into the HOPL GIS system with geo-coordinates.	Yes
2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected	HOPL has fully developed the leasehold land transferred from predecessors or through purchase and transfer of title. There will be no further own land expansion from HOPL. The development of the Bialla project inclusive of smallholders and sub-leasing from customary land (through the Leased Lease Back program with Incorporated Land Grouping (customary land) and incorporated companies (state lease)). The LLBs are land belongs to the clan. Therefore, in order to maintain the "FPIC" requirements, HOPL has developed the Land Negotiation Procedure to manage clan lands registration. The procedures provide guidance to the clan and the clan members shall discuss their user rights and interest of communal benefits and come to the consensus to incorporate land grouping (ILG). Samples of records reviewed: Abunava ILG – The letter of interest and consent to HOPL from Abunava Clan to HOPL was dated 20/01/2008. Series of negotiation on the terms and conditions on the leasing is available (e.g. Lease Leased Back awareness conducted on 02/12/2008) prior signing the MoU on 11/04/2013. The Sub-leasing agreement is still in progress due to pending of land title from the PNG government. Map of the area surveyed by PNG General	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>- Minor compliance -</p>	<p>Surveyor dated July 2012 is available.</p> <p>Alaba Development Corporation – The letter of interest and consent to HOPL from Alaba was dated 17/07/2008. Series of negotiation on the terms and conditions on the leasing is available (e.g. Lease Leased Back awareness conducted on 30/09/2008; meeting minutes dated 13/01/2010 on the sub-leasing agreement) prior signing the MoU on 08/03/2010. The Sub-leasing agreement was dated 05/09/2011. Map of the area surveyed by PNG General Surveyor dated 10/03/2010 is available.</p>	
2.3.3	<p>All relevant information shall be available in appropriate forms and the English language including assessments of impacts, proposed benefit sharing, and legal arrangements. Where understanding of the English language is limited, translations or summaries in the Tok Pisin language must be provided.</p> <p>- Minor compliance -</p>	<p>All previous records are still kept and maintained in the Land Departments / Community Affairs Department. There are no new LLBs and incorporation of ILGs since last assessment.</p>	Yes
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>- Major compliance -</p>	<p>ILGs are represented by the appointed clan leaders. In reviewing the previous MoU sample (Abunava ILG and Alaba Company), the signatory of the MoU are by the clan leaders. Interview with Gamupa Oil Palm Development Limited, Remaling ILG and Abunava ILG confirmed that the he understood the schedule arrangement and confirmed that they are free to select their representative.</p>	Yes
Principle 3: Commitment to long-term economic and financial viability			
Criterion 3.1			
There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	<p>A business or management plan (minimum three years) shall be documented that includes, where appropriate, the projected production contribution from associated Smallholders</p>	<p>HOPL had a 10 years business plan initiated, compiled and distributed from The General Manager's office. The document details among others the following data;</p> <p>Annual crop from plantation estates and the smallholders.</p> <p>Age profile, year planted & YPH (ranges from 17.59 – 30.06)</p>	Yes

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Criterion / Indicator	Assessment Findings	Compliance																																					
<p>- Major compliance -</p>	<p>The distribution of crop to the 3 mills to ensure optimum capacity. Targeted extraction ratios CPO Hargy Mill 24.61%; Navo Mill 24.91%; Barema Mill 24.50%; average 24.67%; and CPKO Hargy Mill 2.16%; Barema Mill 2.16%. Production cost of both estates and mills. Projected Profit/Loss statement. The projected crop for a duration of 2019 - 2028 was sighted and summarised below;</p> <table border="1" data-bbox="922 646 1966 845"> <thead> <tr> <th>Source of FFB</th> <th>Total FFB 2019-2028</th> <th>% contribution</th> </tr> </thead> <tbody> <tr> <td>Company Plantation</td> <td>3,958,977</td> <td>60.77</td> </tr> <tr> <td>Smallholder & New development</td> <td>2,555,374</td> <td>39.23</td> </tr> <tr> <td>Total</td> <td>6,514,351</td> <td>100.00</td> </tr> </tbody> </table> <table border="1" data-bbox="922 893 1966 1173"> <thead> <tr> <th>Mill</th> <th>CPO-ER</th> <th>Total CPO 2019 - 2028</th> <th>CPKO-ER</th> <th>Total CPKO 2019 - 2028</th> </tr> </thead> <tbody> <tr> <td>Hargy Mill</td> <td>24.61</td> <td>549,370</td> <td>2.16</td> <td>48,279</td> </tr> <tr> <td>Navo Mill</td> <td>24.91</td> <td>674,751</td> <td>-</td> <td>-</td> </tr> <tr> <td>Barema Mill</td> <td>24.50</td> <td>531,211</td> <td>2.16</td> <td>105,496</td> </tr> <tr> <td>Total</td> <td></td> <td>1,755,332</td> <td></td> <td>153,775</td> </tr> </tbody> </table> <p>The breakdown of crop for the mill processing as shown above budgeted at 60.77% for plantation FFBs and 38.23% for Smallholder FFBs. The cost of relating to RSPO is reflected under item environment, whilst safety is absorbed under item health. PPE is taken into item staff welfare. All other related figures in details are available in soft copy and maintained in The General Manager's Office. It is treated with full confidentiality released on discretion of the management.</p>	Source of FFB	Total FFB 2019-2028	% contribution	Company Plantation	3,958,977	60.77	Smallholder & New development	2,555,374	39.23	Total	6,514,351	100.00	Mill	CPO-ER	Total CPO 2019 - 2028	CPKO-ER	Total CPKO 2019 - 2028	Hargy Mill	24.61	549,370	2.16	48,279	Navo Mill	24.91	674,751	-	-	Barema Mill	24.50	531,211	2.16	105,496	Total		1,755,332		153,775	
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Criterion / Indicator	Assessment Findings	Compliance																												
	<p>In conclusion the financial plan for the organisation has been prepared in comprehensive and adequate to address the direction of the business for the next 10 years.</p> <p>This is also made available as summarised below similar to the one prepared for the estates. The smallholders data is prepared through assistance given by OPIC and also the HOPL smallholders department. These are subjects discussed among others during the monthly extension meeting between the management and the smallholders.</p> <table border="1" data-bbox="922 619 1966 852"> <thead> <tr> <th>Source of FFB</th> <th>Total FFB 2019-2028</th> <th>% contribution</th> </tr> </thead> <tbody> <tr> <td>Company Plantation</td> <td>3,958,977</td> <td>60.77</td> </tr> <tr> <td>Smallholder & New development</td> <td>2,555,374</td> <td>39.23</td> </tr> <tr> <td>Total</td> <td>6,514,351</td> <td>100.00</td> </tr> </tbody> </table>	Source of FFB	Total FFB 2019-2028	% contribution	Company Plantation	3,958,977	60.77	Smallholder & New development	2,555,374	39.23	Total	6,514,351	100.00																	
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3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p>- Minor compliance -</p> <p>This information of annual replanting program for the entire estates in the Hargy Palm Oil Limited (HOPL) is available. It was initiated from the Head Plantations & General Manager's Offices and transferred down to the estates for implementation. The 5 years development and replant plan for 2018 (ver. 2.0) was approved by The General Manager on 20th April 2018.</p> <p>Contents of which were sighted and shown below; figures in hectares otherwise stated.</p> <p>Replanting</p> <table border="1" data-bbox="922 1203 1966 1399"> <thead> <tr> <th>Estate /Pltn</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Hargy</td> <td>706.04</td> <td>-</td> <td>-</td> <td>236.12</td> <td>0.00</td> <td>942.16</td> </tr> <tr> <td>Navo/Kiba</td> <td>-</td> <td>623.73</td> <td>594.50</td> <td>0.00</td> <td>0.00</td> <td>1218.23</td> </tr> <tr> <td>Navo/Ibana</td> <td>-</td> <td>-</td> <td>-</td> <td>504.35</td> <td>183.08</td> <td>687.43</td> </tr> </tbody> </table>	Estate /Pltn	2019	2020	2021	2022	2023	Total	Hargy	706.04	-	-	236.12	0.00	942.16	Navo/Kiba	-	623.73	594.50	0.00	0.00	1218.23	Navo/Ibana	-	-	-	504.35	183.08	687.43	Yes
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Criterion / Indicator		Assessment Findings						Compliance	
		Total	706.04	623.73	594.50	740.47	183.08	2847.82	
		New Development							
		Estate /Pltn	2019	2020	2021	2022	2023	Total	
		Vamakuma	70.00	-	-	-	-	70.00	
		Karla Pltn	100.00	-	-	-	-	100.00	
		Kiba Pltn	0.00	235.00	-	-	-	235.00	
		Remailing	70.00	-	-	-	-	70.00	
		Gilo	341.00	220.00	-	-	-	561.00	
		Ambusa	250.00	200.00	-	-	-	450.00	
		Alangili	-	-	400.00	-	-	400.00	
		Vauvatu	-	-	400.00	-	-	400.00	
		Me'o	-	-	-	1000.00	-	1000.00	
		Total	831.00	655.00	800.00	1000.00	-	3286.00	
		Replanting & New Development							
		Estate /Pltn	2019	2020	2021	2022	2023	Total	
		Total	1537.04	1278.73	1394.50	1504.35	183.08	6133.82	

Criterion / Indicator		Assessment Findings	Compliance																																																					
	<p>Associated Smallholder Requirement: 3.1.2 OPIC to provide replanting program for Associated Smallholders.</p>	<p>Oil Palm Industry Corporation (OPIC) of Papua New Guinea has provided replanting program for HOPL Associated Smallholders, called Bialla Oil Palm Project Eight Year Replanting Work Plan 2018-2025, prepared by Otto Pukam dated 25th September 2017. Below are replanting program of HOPL Associated Smallholder for period 2018-2025:</p> <table border="1"> <thead> <tr> <th rowspan="2">Area</th> <th colspan="8">Replanting Program (Ha)</th> </tr> <tr> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Cenaka</td> <td>100</td> <td>16</td> <td>8</td> <td>141</td> <td>100</td> <td>70</td> <td>72</td> <td>129</td> </tr> <tr> <td>Maututu</td> <td>85</td> <td>159</td> <td>108</td> <td>249</td> <td>210</td> <td>147</td> <td>88</td> <td>98</td> </tr> <tr> <td>Meramera</td> <td>9</td> <td>-</td> <td>6</td> <td>2</td> <td>11</td> <td>2</td> <td>1</td> <td>4</td> </tr> <tr> <td>Ind. Estate</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>178</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Area	Replanting Program (Ha)								2018	2019	2020	2021	2022	2023	2024	2025	Cenaka	100	16	8	141	100	70	72	129	Maututu	85	159	108	249	210	147	88	98	Meramera	9	-	6	2	11	2	1	4	Ind. Estate	-	-	-	-	-	178	-	-	Yes
Area	Replanting Program (Ha)																																																							
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<p>Principle 4: Use of appropriate best practices by growers and millers</p>																																																								
<p>Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.</p>																																																								
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills shall be documented. - Major compliance -</p>	<p>HOPL had a documented standard operating procedure (SOP) are indexed according for the subjects and scope covered. Copies are available in the estates and mill audited. Therein is shown issue no and date of revision. All SOPs are issued by the Environmental & Sustainability Manager. Format of SOP is standard through all the estates and mills. e.g</p> <table border="1"> <tr> <td>PRO</td> <td>ESD</td> <td>GEN</td> <td>001</td> <td>09</td> <td>New Development</td> </tr> </table>	PRO	ESD	GEN	001	09	New Development	Yes																																															
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Criterion / Indicator	Assessment Findings	Compliance
	<p>SOP for Mill Operation: PRO-ESD-GEN-011-10 dated 10/02/2016, for Palm Oli Mill Effluent (POME) Management. PRO-ESD-GEN-007-11 dated 10/02/2016, for Palm Kernel Oil Milling. PRO-ESD-GEN-006-11 dated 10/02/2016, for Palm Oil Milling. PRO-ESD-GEN-010-10 dated 05/02/2018, for Hydrocarbons Management. PRO-ESD-GEN-012-13 dated 21/07/2018, for Shipping Management. PRO-ESD-GEN-014-10 dated 05/04/2018, for Compound Management. PRO-ESD-GEN-013-10 dated 16/04/2018, for Transport Management.</p> <p>SOP for Estate Operation: PRO-ESD-SUS-001-05 dated 28/04/2017, for Integrated Pest Management Plan. PRO-ESD-GEN-003-09 dated 10/02/2016, for Upkeep. PRO-ESD-GEN-004-011 dated 16/04/2018, for Pesticides Management. PRO-ESD-GEN-002-09 dated 10/02/2016, for Harvesting. PRO-ESD-GEN-005-09 dated 10/02/2016, for Nursery. PRO-ESD-GEN-001-10 dated 15/04/2018, for New Development.</p> <p>Standard Operating Procedure for Soil Sampling in HOPL Plantations. Standard Operating Procedure for Inorganic Fertilizer in HOPL Plantations.</p> <p>All procedures are in English and in certain specific areas being translated in Tok Pisin. During interview with workers and staff, it is confirmed that they understood the procedures, e.g. in Hargy Estate, Barema Plantation Block 06E21 (Harvesting); Block 07A23 (Spraying), Block 06D21 (EFB Application); Hargy Mill (Weighbridge Operator); Navo Estate – Ibane Plantation Block 03L10 (Harvesting), Block 06Q17 (Fertilizing), Block 05N08 (Spraying), Nursery; Navo Mill (Workshop); Pandi Estate – Bakada Plantation Block 11A01 (Spraying), Block 12E12 (Fertilizing), Block 14B02 (Harvesting). The Biogas procedure is prepared by “KIS Group” in “Standard Operating Manual for Biogas System” - Procedure “BPOM Biogas Reactor Temperature Control”, dated 3rd</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>October 2015.</p> <p>Smallholders</p> <p>The management of the procedure for the Smallholders is guided using a hand book titled "Gutpela rot bilong lukautim wel pam na kamap gutpela smolholda fama". Copies of which have been distributed to all new growers beginning 2011. This book contains content on guidelines/procedures among others: Sustainability, Harvesting standard, Fertilizer application, Block upkeep, health and safety, RSPO Compliances. Also other social issues e.g HIV/AIDS, malaria, family violence.</p> <p>HOPL smallholder department maintain production records and field day attendance records as avenues and evidences of discussion relating to performance and for improvement. Field day carried out on 18th July 2018 (Tiauru LSS), 13th June 2018 (Gigipuna VOP), 16th May 2018 (Natabu VOP), 18th April 2018 (Barema Smallholders and Growers), 23rd March 2018 (Uasilau and Lalopo VOP), 19th February 2017 (Wilelo VOP), and 17th January 2018 (Kaiamu VOP). This forum is adequate to discuss and train the smallholders organized by the organization.</p>	
4.1.2	<p>A mechanism to check consistent implementation of procedures shall be in place.</p> <p>- Minor compliance -</p> <p>Mechanism to check consistent implementation of procedures is in place from the lowest level of supervisory to the highest level like by The General Manager and external parties. On the Head office level the following among others are made:</p> <p>Regular evaluation of all procedures will be made annually 2 times/year audit by the Environment & Sustainability Department Workplace inspection by RSPO representative on monthly basis.</p> <ul style="list-style-type: none"> • Chief Engineer visits to the mills. • Head of Plantation field inspection. • General Manager or Consultant Inspection. <p>Palm Oil Mill</p> <p>The Mill Manager inspects the mill on a daily basis. The Engineers, Supervisors monitors</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>the entire production performance and product quality. This is made through the mill rounds and supervisions. The checklist forms sighted during the visit are sterilizer safety operation checklist, press station checklist. The product/lab data sheet is checked hourly by shift superintendent to ensure conformity to quality standard of all process parameters. Monthly figures are analyzed /recommended for improved performance. Chief Engineer does regular visits to all the 3 mills and with a report being established. For example, in Hargy Mill:</p> <p>Engineering Directors Visit Report, visit date 9 to 10 Oct 2017; finding: The sterilizer condensate drainage is not working well, because the condensate pit is higher than the sterilizer and this is causing flooding of condensate in the sterilizer; action: relocate condensate pit to process water tank location and drop level below the sterilizer condensate pipes for proper condensate draining.</p> <p>Visit conducted in June 2018 to Hargy Palm Oil Mill, reported finding in pumping station, sterilizer station, ramp, fire pump, hot works areas, Demin plant, kernel plant and workshop.</p> <p>Chief Engineer visit on 15/05/2018, related turbine no.3; ages repair yard crane; and auto dilution (condensate + water).</p> <p>Chief Engineer visit on 18/01/2018, report related to old cage removal; electrical on steam flow meter setting; lubrication schedule; and relocation of excess fuel conveyor.</p> <p>Barema Mill:</p> <p>Director of Engineering Visit Report, dated 03/04/2017; Sterilizer station; At the time of the mill inspection it was seen that the sealing face of the sterilizer door was dirty and this will damaged the door seal and cause a leak, it is also difficult for the operator to clean this seal face because there is no access platform for walkway; Recommendation: Install a walkway and platform, so the operator can regularly clean the door seal face;</p> <p>Director of Engineering Visit Report, dated 04/10/2017; Sterilizer station; A steam pipe on sterilizer number one was leaking; Recommendation: replace gasket: Status: Already been rectified and keep monitoring.</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Mill EHS Monthly Inspection Visit, dated 25/06/2018.</p> <p>Chief Engineer Visit, recorded by email dated 17/05/2018, regarding installing actuator to open/close water line when condensate pump starts in operation: Status: Done, reported by Mill Manager Email dated 30/05/2018.</p> <p>Navo Mill:</p> <p>Sustainability Inspection, by Carol Aigilo, dated 14th February 2018. Finding good practice in Fire Emergency Pump, Work Safe Permit, calibration records.</p> <p>EHS Inspection report conducted on 31/07/2018.</p> <p>Chief Engineer Visit dated 14/05/2018, reported by email on 22/05/2018. Reported digester arms in bad condition, replace it one by one during milling operation.</p> <p>Chief Engineer Visit dated 28/05/2018, reported by email on 30/05/2018. Reported rail line at outlet transfer carriage area and sterilizer no.2 is in poor condition, need to be replace and weld a new plate on top.</p> <p>All mills (Hargy POM, Barema POM and Navo POM) has had environmental permit and it still valid. Within the permit, there is no specific requirement to monitor static emission test for boiler and generator at the mills. Therefore, no monitoring on static emission is apply.</p> <p>Plantation</p> <p>Head of Plantation visited estates for the field inspection. A standard report is made to the management of the operating units. The report was being checked and discussed. Estates provide remedial plan/action taken. The report contains:</p> <ul style="list-style-type: none"> - Sections inspected immature, mature, new development. - Action points to be taken before next visit and completion date. - Harvesters productivity / standards - Upkeep standard / Pest & Diseases - RSPO related requirement 	

Criterion / Indicator		Assessment Findings	Compliance
		<p>- Documentation compliance.</p> <p>There are several visit conducted to the plantation by the consultants, such as: Report No.3 from Palm Oil Consulting LTD, date of visit 21st May 2018 to 2nd June 2018. The report covers yield taking, yield making, Immature/replant and Nursery.</p> <p>Fertilizer visit report – April 2018 by F. Dumortier, contains Organization of fertilizer application in 2018; leaf and soil sampling; Plantation internal audit requirements; EFB application; Satellite image and Palm census; Training; Field Observation; and Navo nursery.</p> <p>Visit from Martin de Clermont-Tonnere from Tolan Tiga (Indonesia Operation) on 21 May 2018 to 2nd June 2018. Overview of the HOPL working operation and department structure and function.</p> <p>Internal Audit follow up review for Pandi Estate, period July 2017 to March 2018. Scope of the Internal Audit was HOPL Database; Roller forms/Piece Rate Sheet/ Harvest Sheet; Payroll Processing and Reports; Attendance and Leaves; Pay Slip Pay out; Nasfund; Allowance and Deduction; Overtime; Harvest Upkeep & Piece Rates; People Key Finger Print Scanner; and Field Visit.</p>	
	Associated Smallholder Requirement: OPIC and Companies to maintain production records and field day attendance records as evidence of improved performance.	Field day attendance records were available, e.g. field day carried out on 18 th July 2018 (Tiauru LSS), 13 th June 2018 (Gigipuna VOP), 16 th May 2018 (Natabu VOP), 18 th April 2018 (Barema Smallholders and Growers), 23 rd March 2018 (Uasilau and Lalopo VOP), 19 th February 2017 (Wilelo VOP), and 17 th January 2018 (Kaiamu VOP). This forum is adequate to discuss and train the smallholders organized by the organization.	Yes
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate - Minor compliance -	Barema Oil Mill Steriliser Station – Daily Tipping and Cooking Logsheet, dated 29 March 2018: sterilizer No.1 filling start 09.34AM; filling complete 09.57AM; steam in time 10.00AM; exhaust time 10.50AM; tipping start 11.10AM; tipping complete 11.13AM. Total number of cycles: 36.	Yes
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).	Stated in procedure “HOPL Supply Chain Standard Operating Procedure – CPO Mills – Production of CPO & PK”, dated 25 July 2018 – The entire supply base of the Hargy Oil	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>Palms Limited’s palm oil millss including the independent estates and all smallholders is RSPO-certified. There are no other palm oil mills in the vicinity of the HOPL estates, independent estates and smallholder blocks, to which FFB/LF could be delivered or growers from who FFB could be sourced.</p> <p>In line with the RSPO Supply Chain Certification Standard for CPO mills audit, it has been verified that Hargy POM, Barema POM and Navo POM only received FFB from certified uspply base, part of the certification scope.</p>	
<p>Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>			
4.2.1	<p>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.</p> <p>- Minor compliance -</p>	<p>HOPL has established and implemented procedures for good agriculture practices in maintaining the soil fertility. The procedures comprise of manual and mechanical inorganic fertilizer application. The procedures are Standard Operating Procedure for Soil Sampling in HOPL Plantations and Standard Operating Procedure for Inorganic Fertilizer in HOPL Plantations. Inclusive is the organic fertilizer through Empty Fruit Bunches (EFB) application and estates whereby the land application is in practice e.g Barema Plantation Block D21 for DAP fertilizer application.</p> <p>HOPL use fertilizer recommendation issued by OPRA as guidance to maintain soil fertility. Samples of recommendation observed are:</p> <p>Barema 1 Plantation: Field 1; D Blocks; YOP 2006; Dose NP-1 0.7 kg/palm; NP-2 0.7 kg/palm; NP-3 0.7 kg/palm; Kieserite 0.5 kg/palm.</p> <p>Hargy 2 Plantation: Field 2; Block B5,6; YOP 2002; Dose NP-1 0.8 kg/palm; NP-2 0.8 kg/palm; NP-3 0.8 kg/palm; Kieserite 2.0 kg/palm.</p> <p>Karla 3 Plantation: Field 14; YOP 2001; Dose NP-1 0.6 kg/palm; NP-2 0.6 kg/palm; NP-3 0.6 kg/palm.</p> <p>Ibana 2 Plantation: Field 28; YOP 2006; Dose NP-1 0.9 kg/palm; NP-2 0.9 kg/palm; NP-3 0.9 kg/palm; DAP 0.7 kg/palm; MOP 2.0 kg/palm.</p> <p>Alaba Plantation: Field 2; YOP 2010; Dose NP-1 0.6 kg/palm; NP-2 0.6 kg/palm; NP-3</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>0.6 kg/palm; DAP 0.5 kg/palm.</p> <p>Abulmosi Plantation: Field 3; YOP 2013; Dose NP-1 0.8 kg/palm; NP-2 0.8 kg/palm; NP-3 0.8 kg/palm; DAP 0.7 kg/palm; MOP 1.0 kg/palm; Kieserite 1.0 kg/palm; Borate 0.1 kg/palm.</p> <p>Alangili Plantation: Field 3; YOP 2012; Dose NP-1 0.7 kg/palm; NP-2 0.7 kg/palm; NP-3 0.7 kg/palm; Kieserite 2.0 kg/palm.</p> <p>Gamupa Plantation: Field 1,2,3,4; YOP 2014; Dose NP-1 0.8 kg/palm; NP-2 0.8 kg/palm; NP-3 0.8 kg/palm; DAP 0.7 kg/palm; MOP 1.0 kg/palm; Kieserite 1.0 kg/palm; Borate 0.1 kg/palm.</p>	
<p>Associated Smallholder Requirement:</p> <p>Associated Smallholders to implement good agriculture practices as communicated through extension services delivered by OPIC and Company Smallholder departments.</p>	<p>Samples of the smallholder verified.</p> <p>No.021453 – Maiwara Robby: manual planting – no use fire; seeds from Hargy – on loan; Fertilizer: Urea 20 x 50kg in April 2018, NPK 20 x 50 kg in January 2017; weed control by spraying, PPE used overall, glove, mask, gum boot; harvesting himself PPE used gum boot; pruning by himself; if injury occurred – go to haus sik (hospital);</p> <p>No.021218 – Michael Kawakin: buffer zone with forest; Fertilizer: Urea 24 x 50 kg, Ammonium Chloride 24 x 50 kg, PPE use hand glove; weed control: 65% grass cutting – 35% spraying; Spraying certificate No.1113 under name Matthew Kawakin dated 8 February 2011; harvest by himself;</p> <p>No.031252 – Livai Sikaka: Fertilizer: Ammonium Nitrate 20 x 50 kg; spraying training certificate No.17-0567 dated 6 September 2007; harvest by himself,</p> <p>No.031260 – Tete Libo (deceased estate): Fertilizer: Urea 8 x 50 kg; harvesting himself and wife;</p> <p>No.031420 – Per Kom: Fertilizer: Urea 14 x 50 kg; weed control –harvest by himself, PPE use gumboot;</p> <p>No.1427 – Seve Manau: Fertilizer: Urea 10 x 50 kg; weed control no spraying – only grass cutting; field day (training): oil palm, block upkeep, block management;</p> <p>No.031398 – Moses Kapo: weed control no spraying – only grass cutting; harvest by</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>neighbour pays PGK100 by 19 year olds;</p> <p>No.141413 – Peter Loma: weed control: no spraying – only grass cutting; harvesting done by his son, 19 years old;</p> <p>No.101020 – Kevin Tomarum: no spraying – only grass cutting;</p> <p>No.1011 – Arthur Dennis; fertilizer input: Urea 5 bags; weed control using Gramoxone;</p> <p>No.010253 – Kianga Ludwick: Fertilizer: Urea 15 x 50 kg; weed control no spraying – only grass cutting; harvest by his son (already married);</p> <p>No.010350 – Manare Vio: Fertilizer: Urea 15 x 50 kg; weed control: no spraying – only grass cutting by himself and family members; harvesting by himself and family member;</p> <p>No.450045 – Nakmai Mathias: Planting the palm started with clear the land, make garden and then plant oil palm. Weed control: no spraying – only grass cutting by himself;</p> <p>No.410017 – Mr. Hendy Megea: weed control: no spraying – only grass cutting by himself; Fertilizer: applied by fertilizer applicator – contracted by HOPL. He himself pays deduction PGK100/application;</p> <p>No.370003 – Augustine Vatata: weed control: no spraying – only grass cutting by himself;</p> <p>No.070714 – Avamon Hosea: harvest by himself;</p> <p>No.070758 – Julius Niu: ffertilizer application by himself Urea 10 x 50 kg bags;</p> <p>No.070794 – Winfried Maela: weed control: no spraying – only grass cutting by worker paid PGK150 per cutting; 3 times per annum; harvesting by himself and helped by family members;</p> <p>No.077102 – Neris Varmari: grass cutting by worker, harvest by himself</p> <p>No.077191 – Mrs.Gertrude Gabo: no spraying only grass cutting; grass cutting by worker, paid PGK100 per cutting; pruning paid PGK100;</p> <p>No.077192 – Augustine Poilela: no spraying – only grass cutting; grass cutting by</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>worker, paid PGK200;</p> <p>No.0707256 – Denny Lako: the area with slope, implement frond stacking against contour line; harvest by himself;</p> <p>No.040438 – Noel Saeke: the area with slope, implement frond placement;</p> <p>No.440002 – Mrs. Julie Tovue: pruning by worker, paid PGK100/job; grass cutting by worker, paid PGK200/job; there is slope in the oil palm block, applies frond stacking and maintain ground cover;</p> <p>No.440027 – United Church: for 0.5 Ha; work in oil palms block such as pruning, grass cutting, harvesting done by congregessi3on work;</p> <p>No.181836 – Joan Vasu Joanes: no spraying only grass cutting although have chemical training certificate and have build chemical shed; fertilzer: Ura 5 x 50 kg; No pest attack such as grasshopper/sexava/rat/Ganoderma;</p> <p>No.181835 – Poilep Patiken: fertilizer: Urea 5 x 50 kg, Ammonium chloride 5 x 50 kg; grass cutting; pruning by family members and compensated with provide food;</p> <p>No.090915 – Apisai Toruga: no spraying – only grass cutting; Fertilizer: Urea 5 x 50 kg; castration has been done;</p> <p>No.090947 – Joan Sobi: no spraying – only grass cutting by himself and family member, sometime invite youth group and paid PGK100/job; pruning by himself; fertilizer: Urea 5 x 50 kg; harvesting by himself and family member;</p> <p>No.050195 – Kologo Aulu Pigisele: the area with slope – maintain ground cover and frond stacking;</p> <p>No.321129 – Mrs.Anna Joram: fertilizer: Urea 5 x 50 kg, PPE used: plastic bag for the hand; pruning by family member, PPE used gum boot; no spraying – grass cutting only by family member; No pest and disease attack so far; harvesting by family member, PPE used gum boot;</p> <p>No.080834 – Ben Lowa: fertilizer: Urea 7 x 50 kg, applied by himself, PPE used hand glove, masker, gum boot; no spraying – only grass cutting by himself and wife;</p>	

Criterion / Indicator	Assessment Findings	Compliance	
	<p>harvesting by himself and his brother, PPE used gum boot;</p> <p>No.292938 – Tulasa Tilia: no spraying – only grass cutting; harvesting by himself, PPE used gum boot;</p> <p>No.040092 – John Koloma: spraying by colleague: Mr. Peter Kakus with training certificate; fertilizer: Urea 6 x 50 kg; pruning and harvesting by his son, PPE used gum boot;</p> <p>No.041200 – Posin Suka: no spraying – only grass cutting by worker, paid by provides food and FFB harvested in 1 cycle as payment; fertilizer application: Urea 16 x 50 kg, applied by himself; normal harvesting by family member, PPE used gum boot;</p>		
4.2.2	<p>Records of fertilizer inputs shall be maintained.</p> <p>- Minor compliance -</p>	<p>Records for fertilizer application are available and maintained under Fertilizer Booklet. During the audit the following fertilizer application was captured on random basis.</p> <p>Based on Fertilizer applied in Estate Report: Agronomic Dashboard, fertilizer applied in HOPL Plantation for 2018 to date June are 1,200.5 tons of NP blend; 101.9 tons of Urea; 531.8 tons of DAP; 247.8 tons of MOP; 492.1 tons of Kieserite. Whilst for 2017 are 2,701.8 tons of NP blend; 3.5 tons of Urea; 974.7 tons of DAP; 22.5 tons of TSP; 776.8 tons of MOP.</p> <p>Hargy Estate: Sample observed in Hargy Estate, Barema 1 Plantation: Type DAP rate 0.4 kg/palm application month in April 2018; Kieserite at 0.5 kg/palm application in Apr 2018; MOP at 0.5 kg/palm application in May 2018; NP Blend at 0.7 kg/palm application in Apr, May and Aug 2018. It was also available fertiliser audit – spot check form and mature palm fertiliser placement. Agronomist spot check form site information, application, method, dosage, calibration, PPE, comments.</p> <p>Navo Estate: Sample observed in Navo Estate, Ibane 1 Plantation: Block 03L10 Type MOP rate 0.5 kg/palm application month in July 2018; Block 01N13 Programed in April, June and August 2018, dosage is 0.70 kg/palm, and in actual the program has been conducted twice in May and August.</p> <p>Pandi Estate: Based on document Monthly Progress Summary Report 2018, in Magalona Division have 338 bags of DAP in April applied for 245 Ha; 527 bags of NP Blend in May</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance																																									
	<p>and August for 245 Ha; 299 bags of Kieserite in June for 245 Ha. Alaba Division have 1202 bags of DAP in May applied for 857.27 Ha; 1428 bags of NP Blend in June for 857.27 Ha; 301 bags of Kieserite in July for 857.27 Ha. Gamupa Division have 790 bags of DAP in April applied for 440.2 Ha; 903 bags of NP Blend in May for 440.2 Ha; 584 bags of Kieserite in June for 440.2 Ha; and 353 bags of MOP in April for 440.2 Ha.</p> <p>Below are record of fertilizer input 2018 (to-date June) and 2017 in whole HOPL area that maintained by the company:</p> <table border="1" data-bbox="920 655 1592 1353"> <thead> <tr> <th data-bbox="920 655 1218 754" rowspan="2">Type</th> <th colspan="2" data-bbox="1218 655 1592 703">Fertilizer Applied (tons)</th> </tr> <tr> <th data-bbox="1218 703 1413 754">2018</th> <th data-bbox="1413 703 1592 754">2017</th> </tr> </thead> <tbody> <tr> <td data-bbox="920 754 1218 802">ACL</td> <td data-bbox="1218 754 1413 802">-</td> <td data-bbox="1413 754 1592 802">15.0</td> </tr> <tr> <td data-bbox="920 802 1218 850">NP Blend</td> <td data-bbox="1218 802 1413 850">1,200.5</td> <td data-bbox="1413 802 1592 850">2,701.8</td> </tr> <tr> <td data-bbox="920 850 1218 898">Urea</td> <td data-bbox="1218 850 1413 898">101.9</td> <td data-bbox="1413 850 1592 898">3.5</td> </tr> <tr> <td data-bbox="920 898 1218 946">DAP</td> <td data-bbox="1218 898 1413 946">531.8</td> <td data-bbox="1413 898 1592 946">974.7</td> </tr> <tr> <td data-bbox="920 946 1218 994">TSP</td> <td data-bbox="1218 946 1413 994">-</td> <td data-bbox="1413 946 1592 994">22.5</td> </tr> <tr> <td data-bbox="920 994 1218 1042">MOP</td> <td data-bbox="1218 994 1413 1042">247.8</td> <td data-bbox="1413 994 1592 1042">776.8</td> </tr> <tr> <td data-bbox="920 1042 1218 1090">Fertibor 25k</td> <td data-bbox="1218 1042 1413 1090">8.8</td> <td data-bbox="1413 1042 1592 1090">54.9</td> </tr> <tr> <td data-bbox="920 1090 1218 1137">Kieserite</td> <td data-bbox="1218 1090 1413 1137">492.1</td> <td data-bbox="1413 1090 1592 1137">498.9</td> </tr> <tr> <td data-bbox="920 1137 1218 1185">EFB (Man)</td> <td data-bbox="1218 1137 1413 1185">8,075.3</td> <td data-bbox="1413 1137 1592 1185">62,844.5</td> </tr> <tr> <td data-bbox="920 1185 1218 1233">EFB (Mech.)</td> <td data-bbox="1218 1185 1413 1233">20,842.4</td> <td data-bbox="1413 1185 1592 1233">-</td> </tr> <tr> <td data-bbox="920 1233 1218 1281">Expeller (Man)</td> <td data-bbox="1218 1233 1413 1281">50.5</td> <td data-bbox="1413 1233 1592 1281">260.8</td> </tr> <tr> <td data-bbox="920 1281 1218 1353">Expeller (Mech.)</td> <td data-bbox="1218 1281 1413 1353">1,862.4</td> <td data-bbox="1413 1281 1592 1353">643.2</td> </tr> </tbody> </table> <p data-bbox="920 1361 1982 1391">During the audit, visit to fertilizer activity were conducted to Hargy Estate-Barema</p>	Type	Fertilizer Applied (tons)		2018	2017	ACL	-	15.0	NP Blend	1,200.5	2,701.8	Urea	101.9	3.5	DAP	531.8	974.7	TSP	-	22.5	MOP	247.8	776.8	Fertibor 25k	8.8	54.9	Kieserite	492.1	498.9	EFB (Man)	8,075.3	62,844.5	EFB (Mech.)	20,842.4	-	Expeller (Man)	50.5	260.8	Expeller (Mech.)	1,862.4	643.2	
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Criterion / Indicator	Assessment Findings	Compliance
	Plantation Block 06D31; Navo Estate-Ibana Plantation Block 06Q17; and Pandi Estate-Bakada Plantation Block 12E12. Fertilizer applied by several team consist of two applicators and one wheeler. All workers can demonstrate good practice in fertilizing activity according to correct time, type, dosage and object. PPE were used, e.g. gum boots, apron, hand gloves and dust mask. It shows that all worker are well trained.	
Associated Smallholder Requirement: OPIC and/or Company Smallholder Departments to maintain records of fertiliser distribution.	<p>Samples of the smallholder verified.</p> <p>No.021453 – Maiwara Robby: Fertilizer: Urea 20 x 50kg in April 2018, NPK 20 x 50kg;</p> <p>No.021218 – Michael Kawakin: bFertilizer: Urea 24 x 50kg, Ammonium Chloride 24 x 50kg;</p> <p>No.031252 – Livai Sikaka: Fertilizer: Ammonium Nitrate 20 x 50 kg;</p> <p>No.031260 – Tete Libo (deceased estate): Fertilizer: Urea 8 x 50 kg;</p> <p>No.031420 – Per Kom: Fertilizer: Urea 14 x 50 kg;</p> <p>No.1427 – Seve Manau: Fertilizer: Urea 10 x 50 kg;</p> <p>No.1011 – Arthur Dennis; fertilizer input: Urea 5 bags;</p> <p>No.010253 – Kianga Ludwick: Fertilizer: Urea 15 x 50 kg;</p> <p>No.010350 – Manare Vio: Fertilizer: Urea 15 x 50 kg;</p> <p>No.070758 – Julius Niu: fertilizer application by himself Urea 10 x 50 kg bags;</p> <p>No.181836 – Joan Vasu Joanes; fertilizer: Urea 5 x 50 kg;;</p> <p>No.181835 – Poilep Patiken: fertilizer: Urea 5 x 50 kg, Ammonium chloride 5 x 50kg;</p> <p>No.090915 – Apisai Toruga: Fertilizer: Urea 5 x 50 kg;</p> <p>No.090947 – Joan Sobi: fertilizer: Urea 5 x 50 kg;</p> <p>No.321129 – Mrs.Anna Joram: fertilizer: Urea 5 x 50 kg;</p> <p>No.080834 – Ben Lowa: fertilizer: Urea 7 x 50 kg;</p> <p>No.040092 – John Koloma: fertilizer: Urea 6 x 50 kg;</p> <p>No.041200 – Posin Suka: fertilizer application: Urea 16 x 50 kg;</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.3	<p>There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</p> <p>- Minor compliance -</p>	<p>HOPL practices periodic tissue and soil analysis. The periodic tissue and soil sampling carried out by Applied Agricultural Resources Sdn. Bhd. Tissue sampling is taken on annual basis prior to the manuring program being established. Guidelines are available in the "GUIDELINE FOR OIL PALM TISSUE SAMPLING IN HOPL PLANTATIONS". Therein is shown:</p> <ul style="list-style-type: none"> - Introduction/Background; - Identifying a frond to sample/identifying each leaf; - Leaf sampling/sampling methodology/leaf sampling density; - Leaf sample processing; - Frequency & timing; - Deficiency symptoms. <p>A report on the leaf analysis results 2017 was sighted. Results of analysis for APPLIED AGRICULTURAL RESEARCH SDN BHD. Dami research station. Elements traced are ash, N, P, K, Mg, Ca and B. These results will be further used for the development of fertilizer recommendations. Observed evident dated 08/08/2017, e.g. Lab reference PC17/PNGDRS1; sample reference O-HA-F02-LSU 1-0517-L; major element results 14.05% Ash; 2.29% N; 0.143% P; 0.67% K; 0.17% Mg; 0.88% Ca; minor element results 15.58 ppm B; 0.49% Cl.</p> <p>The soil sampling is conducted on 5-yearly basis. HOPL manages to demonstrate the soil sampling for the new development area, as part of Environmental Impact Assessment prior to development.</p>	Yes
	<p>Associated Smallholder Requirement:</p> <p>Oil Palm Research Association (OPRA) to take tissue samples from representative Associated Smallholders annually.</p>	<p>PNG Oil Palm Research Association (OPRA) annually conducted Tissue sample analysis. Samples taken from representative associated smallholders. Record of last year tissue sample analysis was evident based on email from PNG OPRA to Cellia Goethals on 26th May 2017. Sample taken was 64 units.</p> <p>Below are samples of analysis result:</p> <ul style="list-style-type: none"> - Analytical code BIA-SH-LAL-1099-0716L; Division Cenakan (1); Scheme VOP; 	Yes

Criterion / Indicator	Assessment Findings	Compliance	
	<p>12.07067 ash; 2.22% N; 0.14% P; 0.62% K; 0.32% Mg; 0.9% Ca; 15.5 mg/kg B; 0.3% Cl.</p> <ul style="list-style-type: none"> - Analytical code BIA-SH-TIA-346-0716L; Division Cenakan (1); Scheme LSS; 14.32013 ash; 2.09% N; 0.13% P; 0.73% K; 0.30% Mg; 1.0% Ca; 13.8 mg/kg B; 0.3% Cl. - Analytical code BIA-SH-GIG-0642-0716L; Division Maututu (2); Scheme VOP; 13.76867 ash; 2.16% N; 0.13% P; 0.78% K; 0.21% Mg; 1.0% Ca; 20.6 mg/kg B; 0.2% Cl. - Analytical code BIA-SH-SOI-31-1738-0716L; Division Maututu (2); Scheme LSS; 12.87547 ash; 1.98% N; 0.12% P; 0.71% K; 0.25% Mg; 0.9% Ca; 18.6 mg/kg B; 0.3% Cl. 		
<p>4.2.4</p>	<p>A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p> <p>- Minor compliance -</p>	<p>There are records of EFB and expeller application being applied in the fields for the respective estates. Monitoring is being made for the actual quantity applied vs the budget and also the cost incurred on monthly & yearly basis both absolute and unit cost/MT FFB and unit cost /Ha. The rate of EFB application is 35 - 40 MT/Ha. Sighted EFB application at Block D21 Barema Plantation. Long distant estate e.g Pandi do not have EFB application due to the distance factor coupled with the non-availability of machine i.e EFB spreader.</p> <p>EFB application was recorded in Crop Residue Application. Records of EFB application 2018 was sighted:</p> <p>FFB application for Barema plantation in July 2018 Block 06D21; 2.00 Ha; 64 tons. Block 06E18; 17.75 Ha; 1360 tons. Block 06E20; 12.00 Ha; 760 tons. Block 06E21; 2.50 Ha; 80 tons.</p> <p>Based on Fertilizer applied in Estate Report: Agronomic Dashboard, EFB applied in HOPL Plantation for 2018 todate June are 8,075.3 tons applied by Man; 20,842.4 tons applied by Mechanical; Expeller applied are 50.5 tons by Man; 1,862.4 by Mechanical. Whilst for 2017 EFB applied are 62,844.5 tons by Man; Expeller applied are 260.8 tons by Man and 643.2 tons by Mechanical.</p> <p>Smallholders:</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
		There is no EFB and POME applied in smallholder area. Smallholders uses palm residue after replanting and stacked palm fronds (frond stacking) as additional source of nutrient. This is a common practice in the oil palm industry.	
Criterion 4.3			
Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	<p>Topography map of Bialla Project 2017, scale 1:115,000, dated June 2017. The map consist of Hargy Plantation, Barema Plantation, Karla Plantation, Ibana Plantation, All smallholders scheme and all Mills.</p> <p>Yanaswali Plantation – Vamakuma Soils. Mengen Bakada Soils (HOPL expansion 2014), Scale 1:16,950. ± 90% is Sandy clay loam; 10 % is River gravel.</p> <p>Yanaswali Plantation – Sena Soils. Mengen Bakada Soils (HOPL expansion 2014), Scale 1:17,200. 100 % is loamy sand/gravel.</p> <p>Bakada Plantation – Magalona Soils. Mengen Bakada Soils (HOPL expansion 2014), Scale 1:20,230. ± 65% is loamy sand/gravel; ± 35 % is loamy sand.</p> <p>Karla Plantation Soils. Scale 1:40,200. Surface soil texture: ± 70% is sand to loamy sand, ± 20% is loam to sandy loam, 10% is heavy loam to sand clay loam.</p> <p>Ibana Plantation Soils, Scale 1:37,440. Surface soil texture: 100% is sand to loamy sand.</p> <p>Hargy Plantation Soils. Surface soil texture: sand to loamy sand (15%), heavy loam to sand clay loam (68%), clay loam to silty clay loam (5%), No data (10%), organic loam to sandy clay loam (2%).</p> <p>Barema Plantation Soils. Surface soil texture: silty clay (70%), organic loam to sand clay loam (15%), clay loam to silty clay loam (15%).</p> <p>Bakada Plantation - Alangily Soils, scale 1:26,590. Surface soil texture: sandy loam (90%), loamy sand (10%).</p> <p>Bakada Plantation – Alaba Soils, scale 1:31,110. Surface soil texture: loamy sand/gravel (80%), loamy sand (20%).</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Bakada Plantation – Abulmosi soils, scale 1:25,290. Surface soil texture: loamy sand/gravel (90%), loamy sand (10%).	
4.3.2	<p>A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific).</p> <p>- Minor compliance -</p>	<p>The practices adopted by the management; Frond stacking along the frond path to be arranged in neat and organised manner; Sustainability of ground covers/soft grasses to minimise soil erosion and surface run off;</p> <p>During field visit at Barema plantation, the entire area is flat. No sloping area in Barema plantation.</p> <p>Based on the Slope map Ibana & Sena LLB Plantations scale 1:41,000, the slope class in Ibana plantation is dominated < 5 degrees slope. Average slope area in Ibana plantation is < 5 degrees (dominated); 5-10 degrees (spreads in northern side); 10-15 degrees (particular area nearest buffer zone in Northern side, surrounding the crater).</p> <p>During field visit at Ibana plantation in Block 07P01, Division 2, verified on small slope area border with buffer zone (10-15 degrees slope). The palm trees planted in 2007, the strategy to prevent run-off and soil erosion is by implement frond stacking and maintain the cover crops. Soil condition in this area is volcanic soil which fragile.</p> <p>Based on field observation in Block 16A12, Div. 1 (Alaba) which in sloping area, the palms is very well covered with legume cover crops (<i>Pureira javanica</i> and <i>Calopogonium mucunoides</i>). This area is one of the highest within this plantation and border with buffer zone of Mount Ulawun.</p> <p>Also, the plantation management implement terracing in Block 12B09 Div. 1 (Alaba) to avoid soil erosion and maintain the cover crops as well.</p>	Yes
	<p>Associated Smallholder Requirement:</p> <p>Associated Smallholders not to plant on unsuitable slopes. OPIC and Companies to advise on slope suitability after consideration of gradient, soil type, harvesting safety and other relevant issues.</p>	<p>Samples of the smallholder verified.</p> <p>No.021218 – Michael Kawakin: buffer zone with forest maintained; weed control: 65% grass cutting – 35% spraying;</p> <p>No.010253 – Kianga Ludwick: in block have seasonal creek, boundary are maintained – 3 palms;</p> <p>No.0707256 – Denny Lako: the area with slope, implement frond stacking against</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>contour line;</p> <p>No.040438 – Noel Saeke: the area with slope, implement frond placement;</p> <p>No.440002 – Mrs.Julie Tovue: there is slope in the oil palm block, applies frond stacking and maintain ground cover;</p> <p>No.050195 – Kologo Aulu Pigisele: the area with slope – maintain ground cover and frond stacking;</p> <p>No.321129 – Mrs.Anna Joram: not all planted area being utilized because of hot water mud emerges in the oil palm block;</p> <p>No.460024 – Tride Voluti: there was a creek in the middle of the oil palm block, maintain buffer area 1 palm from the creek with natural vegetation;</p> <p>No.080819 – Peter Gavuri: there is a slope/hill in the oil palm block, maintain frond stacking and ground cover;</p>	
<p>4.3.3</p> <p>A road maintenance programme shall be in place. - Minor compliance -</p>	<p>Hargy Estate (Barema Plantation): Barema Plantation Roads Repair and Maintenance Work Program 2018. The activities are:</p> <p>Grading Works & Compaction: Roads, Avenue, Mill Access Road (4 & 11 March, 27 May, 3 June, etc.).</p> <p>Spot patching & gravelling: Roads, Avenues (4 & 11 March, 27 May, 3 June, etc.), General Roads R&M (conducting all of the year).</p> <p>Foot Bridges & Culverts: Foot Bridges (21, 28 Jan & 4, 11 Feb; 6, 13, 20, 27 May).</p> <p>Desilting and Relief Drains: Desilting (6, 13, 20, 27 May); Cleaning Drains (8, 15, 22 April).</p> <p>Navo Estate (Ibana Plantation):</p> <p>2018 Road Maintenance Program Navo Group</p> <p>Jan: No program</p> <p>Feb: Vamukuma Division for Grading/Gravelling/Drainage runoff</p> <p>Mar: Sena Divison</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>Apr: Ibana Division May: Ibana Division Jun: No program Jul: Vamukuma Aug: Sena Sep: No Program Oct: Ibana Division Nov: Ibana Division Dec: No program</p> <p>Ibana Div. 01: proposed for road maintenance and repair for 21 points, which were Field 17-20: 12 points and Field 21-23: 9 points.</p> <p>Pandi Estate (Bakada Plantation): Road Maintenance Plan of Bakada Plantation 2018. In example: Alaba division. Block 11C09 (25.99 Ha) planned on March, June, September and December. Actual: 50 meter gravel in collection road of Block 11C09.</p>	
<p>Associated Smallholder Requirement: OPIC and/or Company Smallholder Departments to maintain records of road maintenance.</p>	<p>Road maintenance program for Smallholder's area is made together with the company schedule. Sample of schedule: Hargy Oil Palms Ltd. 2018 Road Maintenance & Construction Plan Land State Settlement (LSS) & Village Oil Palm Roads, Central Nakanai. Ceneka Road Requirements – 2018, there are three categories. Based on Malassi LSS map, the road maintenance proposed for smallholder FFB road is 1.1 km covering several smallholders plots (No. 748, 1174/1175, 1173/1176, 1172, 1171). Based on Sale, Kaiamu and Malasi Road Code map, the proposed of road maintenance is</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>1.12 km for FFB smallholders road. While, there is several repairing road that proposed on this area, covering are: Sege_02 Road (Plot No. 562, 563 and 564) repairing proposed 160 meter; Sege_04 road (Plot No. 181, 182) repairing proposed 100 m; Sale_08 road (Plot No. 778, 779) repairing proposed 150 m.</p> <p>All the road maintenance program is mapped.</p>	
4.3.4	<p>Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.</p> <p>- Major compliance -</p>	<p>During field visit in Barema plantation, it is clearly that no peat soils for the entire area. During field visit in Ibana and Bakada plantation, there is no peat soil found. The entire soil in this area is volcanic soil and its fragile.</p> <p>Based on field visit and interview with associated smallholder, there is no oil palm planted on peat soil. All associated smallholder planted on volcanic and mineral soil.</p>	Yes
4.3.5	<p>Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing</p> <p>- Minor compliance -</p>	<p>During field visit in Barema, Ibana and Bakada plantation, it is clearly that no peat soils for the entire area. In Ibana and Bakada the soil in this area is volcanic soil.</p> <p>Based on field visit and interview with associated smallholder, there is no oil palm planted on peat soil. All associated smallholder planted on volcanic and mineral soil.</p>	Yes
4.3.6	<p>A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).</p> <p>- Minor compliance -</p>	<p>The certificate holder has had management strategy for fragile and problem soils and it is stated in the SOP for New Development (PRO-ESD-GEN-001-10, issue no. 10, dated 15 April 2018. It is mentioned on page 3: Consideration for New Planting Procedures</p> <p>Soil Surveys & Topographic Information</p> <p>Extensive planting on steep terrain, and/or on marginal soils, is avoided. The requirements are:</p> <ul style="list-style-type: none"> - Where limited planting on fragile and marginal soils is proposed, plans (including maps) shall be developed and implemented to protect soils thus minimising adverse environmental and social impacts - Avoid planting on slope in excess of 25° slope - Avoid planting on contiguous areas of peat soils > 3m deep and > 150 ha in extent. <p>Soil surveys and topography information are used for site planning the establishment of</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>new plantings, and the results are incorporated into plans and operations. Requirements are:</p> <p>Soil suitability map or soil surveys adequate to established the long-term suitability of land for oil palm cultivation should be available</p> <p>Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure should be available.</p> <p>During field observation at Barema plantation, the entire estate area is flat and no sloping. However, the strategy to maintain the soil that been conducted by the plantation is mulching by EFB. Based on field visit at Block 06E18 and 06E19, the frond stacking and EFB mulching is applied on the field.</p> <p>Based on the Slope map Ibana & Sena LLB Plantations scale 1:41,000, the slope class in Ibana plantation is dominated < 5 degrees slope. Average slope area in Ibana plantation is < 5 degrees (dominated); 5-10 degrees (spreads in northern side); 10-15 degrees (particular area nearest buffer zone in Northern side, surrounding the crater).</p> <p>During field visit at Ibana plantation in Block 07P01, Division 2, verified on small slope area border with buffer zone (10-15 degrees slope). The palm trees planted in 2007, the strategy to prevent run-off and soil erosion is by implement frond stacking and maintain the cover crops. Soil condition in this area is volcanic soil and fragile.</p> <p>Based on field observation in Block 16A12, Div. 1 (Alaba) which in sloping area, the palms is very well covered with legume cover crops (<i>Pureira javanica</i> and <i>Calopogonium mucunoides</i>). This area is one of the highest block within this plantation and border with buffer zone of Mt. Ulavun.</p> <p>Also, the plantation management implement terracing in Block 12B09 Div. 1 (Alaba) to avoid soil erosion and maintain the cover crops as well.</p> <p>Based on field visit and interview with associated smallholder, there is no oil palm planted on peat soil. All associated smallholder planted on volcanic and mineral soil.</p>	
Criterion 4.4		

Criterion / Indicator		Assessment Findings	Compliance						
Practices maintain the quality and availability of surface and ground water.									
4.4.1	An implemented water management plan shall be in place. - Minor compliance -	<p>HOPL had a detailed Water Management Plan with latest issue No.6 dated on 9th February 2016 approved by The General Manager. The purposes of water management are to ensure: a) all water complies with legal requirement; b) water is used efficiently; c) water quality of surface and ground water is maintained;</p> <p>The water management plan includes the use for mill processes, workshop, pesticide mixing and use, domestic use and compound use. Therein is also indicated the water discharged is monitored for BOD and COD. All POME are treated within legal limit as per PNG Code of Practice for POM. HOPL main source of water extraction is from 2 sources i.e surface water and ground water. The surface extraction is from the river systems within the company estates i.e. Sabalbala River/Ibana River/Area 7. The underground water is pumped using bore pumps extracted at locations of Hargy mill & compound/Makakiwa Division 1/Barema Estate & Mill/Urumaili Division 2.</p> <p>Permit for such extraction is obtained to comply with sect 65 of the environment Act 2000. No Permit no Site & Grid reference Issue date Expiry date 1 WE-L2B(166) Mengen/bakada Portion 733 9/11/09 09/12/34 2 WE-2LB(209) Barema Portion 2038 9/12/10 07/01/35 3 WE-2LB(80) Ibana river Portion 624 11/1/01 31/12/53</p> <p>No Permit no Quantity specified m3/year</p> <p>Usage Source – 1 WE-L2B(166) 34,560 Domestic at compound Underground spring water 2 WE-2LB(209) 34,476 Domestic use at compound & mill Underground spring water 3 WE-2LB(80) 227,520 Comp, nursery irrigation Underground spring water.</p> <p>According to environmental permit and PNG Environmental Code of Practice 2013, there is parameters required to measuring/testing on TSS parameter from effluent discharge, as follows:</p> <table border="1"> <thead> <tr> <th>Parameter</th> <th>Land Application</th> <th>Discharge to Surface Water</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>5-9</td> <td>5-9</td> </tr> </tbody> </table>	Parameter	Land Application	Discharge to Surface Water	pH	5-9	5-9	Yes
Parameter	Land Application	Discharge to Surface Water							
pH	5-9	5-9							

Criterion / Indicator		Assessment Findings			Compliance
		BOD	4000	100	
		COD	-	-	
		Total Solids	3000	1500	
		TSS	1000	500	
		Oil and Grease	50	50	
		Ammoniacal Nitrogen	Not defined	150	
		Total N	Not defined	200	
		units	Mg/L	Mg/L	
		<p>The Certificate Holder maintain the quality of mill wastewater/effluent discharge to natural watercourse by sending sample to accredited laboratory to be analyse. BOD and COD is the parameters that strictly to be monitor by the Mills, prior to discharge.</p> <p>TSS result from all mills (Hargy, Barema and Navo) prior to discharge is under required threshold (< 500 mg/L). During field observation on Kimbe bay (Hargy Mill), Ibana river (Barema Mill) and Pandi river (Navo Mill), water quality on ocean/river are very clean. Because soil type in this area is mostly volcanic soil, there is no clay/sandy soil therefore TSS level is low</p>			
4.4.2	<p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to PNG Conservation and Environment Protection Authority (CEPA) requirements and other applicable guidelines) shall be demonstrated. For Smallholders, the status quo shall be maintained where it can be demonstrated that environmental damage is not being caused.</p> <p>- Major compliance -</p>	<p>Refer to C.5.3 related water result discharge to ocean/watercourse for Hargy Mill.</p> <p>Based on field observation at Hargy Mill, the wastewater from effluent pond is discharge straight to the Bismarck ocean/Kimbe bay. The GPS coordinate for discharge point is located at Lat: 5° 18' 42.558" S; Lon: 151° 0' 30.63" E. This coordinate is appropriate with the coordinate given under Environment Act 2000 (No: WD-L2 (56), dated Oct 13th, 1993, validity: 25 years, expiry: Dec 31st, 2028).</p> <p>Protection of watercourse (ocean) related POME from Hargy Mill is by monitoring of final wastewater quality that tested by Analysis Laboratory Unitech Development & Consultancy Pty Ltd, PNG (registered under PNGLAS) in monthly basis.</p> <p>Based on field observation on several conservation area, Ibana river (nearest Block 01L13, Div.1), the buffer zone has a long distance from plantation area (around 150 m).</p>			Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>and the other area (Ignatius Malisa creek on VOP plot no. 38-008), the condition of buffer zone is well maintained with natural vegetation. The management has own procedure to protect the watercourse, and it is well implemented.</p> <p>Using the water for Mill and Plantation sourced from Ibana river. The management has a permit of water usage (Permit No. WE-2LB(80) issued on 11 Jan 2001, valid until 31 Dec 2053), Quantity specified (227,520 m3/year). Domestic usage at compounds and Nursery irrigation; Source: underground spring water.</p> <p>The Certificate Holder has s procedure to protect the conservation area which including protect the watercourse. Conservation Areas SOP (PRO-ESD-GEN-018, issued 30 June 2018)</p> <p>There is one river (Pandi river) were located in the eastern of the plantation (Div. 2 – Alangily). This river flows from south (Mt. Ulawun) to north (Bismarck sea). Conservation area has delineated as riparian zone to protect the watercourse, including stream that cross the plantation area. The condition of buffer/riparian zone is well managed.</p>	
<p>Associated Smallholder Requirement: Smallholders must protect water courses and wetlands by not polluting with rubbish or other waste.</p>	<p>Associated smallholder maintain boundary to seasonal creek and area with slope: No.021218 – Michael Kawakin: buffer zone with forest maintained; weed control: 65% grass cutting – 35% spraying; No.010253 – Kianga Ludwick: in block have seasonal creek, boundary are maintained – 3 palms; No.0707256 – Denny Lako: the area with slope, implement frond stacking against contour line; No.040438 – Noel Saeke: the area with slope, implement frond placement; No.440002 – Mrs.Julie Tovue: there is slope in the oil palm block, applies frond stacking and maintain ground cover; No.050195 – Kologo Aulu Pigisele: the area with slope – maintain ground cover and frond stacking; No.321129 – Mrs.Anna Joram: not all planted area being utilized because of hot water</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance																				
		<p>mud emerges in the oil palm block;</p> <p>No.460024 – Tride Voluti: there was a creek in the middle of the oil palm block, maintain buffer area 1 palm from the creek with natural vegetation;</p> <p>No.080819 – Peter Gavuri: there is a slope/hill in the oil palm block, maintain frond stacking and ground cover;</p>																					
4.4.3	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>- Minor compliance -</p>	<p>Final waste water discharge test analysis was conducted by an external Lab: National Analysis Laboratory Unitech Development & Consultancy Pty Ltd, PNG (registered under PNGLAS)</p> <p>Record of Final wastewater quality (BOD) discharge of Hargy Mill in period Jan – Apr 2018:</p> <table border="1"> <thead> <tr> <th>Sample date</th> <th>BOD (mg/L)</th> <th>DO (mg/L)</th> <th>pH</th> </tr> </thead> <tbody> <tr> <td>Jan 29, 2018</td> <td>256</td> <td>0.6</td> <td>8.1</td> </tr> <tr> <td>Feb 21, 2018</td> <td>116</td> <td>0.3</td> <td>8.0</td> </tr> <tr> <td>Mar 2, 2018</td> <td>67</td> <td>0.6</td> <td>7.6</td> </tr> <tr> <td>Apr 11, 2018</td> <td>132</td> <td>0.6</td> <td>7.1</td> </tr> </tbody> </table> <p>The corrective action made by the Mill management when the BOD result is over that 100 mg/L as follow:</p> <p>Root cause (based on review, email on 14 March 2018): Little or no sludge feed for bacteria activity due to less processing hours resulting in high BOD and oil & grease.</p> <p>Action: Recycling of sludge from pond to pond in progress to increase retention time and bacteria activities.</p> <p>Regulation reference is Environment Permit for Hargy Oil Palm Ltd under Section 65 of Environment Act 2000 (No: WD-L2 (56), dated Oct 13th, 1993, validity: 25 years, expiry: Dec 31st, 2028).</p> <p>Permitted Discharge Rate for Treated POME – Litre/hour: 30,000 L/hr; Hours/day: 24</p>	Sample date	BOD (mg/L)	DO (mg/L)	pH	Jan 29, 2018	256	0.6	8.1	Feb 21, 2018	116	0.3	8.0	Mar 2, 2018	67	0.6	7.6	Apr 11, 2018	132	0.6	7.1	Yes
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Criterion / Indicator	Assessment Findings	Compliance																																						
	<p>Hr/day; Days: 30 days/month; Month: 12 month/year; Annual discharge volume: 259,200 m3/yr.</p> <p>Marine/Water Quality Criteria – DO: > 6.0 mg/L (80-90 % saturation); TSS: <10%; O&G: None</p> <p>Email dated 16 April 2018:</p> <p>Permissible Discharge Parameters (mg/L) for BOD limit are: Hargy Mill: 100 mg/L; Barema Mill: 4,000 mg/L; Navo Mill: 4,000 mg/L.</p> <p>Barema POM: Record of registered laboratory (National Analysis Laboratory – Unitech Development & Consultancy Pty Ltd, PNG). Data recorded based on Effluent Treatment Plant (ETP) outlet:</p> <table border="1" data-bbox="925 874 1966 1173"> <thead> <tr> <th>Sample date</th> <th>BOD (mg/L)</th> <th>DO (mg/L)</th> <th>pH</th> <th>TSS (mg/L)</th> </tr> </thead> <tbody> <tr> <td>Jan 23, 2018</td> <td>14,800</td> <td>0.3</td> <td>7.8</td> <td>1,400</td> </tr> <tr> <td>Feb 26, 2018</td> <td>662</td> <td>0.3</td> <td>8.1</td> <td>260</td> </tr> <tr> <td>Mar 23, 2018</td> <td>1,940</td> <td>0.4</td> <td>7.6</td> <td>850</td> </tr> <tr> <td>Apr 23, 2018</td> <td>1,940</td> <td>0.4</td> <td>7.9</td> <td>5,300</td> </tr> <tr> <td>May 21, 2018</td> <td>808</td> <td>7.8</td> <td>7.8</td> <td>19,000</td> </tr> </tbody> </table> <p>Record of POME produced: POME Generation</p> <table border="1" data-bbox="925 1264 1966 1359"> <thead> <tr> <th>Month</th> <th>POME Generated (m3)</th> <th>Effluent to farrow (m3)</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Jan-18</td> <td>10,645</td> <td>10,633</td> <td>To ponds</td> </tr> </tbody> </table>	Sample date	BOD (mg/L)	DO (mg/L)	pH	TSS (mg/L)	Jan 23, 2018	14,800	0.3	7.8	1,400	Feb 26, 2018	662	0.3	8.1	260	Mar 23, 2018	1,940	0.4	7.6	850	Apr 23, 2018	1,940	0.4	7.9	5,300	May 21, 2018	808	7.8	7.8	19,000	Month	POME Generated (m3)	Effluent to farrow (m3)	Remark	Jan-18	10,645	10,633	To ponds	
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		May-18	15961.01	4107.74	369.23	14442																																																															
		Jun-18	14445.43	3687.80	337.91	12865																																																															
4.4.4	<p>Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored and recorded with information presented to permit identification of trends.</p> <p>- Minor compliance -</p>	<p>Hargy POM:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>FFB Process (MT)</th> <th>Total Palm Products CPO+CPKO (MT)</th> <th>Boiler Water usage (MT)</th> <th>Raw water usage</th> <th>Domestic</th> <th>Process</th> </tr> </thead> <tbody> <tr> <td>Jan-18</td> <td>10962.22</td> <td>2822.25</td> <td>4522</td> <td>8087</td> <td>20577</td> <td>3333</td> </tr> <tr> <td>Feb-18</td> <td>11763.02</td> <td>2823.78</td> <td>4466</td> <td>10117</td> <td>3799</td> <td>3159</td> </tr> <tr> <td>Mar-18</td> <td>10286.47</td> <td>2439.36</td> <td>1908</td> <td>10050</td> <td>8319</td> <td>4173</td> </tr> <tr> <td>Apr-18</td> <td>12331.10</td> <td>3297.23</td> <td>4758</td> <td>11490</td> <td>11424</td> <td>2340</td> </tr> <tr> <td>May-18</td> <td>15961.01</td> <td>4107.74</td> <td>3061</td> <td>13798</td> <td>1470</td> <td>9267</td> </tr> <tr> <td>Jun-18</td> <td>14445.43</td> <td>3687.80</td> <td>5873</td> <td>13467</td> <td>2254</td> <td>5569</td> </tr> </tbody> </table> <p>Barema POM:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>FFB Process (MT)</th> <th>Raw water extracted (m3)</th> <th>Raw water/Ton FFB processed</th> <th>Process water used (m3)</th> <th>Process water/Ton FFB processed</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Month	FFB Process (MT)	Total Palm Products CPO+CPKO (MT)	Boiler Water usage (MT)	Raw water usage	Domestic	Process	Jan-18	10962.22	2822.25	4522	8087	20577	3333	Feb-18	11763.02	2823.78	4466	10117	3799	3159	Mar-18	10286.47	2439.36	1908	10050	8319	4173	Apr-18	12331.10	3297.23	4758	11490	11424	2340	May-18	15961.01	4107.74	3061	13798	1470	9267	Jun-18	14445.43	3687.80	5873	13467	2254	5569	Month	FFB Process (MT)	Raw water extracted (m3)	Raw water/Ton FFB processed	Process water used (m3)	Process water/Ton FFB processed							Yes
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RSPO Public Summary Report
Revision 7 (Aug /2018)

Criterion / Indicator		Assessment Findings					Compliance																																																								
		Jan-18	13310	27639	2.08	4258	0.32																																																								
		Feb-18	11100	21747	1.96	3529	0.32																																																								
		Mar-18	15784	27689	1.75	4160	0.26																																																								
		Apr-18	15517	26123	1.68	3360	0.22																																																								
		May-18	18107	27734	1.53	3711	0.20																																																								
		Jun-18	19557	30144	1.54	4028	0.21																																																								
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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5			
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques			
4.5.1	<p>Implementation of Integrated Pest Management (IPM) plans shall be monitored.</p> <p>- Major compliance -</p>	<p>SOP Available in document No. PLN-ESD-SUS-001-05 dated 28/04/2017, therein includes: Protocol for monitoring and managing oil palm pests and pesticides usage aimed to ensure that handling, collection, storage, application and disposal of pesticides at plantation levels is in compliance with both the environmental, health, safety policies and applicable national & international legislations. Example are:</p> <ol style="list-style-type: none"> 1. Pest survey & monitoring 2. Safety and effective use of pesticides 3. Insect control 4. Weed control 5. Disease control <p>Methods of reducing pesticides usage: More prudent use of pesticides, Judicious use of pesticides, HOPL uses only chemical approved under national regulation and the environmentally compatible chemical are chosen for use in the plantation.</p> <p>Officer/Staff who detect pest report to Entomology (PNG-OPRA), record seen under "Pest Inspection Request (PestReq) Form" dated 23/05/2018 reported by PM-Kiba Plantation at Location Bialla (Navo), Division Kiba 2, Block 99E14 and 99F19; Name of pest: Sexava. It was evident response from PNG-OPRA dated 23/05/2018, mentioned: Plantation Kiba; Pest Species present <i>S. defoliaria</i>; estimated damage Moderate; reported by Axel Hanston; Date PNG-OPRA visited 05/07/2018 by Seno Nyaure; Date report sent 13/07/2018; Pest Rec #4618; Recommendation: Trunk Injection is recommended for approximately 44.16 Ha marked on the attached map, monitoring is recommended for 14 weeks during harvest rounds in the treated blocks after treatment</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance																																
		<p>is completed.</p> <p>Sample of records were evident, Targeted Trunk Injection Daily Report, e.g. dated 23/12/2017; Location Ibana, Division 1, Block 17-P16; Plant density 115; number of palm treated 1097; Total Ha 9.54; Dymehypo usage 10.97 Ltr; returned to store 302.21 Ltr; number of driller 2, injector 2, plugged 6.</p> <p>Implementation of Integrated Pest Management plan is monitored monthly in Estate Report: Agronomic Dashboard and Pesticides Applied.</p>																																	
	<p>Associated Smallholder Requirement: Companies to manage IPM program for Associated Smallholders.</p>	<p>Companies to manage IPM program for Associated Smallholders. OPRA will assist. Book guidelines on pest and disease management called "GUTPELA ROT BILONG LUKAUTIM WEL PAM NA KAMAP GUTPELA SMOLHOLDA FAMA".</p> <p>Based on interview with associated smallholder, OPIC monitored (any) the pest and disease attack through extension visit.</p>	Yes																																
4.5.2	<p>Training of those involved in IPM implementation shall be demonstrated.</p> <p>- Minor compliance -</p>	<p>Hargy Oil Palms Limited provides training for the workers involved in IPM. Training attendance list and material were evident.</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Trainer</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>17/01/2018</td> <td>Trunk Injection</td> <td>Staff</td> <td>Navo Estate</td> </tr> <tr> <td>19/06/2018</td> <td>Fertilizer</td> <td>Staff</td> <td>Hargy Estate</td> </tr> <tr> <td>22/06/2018</td> <td>Fertilizer</td> <td>Staff</td> <td>Navo Estate</td> </tr> <tr> <td>27/06/2018</td> <td>Nursery Culling</td> <td>Staff</td> <td>Navo Estate</td> </tr> <tr> <td>10/05/2018, 29/05/2018 and 08/06/2018</td> <td>Spraying</td> <td>Staff</td> <td>Hargy Estate;</td> </tr> <tr> <td>16/05/2018, 02/06/2018 and 04/07/2018</td> <td>Spraying</td> <td>Staff</td> <td>Navo Estate</td> </tr> <tr> <td>28/07/2018</td> <td>MSDS, First Aid</td> <td>Staff</td> <td>Pandi Estate</td> </tr> </tbody> </table>	Date	Training Topic	Trainer	Remarks	17/01/2018	Trunk Injection	Staff	Navo Estate	19/06/2018	Fertilizer	Staff	Hargy Estate	22/06/2018	Fertilizer	Staff	Navo Estate	27/06/2018	Nursery Culling	Staff	Navo Estate	10/05/2018, 29/05/2018 and 08/06/2018	Spraying	Staff	Hargy Estate;	16/05/2018, 02/06/2018 and 04/07/2018	Spraying	Staff	Navo Estate	28/07/2018	MSDS, First Aid	Staff	Pandi Estate	Yes
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Criterion / Indicator		Assessment Findings				Compliance
		26/05/2018	Spraying SOP and Safety	Staff	Pandi Estate	
		28/04/2018	Chemical Spray Standard	Staff	Pandi Estate	
		20/03/2018	Chemical Spillage	Staff	Pandi Estate	
		20/02/2018	Spraying SOP and Safety	Staff	Pandi Estate	
		11/11/2018	Pesticides Handling	Staff	Pandi Estate	
	Associated Smallholder Requirement: Companies to manage IPM for Associated Smallholders.	<p>The smallholders are being educated through the Field Days conducted by HOPL and OPIC. It is conformed through interview that smallholders that they have attended Field Days. Field day carried out on 18th July 2018 (Tiauru LSS), 13th June 2018 (Gigipuna VOP), 16th May 2018 (Natabu VOP), 18th April 2018 (Barema Smallholders and Growers), 23rd March 2018 (Uasilau and Lalopo VOP), 19th February 2017 (Wilelo VOP), and 17th January 2018 (Kaiamu VOP). Field day also conducted related to trunk injection to reduce Stick insect (Sexava) attacks.</p> <p>HOPL and OPIC conducted special training for Agriculatural Safety and Crop Spraying. Certificate of Training Attendance were available, e.g. on behalf Mr. JLN of portion 07-0758 NOAU. Training was conducted at Noau Sub-Division of Biialla District, West New Britain Province on 17/10/2017.</p> <p>Sample smallholders:</p> <p>No.021453 – Maiwara Robby: field day (training): black bunch, pest and disease, harvesting, managing oil palm block, ganoderma;</p> <p>No.021218 – Michael Kawakin: Spraying certificate No.1113 under name Matthew Kawakin dated 8 February 2011;</p> <p>No.031252 – Livai Sikaka: field day (training): oil palm, block upkeep, block management;</p> <p>No.010253 – Kianga Ludwick: field day (training): fertilzer application, spraying, oil palm</p>				Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>upkeep, no child worker, no domestic violence;</p> <p>No.410017 – Mr. Henry Megea: field day (training): fertilizer application, how to do spraying, pruning oil palm, no child worker;</p> <p>No.0707256 – Denny Lako: field day (training): how to apply fertilizer, oil palm pruning, no fighting with female, health examination, no dispute policy, no hunting; harvest by himself;</p> <p>No.181836 – Joan Vasu Joanes: No pest attack such as grasshopper/sexava/rat/Ganoderma; field day (training): how to apply fertilizer, book keeping, no sexual harrasment, no domestic violence</p> <p>No.090947 – Joan Sobi: field day (training): how to apply fertilizer, oil palm upkeep, financial literacy, pest and disease, no hunting, no child worker, no domestic violence; understand that if any complaint/grievance then meet OPIC and Hargy;</p> <p>No.321129 – Mrs.Anna Joram: No pest and disease attack so far; field day (training): how to apply fertilizer, pest and disease, oil palm upkeep; do not pollute water, no hunting; harvest by himself;</p> <p>No.161678 – Ervel Morisa: field day (training): how to apply fertilizer, oil palm upkeep, pest and disease, waste management, no child worker, no sexual harrasment;</p> <p>No.040092 – John Koloma: field day (training): how to apply fertilizer, pest and disease, frond stacking; oil palm upkeep, pruning standard;</p> <p>No.041200 – Posin Suka: field day (training): harvest black bunch/FFB quality, how to apply fertilizer, oil palm upkeep;</p>	
Criterion 4.6			
Pesticides are used in ways that do not endanger health or the environment			
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where	Documented justification of all agrochemical use is available under Approved Product List for use in industrial and agricultural application, informing the product name, type of pesticide, active ingredients, LD50, approved agricultural use. The guidelines were used for company-owned plantation and smallholder blocks.	Yes

Criterion / Indicator		Assessment Findings	Compliance																								
	available. - Major compliance -	<p>Justification came from the government agency as well named "Environment Permit" issued by Conservation and Environment Protection Authority. Environment Permit is issued based on Section 65 of the Environment Act 2000. Sample evident for Dimehypo (Bisultap) under permit number P-144, dated of issue 4th July 2016, valid until 3rd July 2021.</p> <p>Smallholders: No pesticide was issued to the smallholders. The smallholders would only use herbicide. In case of chemical control of pest such as Sexava, it was done by HOPL – under supervision of PNG OPRA.</p>																									
4.6.2	<p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>- Major compliance -</p>	<p>Hargy Oil Palms maintained the record of pesticide use, active ingredient, and hectare of area treated – for each estate. Daily spraying work are recorded in Herbicide Spray Cost Book, e.g. Barema Plantation, Division 1 & 2, period July 2018; Ha programmed 626.7 Ha; Daily target 28 Ha; Cost/Ha target K14.28; Ha/manday target 6.5 Ha.</p> <p>Below are record of pesticide use in whole HOPL area for 2018 (to-date June) based on Estate Report:</p> <table border="1"> <thead> <tr> <th>Active Ingredients</th> <th>Applied (kg or liters)</th> <th>Sprayed Area (Ha)</th> <th>Pesticides applied (kg or liters / Ha)</th> </tr> </thead> <tbody> <tr> <td>Ally 20DF – Metyl Metsulfuron 200g/kg (Program: Circle and Path)</td> <td>226.5</td> <td>16,366.9</td> <td>0.01</td> </tr> <tr> <td>Ally 20DF – Metyl Metsulfuron 200g/kg (Program: Selective weeding)</td> <td>16.7</td> <td>2180.1</td> <td>0.01</td> </tr> <tr> <td>Asulox – Asulam 400g/liter (Program: Circle and Path)</td> <td>250.8</td> <td>563.7</td> <td>0.44</td> </tr> <tr> <td>Garlon 3A – Triclopyr (Program: Circle and Path)</td> <td>111.3</td> <td>1,107.4</td> <td>0.10</td> </tr> <tr> <td>Glyphosate</td> <td>6,904.1</td> <td>15,815.7</td> <td>0.44</td> </tr> </tbody> </table>	Active Ingredients	Applied (kg or liters)	Sprayed Area (Ha)	Pesticides applied (kg or liters / Ha)	Ally 20DF – Metyl Metsulfuron 200g/kg (Program: Circle and Path)	226.5	16,366.9	0.01	Ally 20DF – Metyl Metsulfuron 200g/kg (Program: Selective weeding)	16.7	2180.1	0.01	Asulox – Asulam 400g/liter (Program: Circle and Path)	250.8	563.7	0.44	Garlon 3A – Triclopyr (Program: Circle and Path)	111.3	1,107.4	0.10	Glyphosate	6,904.1	15,815.7	0.44	Yes
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Criterion / Indicator		Assessment Findings				Compliance
		(Program: Circle and Path)				
		Glyphosate (Program: Selective)	259.9	2,329.3	0.11	
		Grass Kill – 2.4-D Amine Salt 58% SL (Program: Circle and Path)	289.9	595.6	0.49	
		Grass Kill – 2.4-D Amine Salt 58% SL (Program: Selective)	17.7	102.9	0.17	
		Li-700 – Surfactant blend 80% (Program: Circle and Path)	1,540.0	16,196.7	0.09	
		Li-700 – Surfactant blend 80% (Program: Selective)	57.8	2,613.2	0.02	
		Bisultap – Dimehypo 25% (Program: Targeted Trunk Injection)	3,763.3	1,345.8	2.80	
		Records seen is Chemical Stock Card in Sabalbala Division on 6 th August 2018, the store issued Glyphosate 16.8 L and the balance is 12.64 L; Li 700 3.36 L and the balance is 14.93 L; Ally 20 DF 448 g and the balance is 520 g.				
	Associated Smallholder Requirement: Company to maintain records of herbicide issue to Associated Smallholders.	No pesticide was issued to the smallholders. The smallholders would only use herbicide. In case of chemical control of pest such as Sexava, it was done by HOPL – under supervision of PNG OPRA.				Yes
4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. The routine prophylactic use of pesticides is prohibited unless there is a legal requirement to do so. - Major compliance -	The use of pesticide minimized as part of Continuous Improvement Plan (See criterion 8.1). There is no prophylactic use of pesticide in HOPL.				Yes
	Associated Smallholder Requirement: Company to manage IPM for Associated Smallholders.	There is no IPM observed at the smallholder blocks. However, education has been provided to smallholders regarding IPM. At the OPIC office, it was observed that poster				Yes

Criterion / Indicator	Assessment Findings	Compliance	
	is available to educate the smallholders regarding IPM.		
4.6.4	<p>The use of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, shall be minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances (see Specific Guidance).</p> <p>- Minor compliance -</p>	<p>The Plantation is no longer use paraquat. Interview, record verification and field check to chemical store, found no paraquat stored.</p>	Yes
	<p>Associated Smallholder Requirement: Applies to associated Smallholders.</p>	<p>The usage of pesticide is being controlled by HOPL. The distribution of the pesticide is only through those smallholders that have undergone the Agriculture Safety and Crop Spraying conducted by OPIC and HOPL. There is no paraquat being distributed to smallholders.</p> <p>Sample: No.1011 – Arthur Dennis; VOP; weed control using Gramoxone; no training – using manpower from neighbour whose hold training certificate; person perform spraying using hand glove, rain coat, gum boot, mask; Gramoxone kept in Arthur Dennis’s chemical shed</p>	Yes
4.6.5	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>- Major compliance -</p>	<p>All agrochemical operators had been given training on the handling and application of the material. HOPL maintains a set of record for sprayer training for herbicide mixer herbicide sprayers and smallholders. Training records were observed for date 10/05/2018, 29/05/2018 and 08/06/2018 in Hargy Estate; 16/05/2018, 02/06/2018 and 04/07/2018 in Ibana Plantation. All safety and application equipment had been provided and used by the operators. All precautions attached to the products had been observed, applied and understood by the workers.</p> <p>MSDS for each agrochemical used/stored in HOPL chemical shed has been made available, e.g. Glyphosate 450 g/l and Spalding Surfactant LI 700 (Propionic Acid 350 g/L + Soyal Phospholipids 350 g/L + 10-30% Surfactans). PPE has been provided for the agrochemical store keeper (i.e. face shield, apron, hand gloves, overall) and sprayer:</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>goggles, apron, hand gloves, overall has been used consistently.</p> <p>Samples of verification</p> <p>Sprayer Hagaro Kila, Jerry Robert, Rex Koya has been trained with Pest and Disease training, Spraying SOP and Safety on 16/05/2018, 02/06/2018 and 04/07/2018.</p> <p>Sprayer Robin Bali and Telek Magalut have been trained with MSDS, First Aid on 28/07/2018; Spraying SOP and Safety on 26/05/2018; Chemical Spray Standard on 28/04/2018; Chemical Spillage on 20/03/2018; and Pesticides Handling on 11/11/2018</p>	
<p>Associated Smallholder Requirement: Associated Smallholders using and/or storing pesticides must demonstrate knowledge of the correct handling, storage, application and disposal requirements.</p>	<p>Most of the smallholders do not conduct spraying. However, those who conduct spraying required to attend the Agriculture Safety and Crop Spraying conducted by OPIC and HOPL. The smallholders will not be received any chemicals it they have not attended this training.</p> <p>Sample verified:</p> <p>No.021453 – Maiwara Robby: weed control by spraying, PPE used overall, glove, mask, gum boot; if injury occurred – go to haus sik (hospital);</p> <p>No.021218 – Michael Kawakin: weed control: 65% grass cutting – 35% spraying; Spraying certificate No.1113 under name Matthew Kawakin dated 8 February 2011;</p> <p>No.031420 – Per Kom: weed control – pays Mr. Jeremiah Kaki (hold training certificate) PGK150/Ha for circle and path;</p> <p>No.1427 – Seve Manau: Hargy helps poison the palm during replanting;</p> <p>No.031398 – Moses Kapo: weed control no spraying – only grass cutting;</p> <p>No.141413 – Peter Loma: weed control: no spraying – only grass cutting;</p> <p>No.101020 – Kevin Tomarum: no spraying – only grass cutting;</p> <p>No.1011 – Arthur Dennis; weed control using Gramoxone; no training – using manpower from neighbour whose hold training certificate; person perform spraying using hand glove, rain coat, gum boot, mask; Gramoxone kept in Arthur Dennis’s chemical shed;</p> <p>No.010253 – Kianga Ludwick: weed control no spraying – only grass cutting;</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>No.010350 – Manare Vio: weed control: no spraying – only grass cutting by himself and family members;</p> <p>15.No.450045 – Nakmai Mathias: Weed control: no spraying – only grass cutting by himself and workers; workers: Mr. John Koki 28 years old, paid PGK200 for cutting grass, paid PGK300 for pruning and cutting grass, and for harvesting, the payment from FFB harvested split in two equally;</p> <p>No.070794 – Winfried Maela: weed control: no spraying – only grass cutting by worker paid PGK150 per cutting; 3 times per annum;</p> <p>No.077191 – Mrs.Gertrude Gabo: no spraying only grass cutting; grass cutting by worker, paid PGK100 per cutting;</p> <p>No.077192 – Augustine Poilela: no spraying – only grass cutting; grass cutting by worker, paid PGK200;</p> <p>No.181836 – Joan Vasu Joanes: no spraying only grass cutting although have chemical training certificate and have build chemical shed;</p> <p>No.090947 – Joan Sobi: no spraying – only grass cutting by himself and family member, sometime invite youth group and paid PGK100/job;</p> <p>No.460024 – Tride Voluti: no spraying – only grass cutting;</p> <p>No.161678 – Ervel Morisa: no spraying - only grass cutting;</p> <p>No.161643 – Elias Dimon: no spraying – only grass cutting;</p> <p>No.080819 – Peter Gavuri: no spraying – only grass cutting by himself; there is a slope/hill in the oil palm block, maintain frond stacking and ground cover;</p> <p>No.080834 – Ben Lowa: Vno spraying – only grass cutting by himself and wife;</p> <p>No.040092 – John Koloma: spraying by colleague: Mr. Peter Kakus with training certificate;</p> <p>No.041200 – Posin Suka: no spraying – only grass cutting by worker, paid by provides food and FFB harvested in 1 cycle as payment;</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.6.6	<p>Storage of all pesticides shall be according to Safety Data Sheet requirements and recognised best practices. Used herbicide containers may, after triple rinsing, be used for transporting pre-mixed herbicide to spraying operations in the plantation. At the end of their useful lives, they shall be properly disposed of and not used for other purposes see Criterion 5.3).</p> <p>- Major compliance -</p>	<p>Storage of all pesticides in HOPL found to be consistent with the Material Safety Data Sheet and Best Agricultural Practice. The storage of pesticide guideline is available under the Plantation Management Practice – Pesticide Practices.</p> <p>Each estate has chemical shed to store the herbicide and pesticide. Agrochemical is stored and segregated based on type. The chemical shed has mixing bay and washing basin. All chemical are pre-mixed and no pure chemical brought to field. All work uniform, PPE and spraying tools are washed and stored in locked room. The estates disposed of the empty herbicide container into landfill. The empty container is triple rinsed and cut into small pieces for ease of transport.</p> <p>The company inventory of chemical and their container that is used and kept on site. The chemical container is stored and re-use for mixed of pesticides/herbicides. The record for ex container recycling was sighted, titled Chemical Container Recycling Record, No.FOR-ESD-UPK-012-02, The record for ex container disposal was sighted, titled Chemical Container Disposal Record, No.FOR-ESD-EMS-012-03, e.g. in Pandi Estate, there are 85 of ex pesticides container disposed.</p> <p>During the field assessment, it was noticed that there is no respirator mask used by the mixer. Reviewing of the data material sheet does not indicate a need of using such mask. The SOP for Pesticide Management (PRO-ESD-GEN-004-011) dated 16/04/2018 provides the spraying procedure to prevent spray mist. Training records for spraying activities dated 16/05/2018 was observed.</p>	
	<p>Associated Smallholder Requirement: Applies to associated Smallholders.</p>	<p>According to HOPL guidelines, smallholders that would like to use herbicide are required to have a dedicated store locked from children. During the field assessment, the assessment team had observed the storage area.</p>	Yes
4.6.7	<p>Application of pesticides shall be by proven methods that minimise risk and impacts.</p> <p>- Minor compliance -</p>	<p>Hargy Oil Palm is able to demonstrate that pesticides had been applied in line with management guideline; that minimize risk and impacts. Sprayers are trained, training records were evident, e.g on 10/05/2018, 29/05/2018 and 08/06/2018 in Hargy Estate; 16/05/2018, 02/06/2018 and 04/07/2018 in Ibana Plantation. The pesticide operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	Associated Smallholder Requirement: Applies to associated Smallholders.	Smallholder whose applied herbicide has appropriate PPE, storage and demonstrate adequate knowledge. The disposal of empty chemical container follows management guideline.	Yes
4.6.8	There shall be no aerial application of pesticides - Major compliance -	There is no aerial application of pesticides in whole Hargy Oil Palm plantation area.	Yes
	Associated Smallholder Requirement: Applies to associated Smallholders.	There is no aerial application of pesticides in smallholder area.	Yes
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	All agrochemical operators had been given training on the handling and application of the pesticides. HOPL maintains a set of record for sprayer training for herbicide mixer herbicide sprayers and smallholders. Refreshment training has been conducted on 10/05/2018, 29/05/2018 and 08/06/2018 in Hargy Estate; 16/05/2018, 02/06/2018 and 04/07/2018 in Ibana Plantation. All safety and application equipment had been provided and used by the operators. All precautions attached to the products had been observed, applied and understood by the workers.	Yes
	Associated Smallholder Requirement: Applies to associated Smallholders.	The smallholders are being educated through the Field Days conducted by HOPL and OPIC. It is conformed through interview that smallholders that they have attended Field Days. Field day carried out on 18 th July 2018 (Tiauru LSS), 13 th June 2018 (Gigipuna VOP), 16 th May 2018 (Natabu VOP), 18 th April 2018 (Barema Smallholders and Growers), 23 rd March 2018 (Uasilau and Lalopo VOP), 19 th February 2017 (Wilelo VOP), and 17 th January 2018 (Kaiamu VOP). Field day also conducted related to trunk injection to reduce Stick insect (Sexava) attacks. HOPL and OPIC conducted special training for Agriculatural Safety and Crop Spraying. Certificate of Training Attendance were available, e.g. on behalf Mr. JLN of portion 07-0758 NOAU. Training was conducted at Noau Sub-Division of Bialla District, West New Britain Province on 17/10/2017. Evident Herbicides Training Program 2018, described training plan for all smallholder area, among others:	Yes

Criterion / Indicator		Assessment Findings	Compliance
		February : Tiauru LSS; March : Ulamona VOP, Apupul/Gomu; April : Bubu/Baikakea May : Soi LSS, Kiawa Jun : Gigipuna, Malasi LSS Jul : Ewasse/Matililui, Sale LSS Aug : Nantabu, Wilelo LSS September : Tauke/Kalagalel, Mataururu October: Kabaiya LSS, Sege LSS November : Gamupa VOP/Estate, Barema LSS December : Ivule/Bagily Estates	
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	During interview with sample employees at Barema compound/Workers housing complex, they fully understand for waste management (including domestic waste). The complex condition is clean and well organized. While, during visiting the landfill in Block 07E13, sighted the waste are disposed with separated hole. There are 5 holes which consist of Plastic Pit (fertilizer inner bag, cement bag and bit of chemical containers); Hydrocarbon pit (used tyres, some kind of pipes from mill); Metal pit (poles fibre, zinc roof, plastic rubbish container and several metals); Domestic Waste and Septic Waste. If one of pit is full loaded, then it will be dump and buried properly. Landfill in Ibana Plantation is located in Block 01L13, Div.1, there are 4 separate pit base on waste: Industrial waste pit, Hydrocarbon waste pit, Chemical waste pit and Domestic waste pit. While in Bakada Plantation, the landfill is located in Block 14B02, Div. 5 (Gamupa). There are 4 separated pit, domestic waste pit, sewage pit, plastic pit and hydrocarbon pit.	Yes
	Associated Smallholder Requirement: Applies to associated Smallholders.	During field observation in smallholder's land with two type of smallholder's management Village Oil Palm (VOP's) and Land State Settlement (LSS), auditor found	Yes

Criterion / Indicator		Assessment Findings	Compliance
		that smallholder's has implement waste management properly. In example: VOP's plot owner Robin Andrias (111210); LSS plot owner Bukaden (010407). The farmer disposed their wastes in rubbish/waste pit within their land, and it has separated from the housing.	
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	In HOPL, specific annual medical surveillance for pesticides operator has been done on 30 July 2018, and it was carried out on regular basis. The regular medical surveillance include cholinesterase test. It was noted that there is no case of low blood cholinesterase levels. Record regarding health condition are under "Baseline health surveillance for employee using agrochemical", that contains demographic data, occupational history, medical history, basic examination (eyes, nose, throat, respiratory, skin, rash, bones) to prepare conclusion on status to working with agrochemical. Records were sight for all pesticide operators. The medical surveillance includes trunk injector for smallholder area.	Yes
4.6.12	No work with pesticides shall be undertaken by pregnant or breastfeeding women. - Major compliance -	All herbicide sprayer and trunk injector are male workers. However, based on interview during field visit these male workers understood company policy regarding no work with pesticide shall be undertaken by pregnant or breastfeeding women. Smallholders: At the smallholder blocks, pesticide are only applied by those that have attend the Agriculture Safety and Crop Spraying conducted by OPIC and HOPL. There was no evidence observed that spraying was conducted by other parties, such as women or children.	Yes
Criterion 4.7 An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			
4.7.1	A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.	As subsidiary of SIPEF, the company recognized that a safe and healthy workplace is the most important. The Policy on Occupational Health and Safety was established which was signed by General Manager of Hargy Oil Palms Limited, issue No.4, dated 16 th December 2015. The OHS Plan was established. The latest review was carried out on	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>28th March 2018 (issue No.08) prepared by the Environment & Sustainability Manager. The OHS plan was include the Hazard and risk assessment register, safety training and PPE records, OSH committee meeting, emergency procedure, medical care & accident insurance, incident/accident investigation and lost time accidents.</p> <p>The EHS inspection was conducted accordingly as seen below: Hargy Palm Oil Mill, carried out on 13th July 2018; Hargy Estate, Makakiwa (Division 1), carried out on 27th June 2018; Hargy Estate, Urumali (Division 2), carried out on 5th July 2018; Hargy Estate, Kerakera (Division 3), carried out on 2nd July 2018; Navo Estate, Atata - Karla Division 1, carried out on 16th July 2018; Navo Estate, Kiba - Karla Division 2, carried out on 14th July 2018; Ibana Plantation, Division 1 & 2, carried out on 23rd June 2018; Navo Palm Oil Mill, carried out on 29th July 2018; Barema Palm Oil Mill, carried out on 25th June 2018; Barema Plantation (Division 1 & 2) carried out on 30th April 2018; Central Vehicle Workshop, carried out on 6th April 2018; Central Store, carried out on 26th July 2018;</p> <p>The latest OHS committees meeting was conducted as follow: Hargy Palm Oil Mill – 17th July 2018; discussed agenda related pumping station, sterilizer station and loading ramp; Hargy Estate – 26th June 2018; Barema Mill – 3rd July 2018; discussed agenda such as review of the previous meeting planned recommendation; EHS inspection checklist (compounds, workshops, stores, firefighting equipment, first aid kits) and previous internal audit non conformances; OHS performance reports; environmental incidents reports; gender related issues; social</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>issues in the workplaces; company policies; new business agenda; Navo Estate – 27th June 2018; Ibona Plantation – 27th June 2018; discussed septic issues that need to be addressed seriously; there was a problem with the construction department, as they either lack man-days to attend requisition have been sent and followed up with especially for urgent plumbing to release blocked septic. Navo Mill – 5th July 2018; Pandi Estate – 22nd June 2018.</p> <p>Smallholders The management of the procedure for the Smallholders is guided using a hand book titled "Gutpela rot bilong lukautim wel pam na kamap gutpela smolholda fama". Copies of which have been distributed to all new growers beginning 2011). This book contains content on guidelines/procedures among others: Sustainability, Harvesting standard, Fertilizer application, Block upkeep, health and safety, RSPO Compliances, and other social issues e.g HIV/AIDS, malaria, family violence. HOPL smallholder department maintain production records and field day attendance records as evidences of discussion relating to health and safety performance and for improvement.</p>	
4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p> <p>The OHS risk assessment was established based on the risk assessment matrix stated in the OHS plan. The HOPL OHS risk assessment register No.REG-ESD-OHS-001-10 by the Environment & Sustainability Manager, last update on 28th March 2018. The register was including the activities in the mill and estates such as laboratory, effluents ponds, treatment plant, nursery and new development area, vehicle workshop, harvesting, construction, chemical handling, stores, dispatch bay, mixing area, replanting, driving tractors, process station at mill, welding, sterilizers, reception area, boiler station and biogas plant.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Sample in Hargy Mill, the confined space entry permit was issued on 14/07/2018 (Hargy POM) for repair sterrer shaft and path leaks on steam coil. The gas test was done before started their work and found save to enter at 21% of oxygen level. The rescue and emergency procedures has been issued and understood by the standby and rescue persons. The gas detector was last calibrated on March 2016.</p> <p>Sample in Navo Mill, the confined space entry permit was issued on 17/07/2018 for change of packing at Press and Digester. The gas test was done before started their work and found save to enter at 21% of oxygen level.</p> <p>Monitoring of noise level are done at each palm oil mill. There are some area with noise level around 85 dB, such as at Kernel Station, Boiler Station and Sterilizer Station. It was observed that all workers in that area are wearing earmuff.</p> <p>During site visit, interview with workers shown that they understand and applied accordingly the precautions attached to the chemicals or products.</p>	
Associated Smallholder Requirement: OPIC and/or Company Smallholder Departments to provide advice and training on identification and control of risks through extension activities.	The smallholders are being educated on the health and safety through the Field Days conducted by HOPL and OPIC. It is confirmed through interview with smallholders that they have attended the Field Days. Field day carried out on 18 th July 2018 (Tiauru LSS), 13 th June 2018 (Gigipuna VOP), 16 th May 2018 (Natabu VOP), 18 th April 2018 (Barema Smallholders and Growers), 23 rd March 2018 (Uasilau and Lalopo VOP), 19 th February 2017 (Wilelo VOP), and 17 th January 2018 (Kaiamu VOP). Field day also conducted related to trunk injection to reduce Stick insect (Sexava) attacks.	Yes
4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Protective equipment as defined in Safety Data Sheets or Standard Operating Procedures shall be available to, and used by, all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation and harvesting.	<p>All workers involved in the operation have been adequately trained in safe working practices. Training Scheduled for 2018 was established. Awareness and training program had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE.</p> <p>Training of safe working practice has include subject for workers exposed to high noise levels.</p> <p>Suitable PPE has been provided to the workers based on the information in the</p>	Major Non-Compliance

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Criterion / Indicator	Assessment Findings	Compliance																																																
<p>- Major compliance -</p>	<p>MSDS/CSDS. The safety data sheets were available at site, e.g.: Glyphosate 450 g/l; Spalding Surfactant LI 700 (Propionic Acid 350 g/L + Soyal Phospholipids 350 g/L + 10-30% Surfactans); and Farnet 20DF (Metsulfuron methyl 20DF).</p> <table border="1" data-bbox="922 555 1951 1378"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Trainer</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>17/07/2018</td> <td>Oil Dispatch Bay, Storage, Heating, Steam Injection</td> <td>Staff</td> <td>Hargy Mill</td> </tr> <tr> <td>20/07/2018</td> <td>Laboratory, Oil losses and sampling procedures</td> <td>Staff</td> <td>Hargy Mill</td> </tr> <tr> <td>18/07/2018</td> <td>Demin Plant Operation, chemical spill</td> <td>Staff</td> <td>Hargy Mill</td> </tr> <tr> <td>26/03/2018</td> <td>Weighbridge, Loading Ramp, Sterilizer, Press Sattion, Power House.</td> <td>Staff</td> <td>Hargy Mill</td> </tr> <tr> <td>21/02/2018</td> <td>Know your safety signage and what they mean</td> <td>Staff</td> <td>Hargy Mill</td> </tr> <tr> <td>26/06/2018</td> <td>Company Induction</td> <td>Staff</td> <td>Hargy</td> </tr> <tr> <td>14/06/2018</td> <td>Safe Defensive Driver Training</td> <td>Staff</td> <td>Hargy</td> </tr> <tr> <td>15/06/2018</td> <td>Fire Extinguisher Theory</td> <td>Staff</td> <td>Barema</td> </tr> <tr> <td>08/02/2018</td> <td>Basic Fire Extinguisher Theory</td> <td>Staff</td> <td>Navo</td> </tr> <tr> <td>19-20 Mar 2018</td> <td>First Aid Training</td> <td>PNG Red Cross Society</td> <td>Hargy Area 8 – Biala</td> </tr> <tr> <td>21-22 Mar 2018</td> <td>First Aid Training</td> <td>PNG Red Cross Society</td> <td>Hargy Area 8 – Biala</td> </tr> </tbody> </table>	Date	Training Topic	Trainer	Remarks	17/07/2018	Oil Dispatch Bay, Storage, Heating, Steam Injection	Staff	Hargy Mill	20/07/2018	Laboratory, Oil losses and sampling procedures	Staff	Hargy Mill	18/07/2018	Demin Plant Operation, chemical spill	Staff	Hargy Mill	26/03/2018	Weighbridge, Loading Ramp, Sterilizer, Press Sattion, Power House.	Staff	Hargy Mill	21/02/2018	Know your safety signage and what they mean	Staff	Hargy Mill	26/06/2018	Company Induction	Staff	Hargy	14/06/2018	Safe Defensive Driver Training	Staff	Hargy	15/06/2018	Fire Extinguisher Theory	Staff	Barema	08/02/2018	Basic Fire Extinguisher Theory	Staff	Navo	19-20 Mar 2018	First Aid Training	PNG Red Cross Society	Hargy Area 8 – Biala	21-22 Mar 2018	First Aid Training	PNG Red Cross Society	Hargy Area 8 – Biala	
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		12/07/2018	Safety Harness	Staff	Construction	
		08/06/2018	Training for Spraying Operator	Staff	Barema Plantation	
		10/05/2018	Training for Spraying Operator	Staff	Barema Plantation	
		29/05/2018	Training for Spraying Operator	Staff	Barema Plantation	
		27/04/2018	Environmental Policy 2018	Staff	Barema Mill	
		<p>However, the SOP used for the training has indicated the required PPE for Mixer includes Apron, Face Shield and nose mask which is contradicting with the SOP for Pesticide Management. Through interview with the workers and assistance managers, it was found that they are not aware on cartilage changing frequencies and reference.</p>				
4.7.4	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</p> <p>- Major compliance -</p>	<p>The responsible person for health and safety in company's estates and mills is Sustainability Manager. The latest OHS committees meeting was conducted as follow: Hargy Palm Oil Mill – 17th July 2018; discussed agenda related pumping station, sterilizer station and loading ramp; Hargy Estate – 26th June 2018; Barema Mill – 3rd July 2018; discussed agenda such as review of the previous meeting planned recommendation; EHS inspection checklist (compounds, workshops, stores, firefighting equipment, first aid kits) and previous internal audit non conformances; OHS performance reports; environmental incidents reports; gender related issues; social issues in the workplaces; company policies; new business agenda; Navo Estate – 27th June 2018; Navo Mill – 5th July 2018;</p>				Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Pandi Estate – 22nd June 2018.</p> <p>The PIC for health and safety in smallholder plantation is the Smallholder Department Manager, Mr. Steve Patiken. Meeting for health and safety was carried out during field days.</p>	
<p>4.7.5</p>	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the English and Tok Pisin languages. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available from Divisional and Mill offices to all teams or groups of workers. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p> <p>Accident and emergency procedures namely Emergency Response Procedures No.ERP-ESD-GEN-001-08, dated 05/04/2018, described emergency procedure for Volcano Eruption, Flooding Rivers, Mill Fires, Tank Farm Fire, Tangker Terminal Oil Spill, Strike & Unrest Response, Medical Emergency, Motor Vehicle Accident, Fire Emergency and Search & Rescue. The procedures have been communicated to employees, contractors and visitors. The procedure was available in English and Tok Pisin language.</p> <p>The safety induction was conducted by the management to the auditors before going for field/mill visit. Emergency drill, Tanker Terminal Oil Spill was last conducted on 02/05/2018 at Navo Mill Dispatch Bay and on 27/04/2018 at Barema POM; Flood Evacuation Drill last conducted on 27/04/2018 at Barema Plantation Compound; Vehicle Accident last conducted on 28/04/2018 at Pandi Estate; Fire Drill last conducted on 28/04/2018 at Main Admin Office and on 21/07/2018 at Hargy POM; Chemical Spill Drill on 19/04/2018 at Central Stores; Volcano Drill on 21/04/2018 at Barema Mill, on Navo Mill/Estate on 08/07/2018.</p> <p>Workers trained in First Aider were present in the mill and field operations. They were trained by Papua New Guinea Red Cross Society. First aider training certificate were sighted, e.g. dated 24 April 2018, Reg. No. NTC017, valid for three years. Training attendance list was available dated 24/03/2018, attended by 26 persons. It was sighted first aid kits at Hargy Estate – Barema Plantation (06E21 – Harvesting area and 07A23 – Spraying area), Production office (Navo Mill, Hargy Mill, Barema Mill), Navo Estate (Harvesting area – 03L10, Fertilizing area – 06Q17, Spraying area – 05N08). All the items in the first aid kit were found valid.</p> <p>Drill Scenarios for 2018 was available, covers Tanker Terminal Oil Spill, Fire Drill, Chemical Spill Response, Medical Emergency, CPO Tanker Spill on road, MVA response, volcano eruption evacuation, flooding rivers evacuation response and fuel spill. Records</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance																
		<p>on all accidents kept and summary sent to Head Office. The management review on accident cases on monthly basis during OHS meeting. All Sighted records of accidents and emergency were kept at HQ office. From the records, found that the most injuries (nature of injury) were soft tissue injury (harvesting).</p> <p>Sighted during site visit, all the fire equipment's were in good condition. Fire Extinguisher service are conducted twice in a year, it was scheduled at February and August each year. The last services conducted on 27 February to 8 March 2018 in all Palm Oil Mill and Estate. Fire extinguisher at all site found valid and in good condition.</p>																	
4.7.6	<p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance -</p>	<p>Medical care is provided to all the employees. All the workers are local and they are covered under Workers Compensation Act 1978. The management paid to MARSH & McLENNAN COMPANIES as agent. The Insurance Manual for Hargy Oil Palms Limited was sighted at HQ office dated 9th March 2017.</p> <p>Detail of insurance are as follows:</p> <table border="1"> <thead> <tr> <th>Issuer</th> <th>Period</th> <th>Policy No.</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>Marsh Limited</td> <td>31/12/2017 – 31/12/208</td> <td>73702</td> <td>Medical & Hospital Benefit</td> </tr> <tr> <td>QBE Insurance (PNG) Limited</td> <td>31/12/2017 – 31/12/208</td> <td>W0015566</td> <td>Workers Compensation</td> </tr> <tr> <td>QBE Insurance (PNG) Limited</td> <td>31/12/2017 – 31/12/208</td> <td>H0035212</td> <td>Home Protection – Defined Events Policy</td> </tr> </tbody> </table> <p>There are company doctor in each site, e.g. for Navo Mill and Estate, the clinic and the doctor located at Atata Plantation Compound. For Pandi Estate, company clinic located at Bakada Plantation office complex.</p>	Issuer	Period	Policy No.	Type	Marsh Limited	31/12/2017 – 31/12/208	73702	Medical & Hospital Benefit	QBE Insurance (PNG) Limited	31/12/2017 – 31/12/208	W0015566	Workers Compensation	QBE Insurance (PNG) Limited	31/12/2017 – 31/12/208	H0035212	Home Protection – Defined Events Policy	Yes
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Marsh Limited	31/12/2017 – 31/12/208	73702	Medical & Hospital Benefit																
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QBE Insurance (PNG) Limited	31/12/2017 – 31/12/208	H0035212	Home Protection – Defined Events Policy																
4.7.7	<p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p>	<p>Records on Lost Time Accident (LTA) metrics was maintained at HQ office. Sample of accident statistic as shown below:</p>	Yes																

Criterion / Indicator		Assessment Findings		Compliance								
	- Minor compliance -	<table border="1"> <tr> <td>Year</td> <td>HOPL</td> </tr> <tr> <td>2016</td> <td>142</td> </tr> <tr> <td>2017</td> <td>91</td> </tr> <tr> <td>2018 (as to date June 2018)</td> <td>75</td> </tr> </table> <p>*LTA is equivalent to lost man days LTA summary report as of June mentioned that 3 cases were reported; number of workers per month recorded was 5405; house worked (@180 hrs/month) was recorded as 972900; working day lost per month recorded at 4; incident rate per month recorded 0.037002775; LTI frequency rate per month recorded 0.411141947; average time lost rate per month recorded at 2.</p>	Year	HOPL	2016	142	2017	91	2018 (as to date June 2018)	75		
Year	HOPL											
2016	142											
2017	91											
2018 (as to date June 2018)	75											
Criterion 4.8												
All staff, workers, smallholders and contract workers are appropriately trained.												
4.8.1	<p>A formal competency based training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>- Major compliance -</p>	<p>Training Scheduled for 2018 was established. Awareness and training programme had been carried out. All workers involved had been adequately trained which covered all aspects of the RSPO Principles and Criteria.</p> <p>Sample: Document name: June HR In-house Training Calendar 2018. Course: Company Induction; Code: CI001; Venue: Hargy, Barema, Navo; Time/Duration; Facilitator: Charlene Kalake; Tuesday, 12 June 2018; Status: Open (free for every employees to register and join); Target audience: New harvester/mill staff.</p> <p>External training courses: Boiler Licenses Training; Code: BL420; Venue: Navo; Time/duration: 2 days; Facilitator: South Pac Institution; Date: Monday, 28 May 2018. Target audience: Engineering and Mill Operations.</p> <p>The latest Environmental Policy (POL-ESD-EMS-001-07, issued No: 7, dated 6 April 2018). The policy covers to minimise adverse environmental impacts from its operations</p>		Yes								

Criterion / Indicator	Assessment Findings	Compliance
	<p>by maintaining and continuously improving the quality of the environment and at the same time increase community confidence in its business activities. SIPEF in the course of its operations will:</p> <p>Minimise or eliminate the release of the pollutants to the environment.</p> <p><u>Minimise impact on biodiversity and ecosystems whilst carrying out its operations</u></p> <p>Minimise degradation and erosion of land under its control</p> <p>Prevent or minimise any potential adverse environmental impacts arising from its operations, product and services</p> <p>Encourage employees to conduct their occupational and personal activities in an environmentally friendly manner</p> <p>Promote high environmental performance standards amongst its stakeholders and the industry at large.</p> <p>SIPEF is committed to the continuous improvement of its environmental performance by being committed to:</p> <p><u>Meeting relevant environmental, legal and other compliance requirements</u></p> <p>Preventing pollution</p> <p>Continuous improvement</p> <p>Communicating and explaining its Environmental Policy to all SIPEF employees, contractors, suppliers and stakeholders</p> <p>Allocating adequate resources, including training, to implement its environmental management programmes.</p> <p>Awareness training record: Date: 24 April 2018 Topic: Awareness on the changes amendment to the environmental policy. Attended by 13 Mill employees (1 female employee, 12 male employees).</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Date: 25 April 2018 Department: Engineering – Marea Contractor (Housekeeping contractor inside the Mill). The awareness is attended by 7 personnel (port upkeep).</p>	
	<p>The smallholders are being educated on the good agricultural practice (harvesting, fertilizer, upkeep), environmental, social, health and safety through the Field Days conducted by HOPL and OPIC. It is conformed through interview that smallholders that they have attended Field Days. Field day carried out on 18th July 2018 (Tiauru LSS), 13th June 2018 (Gigipuna VOP), 16th May 2018 (Natabu VOP), 18th April 2018 (Barema Smallholders and Growers), 23rd March 2018 (Uasilau and Lalopo VOP), 19th February 2017 (Wilelo VOP), and 17th January 2018 (Kaiamu VOP). This forum is adequate to discuss and train the smallholders organized by the organization.</p>	Yes
4.8.2	<p>Records of training undertaken and competency achieved shall be maintained for each employee. - Minor compliance -</p> <p>Training records of all employees is recorded centralized in HR Department. Training evidence attendance record are available in place from Jan-May 2018, all the records its covering all plantation and mill (Hargy, Navo, Barema). Record sample: Navo Plantation, 17 January 2018, Course name: Targeted Trunk Injection Department: OPRA (Oil Palm Research Association) Facilitator: Solomon. S Duration: 5 hours Topic covered: Safety when using chemical, tools materials equipment usage and standard procedure. Attended by: 18 employees, consist of: 1 Field; 2 Sr. Div. Manager, 1 Div. Mgr Kiba Plantation, 7 Sprayer, 1 Field supervisor, 1 RSPO Ibana, 1 Karla Plant. Cadet, 1 Pandi Plant. Cadet, 3 PNG OPRA Entomology. Date received 22 Jan 2018. Based on interview with sampling employees at the Hargy Mill and Barema Plantation, then crosschecked with training database system in HR Department, as follow:</p>	Yes

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Joel Temon, WB clerk Hargy Mill. No. Employees/Payroll key: 00256 Pay Group: Hargy Palm Oil Mill (HPOM) Training records that have been followed are HOPL Supply Chain SOP – CPO Mills (16 April 2016); Revised Responsible plantation policy HOPL (2 July 2018). Henry Langu, EFB worker. Jonathan Yambakoi, Harvester at Barema Plantation. Johnson Kana, Sprayer at Barema Plantation. No. Employees/Payroll key: 40501 Pay Group: Hargy Plantation Hargy Estate (HPHE) Training records that have been followed are Spray training (29 March 2017); Induction to Sprayer (20 March 2017); Fertibor application training (1 September 2016). Ibana Plantation: Sample of performance appraisal (Form B-Grade 3 to 10) Name: Morgan W Teira; Date of joined Company: 29 June 2015; Job Title: Harvesting Overseer (Harvesting clerk); 1st Appraiser: Willie Maneke –DM Ibana; Reporting year: 2017. Several parameter for performance appraisal are Works Safely (4); Initiative (4); Technical Skills (4); Productivity (5); Work Quality (4); Working Relations (4); Team Work (4); Attitude (5); Punctuality (4); Attendance (5). Score rating is 4.3 - A (Exceeds Standards). Sample of training awareness: Course name: Harvesting Standards; Dated: 29 May 2018; Venue: Field 24; Facilitator: Morgan W. Teira; Topic covered: Refresher Training – Harvesting Work Standards. Attended by 23 harvester, 3 Overseer and 1 Supervisor. Course name: Path & Circle Weeding SOP; Dated: 16 May 2018; Venue: Ibana Chemical Site; Facilitator: Lloyd Katao; Topic covered: SOP Path and Circle Weeding. Attended by</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>31 persons, including workers, mixer, transporter, supervisor, cadet.</p> <p>Bakada Plantation:</p> <p>Sample of awareness training in Bakada plantation (Pandi Estate) as follow, Training session plan, dated 5th July 2018 at Alaba div. Training title is Fertilizer application (Kieserite), with training type is demonstration. Trainer name: Michael Silpaga Standard: Fertilizer must reach all palm bases; Apply the exact grams; Avoid split of fertilizer grams in other locations. Attended by 6 female workers as fertilizer applicator.</p> <p>In field training for harvesting. Dated 28 June 2018, located in Block 12E12 (Magalona div. 3). Facilitator: Immanuel Passiko. The training attended by 15 male harvesters, 5 male wheelers.</p> <p>Smallholders:</p> <p>The smallholders are being educated through the Field Days conducted by HOPL and OPIC. It is conformed through interview with 11 smallholder’s that they have attended Field Days. Field day visit conducted in monthly basis. The topics during field days is all aspect that relevant with RSPO. Documented sample taken: 19 February 2018: 163 growers attended at Wilelo. 16 May 2018: 27 attendees, at Nantabu VOP.</p> <p>This forum is adequate to discuss and train the smallholders organized by the organization.</p>	

Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

Criterion 5.1
 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	An environmental impact assessment (EIA) shall be documented and updated every ten years. - Major compliance -	The Certificate Holder has had SEIA Report by Narua Lovai – Imeana Eco-System Services (August 2007), covering all Bialla project. Field survey on 7 th – 11 th August 2007. Covering area 2,016 Ha (LSS); 1,552 Ha (VOP); 30 Ha (Independent Estate). Total coverage area is 3,598 Ha. The company continued to maintain environmental impact assessment document procedure, namely Environmental Aspects Procedure No.PRO-ESD-EMS-001-09, date 1st December 2016) and Environmental Aspects Impacts Master Register (REG-ESD-EMS-001-16, Issue No. 16, dated 28 Feb 2018 which was prepared by Environment Sustainability Manager.	Yes
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	Hargy Oil Palms Ltd., Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018). Since the last year (2017) there is no significant changes in current practices, meaning there is no additional machinery was installed. That means no new negative impacts sources from the Mill. The responsible person to identify all the positive and negative impact from the mill is Environmental & Sustainability Manager. All the impact is following Env. Aspect Impacts Master Register (REG-ESD-EMS-001-16, issued on 28 February 2018).	Yes
	Associated Smallholder Requirement: Improvements suggested at the pre-planting inspection should be noted on the inspection form.	The smallholders are being educated on the good agricultural practice (harvesting, fertilizer, upkeep), environmental, social, health and safety through the Field Days conducted by HOPL and OPIC. It is conformed through interview that smallholders that they have attended Field Days. Field day carried out on 18th July 2018 (Tiauru LSS), 13th June 2018 (Gigipuna VOP), 16th May 2018 (Natabu VOP), 18th April 2018 (Barema Smallholders and Growers), 23rd March 2018 (Uasilau and Lalopo VOP), 19th February 2017 (Wilelo VOP), and 17th January 2018 (Kaiamu VOP). This forum is adequate to discuss and train the smallholders organized by the organization.	Yes
5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a	The Certificate Holder has conducted monitoring of environmental impact regularly and it's documented in in the HOPL Environmental Aspects Impacts Master Register (REG-ESD-EMS-001-16, Issue No. 16, dated 28 Feb 2018 and Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018).	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>minimum every two years to reflect the outcomes of monitoring and where there are operational changes that may have positive and/or negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>There is no change of impact since last year.</p> <p>Smallholders:</p> <p>The smallholders are being educated through the Field Days conducted by HOPL and OPIC. It is conformed through interview that smallholders that they have attended Field Days. Field day visit conducted in monthly basis. The topics during field days is all aspect that relevant with RSPO. Documented sample taken:</p> <p>19 February 2018: 163 growers attended at Wilelo.</p> <p>16 May 2018: 27 attendees, at Nantabu VOP.</p> <p>This forum is adequate to discuss and train the smallholders organized by the organization.</p>	
	<p>Associated Smallholder Requirement:</p> <p>Environmental management improvements suggested by OPIC and/or Company Smallholder Departments during routine block inspections shall be implemented as practicable.</p>	<p>Associated smallholder received training from OPIC related to environmental management during field days</p>	Yes
<p>Criterion 5.2</p> <p>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.</p>			
5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>	<p>HCV area within the HOPL is absence referred HCV assessment report conducted on 29th May - 3rd June 2008. The HCV assessment report is referred to HCVF terminology by ProForest 2003.</p> <p>However, during field visit at Barema plantation area along the Barema Division 2 boundaries (South West), the buffer zone of Lobo river is covering by natural vegetation and well maintained of land covers. This area is fully protected and conserve by the plantation management.</p> <p>In relation to presence of primary forest as at 2005: The HCV report stated that some of</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>the area proposed for Bakada/Mengen area is located on areas which have previously designated as Timber Right Purchase Areas. All of the proposed areas have been logged since 1980s with logging only having ceased recently. Much of the area has been logged up to three times. None of proposed areas for HOPL expansion program are located in areas of primary forest, or that was primary forest as at November 2005. Within the estate some areas are not planted and these habitats are being left in their natural state. None of these areas have been identified as HCVs. They are normally steep areas near river and in gullies. These areas have been maintained and are prospering as there are no incursions into any of these areas. Hargy Oil Palms stated these areas of around 2,200 Ha from three plantations as "conservation area".</p> <p>Identified RTE species:</p> <p>Animal: Blue eyed cockatoo (<i>Cacatua ophthalmica</i>), Eclectus parrot (<i>Eclectus roratus</i>), New Britain buzzard (<i>Henicopernis infuscatus</i>), Blyth's hornbill (<i>Aceros plicatus</i>). Plant: <i>Intsia bijuga</i> (Vu), <i>Guioa novobritannica</i> (Vu), <i>Mastixisdendron stoddardii</i> (Vu)</p> <p>HCV Study – Mengen, Bakada and Bialla, Oil Palm Expansion Program. The HCV study conducted by Douglas Environmental Services in February 2009. According this assessment that within Alangily, Gamupa and Alaba area, there is no HCV are presented.</p>	
5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	Yes
5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture,</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>harm, collect or kill these species.</p> <p>- Minor compliance -</p>		
	<p>Associated Smallholder Requirement:</p> <p>OPIC and Company Smallholder departments to provide advice and support to associated Smallholders through field days and visits to Smallholder blocks as part of their routine extension activities.</p>	<p>During interview and site visit to 12 plots of smallholders area, it is conformed that the smallholders are aware of the impact of development of oil palm on surrounding natural areas through the OPIC planting approval process (control) as well as through RSPO awareness sessions. Smallholders understood the need to protect and if necessary re-establish buffer zones along watercourses and the potential use of these buffer zones as wildlife corridors. The smallholders are being educated on the RTE through the Field Days conducted by HOPL and OPIC. It is conformed through interview with smallholders that they have attended Field Days and they have understood about the protection of wild animals and hunting. At the OPIC office, the assessment team had observed the RTE poster posted on the notice board.</p>	Yes
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. <p>- Minor compliance -</p>	<p>Hargy Oil Palm Limited: The plan includes re-mapping conservation area throughout all company' plantation – for delineation of Hargy's conservation area, including area planned for development. Conservation area include the following HCV areas as identified in HCV assessment, buffers as prescribed by PNG regulations, other areas designated by HOPL management for conservation. Hargy Oil Palms Limited has prepared a system to improve the monitoring of RTE species. The monitoring RTE species is being done as part of Environmental, Health and Safety Inspection. The inspection performed by RSPO representatives on monthly basis at each plantation. The RTE monitoring done and look into the condition of buffer zone, presence of RTE species and identify any disturbance to the buffer zone. Hargy also prepare a plan to training more staff in cooperation with ProForest.</p>	Yes
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance -</p>	<p>There is no HCV area identified at local communities land.</p> <p>Smallholders: There is no HCV area identified at smallholder oil palm block. The smallholders are aware of the impact of development of oil palm on surrounding natural areas through the OPIC planting approval process (control) as well as through RSPO awareness sessions.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance																							
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.																										
5.3.1	All waste products and sources of pollution shall be identified and documented by Companies. - Major compliance -	HOPL Environmental Aspects Impacts Master Register (REG-ESD-EMS-001-16, Issue No. 16, dated 28 Feb 2018, identifying all aspects and impacts from plantation and mill operation. List/register of waste product is documented in Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018). Generation and management of wastes, within Hargy Oil Palms Limited project sites would be in accordance with the waste minimization and cleaner production principles as well as relevant PNG Industry Environmental Code of Practices, guidelines and other best environment practices & procedures applicable to the industry.	Yes																							
5.3.2	All chemicals and their containers shall be disposed of in accordance with the requirements of the applicable Safety Data Sheet. At a minimum, containers shall be triple rinsed with clean water and punctured to prevent re-use for liquid storage. Where triple rinsing is demonstrated to eliminate a risk to safety or the environment, re-use may be permitted for carrying pre-mix to the field, cutting down and using as waste bins and even using non-pesticide containers for non-potable water storage. - Major compliance -	HOPL continued to maintain the procedure for Disposal of Used Chemical containers No.HOP-PROEMS-022-03. The SOP mentioned about the rinsing and disposal of used chemical container. NAVO POM: The Mill site has a record for Hydrochloric Acid Drum disposal. Based on the Chemical Container Disposal Record (issued form 28 March 2014), the data summary as follow: <table border="1" data-bbox="922 1011 1966 1358"> <thead> <tr> <th>Date</th> <th>No. of containers</th> <th>Container size</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Jan-18</td> <td>12</td> <td>200 Ltr</td> <td rowspan="6">Triple rinse and charge out for rubbish bin at compound.</td> </tr> <tr> <td>Feb-18</td> <td>16</td> <td>200 Ltr</td> </tr> <tr> <td>Mar-18</td> <td>12</td> <td>200 Ltr</td> </tr> <tr> <td>Apr-18</td> <td>21</td> <td>200 Ltr</td> </tr> <tr> <td>May-18</td> <td>26</td> <td>200 Ltr</td> </tr> <tr> <td>Jun-18</td> <td>15</td> <td>200 Ltr</td> </tr> </tbody> </table>	Date	No. of containers	Container size	Remark	Jan-18	12	200 Ltr	Triple rinse and charge out for rubbish bin at compound.	Feb-18	16	200 Ltr	Mar-18	12	200 Ltr	Apr-18	21	200 Ltr	May-18	26	200 Ltr	Jun-18	15	200 Ltr	Yes
Date	No. of containers	Container size	Remark																							
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May-18	26	200 Ltr																								
Jun-18	15	200 Ltr																								

Criterion / Indicator		Assessment Findings			Compliance
		Jul-18	16	200 Ltr	
		<p>The chemical container at Bakada Plantation is re-used and re-cycle for spraying activity. The plantation management has had Pesticide Container Disposal Record that contain of pesticide name (Glyphosate), Pesticide pit location (Gamupa landfill), date, month and disposed quantity.</p> <p>During field observation in Gamupa landfill, it was sighted that chemical containers are dump-off in the plastic pit and cutted.</p> <p>The waste management is appropriate with their own SOP.</p> <p>While, all medical wastes from entire plantation are delivered to Karla plantation and disposed by using incinerator every two (2) weeks. The responsible person to operate incinerator is Estate Doctor (Dr. Winis Karaiye).</p>			
	Associated Smallholder Requirement: Applies to associated Smallholders	For smallholder whose performing weed control/spraying themselves, have attended training and issued with certificate. They also understand the disposal method. The associated smallholder made triple rinse and broke the empty container before buried into landfill behind house.			Yes
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	<p>Hargy Oil Palms Ltd., Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018). All list of waste product from Mill and Estates is available within the plan.</p> <p>During field observation at landfill in sample plantation, such as follow: Ibane Plantation: Block 01L13 Division 1; Bakada Plantation: Block 14B02 Div. 5 Gamupa, it is conformed that wastes are disposed in separated pit. In example: Hydrocarbon Pit, Sewage Pit, Domestic Waste Pit, Plastic Pit, Industrial Waste Pit, etc. Each plantation has had record of wastes disposed.</p>			Yes
	Associate Smallholder Requirement: Smallholders must demonstrate planned waste management and disposal by disposing of waste	For smallholder whose performing weed control/spraying themselves, have attended training and issued with certificate. They also understand the disposal method. The associated smallholder made triple rinse and broke the empty container before buried			Yes

Criterion / Indicator		Assessment Findings	Compliance
	products in a designated waste pit.	into landfill behind house.	
Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.			
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	In the estate fossil fuel usage especially the diesel used for genset was monitored on monthly basic. The genset was used only for backup if there is no electricity supply from government. Record of fossil fuel usage sighted during onsite audit.	Yes
Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.			
5.5.1	There shall be no land preparation by burning- Major compliance -	Zero burning policy already stated within Environmental Aspect Impacts Master Register (REG-ESD-EMS-001-16, issued on 28 February 2018) and Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018).	Yes
5.5.2	Fire shall not be used for preparing land for replanting. - Major compliance -	During field observation at Block 16A12 Div. 1 (Alaba), sighted there is no evidence that fire is used for land preparation.	Yes
	Associated Smallholder Requirement: 5.5.1 and 5.5.2 – Applies to associated Smallholder.	All smallholders have been informed during field day, and they all understood that no fire can be used for preparing land for replanting.	Yes
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			
5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	All the polluting activities and its impact has been identified within Hargy Oil Palms Ltd., Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018). Additionally the Environmental Aspects Impacts Master Register (REG-ESD-EMS-001-16, Issue No. 16, dated 28 Feb 2018), identified the pollutant source from sewage and	Yes

Criterion / Indicator		Assessment Findings	Compliance
		organic rubbish from the human settlement.	
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance -	Environmental Objectives (REG-ESD-EMS-003-14, issue no. 14, dated 12 March 2018). The parameter are Significant Aspect, Objective, Requirement, Resource, Timeframe, and Basis of Evaluation. Significant pollutants and GHG emissions from any sources is identify, including the plan to reducing it. For example: to reduce the GHG, Barema POM already has Methane Gas Capture from Mill effluent prior discharge to the plantation as Land Application.	Yes
5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Monitoring of mill smoke emissions must be in accordance with the requirements of the PNG Oil Palm Processing Industry Environmental Code of Practice. - Minor compliance -	Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are in place. Tools and systems used include the water quality at discharge points. Water samples were regularly taken every month, tested by mill environment officer in charge, and analysed to ensure compliance to Department of Environment and Conservation requirements at final discharge points. The water samples were sent to National Analysis Laboratory for analysis. Records are maintained and verified on-site to have met the permissible regulatory limits. Monitoring of the GHG quantity is using RSPO PalmGHG Calculator Version 3.0.1, with the result Please refer to Annex (last page of this checklist). Monitoring of Palm GHG conducted in annual basis with period Jan-Dec.	Yes
Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers			
Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.			
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented - Major compliance -	The most recent SIA report available at the time of the assessment is dated November 2013. The assessment was conducted by Rolland Allbrook Consulting. The assessment conducted was an update to the 2009 Social Impact Assessment conducted by Project Design & Management Pty Ltd. Interview was conducted with the consultant that has conducted the SIA assessment in 2013. The records of the meeting were kept and due to assessment was conducted back	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>in 2013, some records are not available.</p> <p>HOPL operations consist of a settle project. Hence the community surrounding HOPL are mainly smallholders. Continuous engagement with the communities (e.g. field days) is part of the mechanism implemented by the Communities Affairs Department of HOPL to received social concerns.</p>	
6.1.2	<p>There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>- Major compliance -</p>	<p>As stated in content of the Updated of the 2009 SIA & Social Management Plan report, it was identified that the assessment has been conducted with participation of the affected parties.</p> <p>Interviewed with workers (who may also be smallholders) had confirmed that HOPL is constantly collecting social inputs from the internal affected parties.</p>	Yes
6.1.3	<p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.</p> <p>- Major compliance -</p>	<p>The most updated management/improvement plan is dated July 2018. The impacts were identified based on the Updated of the 2009 SIA & Social Management Plan report dated November 2013 and additional inputs through stakeholders' engagement (e.g. Field Days at Nantabu in May 2018; at Barema Block #1333 in April 2018)</p> <p>The assessment team had reviewed the mitigation and actions plan. The monitoring of actions for those identified impacts made through the actions plan. The effectiveness of the mitigations is monitored and will be transferred to the annual continuous improvement plan if required.</p> <p>The management plan had identified the responsibility department and individuals for its implementation.</p>	Yes
6.1.4	<p>The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. In any case, the plans should be updated at least every ten years. There shall be evidence that the review includes the participation of affected parties.</p>	<p>The plan is reviewed once a year for any updates required. The current review of the plan is dated July 2018. Additional social management plan identified including:</p> <p>Road Safety campaign at local school.</p> <p>Transferring of current independent estate to Lease Leased Back program to assist struggling those independent estates.</p> <p>Improvement of sanitation and provision of water tanks at housing compounds.</p> <p>Improvement plans that was carried out in 2017 includes improvement on the Grievance</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	resolution including centralized management has been carried out. The plan has enable HOPL to closely monitor the resolution and its timeline.	
6.1.5	When updating plans, the entire supply base must be considered and particular attention shall be paid to the impacts of associated Smallholders. - Minor compliance -	Associated smallholders are continuously being engaged through Field Days. Example of management plan for 2018 which involved smallholders includes the transferring of independent estate as lease leased back approach to help those struggling independent estates.	Yes
Criterion 6.2			
There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	A list of the stakeholder was sighted. The stakeholders list includes the local communities' leaders, local governments, Independent oil palm growers, Incorporated Land Groups representative, NGOs, Industry associates, worker association, contractors, suppliers and other related organizations. The latest issuance of the list is on 16/04/2018. The company is committed on good communication internally and externally as stated in the "Communication Policy" dated 16/12/2015. The "Communication" procedure (PRO-ESD-EMS-006-10) dated 11/03/2018 has documented the communication procedures on both internal and external interested parties related.	Yes
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	The official responsible for communication is the Community Affairs Manager. Currently the position is held by Mr. Rolland Allbrook. The affected parties has been interviewed and they are aware that in case of any communication is required with HOPL, they will go to Community Affairs department.	Yes
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from	Records of the communication between stakeholders or smallholders are available. Records of communications sighted are in the form of meeting minutes, email communications, content of discussion with smallholders during field day. Samples of communication records:	Yes

Criterion / Indicator		Assessment Findings	Compliance
	stakeholders, shall be maintained. - Minor compliance -	In Barema Mill communication with Barema Primary school was sighted. The school has requested community assistance for sport equipment on 09/03/2018. The Mill Manager had approved the request on 16/03/2018. During interview with the smallholders and the communities, it was confirmed that the communication between HOPL is effective.	
Criterion 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 system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	<p>The company is committed to receive grievances from all stakeholders (internal and external) as stated in the "Grievance Policy" dated 16/12/2015.</p> <p>The company "HOPL Grievance Procedure" (PRO-HRD-COS-001-04) updated on 11/04/2017 documents how grievance/complaints to be managed. The procedures also distinguished the grievances and issues. The procedure has stated any received grievance will be responded within 30 days from time of raising the grievance. Due to the cultural consideration, the resolution of grievances could take long time. Therefore, the complainant will be informed accordingly about the progress.</p> <p>The Grievance is open to all local communities, workers and contractors' personnel. All grievances received will be forwarded and managed by General Manager's Secretary and Human Resource Manager. The received grievances will be disseminated to the respective department for resolution. In order to keep the grievance process in anonymity and protection on confidentiality, complainants have options to send email to grievances@hargy.com.png. The email is directed to the HR Manager Mr Darren Scott and the GM's Secretary Ms Nishal.</p> <p>The system setup in HOPL to monitor all grievances is using Access. The HOPL Grievance Register 2017-2018 Access system had catergorised the type of complaint (e.g. Land, environmental, health, safety & security, compensation, sexual harassment, housing condition), priority of complaint and status of complaint (active or closed). The register also shows the responsible person to resolve the grievance.</p> <p>Through interview during field assessment, the assessment team had confirmed that the</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		affected parties are aware of the grievances mechanism. The assessment team had reviewed samples of grievances. Through the content of the grievances, the assessment team deems that the grievances mechanism is effective as all affected parties knows their rights to raise a grievance.	
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	The records of grievance at operation units are available. Samples reviewed in this assessment. Barema Plantation – 1 grievance recorded since last assessment regarding unclear on payment rates, PPEs and due to work risk demanding for extra allowance. The grievance was raised on 07/05/2018. The grievance has been forward to centralize recording. The resolution to this grievance was made on 07/05/2018 and 08/05/2018 by explaining to the workers regarding the payment rates and usage of PPEs against risk. Barema POM - 1 grievance recorded since last assessment regarding worker’s dissatisfaction due to inappropriate language used. The grievance was raised on 05/11/2017 and was resolved on 06/11/2017. The grievance was resolved by the Barema Mill OHS/RSPO Officer.	Yes
Criterion 6.4			
Any negotiations concerning compensation for loss of legal, customary or user 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	A procedure for identifying legal, customary or user rights, and a procedure for identifying people who are rightful customary owners within the PNG legal system, shall be in place - Major compliance -	There was no revised on the procedure for identifying legal, customary or used rights. The manual titled Land Negotiation Procedure: A Guide to Acquiring Land for Oil Palm Development was established with flow charts have been prepared for awareness session among stakeholders/land owners concerning the process for establishing new blocks respectively in accordance with the lease-lease back and alienated land approaches.	Yes
6.4.2	A procedure for calculating and distributing fair payment (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory	The terms and condition for the agriculture leased lease back approached was established since 1996 by palm oil industry in PNG involving the Palm Oil Producer Association.	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, local community customary ownership of land and access to land for customary purposes. The procedure should recognise different mechanisms for agreement on the right to use the land ranging from outright purchase to leases and CLUAs of varying durations. Payments may include a land rental and royalty component based on production and the means of distribution must also be defined.</p> <p>- Minor compliance -</p>	<p>The royalties' percentage and K50 land rental for per hectare for production land was agreed by the industry. The land rental had increased over the years from K50 to K75 per ha for production land and additional K20 per ha is paid for buffer land.</p> <p>HOPL has developed the Land Negotiation Procedure: A Guide to Acquiring Land for Oil Palm Development that documented the Industry acceptance of the method to determine the leasing payment.</p>	
<p>6.4.3 The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available, with the agreement of the parties concerned, to the extent that damage to the interests of the affected parties will not result</p> <p>- Major compliance -</p>	<p>Negotiation evidences has been verified and as stated as per indicator 2.3.2 above. Samples of the execution on the payments as per the agreement were verified to be accordance to the MoUs signed between HOPL and land owners (ILGs, or incorporated companies).</p> <p>Samples verified:</p> <p>10% royalties' payment for Magalona ILGs dated 06/02/2018 for K17,195.13</p> <p>10% royalties' payment for Alaba dated 06/02/2018 for K51,801.40</p> <p>10% royalties' payment for Abunava ILGs dated 07/05/2018 for K18,791.95</p> <p>10% royalties' payment for Abulmosi ILGs dated 03/07/2018 for K25,270.15</p> <p>Alaba Development Corporation Annual Rental payment dated 08/01/2018 for K73,700.00</p> <p>Vakukuma ILG Annual Rental payment dated 08/01/2018 for K34,015.00</p>	<p>Yes</p>
<p>Criterion 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>		

Criterion / Indicator		Assessment Findings	Compliance
6.5.1	Documentation of pay and conditions shall be available - Major compliance -	<p>All workers (both casual and permanent) received their working contract. Payslips are provided to workers to show their earnings. The company is observing the country minimum wages. As according to the PNG Industrial Relations Act 1962, the minimum wage determined by the government can be reduced if a company provides workers free housing/electricity/water; medical assistance; schooling assistant; transport assistance and gardening land.</p> <p>After determining the reduction, HOPL under the requirement of Minimum Wage Determination No1 of 2014 is required to submit the total allowances/benefits per employee and Statutory Declaration to the Department of Labour and Industrial Relations for approval. The approval by the Department of Labour and Industrial Relations was sighted.</p>	Yes
6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. - Major compliance -	<p>The agreement binding HOPL and its general workers up to junior staffs are through the agreement made in Employment Details and Conditions form. Each form stipulated the basic agreement (i.e. wages rate and leave entitlement) and each form is linked to the terms and conditions of the HOPL Employee Manual.</p> <p>Sample of workers reviewed: Wille Yamson (Barema Mill) dated 16/07/2017 Manue Tovillie (Barema Mill) dated 25/07/2017 Raphael Lumuna (Barema Mill) dated 14/07/2018 Jeffery Ramey (Barema Mill) dated 20/02/2018 Lukara Joe (Barema Mill) dated 14/07/2018</p> <p>Ansga Waste (Barema Plantation) – fort code 1814 – he was not paid according to his work hours. The productivity Sheet 1814 (Gang Number BR01UP01) stated 72 hours. However, he was only paid for 48 hours as per the payslips. The assistance manager informed the auditors that he is waiting for the workers to come forward for any mistake in the pay. Other example found for no back pay – Edon Thomas (24hours); Michael Kenneth (24hours); Peter Ato (16hours); Joe Philip (8hours); Kuku Monso (32hours).</p>	Major Non-Compliance

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	<p>Rachel (Barema Mill) – working contract – in her employment form, there was strike on the grade from 4-1 to 3-1 and salary offered from K5.18 to K3.73. There was no evidence to show that when was the changes was made and it is before she accepts the offer or after she accept the offer.</p> <p>Serah Josky (Security workers at Bakada Plantation) – fort code 1814 and 1815 – he was not paid according to her work hours. According to her pay slips on 1814 her work hours was 120 hours and 1815 was 94 hours. According to the Employment Act – Clause 52.4, normal work hours shall be deemed to be 44 hours a week.</p>	
<p>6.5.3</p>	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities. These shall be to national standards where such standards exist and where no such public facilities are available or accessible.</p> <p>- Minor compliance -</p> <p>HOPL provides housing to all level of staff (including field workers). During the field assessment (e.g. Barema Plantations), it was observed that the housing conditions provided by HOPL to the workers are in good condition. The housing facilities comes with electricity, clean tap water, toilet, cooking facilities and small area for the workers to do crop gardening. As per the employee handbook, workers are not required to pay for electricity and water. The assessment team had verified such condition during the workers’ interview and verified payslips that there are no deductions.</p> <p>It was observed that monthly housing condition reports is in place (e.g. in Barema Plantation).</p> <p>All employees of HOPL and their dependent have accessed to medication. During the interview with the Nursing Office at Barema Plantations, it was confirmed that the dependent of an employee of HOPL is given free medication. There are 10 clinics within the entire HOPL operating units. Records of the patient are available and kept by both the clinic and workers.</p> <p>National Primary and Secondary schools are available within the HOPL operating units. The children of the workers and smallholders attends these national schools.</p> <p>At the housing compound (e.g. Barema Plantations), there are basic set aside land for workers’ sports activities and religious (e.g. Church) are available.</p> <p>The company also provides vehicle to transfer workers from estate to the Bialla town grocery shopping.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>Through interviews and reviewing on the housing censors it shows that the housing provided is insufficient. Example in GLQ-177 A/B at Bakada Plantation has 9 tenants, GLQ-164 A/B at Bakada Plantations has 10 tenants, GL156 B at Bakada Plantations has 8 tenants. In order to manage housing issue, a 5 years housing expansion and replacement plan. The plan covers the Makakiwa area (2019); Urumailu & Kerakera area (2020); Kiba area (2021); Atata/Remailing area (2022); Ibane/Sena area (2023). The total estimated cost is approximately USD22million.</p> <p>Due to cultural constrains, HOPL had further planning to reduce additional workforce by encouraging the wife for their male workers to work with the company.</p>	
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance -</p>	<p>Trade stores are available at operating units compound to ensure food are available. Land are also provided at the housing camps to allow workers for crops gardening.</p> <p>In order to ensure the price are being controlled, in the Trade Store Lead Agreement, it is stated that the cost of items sold must not exceed normal price of good sold in Bialla town with a markup not exceeding 30%. Contract reviewed: Ngepieng Trading dated 23/08/2016 for Navo Mill Compound Sena Oil Palm Estate dated 11/04/2018 for Ibane Compound.</p> <p>The most reason Basket Survey dated was conducted on 10/07/2018. The basket survey was conducted on monthly basis to monitor the price of the food sold in market owns by locals. The basket survey shows no significant increase in food prices for the past 3 months.</p> <p>For Bakada Plantations, due to the remoteness, transport was provided by HOPL to transfer workers on pay weekend to Navo for grocery shopping.</p>	Yes
<p>Criterion 6.6</p> <p>The employer respects the rights 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.</p>			
6.6.1	<p>A published statement in English and Tok Pisin languages recognising freedom of association shall be</p>	<p>The company is committed to the freedom of association as stated in the "Freedom of Association Policy" dated 16/12/2015. The policy is stated in both English and Tok Pisin.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	available. - Major compliance -	The Freedom of Association Policy has been communicated to all employee at the time of the employment (during induction). The policy is publically published on notice boards at all operating units of the company. HOPL had demonstrate Freedom of Association by allowing the Trade Union to promote union in HOPL. Email correspondence dated 12/07/2017 was sighted.	
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	2 union meeting with HOPL records were observed during this assessment. The last 2 meetings were held on 25/01/2018 and 19/07/2018. There is no restriction by HOPL for the union to conduct any meetings and awareness. The union representative is Daniel Kanau and John Jeffrey.	Yes
Criterion 6.7			
Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	The company is committed to no employment of workers for age below 18 years old as stated in the "Policy on Child Labour" Dated 16/12/2015. The "WinHR" system was check to confirm the youngest worker at the time of the onsite assessment Ruben Lilian born on 10/02/1999. During the field assessment, no child labour was observed.	Yes
Criterion 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	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance --	The company is committed to equal employment opportunity as stated in the "Equal Employment Opportunity Policy" dated 16th December 2015. The company is committed to ensure that the work environment is free of discrimination in any form or any nature as stated in the supplementary "Discrimination Policy" dated 01st March 2013. The policies have been communicated to all employee at the time of the employment (during induction). The policy is publically published on notice boards at all operating units of the company.	Yes
6.8.2	Evidence shall be provided that employees and groups	Interview with local communities confirmed that the local Nationals are employed in	Yes

Criterion / Indicator		Assessment Findings	Compliance
	including local communities, women, and workers from other provinces have not been discriminated against. - Major compliance -	HOPL and are given opportunities to be supervisor and headman based on their qualification and work performance. No gender bias identified when interview with the female workers.	
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	The latest review on the Equal Employment Policy was on 16th December 2015. The General Manager had acknowledge on 10th July 2017 that there is no review required to the policy. Employment records are able to demonstrate that workers are employed or promoted base on capabilities and skills – Tanine has been promoted to from weighbridge clerk to supervisor base on recommendation by the mill manager. Employment files reviewed did not show any discrimination of medical fitness for employment.	Yes
Criterion 6.9			
There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	The prevention of sexual and all other forms of harassment and violence is documented in "Sexual Harassment Policy" dated 16/12/2015. The policies have been communicated to all employee at the time of the employment (during induction). The policy is publically published on notice boards at all operating units of the company. By means of interview, the assessment team confirms that female workers are aware on policies and the meaning of sexual harassment and violence. The interviewed workers are able to inform the assessment team on the channel to raise any grievances to HOPL. The protocol for HOPL to deal/handle issue/complaint from female workforce is as per the Grievance procedures described in indicator 6.3.1 above. Clare August is the appointed Chairperson of the Gender Committee. Activities carried out since last assessment to improve the women welfare includes International Woman's Day (07/03/2018); Breast Cancer Day (30/10/2017) and White Ribbon Day (25/11/2017). Family awareness program covering Physical Violence, Verbal Violence,	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Emotional Violence, Financial Violence, Sexual Violence, Sexual Harassment and Violence of Social Isolation has been carried out by the Gender Committee team. The latest awareness program was conducted at Barema Palm Oil Mill compound dated 22/06/2018.	
	Associated Smallholder Requirement: Associated Smallholders must be able to verbally explain that they understand and observe this requirement.	During the smallholder field assessment, the assessment team had interviewed the female household especially and confirmed that they understood about the understanding of violence and harassment which was explained to them during field day. They understood that if there is any harassment, it can be brought up to HOPL and/or resolved it internally within the clan. Hargy Oil Palms Limited and OPIC have disseminated policy to prevent sexual harassment to associated smallholder during field day	Yes
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	The reproductive rights of all workers are stated in The "Policy on the Protection of Reproductive Rights" dated 16/12/2015. The policies have been communicated to all employee at the time of the employment (during induction). The policy is publically published on notice boards at all operating units of the company. Maternity records and workers interview confirmed that the company has not have restriction for reproductively.	Yes
	Associated Smallholder Requirement: Associated Smallholders must be able to verbally explain that they understand and observe this requirement.	Hargy Oil Palms Limited and OPIC have disseminated policy to protect reproductive rights, especially of women; to associated smallholder during field day	Yes
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	For any gender base grievance, the channel of grievance is the same as the general grievance. The grievances@hargy.com.png has been setup to receive any complaint. The email is directed to the HR Manager Mr Darren Scott and the GM's Secretary Ms. Nishal. It was observed that in each operating site, there is a confidential grievance box (Talk out) for workers who do not have access to email to submit any grievance.	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Sample of the grievance raised by weigh bridge clerk on 22/08/2017 and was closed on 31/08/2017.	
Criterion 6.10			
Growers and millers deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	The FFB pricing are published at the smallholder's and OPIC office. The price from April – July 2018 was made available at the offices.	Yes
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	There is no middleman transaction between the smallholders and HOPL. All transactions are stated in the fortnightly payment slip received by the smallholders. The FFB pricing has been determined according to the original formula agreed in the PNG Government and the company Master Agreement on Bialla Project dated 30/06/1977. The formula to calculate the FFB pricing includes: Value of 1MT of FFB which includes cost of insurance freight (CIF Rotterdam), oil extraction rate, foreign exchange rates. Farmers Payout ratio to ensure both smallholder and company profitability. The payout ratio for the smallholders was determined to be 57% according to the Pricewater Cooperhouse report. Interview with the smallholders confirmed they understand the FFB pricing structure.	Yes
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	The contract agreement between the smallholders and HOPL is referred back to the original Master Agreement on Bialla Project dated 30th June 1977. The contract stated that HOPL has the obligation to purchase all FFBs produced by smallholders from both the Land Settlement Scheme and the Village Oil Palm scheme.	Yes
	Associated Smallholder Requirement: Associated Smallholders must be able to verbally explain that they understand and observe their obligations and the obligations of the Company to whom they are selling	All smallholder interviewed has understood their obligations and the obligations of the Company. Associated smallholder interviewed understand that the sales of FFB to Hargy Oil Palm's Palm Oil Mill are based on their legal ownership of the land, the FFB coming from their	Yes

Criterion / Indicator		Assessment Findings	Compliance
	their fruit.	oil palm block and the weighing of FFB and loose fruit are given a docket and payment slip as evidence of sales.	
6.10.4	Agreed payments shall be made within 14 days of fruit collection or delivery to the mill. - Minor compliance -	Samples of payment verified: Block 010407 – collected on 16/07/2018 and payment posted on 21/07/2018. Block 010350 – collected on 06/07/2018 and payment posted on 09/07/2018. Block 010345 – collected on 06/07/2018 and payment posted on 09/07/2018. Block 010253 – collected on 26/07/2018 and payment posted on 27/07/2018. Block 080834 – collected on 30/05/2018 and payment posted on 01/06/2018. Block 090915 – collected on 17/07/2018 and payment posted on 21/07/2018. Block 080819 – collected on 25/07/2018 and payment posted on 26/07/2018. Block 050195 – collected on 04/07/2018 and payment posted on 07/07/2018. Block 041200 – collected on 12/07/2018 and payment posted on 15/07/2018. Block 040092 – collected on 12/07/2018 and payment posted on 18/07/2018. There was no grievance sampled on late payment. Interview conducted with the smallholders confirmed that there is no issue on payment.	Yes
Criterion 6.11			
Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance -	The 2019 budget was reviewed and confirmed that resources has been allocated for contribution to local development. At Barema Mill, request for sports equipment from Barema Primary School was observed. The request was approved by the Mill Manager on 16/03/2018. The contribution is based request from the local communities. HOPL launched the Mama Loose Fruit program to help increase the housing revenue of the smallholders. This program is also able to reduce domestic violence as the female are able to have some money not depending only to their husband.	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Interviewed with local stakeholders confirmed a contribution on national medicare center contributed by HOPL is by community consultation.	
6.11.2	Where there are associated Smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance -	The 2019 budget was reviewed and confirmed that resources has been allocated for smallholders.	Yes
	Associated Smallholder Requirement: 6.11.2 Associated Smallholder should participate in Field Days and other extension activities delivered by OPIC and Company Smallholder departments. Companies shall maintain records of Smallholder productivity.	The smallholders are being educated on the good agricultural practice (harvesting, fertilizer, upkeep), environmental, social, health and safety through the Field Days conducted by HOPL and OPIC. It is conformed through interview that smallholders that they have attended Field Days. Field day carried out on 18th July 2018 (Tiauru LSS), 13th June 2018 (Gigipuna VOP), 16th May 2018 (Natabu VOP), 18th April 2018 (Barema Smallholders and Growers), 23rd March 2018 (Uasilau and Lalopo VOP), 19th February 2017 (Wilelo VOP), and 17th January 2018 (Kaiamu VOP). This forum is adequate to discuss and train the smallholders organized by the organization.	Yes
Criterion 6.12			
No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	There is no foreign labors employed by HOPL for their plantation activities. Interview conducted with the National workers did not indicate any force laboring.	Yes
	Associated Smallholder Requirement: Associated Smallholders must be able to verbally explain that they understand and observe this requirement.	All smallholder interviewed has understood that no forms of forced or trafficked labour can be used. No forms of forced or trafficked labour observed during field visit to smallholder area.	Yes
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance -	All plantations and general mill workers are PNG National. There is no evidence that HOPL had employed foreign workers. Therefore, there is no possibilities that HOPL had involved in any form of contract substitutions. The terms and condition of all employee of HOPL is stated in the Employee Manual. The general terms and conditions of all	Yes

Criterion / Indicator		Assessment Findings	Compliance
		employed workers are equal (may different due to working grades). Hence there is no possibility of contract substitution from the point the workers were employed until the point they start working.	
6.12.3	Company labour policies shall be established and implemented and apply to both permanent and casual labour. - Major compliance -	The company is committed to against trafficking of labour as stated in the "Policy against Forced or Trafficked Labour" dated 16/12/2015. The policies have been communicated to all employee at the time of the employment (during induction). The policy is publically published on notice boards at all operating units of the company. There is no risk of trafficked labour in PNG at the time of the assessment as there is no foreign labor (except executive labor) employed in HOPL.	Yes
Criterion 6.13			
Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	The company is committed to recognize the Human Rights without any form of distinction and support the implementation of the International Bill of Human Rights and the ILO Declaration of Fundamental Principles and Rights at work as stated in the "Policy on Human Rights" dated 16/12/2017. The Human Rights policy is being briefed to employee during the induction. The policy is publically published on notice boards at all operating units of the company. Interview results shows that workers are aware on the company policies.	Yes
Principle 7: Responsible development of new plantings			
Criterion 7.1			
A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.			
7.1.1	An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected	Hargy Oil Palm Limited provides document: HOPL Site Specific Environmental Aspects and Impact Register. Hargy also prepared Social Impact Assessment for the new development in addition to the Environmental Plan. The company have completed a full	Yes

Criterion / Indicator		Assessment Findings	Compliance
	stakeholders, shall be documented - Major compliance -	Social and Environmental Impact Assessment for new planting development. The Social Impact Assessment included consultation with local stakeholders. The SEIA identified all major impacts of all activities. The results of the SEIA have been incorporated into plans for the new plantings through the Management guidelines prepared Procedure for New Development No.PRO-ESD-GEN-001-09, dated 10th February 2016. Hargy Oil Palm Limited has a Research Assistant, a Small Business development Officer and Community Relations Officer; to work as a sub-component of Community Relations to operationalize the monitoring and management of social impacts.	
7.1.2	Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts and to enhance identified potential positive aspects. - Minor compliance -	Procedure for new development No.PRO-ESD-GEN-001-09 stated that new development must meet company prerequisites to include review upon Buffer/HCV maps, soil maps, slopes class maps, topography maps. Road design and plantation layout; Operational plan including activity scoping, work schedule, planting programme, road maintenance, management plan for fragile soil area, management plan for HCV and buffers; Environmental aspect related to New Development and Mitigation; Social Impacts of New Development and Mitigation. The "Social Management/Improvement Plan Update 2018 has been established and was reviewed from 2017. The management plan is incorporated to the management plant stated in 6.1.2 and 6.1.3.	Yes
7.1.3	Where the development includes an outgrower scheme, the impacts of the scheme and the implications of the way it is managed shall be given particular attention. - Minor compliance -	The impacts of the scheme and the implications of the way it is managed were documented under Planting Application Form, as well as plan to manage the impacts produced. However, there is no new development of the area after the approval of 1st NPP for 10,000 Ha. There was no identified new development from smallholders.	Yes
Criterion 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	Soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation	The certificate holder has had management strategy for fragile and problem soils and it is stated in the SOP for New Development (PRO-ESD-GEN-001-10, issue no. 10, dated	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>shall be available and taken into account in plans and operations.</p> <p>- Major compliance -</p>	<p>15 April 2018. It is mentioned on page 3: Consideration for New Planting Procedures Soil Surveys & Topographic Information</p> <p>Extensive planting on steep terrain, and/or on marginal soils, is avoided. The requirements are:</p> <p>Where limited planting on fragile and marginal soils is proposed, plans (including maps) shall be developed and implemented to protect soils thus minimising adverse environmental and social impacts</p> <p>Avoid planting on slope in excess of 25° slope</p> <p>Avoid planting on contiguous areas of peat soils > 3m deep and > 150 ha in extent.</p> <p>Soil surveys and topography information are used for site planning the establishment of new plantings, and the results are incorporated into plans and operations. Requirements are:</p> <p>Soil suitability map or soil surveys adequate to established the long-term suitability of land for oil palm cultivation should be available</p> <p>Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure should be available.</p> <p>Hargy Estate (Barema Plantation):</p> <p>During field observation at Barema plantation, the entire estate area is flat and no sloping. However, the strategy to maintain the soil that been conducted by the plantation is mulching by EFB. Based on field visit at Block 06E18 and 06E19, the frond stacking and EFB mulching is applied on the field.</p> <p>Navo Estate (Ibana Plantation):</p> <p>Based on the Slope map Ibana & Sena LLB Plantations scale 1:41,000, the slope class in Ibana plantation is dominated < 5 degrees slope. Average slope area in Ibana plantation is < 5 degrees (dominated); 5-10 degrees (spreads in northern side); 10-15 degrees (particular area nearest buffer zone in Northern side, surrounding the crater).</p> <p>During field visit at Ibana plantation in Block 07P01, Division 2, verified on small slope</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>area border with buffer zone (10-15 degrees slope). The palm trees planted in 2007, the strategy to prevent run-off and soil erosion is by implement frond stacking and maintain the cover crops. Soil condition in this area is volcanic soil and fragile.</p> <p>Pandi Estate (Bakada Plantation): Extension area of Gamupa. Based on Topo map scale 1:21,000, soil type of an extension area is sandy loam and loamy sand. The topography level is undulating to flat. Based on field observation in Block 16A12, Div. 1 (Alaba) which in sloping area, the palms is very well covered with legume cover crops (<i>Pureira javanica</i> and <i>Calopogonium mucunoides</i>). This area is one of the highest block within this plantation and border with buffer zone of Mt. Ulavun.</p> <p>Also, the plantation management implement terracing in Block 12B09 Div. 1 (Alaba) to avoid soil erosion and maintain the cover crops as well.</p> <p>Smallholders: New development for smallholders is absence.</p>	
7.2.2	<p>Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure shall be available and taken into account in plans and operations.</p> <p>- Minor compliance -</p>	<p>Road construction made is following the contour line, refer to topography map as mentioned above 7.2.1</p> <p>Smallholders: New development for smallholders is absence.</p>	Yes
<p>Criterion 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</p>			
7.3.1	<p>There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs</p>	<p>Extension area in Bakada Plantation, in example Block 16A12, Div. 1 (Alaba), the palm planted in 2016. This area already covered within NPP that has been submit and approve by RSPO.</p> <p>Based on HCV Study – Mengen, Bakada and Bialla, Oil Palm Expansion Program. The</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>identified are maintained and/or enhanced (see Criterion 5.2).</p> <p>- Major compliance -</p>	<p>HCV study conducted by Douglas Environmental Services in February 2009. According to the HCV assessment that within Alangily, Gamupa and Alaba area, there is no HCV are present.</p> <p>There is no new planting have replaced primary forest for extension area. Land Use Change Analysis (LUCA) is not yet required for the certificate holder due to NPP submitted to RSPO.</p>	
7.3.2	<p>A comprehensive HCV assessment, including stakeholder consultation, shall be conducted prior to any conversion or new planting. This shall include a land use change analysis to determine changes to the vegetation since November 2005. This analysis shall be used, with proxies, to indicate changes to HCV status.</p> <p>- Major compliance -</p>	<p>Extension area in Bakada Plantation, in example Block 16A12, Div. 1 (Alaba), the palm planted in 2016. This area already covered within NPP that has been submit and approve by RSPO.</p> <p>Based on HCV Study – Mengan, Bakada and Bialla, Oil Palm Expansion Program. The HCV study conducted by Douglas Environmental Services in February 2009. According this assessment that within Alangily, Gamupa and Alaba area, there is no HCV are presented.</p> <p>There is no new planting have replaced primary forest for extension area. Land Use Change Analysis (LUCA) is not yet required for the certificate holder due to NPP submitted to RSPO.</p>	Yes
7.3.3	<p>Dates of land preparation and commencement shall be recorded.</p> <p>- Minor compliance -</p>	<p>Records of land preparation is available.</p>	Yes
7.3.4	<p>An action plan shall be developed that describes operational actions consequent to the findings of the HCV assessment, and that references the grower's relevant operational procedures (see Criterion 5.2).</p> <p>- Major compliance -</p>	<p>Management plan is following conservation plan. Refer to Criteria 5.2.</p>	Yes
7.3.5	<p>Areas required by affected communities to meet their basic needs, taking into account potential positive and negative changes in livelihood resulting from proposed</p>	<p>Management plan is following conservation plan. Refer to Criteria 5.2.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	operations, shall be identified in consultation with the communities and incorporated into HCV assessments and management plans (see Criterion 5.2). - Minor compliance -		
Criterion 7.4			
Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.			
7.4.1	Maps identifying marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided. - Minor compliance -	<p>Topography map of Bialla Project 2017, scale 1:115,000, dated June 2017. The map consist of Hargy Plantation, Barema Plantation, Karla Plantation, Ibana Plantation, All smallholders scheme and all Mills.</p> <p>Yanaswali Plantation – Vamakuma Soils. Mengen Bakada Soils (HOPL expansion 2014), Scale 1:16,950. ± 90% is Sandy clay loam; 10 % is River gravel.</p> <p>Yanaswali Plantation – Sena Soils. Mengen Bakada Soils (HOPL expansion 2014), Scale 1:17,200. 100 % is loamy sand/gravel.</p> <p>Bakada Plantation – Magalona Soils. Mengen Bakada Soils (HOPL expansion 2014), Scale 1:20,230. ± 65% is loamy sand/gravel; ± 35 % is loamy sand.</p> <p>Karla Plantation Soils. Scale 1:40,200. Surface soil texture: ± 70% is sand to loamy sand, ± 20% is loam to sandy loam, 10% is heavy loam to sand clay loam.</p> <p>Ibana Plantation Soils, Scale 1:37,440. Surface soil texture: 100% is sand to loamy sand.</p> <p>Hargy Plantation Soils. Surface soil texture: sand to loamy sand (15%), heavy loam to sand clay loam (68%), clay loam to silty clay loam (5%), No data (10%), organic loam to sandy clay loam (2%).</p> <p>Barema Plantation Soils. Surface soil texture: silty clay (70%), organic loam to sand clay loam (15%), clay loam to silty clay loam (15%).</p> <p>Bakada Plantation - Alangily Soils, scale 1:26,590. Surface soil texture: sandy loam (90%), loamy sand (10%).</p> <p>Bakada Plantation – Alaba Soils, scale 1:31,110. Surface soil texture: loamy sand/gravel</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		(80%), loamy sand (20%). Bakada Plantation – Abulmosi soils, scale 1:25,290. Surface soil texture: loamy sand/gravel (90%), loamy sand (10%). Marginal and fragile soils already identified in Extension Area. Soil conservation is implemented in this area, for example:	
7.4.2	Where limited planting on fragile and marginal soils, including peat, is proposed, plans shall be developed and implemented to protect them without incurring adverse impacts. - Major compliance -	No peat soil was identified within the certified area.	Yes
Criterion 7.5			
No new plantings are established on local people’s land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.			
7.5.1	Evidence shall be available that affected local peoples understand they have the right to say ‘no’ to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples. - Major compliance -	Agreement with consent from the lease-lease back program are available. Sample of the agreement verified including for Sena ILG LLB and Remaining ILG LLB. Furthermore there is no new land acquisition by HOPL.	Yes
Criterion 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.			
7.6.1	Documented identification and assessment of demonstrable legal, customary and user rights shall be	Hargy shows document “Expansion Programme Awareness on Sublease Agreements”. This document is for awareness raising amongst potential lease-lease back smallholders	Yes

Criterion / Indicator		Assessment Findings	Compliance
	available. - Major compliance -	and includes reference to a range of legislative aspects including customary land versus state land, a section on the Land Group and the Incorporated Land Group Act (1974), the survey process, HCV aspects, environment and social impact assessment procedures. Agreement with consent from the lease-lease back program are available. Sample of the agreement verified including for Sena ILG LLB and Remaining ILG LLB.	
7.6.2	A system for identifying people who are the rightful customary owners within the PNG legal system, shall be in place. - Major compliance -	There is a process for identifying those people entitled to compensation when customary land is involved, in line with Social and Environmental Impact Assessment. This system for determining compensation is defined in the PNG Lands Act. This particular development came about via the requests of the local people. Agreement with consent from the lease-lease back program are available. Sample of the agreement verified including for Sena ILG LLB and Remaining ILG LLB. Furthermore there is no new land acquisition by HOPL.	Yes
7.6.3	A system for calculating and distributing fair payment (monetary or otherwise) shall be in established and implemented, monitored shall in place. This system shall take into account: gender differences in the power to claim rights, local community customary ownership of land, access to land for customary purposes and the requirements of the PNG Government's "Valuer General's Guide". The procedure should recognise different mechanisms for agreement on the right to use the land ranging from outright purchase to leases and CLUAs of varying durations. Payments may include royalty component based on production and the means of distribution must also be defined. - Major compliance -	HOPL has procedure "Land Negotiation Procedure: A Guide to Acquiring Land for Oil Palm Development" dated 01/03/2015.	Yes
7.6.4	Communities that have lost access and rights to land for	The compensation offered, based on the New Britain Palm Oil model, K20 hectare for	Yes

Criterion / Indicator		Assessment Findings	Compliance
	plantation expansion shall be given opportunities to benefit from plantation development. - Minor compliance -	vacant land (i.e. buffer zones/areas too steep to plant) and K75 hectare for planted areas. Additionally, there is a K150/hectare payment upon the signing of a sub-lease agreement. Added to this there is a royalty payment on the fruit which is 10% of the smallholder FB price paid on a monthly basis. Furthermore, indirect compensation as people benefit from the new development via improved economy, paid employment, improved education facilities, housing, medical facilities and better infrastructure as a result.	
7.6.5	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available, with the agreement of the parties concerned, to the extent that damage to the interests of the affected parties will not result - Minor compliance -	The 2018 payment was verified during the assessment. The records e.g. bank payment slips are available.	Yes
7.6.6	Evidence shall be available that the affected communities and rights holders have access to information and advice, that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. - Minor compliance -	HOPL shows document "Expansion Programme Awareness on Sublease Agreements". The affected communities are able to inform the assessment team that the agreement was signed without forced by the company and the legal representative is selected by themselves.	Yes
Criterion 7.7			
No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.			
7.7.1	There shall be no land preparation by burning. - Major compliance -	Zero burning policy already stated within Environmental Aspect Impacts Master Register (REG-ESD-EMS-001-16, issued on 28 February 2018) and Waste Management Plan (PLN-ESD-EMS-001-08, Issue No: 8, Issued dated: 30 March 2018).	Yes

Criterion / Indicator	Assessment Findings	Compliance																			
	<p>BAKADA Plantation: Based on document review on New Development - Gamupa Oil Palm Extension Approval (FOR-ESD-EMS-011-08), approval date 23 May 2018. The extension area is estimated 70 Ha, where the break up summary table as follow:</p> <table border="1" data-bbox="922 555 1966 772"> <thead> <tr> <th rowspan="2">Portion</th> <th rowspan="2">Lease held by</th> <th rowspan="2">Total land area</th> <th colspan="2">Current Production</th> <th rowspan="2">Vacant land area</th> <th>Other use</th> <th rowspan="2">Proposed hectare for extension</th> </tr> <tr> <th>Mature</th> <th>Immature</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>13</td> <td>Gamupa</td> <td>614</td> <td></td> <td></td> <td>174</td> <td>59.01</td> <td>70</td> </tr> </tbody> </table> <p>The actual extension block after delineated by GIS team is 88 Ha, source Gamupa Extension map scale 1:21,000. During field observation at Block 16A12 Div. 1 (Alaba) which is located in extension area, the palm planted in 2016. Sighted there is no evidence that fire is used for land preparation. There is no open burning of land preparation has occurred in the certificate holder area.</p>	Portion	Lease held by	Total land area	Current Production		Vacant land area	Other use	Proposed hectare for extension	Mature	Immature	Buffer zone	13	Gamupa	614			174	59.01	70	
Portion	Lease held by				Total land area	Current Production		Vacant land area		Other use	Proposed hectare for extension										
		Mature	Immature	Buffer zone																	
13	Gamupa	614			174	59.01	70														
<p>Associated Smallholder Requirement: Associated Smallholders must be able to verbally explain that they understand and observe this requirement.</p>	<p>Based on interview with associated smallholder, they understand that no land preparation can be done by burning. The typical land preparation done by the smallholder was through brushing, continued by gardening and as the land ready – they continue with planting oil palms. Pre-Planting Activity Checklist is a form to be checked by smallholders supervisor prior the smallholders planting the palms. Sample of the LSS checklist as follow: Planting stage: Replant Block No: 1755; Area: SOI; Division: Maututu (2); Grower: Sam Kome Checklist containing: 1. Area to be fully pegged out to 240 pegs</p>	<p>Yes</p>																			

Criterion / Indicator	Assessment Findings	Compliance	
	<p>2.1 Replanting, peg to be at least 2 meters away from base 2.2 Peg to be at least 5 metre away from existing road 3. 240 holds dug to standard (to be done during planting) 4. Cover crop established: there is evidence of cover crop. 5. Use of fire-land clearing: evident, < 20% gardening purpose. 6. Debt status must be zero 7. Total block area (6.75 Ha); Total hectare/planted area (5 Ha); Upkeep standard (good). 8. FFB production (2017); total production for previous year (124.78 MT); Block yield (25 MT/Ha); Project average yield (20 MT/Ha). Recommendation: Granted. Comments: Use of fire is less than 20% of the 2 Ha, but in various spot within. Approved on 30 May 2018. Also attached Planting Approval Form – Replant. Date inspected: 29 May 2018; Inspecting officer: Josepa Meleskit; Section: 4; Block: 1755; Proof of ownership Reference CLUA/Land Title No: Volume 4, Folio 154, dated 11 October 1993. Copy of Lease Land Use dated 16 April 1992 (validity: 99 years).</p> <p>Fire use is aim to food gardening, not for land preparation.</p>		
7.7.2	<p>In exceptional cases where fire has to be used for preparing land for planting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -</p>	<p>There is no open burning of land preparation has occurred in the certificate holder area.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	Associated Smallholder Requirement: Associated Smallholders must be able to verbally explain that they understand and observe this requirement.	Based on interview with associated smallholder, they understand that no land preparation can be done by burning. The typical land preparation done by the smallholder was through brushing, continued by gardening and as the land ready – they continue with planting oil palms.	Yes
Criterion 7.8			
New plantation developments are designed to minimise net greenhouse gas emissions.			
7.8.1	The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated. - Major compliance -	The Certificate Holder is not required to calculate or conducting Carbon Stock Assessment for extension area, because NPP for this area is submitted prior NPP 2015 version where no requirement for CSA. To calculate GHG emissions, the Certificate holder using RSPO Palm GHG calculator version 3.0.1 as mentioned in Criteria 5.6.	Yes
7.8.2	There shall be a plan to minimise net GHG emissions which takes into account avoidance of land areas with high carbon stocks and/or sequestration options. - Minor compliance -	The Certificate Holder is not required to calculate or conducting Carbon Stock Assessment for extension area, because NPP for this area is submitted prior NPP 2015 version where no requirement for CSA. To calculate GHG emissions, the Certificate holder using RSPO Palm GHG calculator version 3.0.1 as mentioned in Criteria 5.6.	Yes
Principle 8: Commitment to continual improvement in key areas of activity			
Criterion 8.1			
Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			
8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not	Continuous Improvement Plan has been established. The last review on the plan was dated 30/06/2018. The improvement plan identified are indicator base. As per the interview with the workers, the main concern is about adequacy of housing. As per the improvement plan, HOPL had identified that increase of housing capacity is required. The budget and execution plan from 2019 until 2023 for housing expansion is available to address this plan.	Yes

Criterion / Indicator	Assessment Findings	Compliance																				
<p>necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides (Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>Smallholders’ FFB contribute to the majority of the oil production of HOPL. Improvement plan for harvesting schedule of the smallholders to improve the yield was identified.</p> <p>Hargy Oil Palm Limited: Company demonstrates “Action Plan for Continual Improvement in Sustainable Performance” HOP-PLN-EMS-003-012, approved by GM on 9th May 2016. The plan identifies the planned actions to further improve performance in key areas of minimizing use of certain pesticide, reducing negative and enhance positive environmental impacts, waste reduction, pollution and emissions and social impacts. The plan will be reviewed on annual basis.</p> <p>Below are ongoing and completed action plan.</p> <table border="1" data-bbox="922 730 1989 1385"> <thead> <tr> <th data-bbox="922 730 1361 810">Indicator</th> <th data-bbox="1370 730 1644 810">Planned Improvements</th> <th data-bbox="1653 730 1832 810">Outcome - PIC</th> <th data-bbox="1841 730 1989 810">Due date</th> </tr> </thead> <tbody> <tr> <td colspan="4" data-bbox="922 817 1989 858">Pesticides</td> </tr> <tr> <td data-bbox="922 865 1361 1200">RSPO P&C 4.6.9 – Maintenance of employee and associated smallholder knowledge and skills on pesticides handling shall be demonstrated, including provision of appropriate information materials</td> <td data-bbox="1370 865 1644 1200">OPIC has trained smallholder growers and certificate has been issued. HOPL will only issue Glyphosate 360 herbicide in 5 litre containers to certified smallholders.</td> <td data-bbox="1653 865 1832 1200">Trained and competent smallholders, higher yield – Estate Managers / ESD Manager</td> <td data-bbox="1841 865 1989 1200">Ongoing</td> </tr> <tr> <td colspan="4" data-bbox="922 1206 1989 1248">BSI Audit Team: Based on field visit, smallholder has provided with training.</td> </tr> <tr> <td data-bbox="922 1254 1361 1385">RSPO P&C 4.6.9 – Personal Protective Equipment should be specified in MG/Standard Operating Procedures for</td> <td data-bbox="1370 1254 1644 1385">Currently compliant and no further action is required</td> <td data-bbox="1653 1254 1832 1385">N/A – Plantation Managers</td> <td data-bbox="1841 1254 1989 1385">Ongoing</td> </tr> </tbody> </table>	Indicator	Planned Improvements	Outcome - PIC	Due date	Pesticides				RSPO P&C 4.6.9 – Maintenance of employee and associated smallholder knowledge and skills on pesticides handling shall be demonstrated, including provision of appropriate information materials	OPIC has trained smallholder growers and certificate has been issued. HOPL will only issue Glyphosate 360 herbicide in 5 litre containers to certified smallholders.	Trained and competent smallholders, higher yield – Estate Managers / ESD Manager	Ongoing	BSI Audit Team: Based on field visit, smallholder has provided with training.				RSPO P&C 4.6.9 – Personal Protective Equipment should be specified in MG/Standard Operating Procedures for	Currently compliant and no further action is required	N/A – Plantation Managers	Ongoing	
Indicator	Planned Improvements	Outcome - PIC	Due date																			
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BSI Audit Team: Based on field visit, smallholder has provided with training.																						
RSPO P&C 4.6.9 – Personal Protective Equipment should be specified in MG/Standard Operating Procedures for	Currently compliant and no further action is required	N/A – Plantation Managers	Ongoing																			

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Criterion / Indicator	Assessment Findings				Compliance
	Pesticides workers in plantations. Appropriated safety equipment must be provided and used				
	BSI Audit Team: Based on field visit, sprayer has been provided with appropriate PPE.				
	RSPO P&C 4.6.5 – Only registered agrochemical following PNG labelling guidance will be used. All chemical inputs required an MSDS	Check that all MSDS sheets are updated and available in every store	High safety level – ESD Manager	Ongoing	
	BSI Audit Team: Based on field visit to all estate, HOPL use registered chemicals, completed with MSDS.				
	General environment improvement plan				
	RSPO P&C 4.2.4 – nutrient recycling strategy should be in place	Update list of blocks for EFB annually Annual work program for EFB application per block and monitoring of work program	Reduce requirement for inorganic fertilizer - HoE	Ongoing	
	BSI Audit Team: EFB application record sighted.				
	General Improvement Plan				
	RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation	Relocation of entrance to Head Office & Hargy Mill, bowser and new road.	Improved vehicle safety – Construction Manager	Jul-2018	

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Criterion / Indicator		Assessment Findings				Compliance
		to address the identified issues.	Painting/colour coding of process pipe line (sludge – brown; CPO – yellow/ orange; water – blue; fire hydrant – red; and steam by insulation.	Safer workplace – Hargy and Navo Mill Manager	Dec-2018	
		BSI Audit team: Color coding for process pipe line in Hargy POM and Navo POM sighted.				
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers	Repairing work on the boiler no.1 re-tubing work	Improve boiler efficiency and cut down diesel generator operation hours – HPOM Manager	Mar-2018	
		BSI Audit team: diesel generator operation has been reduced.				
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues. All precautions attached to products	Hazard reporting reward structure	Remove potential accidents from workplace – superintende	Dec-2018	

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Criterion / Indicator		Assessment Findings				Compliance
		shall be properly observed and applied to the workers		nts.		
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers	Installation of an additional New Boiler (spare) 40 tonne	Improve production – BPOM Manager	Dec-2018	
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues.	Construct a chemical storage – Vamakuma	Improved compliance – Senior Plantation Manager Pandi Estate	Dec-2018	
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues.	Replacement of Mill Building Roofing which is in poor condition	Improve Mill work environment & Safety – HPOM Manager	Dec-2018	
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation	Sterilizer condensate Pit & Chamber with piping	Improve Mill work environment & Safety – HPOM	Dec-2018	

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Criterion / Indicator		Assessment Findings				Compliance
		to address the identified issues.		Manager		
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues.	Building of unit for electrical workshop	Improve Work environment – HPOM Manager	Dec-2018	
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues.	New EFB Conveyor to EFB yard area	Improved working environment – NPOM Manager	Dec-2018	
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues.	Elevated work platform	New safe working at heights – Construction Manager	Ongoing	
		RSPO P&C 4.7.2 – All operations where health and safety is an issue have been risk assessed and procedures and actions are documented and implementation to address the identified issues.	Lock out tags	Safer working environment – CVWS Manager	Ongoing	
		RSPO P&C 4.7.3 – All workers involved in the operation shall be	Introduce a section for safety quiz in the	Promote safety	Dec-2018	

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Criterion / Indicator		Assessment Findings				Compliance
		adequately trained in safe working practice	newsletter for employees to partake in.	awareness – Training Dept		
		RSPO P&C 4.7.5/4.7.7 – Accident Emergency and Accident Reporting, LTI Reporting	Develop a pilot centralised reporting of Lost Time Injury	Improved and accurate OHS data and analysis for improvement in OHS – OHS Superintendent	Dec-2018	
Audit team has reviewed and seen some of the progress made, related to continuous improvement.						

Appendix B: Approved Time Bound Plan

Name of company	Name of Mill	Location	Supply Base	Time Bound Plan	Target Year for RSPO
PT. Agro Muko	Muko Muko Mill	Mukomuko Regency, Bengkulu Province, Indonesia	Muko Muko estate, S. Betung estate, Tanah rekah estate, Talang Petai estate, S. Kiang estate and KMD	2011	Certified February 2011
	Bunga Tanjung Mill	Mukomuko Regency, Bengkulu Province, Indonesia	Bunga Tanjung estate, Air Bikuk estate, Air Buluh estate and KMD	2011	Certified February 2011
			PT. Mukomuko Agro Sejahtera: - Air Majunto estate - Malin Deman estate	2014	Certified February 2015
PT. Tolan Tiga	Bukit Maradja Mill	Simalungun Regency, Sumatera Utara Province, Indonesia	- Bukit Maradja Estate (PT. Eastern Sumatra Indonesia) - Kerasaan Estate (PT. Kerasaan Indonesia)	2010	Certified May 2010
	Perlarian Mill	Labuhan Batu Selatan Regency, Sumatera Utara Province, Indonesia	Perlarian estate and Tolan estate.	2010	Certified May 2010
PT. Umbul Mas Wisesa	Umbul Mas Wisesa Mill	Labuhan Batu Selatan Regency, Sumatera Utara Province, Indonesia	UMW South estate, UMW North estate and Toton Usaha Mandiri estate	2014	Certified March 2015
PT. Agro Kati Lama	-	Sumatera Selatan Province, Indonesia	-	Will be certified when mill is commissioned (planned for 2019 at the earliest)	Under development (It has been RSPO NPP), RSPO public Notification on 31 st March 2014.
PT. Agro Rawas Ulu	-	Sumatera Selatan Province, Indonesia	-	Will be certified when mill is commissioned (planned for 2019 at the earliest)	Under development (It has been RSPO NPP), RSPO public Notification on 31 st March 2014.
PT. Agro Muara Rupit	-	Sumatera Selatan Province, Indonesia	-	Will be certified when mill is commissioned (planned for 2019 at the earliest)	Under development (It has been RSPO NPP), RSPO public Notification on 31 st March 2014.
Hargy Oil Palm Limited (HOPL)	Hargy Mill	East of Bialla, West New Britain Province, PNG	Hargy Estate, Navo Estate, Pandi Estate and Smallholders	2009	RSPO Certified in April 2009
	Navo Mill	50 Kms East of Bialla, West New Britain Province, PNG	Hargy Estate, Navo Estate, Pandi Estate and Smallholders	2009	RSPO Certified in April 2009
	Barema Mill	30 km East of Bialla, West New Britain Province, PNG	Hargy Estate, Navo Estate, Pandi Estate and Smallholders	2014	RSPO Certified in April 2014

Appendix C: GHG Reporting Executive Summary

The GHG emissions that were produced in **2017** for **Hargy Palm Oil Limited** and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in **2017** for **Hargy Palm Oil Mill** and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	0.39
PK	0.39
PKO	2.37
PKE	2.37

Extraction	%
OER	23.56
KER	7.03

Production	t/yr
FFB Process	152,308.9
CPO Produced	35,891.16
PKO Produced	10,711.15

Land Use	Ha
OP Planted Area	25,473.92
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	0
Total	25,473.92

Summary of Field Emission and Sink

	Own Crop		Group		3 rd Party*		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	33918.87	0.6			69079.80	0.65	102,998.67	1.25
CO ₂ Emission from fertilizer	944.21	0.02			1212.34	0.01	2,156.55	0.03
NO ₂ Emmission	2223.06	0.03			1563.5	0.02	3,786.56	0.05
Fuel Consumption	1250.04	0.02			0	0	1,250.04	0.02
Peat Oxidation	0	0			0	0	-	0
Sink								
Crop Sequestration	-27633.29	-0.36			-69073.73	-0.65	-96707.02	-1.01
Conservation Sequestration	0	0			0	0	0	0
Total	10702.89	0.3			2781.91	0.04	13,484.80	0.34

**Note: Smallholders crop*

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	3,544.05	0.02
Fuel Consumption	1,575.02	0.01
Grid Electricity Utilisation	133.32	0
Credit		
Export of Grid Electricity	-708.85	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	4,543.54	0.03

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO ₂ e
PK from own mill	4,143.66
PK from other source	24,882.03
Fuel Consumptions	525.01
Total Crusher emissions	29,550.69

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

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The summary of the Net GHG emitted in **2017** for **Barema Palm Oil Mill** and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	0.83
PK	0.83
PKO	2.64
PKE	2.64

Extraction	%
OER	24.98
KER	5.14

Production	t/yr
FFB Process	175,864.7
CPO Produced	43,932.70
PKO Produced	9,038.89

Land Use	Ha
OP Planted Area	28,447.68
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	0
Total	28,447.68

Summary of Field Emission and Sink

	Own Crop		Group		3 rd Party*		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	58398.26	0.67			48237.75	0.69	106,636.01	1.36
CO ₂ Emission from fertilizer	1392.3	0.02			1250.41	0.01	2,642.71	0.03
NO ₂ Emmission	2995.97	0.03			1612.58	0.02	4,608.55	0.05
Fuel Consumption	1834.43	0.02			0	0	1,834.43	0.02
Peat Oxidation	0	0			0	0	0	0
Sink								
Crop Sequestration	-30350.15	-0.38			-45722.98	-0.65	-76073.13	-1.03
Conservation Sequestration	0	0			0	0	0	0
Total	34270.81	0.36			5377.76	0.07	39,648.57	0.43

*Note: Smallholders crop

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	3544.05	0.02
Fuel Consumption	1492.5	0.01

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Grid Electricity Utilisation	133.32	0
Credit		
Export of Grid Electricity	-708.85	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	4,461.02	0.03

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO₂e
PK from own mill	7526.71
PK from other source	24882.03
Fuel Consumptions	495.3
Total Crusher emissions	32904.04

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

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The summary of the Net GHG emitted in **2017** for **Navo Palm Oil Mill** and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	1.35
PK	1.35
PKO	3.12
PKE	3.12

Extraction	%
OER	25.49
KER	5.06

Production	t/yr
FFB Process	206,737.47
CPO Produced	52,697.29
PKO Produced	10,462.54

Land Use	Ha
OP Planted Area	19,096.63
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	0
Total	19,096.63

Summary of Field Emission and Sink

	Own Crop		Group		3 rd Party*		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	134807.86	0.68			14895.08	0.63	149702.94	1.31
CO ₂ Emission from fertilizer	3970.34	0.02			459.39	0.02	4,429.73	0.04
NO ₂ Emmission	6531	0.03			592.46	0.02	7,123.46	0.05
Fuel Consumption	3854.21	0.02			0	0	3,854.21	0.02
Peat Oxidation	0	0			0	0	0	0
Sink								
Crop Sequestration	-70754.54	-0.35			-14118.55	-0.59	-84873.09	-0.94
Conservation Sequestration	0	0			0	0	0	0
Total	78,408.87	0.39			1,828.38	0.07	80,237.25	0.48

*Note: Smallholders crop

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	3544.05	0.02
Fuel Consumption	1492.5	0.01

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Grid Electricity Utilisation	133.32	0
Credit		
Export of Grid Electricity	-708.85	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	4,461.02	0.03

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO₂e
PK from own mill	14,100.15
PK from other source	24,882.03
Fuel Consumptions	0
Total Crusher emissions	38,982.17

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

Appendix D: General Chain of Custody Requirements for the Supply Chain

5.1 Applicability of the general chain of custody requirements for the supply chain			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
5.1.1	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.	Hargy Palm Oil Mill (POM), Barema POM and Navo POM are a certification unit under Hargy Oil Palms Limited. The parent company is SIPEF Group, Belgium. Hargy Oil Palms Limited takes legal ownership and physically handles RSPO certified FFB coming from certified supply base (Hargy Estate, Navo Estate and Pandi Estate) and processed into certified CPO and palm kernel. Each of the mills, Hargy POM, Barema POM and Navo POM processing RSPO certified FFB into certified CPO and PK. The despatch of CPO via bulking station and a jetty managed and used exclusively by Hargy Oil Palms Limited. Marketing are managed by SIPEF N.V, Belgium. The agreement between Hargy Oil Palms Limited with SIPEF N.V dated 02/01/2018 was available to show the connection between the 2 entities.	Yes
5.1.2	Traders and distributors require a licence 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.	The Hargy POM, Barema POM and Navo POM under Hargy Oil Palms Limited are not a trader and/or distributor. Not applicable.	Not Applicable
5.1.3	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.	Hargy Oil Palms Limited, under SIPEF Group, Belgium – holds RSPO membership number 1-0021-05-000-00, since 7 December 2005. Hargy POM PalmTrace ID: RSPO_PO10000 00053. Barema POM PalmTrace ID: RSPO_PO10000 01655. Navo POM PalmTrace ID: RSPO_PO10000 00105.	Yes

5.1.4	Processing aids do not need to be included within an organization's scope of certification.	There is no processing aid required. The certified unit is a palm oil mill. Not applicable.	Not Applicable
5.2 Supply chain model			
5.2.1	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 -> Segregated -> Mass Balance.	<p>The organization follows the rules of supply chain model, using the same supply chain model as the supplying unit or go to less strict system. The downgrading in following order: Identity Preserved (IP) – Segregated (SG).</p> <p>This has been described clearly in the mill procedure, "HOPL Supply Chain Standard Operating Procedure – CPKO Mills No.PRO_ESD-SCC-001-02". Under section 2. Scope; stated the procedure addresses activities required by the general chain of custody requirements for the supply chain and module B Segregation (SG) as defined in the standard. Section 5.1 General Chain of Custody Requirements explains all palm kernel from company mills is received by the kernel plant through the weighbridge. The weighbridge clerks check the documentation accompanying the PK brought in to verify it coming from certified supply base (company mill). Verification is done by checking relevant documentation has the "IP" notation. As palm kernel is weighed, a weighbridge docket is generated documenting origin of palm kernel and its weight; "IP" is printed on the docket indicating that the palm kernel received under Identity Preserved module. During processing, "IP" is printed on the daily production report after the acronym PK.</p> <p>Section 5.1.3 Sales and Goods Out (Stocks-keeping and balancing of stocks); stated that product descriptions in the shipping documents include "S" notation, indicating the CPO shipped is certified under the segregation model of the Supply Chain Certification Standard (SCCS).</p>	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Hargy Oil Palms Limited, as for the certification scope: production of sustainable CPO and PK from Hargy POM, Barema POM, Navo POM with supply base from Hargy Estate, Navo Estate, Pandi Estate and smallholders – implemented RSPO P&C with RSPO SCCS for CPO Mills Module D - Identity Preserved.	Yes

		Audit team verified through records, field visit and interview, there is no non-certified FFB being processed in the mills.	
5.3. Documented Procedures			
5.3.1	<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. This shall include at minimum the following:</p> <ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. 	<p>“HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04” dated August 2018.</p> <p><u>Section 5.1.1.1 Collection of FFB/loose fruit in company estates.</u></p> <p>FFB collected and driver records the number of FFB bunches in FFB collection docket, shows plantation name, division, field and block and bunch count; with IP notation pre-printed. A weighbridge docket is generated when the skip bin of FFB/LF is weighed at mill weighbridge. “IP” is printed on the docuket indicating that the FFB/LF received is certified under the SCC Identity Preserved Model.</p> <p><u>Section 5.1.1.2 Collection of FFB from smallholder blocks</u></p> <p>FFB collection from smallholder blocks is by company trucks, the smallholder supply base consist of over 3,500 blocks. All blocks are covered in the scope of RSPO and thus are RSPO certified. The status of the smallholder supply base certification is communicated to the smallholder department by the ESD through an internal memorandum. Based on this advice, the smallholder department issues out instruction for FFB/LF collection. There is a list of smallholder blocks within the RSPO supply base maintained by smallholder department. Instruction for FFB/LF collection is done by issuing out harvest/pick up schedules to all smallholder blocks within the RSPO supply base listing. There is no collection and purchase of FFB outside of the RSPO certified smallholder block listing.</p> <p><u>Section 5.1.1.3 Collection of FFB/LF from independent estates</u></p> <p>A weighbridge delivery docket is generated indicating the weight and the independent estate name. “IP” is printed on the docket indicating that the FFB/loose fruit received is certified under the Identity Preserved module. Three copies of the weighbridge docket are printed – for Smallholder</p>	Yes

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		<p>Department, Independent Estate and Truck Driver. Each morning all previous day's dockets are sent to Smallholder office for payment processing and reconciliation.</p> <p><u>Section 5.1.1.4 Reception of FFB/Loose Fruit by the Mills</u></p> <p>All FFB/Loose Fruit from the company plantation, smallholders and independent estates are received by the mill through the weighbridge. The weighbridge clerks check the documentation accompanying the FFB brought in to verify it coming from certified supply base. Verification is done by checking that relevant documentation have the "IP" notation. Should FFB brought in not signifying the supply chain module then the FFB is to be deemed uncertified material and is to be rejected after investigation to identify the source and determine the reason to be omitted from documentation.</p> <p><u>Section 5.1.1.5.1 Production of CPO</u></p> <p>Daily ullage is done every morning on the CPO tanks to determine the amount of CPO produced in the last 24 hours. The formula: CPO produced = closing stock +/- CPO transfer (+ CPO dispatched or shipped/- CPO received) – opening stock. "IP" is printed on Daily Production Report indicating the CPO produced is certified under Identity Preserved Module.</p> <p><u>Section 5.1.1.5.2 Production of PK</u></p> <p>PK quantity is calculated at 5.5% of FFB produced. "IP" is printed on Daily Production Report indicating the PK produced is certified under Identity Preserved Module.</p>	
	<ul style="list-style-type: none"> • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). 	<p>The records are verified and captured in HOPL.</p>	<p>Yes</p>
	<ul style="list-style-type: none"> • 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 	<p>General Manager is the designated management representative; has overall responsibilities and authority over the implementations of all requirements of the supply chain standard. Based on assessment, the General Manager able to demonstrate awareness of the organization's procedures for implementation</p>	<p>Yes</p>

	able to demonstrate awareness of the organization’s procedures for the implementation of this standard.	of RSP0 Supply Chain Certification Standard.	
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i) conforms to the requirements in the RSP0 Supply Chain Certification Standard and the RSP0 Market Communications and Claims Documents.	“HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04” dated August 2018. In section 5.3.6 Internal Audits. It is stated Hargy Oil Palms Limited’s environmental and sustainability department conducts at least one internal audit each year with the requirements for supply chain certifications. Non conformities found as part of the internal audit shall be issued corrective action requests. The result of the internal audits and all actions taken to correct non-conformities are available to the certification body upon request. The outcome of internal audit are reviewed by top management at the annual management review. The internal audits are design to confirm that the supply chain management system: conform to the planned arrangement against RSP0 Supply Chain Certification Standard, and to the RSP0 rules on communication and claims.	Yes
	ii) effectively implements and maintains the standard requirements within its organization	The internal audit have been carried out by Environmental and Sustainability Department: In Hargy POM, carried out on 5 March 2018, by Carol Aigilo and Florence Jicki. The Hargy POM’s weighbridge officer, QC and laboratory analyst, process superintendent, assisstant operator, laboratory and shipping superintendent, and environmental officer attended the internal audit process. Findings issued related to the training for weighbridge attendant and conversion factors being tested. Another issue raised related to the management review yet to be started. In Barema POM, internal audit carried out on 14 March 2018 by Carol Aigilo and Florence Jicki. The weighbridge officer, mill engineer, environment officer, weighbridge attendant, laboratory superintendent, and mill manager attended the internal audit process. Non-conformities issued related to conversion factors not tested; incompetency of new weighbridge attendant about SOP PRO-ESD-SCC-002-02 in dealing with non-conforming fruit during the internal audit; and no management review for 2017.	Yes

		<p>In Navo POM, internal audit carried out on 4 June 2018 by Carol Aigilo and Florence Jicki. The internal audit attended by mill manager and OHS supervisor. Non-conformities issued related; FFB uncertified as it cannot be traced to an unregistered block; incompetency of new weighbridge attendant (training); during the internal audit.</p>	
<p>5.4. Purchasing and goods in</p>			
<p>5.4.1</p>	<p>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 in document form:</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment/delivery date; • The date on which the documents were issued; • 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 	<p>Smallholder Office and Community Affairs Office at Hargy Oil Palms Limited issued a list of suspended supply base/smallholders. The latest suspension list recorded under "Suspended Block Listing as at 1 June 2018". The list of suspended blocks are cascaded to all palm oil mills. Training are provided for the weighbridge clerks to monitor the FFB docket/FFB collection at weighbridge, during FFB receiving process.</p> <p>Barema POM: FFB IP Collection Docket, as a delivery note from plantation to the mill and Barema POM weighbridge ticket bears the information:</p> <ul style="list-style-type: none"> • The name and address of the buyer: Barema POM; • The name and address of the seller: Barema Plantation; • The loading or shipment/delivery date: 23 March 2018; • The date on which the documents were issued: 25 March 2018; • A description of the product, including the applicable supply chain model: FFB IP; • The quantity of the products delivered: 519 bunches/8.62 tons; • Any related transport documentation: Lorry VH07; • Supply Chain certificate number of the seller: RSPO 535739; • A unique identification number: Docket No.169068 and weighbridge ticket No.FFBIP18003199W. <p>Navo POM: Interview with the weighbridge clerks, they have to pay attention on the "IP" notation, source of FFB (not from suspended supply base) and the</p>	<p>Yes</p>

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		<p>completeness of the information in the docket. FFB IP Collection Docket, as a delivery note from plantation to the mill and Navo POM weighbridge ticket bears the information:</p> <ul style="list-style-type: none"> • The name and address of the buyer: Navo POM (on weighbridge ticket); • The name and address of the seller: Navo Estate (on FFB docket); • The loading or shipment/delivery date: 20 July 2018 (on FFB docket and weighbridge ticket); • The date on which the documents were issued: 20 July 2018 (on FFB docket and weighbridge ticket); • A description of the product, including the applicable supply chain model: FFB IP (on FFB docket and weighbridge ticket); • The quantity of the products delivered: 2305 bunches/14.98 tons (on FFB docket and weighbridge ticket); • Any related transport documentation: Lorry VH22 (on FFB docket and weighbridge ticket); • Supply Chain certificate number of the seller: RSPO 535739; • A unique identification number: Docket No.226869 and weighbridge ticket No.FFBIP18013618W. 	
	<ul style="list-style-type: none"> • 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). 	<p>Barema POM: FFB IP Collection Docket, as a delivery note from plantation to the mill and Barema POM weighbridge ticket bears the information related to traceability along the supply chain, from plantation to POM.</p>	<p>Yes</p>
	<ul style="list-style-type: none"> • 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 shipments. Refer to section 5.7.1 of this document for 	<p>Barema POM: Based on interview with weighbridge operator, verification of certified product based on "FFB IP" notation in the FFB docket. Only FFB coming from certified supply base can have "FFB IP" notation.</p>	<p>Yes</p>

	further guidance.		
	<ul style="list-style-type: none"> 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 (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements. 	<p>The status of certification of the supply base shall be communicated to all areas of operation by Sustainability Manager including the period of certification invalidity of suspension.</p> <p>Hargy Oil Palms Limited only receiving FFB from the certified supply base, which has been RSPO certified, under the same company – Hargy Oil Palms Limited. The validity of Hargy Oil Palms RSPO P&C certificate 24 July 2015 – 23 July 2020.</p> <p>Sustainability also confirmed that no suspension status for Hargy Oil Palms Limited RSPO 535739 in the RSPO IT Platform.</p>	Yes
	<ul style="list-style-type: none"> The validity of licence 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. 	<p>Hargy Oil Palms Limited was not using traders and distributors. All inputs are receipt directly from the farm.</p> <p>All of sales made directly to the buyer.</p> <p>Not applicable.</p>	Not Applicable
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	<p>“HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04” dated August 2018. In section 5.1.9 Complaints (including) Non Conforming Materials and Products: Complaints related to supply chain performance are handled as per company procedure for handling complaint and grievances. In the case where Hargy Oil Palms Limited;s certification (RSPO P&C/SCCS) of part of its supply chain is being suspended as the outcome of certification or surveillance audits, materials and products are deemed non conforming. As such, products and materials from that part of supply chain shall not use and/or specify SG or IP in relevant documents.</p> <p>In Section 5.1.9.1 Materials: Status of certifications of the supply base shall be communicated to all areas of operation by the Sustainability Manager including the period of certification invalidity or suspension. All material (FFB and loose fruit) coming in from the suspended supply base component to be treated as uncertified and processed, consequently producing uncertified CPO.</p>	Yes

		<p>All relevant documentation shall not bear "IP" notation.</p> <p>In Section 5.1.9.2 Products: The status of certification of the affected supply base component shall be communicated to all areas of operation by the Sustainability Manager including the scope and the period of certification invalidity or suspension. All products processed by the supply chain unit are treated as uncertified due to the use of uncertified materials. All relevant documentation shall not bear "SG" notation during this period.</p> <p>Based on audit, HOPL have conducted internal audit to verifying the receipt of material and product.</p>	
5.5. Outsourcing activities			
5.5.1	<p>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 mil cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	<p>"HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018. In section 5.1.2 Outsourcing Activities stated that outsourcing of supply chain activities by HOPL is limited to use of limited number of trucking contractors for transport of fruit to the mill, and; shipping of CPO to international customers.</p>	Yes

5.5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>a. The site has legal ownership of all input material to be included in outsourced processes;</p>	<p>Hargy Oil Palms Limited performs outsourcing activities for FFB transport, when the CH have legal ownership of the material (FFB).</p>	<p>Yes</p>
	<p>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.</p>	<p>Contract between Hargy Oil Palms Limited and FFB cartage contractor was not provide statement that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>Hargy Oil Palms Limited performs outsourcing activities for FFB transport. Contract between Hargy Oil Palms Limited and FFB cartage contractor sighted. However, there was no statement in the FFB transport contract, to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <ul style="list-style-type: none"> - Contract Maura Transport Services-6-232071 for FFB Self Delivery Services between Hargy Oil Palms Limited and Maura Transport Services, dated 9 July 2018 up to 9 July 2019 for delivery contract. - Contract Smallholders FFB Cartage Services between Hargy Oil Palms Limited and Rere Construction, dated 15 September 2017 up to 15 September 2018. 	<p>Major Non-Compliance</p>
	<p>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p>	<p>"HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018. In section 5.1.2 Outsourcing Activities stated the trucking contractor are inducted by the company and the procedures for ensuring fruit segregation are understood. The delivery process where contractors are only assigned to pick up from a single certified location and deliver directly to the assigned mill, to eliminate potential for contamination.</p> <p>All company shipping is done through paradise Shipping and Logistics Limited. CPO is loaded into dedicated tanks that are certified clean by independent surveyors before loading, sealed during transit and delivered to the purchaser who verifies the integrity of the seal before unloading.</p>	<p>Yes</p>

	<p>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.</p>	<p>Contract with truck contractor: Contract Maura Transport Services-6-232071 for FFB Self Delivery Services between Hargy Oil Palms Limited and Maura Transport Services, dated 9 July 2018 up to 9 July 2019 for delivery contract. Contract Smalholders FFB Cartage Services between Hargy Oil Palms Limited and Rere Construction, dated 15 September 2017 up to 15 September 2018.</p>	<p>Yes</p>																					
<p>5.5.3</p>	<p>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.</p>	<p>Name and contact details of trucking contractor:</p> <table border="1" data-bbox="958 643 1872 938"> <thead> <tr> <th>Contractor</th> <th>Contact Person</th> <th>Contact Number</th> </tr> </thead> <tbody> <tr> <td>Alaba</td> <td>Nixon Volele</td> <td>719***40</td> </tr> <tr> <td>Rere Construction</td> <td>Rere</td> <td>790***64</td> </tr> <tr> <td>Saruk Transport</td> <td>Ruben Tade</td> <td>710***33</td> </tr> <tr> <td>Benny Larry</td> <td>Benny Larry</td> <td>791***62</td> </tr> <tr> <td>Kijomhal Transport</td> <td>Allan Zairere</td> <td>705***16</td> </tr> <tr> <td>Maura Transport Services</td> <td>Desmond Kuki</td> <td>-</td> </tr> </tbody> </table> <p>Name and contact details of shipping company: Paradise Shipping & Logistics Limited, PO BOX 3580, Lae – Morobe Province, Papua New Guinea. Contact Person: Mr. Joe Auteke. Contact No.793****48.</p>	Contractor	Contact Person	Contact Number	Alaba	Nixon Volele	719***40	Rere Construction	Rere	790***64	Saruk Transport	Ruben Tade	710***33	Benny Larry	Benny Larry	791***62	Kijomhal Transport	Allan Zairere	705***16	Maura Transport Services	Desmond Kuki	-	<p>Yes</p>
Contractor	Contact Person	Contact Number																						
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Maura Transport Services	Desmond Kuki	-																						
<p>5.5.4</p>	<p>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.</p>	<p>Please refer to 5.5.3</p>																						
<p>5.6. Sales and goods out</p>																								
<p>5.6.1</p>	<p>The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form.</p>	<p>Sales of CPO under PalmTrace transaction No. TR-7fe21983-77c9: Information for RSPO certified products made available:</p>	<p>Yes</p>																					

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	<ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment/ delivery date; • The date on which the documents were issued; • 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 	<ul style="list-style-type: none"> • The name and address of the buyer: AAK (UK) Limited; • The name and address of the seller: Hargy Oil Palms Limited; • The loading or shipment/ delivery date: 30 September 2017; • The date on which the documents were issued: 30 September 2017; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations): Crude Sustainable Palm Oil/SG RSPO; • The quantity of the products delivered: 500 MT; • Any related transport documentation: Bill of Lading No.BIA/ROT-04 dated 30 September 2017; • Supply chain certificate number of the seller: RSPO535739; • A unique identification number: Contract No.PHO-10186; <p>Sales of CPO under PalmTrace transaction No. TR-b8b046c6-81b3:</p> <p>Information for RSPO certified products made available:</p> <ul style="list-style-type: none"> • The name and address of the buyer: Fuji Oil Europe; • The name and address of the seller: Hargy Oil Palms Limited; • The loading or shipment/ delivery date: 2 May 2018; • The date on which the documents were issued: 2 May 2018; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations): Crude Sustainable Palm Oil/SG RSPO; • The quantity of the products delivered: 500 MT as part of one original 11,002.635 MT; • Any related transport documentation: Bill of Lading No.BIA/ROT-17 dated 2 May 2018; • Supply chain certificate number of the seller: RSPO535739; • A unique identification number: Contract No.PHO-10419; 	
	<ul style="list-style-type: none"> • Information shall be complete and can be presented either on a single document or across a range of 	<p>These information provided in different records:</p> <ul style="list-style-type: none"> - Contract; 	<p>Yes</p>

	documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).	<ul style="list-style-type: none"> - Tanker Bill of Lading; - Loading Sequence; - Shipping Announcement; 	
	<ul style="list-style-type: none"> • 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. 	<p>Sales of CPO under PalmTrace transaction No. TR-7fe21983-77c9:</p> <ul style="list-style-type: none"> - Contract No.PHO-10186 dated 25 November 2016. Product: New Britain Crude Sustainable Unbleached Palm Oil in Bulk SG. Quantity: 500 MT. Seller: Hargy Oil Palms Limited. Seller Address: PO Box 21 Bialla, West New Britain, Papua New Guinea. Buyer: AAK (UK) Limited. Buyer Address: GB-HU9 5PX North Humberside. - Tanker Bill of Lading No.BIA/ROT-04, dated 30 September 2017. Shipper: Hargy Oil Palms Limited, Private Mail Bag Kimbe, West New Britain Province, Papua New Guinea. Notify Address: AAK (UK) Limited, King George Dock, Kingston-Upon-Hull, GB-HU 95PX, North Humberside. Tanker: MT Stena Imperator. Voyage: V1701. Loaded at port: Bialla, Papua New Guinea. Delivered to port: Rotterdam. Commodity: Crude Sustainable Palm Oil/SG RSPO Certificate No.SPO535739. Volume 500 MT. Contract No.PHO-10186 SG. "The shipment of 500 MT as part of one original lot 10,003.058 MT. - Shipping Announcement No.TR-7fe21983-77c9. Date 4 December 2017. Seller: Hargy Palm Oil Mill – SIPEF, Papua New Guinea. Member ID: RSPO_PO1000000053. Buyer: AAK UK Limited, United Kingdom. Member ID: RSPO_PO1000000027. Product name: CSPO. Program: Segregation. Volume 500 MT. <p>Sales of CPO under PalmTrace transaction No. TR-b8b046c6-81b3:</p> <ul style="list-style-type: none"> - Contract No.PHO-10419 dated 28 February 2018. Product: New Britain Crude Sustainable Unbleached Palm Oil in Bulk SG. Quantity: 500 MT. Seller: Hargy Oil Palms Limited. Seller Address: PO Box 21 Bialla, West New Britain, Papua New Guinea. Buyer: Fuji Oil Europe NV. Buyer Address: 9000 GENT. - Tanker Bill of Lading No.BIA/ROT-17, dated 2 May 2018. Shipper: Hargy Oil 	Yes

		<p>Palms Limited, Private Mail Bag Kimbe, West New Britain Province, Papua New Guinea. Notify Address: Fuji Oil Europe N.V Kulhmannlaan 96-900 Gent. Tanker: MT Sadah Silver. Voyage: V1801. Loaded at port: Bialla, Papua New Guinea. Delivered to port: Rotterdam. Commodity: Crude Sustainable Palm Oil/SG RSPO Certificate No.SPO535739. Volume 500 MT. Contract No.PHO-10419 SG. "The shipment of 500 MT as part of one original lot 11,002.635 MT.</p> <ul style="list-style-type: none"> - Loading Sequence signed for 11,443 MT. - Shipping Announcement No.TR-b8b046c6-81b3. Date 8 May 2018. Seller: Hargy Palm Oil Mill – SIPEF, Papua New Guinea. Member ID: RSPO_PO1000000053. Buyer: Fuji Oil Europe, Belgium. Member ID: RSPO_PO1000000077. Product name: CSPO. Program: Segregation. Volume 500 MT. 	
5.7. Registration of transactions			
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> • 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. 	<p>Hargy Oil Palms Limited have registered all of their POM into RSPO PalmTrace. Hargy Oil Palms Limited, under SIPEF Group, Belgium – holds RSPO membership number 1-0021-05-000-00, since 7 December 2005.</p> <p>Hargy POM PalmTrace ID: RSPO_PO10000 00053.</p> <p>Barema POM PalmTrace ID: RSPO_PO10000 01655.</p> <p>Navo POM PalmTrace ID: RSPO_PO10000 00105.</p>	Yes
5.7.2	<p>The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> • 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 	<p>Hargy Oil Palms Limited have registered their transaction into RSPO PalmTrace. Details are as per 5.6.1</p>	Yes

	RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.		
	<ul style="list-style-type: none"> 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. 	Hargy Oil Palms Limited is producing sustainable CPO and PK. The RSPO P&C certification scope does not go beyond refinery. Not applicable.	Not Applicable
	<ul style="list-style-type: none"> Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. 	Hargy Oil Palms Limited does not remove RSPO certified volume because: <ul style="list-style-type: none"> - All of the CPO and PK sold are RSPO certified; - The volume of CPO and PK sold based on buyer's weighing calculation; - There are no CPO and/or PK product sold under other scheme or as conventional. Not applicable.	Not Applicable
	<ul style="list-style-type: none"> Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 	Hargy Oil Palms Limited is producing sustainable CPO and PK. The RSPO P&C certification scope does not go beyond refinery.	Yes
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.	Hargy Oil Palms Limited have prepared training plan for RSPO SCCS in June and December 2018 for Hargy POM, Barema POM and Navo POM. Training titled RSPO SCCS Refresher Training in Navo POM, planned for 29 June 2018 and 28 December 2018.	Yes
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	Training have been provided for all personnel involved in the RSPO SCCS implementation in Hargy Oil Palms Limited. Barema POM: RSPO SCCS IP and SG standards training provided for Mrs. Jacinta W	Yes

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	relevant to the task(s) performed.	<p>(weighbridge clerk), Enock Y (FFB grader), Mr. Jeffrey Patiken (FFB grader), Mr. Alex Mambean (FFB grader), Mrs. Roselyne M (weighbridge clerk) on 26 April 2018.</p> <p>RSPO Supply Chain Process Flow and Product Traceability provided for Barema POM Engineering: Mr. John Manau (FFB grader), Mrs. Jacinta W (weighbridge clerk), Enock Y (FFB grader), Mr. Jeffrey Patiken (FFB grader), Mr. Alex Mambean (FFB grader), Mrs. Roselyne M (weighbridge clerk) on 22 March 2018.</p> <p>SCCS Requirement training provided for Mrs. Jacinta W (weighbridge clerk), Enock Y (FFB grader), Mr. Jeffrey Patiken (FFB grader), Mr. Alex Mambean (FFB grader), Mrs. Roselyne M (weighbridge clerk), Mrs. Agnes Nintuni (admin clerk), Mr. Mek Tangu (laboratory assistant), Mrs. Rachel Sapeuru (weighbridge operator) – dated 21 December 2017.</p>	
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.	Hargy Oil Palms Limited can demonstrate that all record and report are maintained accuracy, completeness and up-to-date.	Yes
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.	<p>"HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018. In section 5.1.6 Record Keeping stated retention times for all records and reports shall be a minimum of two (2) years in accordance with the SCC Standard requirements and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p> <p>Based on record review in Hargy POM, Barema POM and Navo POM: FFB delivery docket, weighbridge ticket, CPO dispatch slip, daily production report from 2017 can be retrieved.</p>	Yes
5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate	Hargy Oil Palms Limited be able to demonstrate estimate volume of palm oil content in the RSPO certified oil palm product an up to date record of the	Yes

	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.	volume purchased (input) and claimed (output) over a period of twelve (12) months. Record sighted and verified: Monthly Progress Report August 2017 – July 2018.	
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); RSPO Rules for Physical Transition of Oleochemicals and its Derivaties. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	“HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04” dated August 2018. In section 5.1.7 Conversion Factors stated Hargy Oil Palms Limited has adopted the conversion of one tonne of FFB generating 55 kg of PK based the rate 5.5%, which is an historical percentage based on actual weighing. Note that this conversion is applied for transfers from mills where weighing of kernel is not feasible.	Yes
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Barema POM: Daily Production Figure dated 24 April 2018, as reported on 25 April 2018: FFB IP stock before 684.72 tons; FFB received 585.18 tons; FFB processed 969.90 tons; stock carry forward 300 tons; mill throughput 40.41 tons/hour; OER 26.12%; CPO produced 253.356 tons; KER 5.15%; PK produced 49.94 tons. Crude Palm Oil Quality 24 April 2018: FFA 3.6%; Moisture 0.16%. PK Quality 24 April 2018: Dirt 8.44%; Moisture 5.34%.	Yes
5.11. Claims			
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	A number of records for general corporate communicatoin and business to business communication, used by Hargy Oil Palms Limited - Palm Oil Mills was found using RSPO Corporate Logo - this was not in compliance with the RSPO	Major Non-Compliance

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	<p>Communications and Claims.</p>	<p>Rules on Market Communications and Claims.</p> <p>The use of RSPO Corporate Logo was sighted on number of records:</p> <ul style="list-style-type: none"> • Export invoice for PHO-10186 SG date of shipment 28 September 2017 for Vessel MT Stena Imperator, found the use of RSPO Corporate Logo • Shipping folder MT Stena Imperator 28-30 September 2017, found to use RSPO Corporate Logo; • Contract Smalholders FFB Cartage Services between Hargy Oil Palms Limited and Rere Construction, dated 15 September 2017 up to 15 September 2018; found to use RSPO Corporate Logo • Contract Maura Transport Services-6-232071 for FFB Self Delivery Services between Hargy Oil Palms Limited and Maura Transport Services, dated 9 July 2018 up to 9 July 2019 for delivery contract; found to use RSPO Corporate Logo; • Hargy Oil Palms Limited displayed the RSPO Corporate Logo in the company website (www.hargy.com.pg). 	
<p>General corporate communications</p>			
<p>4.1</p>	<p>A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.</p>	<p>SIPEF Group, the parent company of Hargy Oil Palms Limited is highlighting its commitment to the principles of RSPO – therefore making an off product communication.</p>	<p>Yes</p>
<p>4.2</p>	<p>In corporate communications a member is allowed to:</p> <ol style="list-style-type: none"> Display its RSPO membership status Display the RSPO web address (www.rspo.org) State that the member supports the work of the RSPO State the member's history with regard to the RSPO. Use the RSPO trademark to promote its membership of the RSPO. <p>Additionally, where an RSPO member displays the RSPO</p>	<p>SIPEF Group in its website:</p> <ol style="list-style-type: none"> No, SIPEF did not display its RSPO membership status. Not in direct manner. SIPEF made a link to RSPO website. Not in direct manner. In the website, SIPEF wrote "We believe in a landscape approach to new oil palm developments, guided by the methodology endorsed by the RSPO". No. SIPEF did not state their history with regards to the RSPO. No, SIPEF did not use RSPO trademark in its corporate communication 	<p>Yes</p>

	trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.	such in website.	
4.3	In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	No, SIPEF did not display its RSPO membership status. It is clear that the statement did not lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	Yes
4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	No, SIPEF did not display its RSPO membership status. It is clear that the statement are clear and did not mislead consumers or other stakeholders as to the certified content of oil palm products in the SIPEF's own products.	Yes
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	Please refer to 5.11.1 above	Major Non-Compliance
Business to business communications			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	Please refer to 5.11.1 above	Major Non-Compliance
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Hargy Oil Palms Limited stating RSPO SG in the sales document. The RSPO SG notation adhere to the requirements of RSPO SCCS. Hargy Oil Palms Limited is certified against RSPO P&C and comply to the RSPO SCCS for CPO Mills – Module D: Identity Preserved. All of the palm oil mills managed to demonstrate integrity of supply chain against the identity preserved system. During sales of CSPO and CSPK, Hargy Oil Palms made clear the product is Segregated. Because at the point of shipping, all identity preserved oil palm	Yes

		product have been mixed between CH’s palm oil mills. Claim being made is correct.	
5.3	<p>Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options:</p> <ol style="list-style-type: none"> 1. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation. 2. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2. 	<p>Hargy Oil Palms Limited is not a distributor and/or wholesaler. Not applicable.</p>	Not Applicable
5.4	<p>A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must not be labelled as certified or sold in such a way that implies RSPO certification.</p> <p>For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p>	<p>Hargy Oil Palms Limited produced and sold RSPO Certified CPO in bulk. The contract, delivery order and Bill of Lading expressing RSPO certification. No on-product labelling.</p>	Yes

Business to consumer communication			
6.1	Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.	Hargy Oil Palms Limited is certified RSPO P&C. Not applicable.	Not Applicable
6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	Hargy Oil Palms Limited is certified RSPO P&C. The CSPO and CSPK are sold physically. Hargy Oil Palms Limited do not use of RSPO Credit. There is no use of RSPO trademark for the CSPO and CSPK. Not applicable.	Not Applicable
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	Hargy Oil Palms Limited is certified RSPO P&C, selling CSPO and CSPK. No on-pack claims or use of RSPO trademark on RSPO-certified sustainable oil palm products are used. Not applicable.	Not Applicable
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	Hargy Oil Palms Limited is certified RSPO P&C, selling CSPO and CSPK. There is no business to consumer communication about SIPEF Group's RSPO membership status.	Not Applicable
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	Hargy Oil Palms Limited is certified RSPO P&C, selling CSPO and CSPK. Hargy Oil Palms Limited and the parent compant - SIPEF Group did not make any communication about their supplier's RSPO membership status. Not applicable.	Not Applicable
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	Hargy Oil Palms Limited is certified RSPO P&C, producing and selling CSPO and CSPK. No use of RSPO trademark on CSPO and CSPK. Not applicable.	Not Applicable
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	There is no use of other trademark on product for CSPO and CSPK.	Not Applicable

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6.8	<p>RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on www.rspo.org.</p>	<p>Hargy Oil Palms Limited, member of SIPEF Group is not a retailer or food service company. Not applicable.</p>	<p>Not Applicable</p>
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MODULE A – IDENTITY PRESERVED & SEGREGATED SPECIFIC RULES

Certified oil palm content (IP)

	<p>For IP, 95% or above of the oil palm content must be RSPO IP-certified.</p>	<p>Hargy Oil Palms Limited demonstrated all the CSPO produced in each palm oil mill comes from company-owned plantation, to demonstrate Identity Preserved (IP) module.</p>	<p>Yes</p>
	<p>For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.</p>	<p>Hargy POM is implementing Module D for CPO Mills: Identity Preserved. Hargy POM only receiving certified FFB from company owned plantation: Hargy Plantation, Navo Plantation and Pandi Plantation; as well as from certified associated smallholders. However the sales of CPO done in Segregation.</p>	<p>Yes</p>

		<p>Confirm during verification upon PalmTrace transaction record; all CPO sold as Segregation.</p> <p>The organization follows the rules of supply chain model, using the same supply chain model as the supplying unit or go to less strict system. The downgrading in following order: Identity Preserved (IP) – Segregated (SG). Hargy Oil Palms Limited demonstrated the record for mixing Identity Preserved (IP) CSPO from Barema POM and Identity Preserved (IP) CSPO from Navo POM into Segregation (SG) CSPO in the tank terminal, located near Hargy POM.</p> <p>Sample: Despatch Slip No.CPOIP17000921W dated 31 August 2017 from Barema POM to Hargy POM; product Crude Palm Oil IP; CPO weight 30.58 MT; DO No.BPOMHPOMCPOIP01; lorry VP05; driver Mr. Jonathan Pali. Received in Hargy POM, for tank No. 6 (capacity 3,700 MT) as CPO SG.</p>	
	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.</p>	<p>Hargy Oil Palms Limited have prepared a system to monitor non-conforming supply base, prevent any commingling with certified/compliance supply during the transport of FFB and perform verification at mill gate. The company performed the layer of control in order to prevent non-conforming FFB entering palm oil mill's process.</p> <p>Hargy Oil Palms Limited have list of non-comforming supply base. The list updated by the Community Affairs Manager and Smallholder Manager.</p>	<p>Yes</p>
<p>Labelling and trademark (IP)</p>			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> a. RSPO trademark which includes the tag 'CERTIFIED' or b. RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a RSPO trademark is displayed, the applicable trademark license number must be shown 	<p>Hargy Oil Palms Limited is certified RSPO P&C, producing and selling CSPO and CSPK. No use of RSPO trademark on CSPO and CSPK.</p>	<p>Yes</p>

	<p>immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack.</p>		
Messaging (IP)			
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> • The oil palm products contained in this product have been certified to come from RSPO sources. www.rspo.org • By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: www.rspo.org • RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. www.rspo.org • Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. www.rspo.org • The entire supply chain is monitored by independent, RSPO-accredited auditors. www.rspo.org • RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. www.rspo.org • References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records. 	<p>Hargy Oil Palms Limited is certified RSPO P&C, producing and selling CSPO and CSPK. No use of RSPO trademark on CSPO and CSPK.</p> <p>There is no use of other trademark on-product for CSPO and CSPK.</p>	<p>Yes</p>

5.12. Complaints			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Hargy Oil Palms Limited has a procedure titled HOPL Supply Chain Standard Operating Procedure No.PRO-ESD-SCC-001-02 issue No.2, dated 28 June 2017. Section 5.1.9 Complaints (including) Non Conforming Materials & Products stated any complaints related to supply chain to be investigated appropriate action to be taken and a response given to the complainant. Records of complaints and resolutions are maintained.	Yes
5.13. Management Review			
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.	<p>Certificate holder (Hargy Oil Palms Limited) regulated the management review for RSPO SCCS as in "HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018. Section 5.1.10 Management Review. It is stated the management review of the supply chain standard is done together with the Environmental Management System review on annual basis.</p> <p>Hargy Oil Palms Limited have conducted the "2017 Management Review of Supply Chain Certification Standard – Hargy Oil Palms Limited (HOPL)", dated 5 April 2018. The management review attended by vehicle workshop manager, smallholders manager, chief engineer, head of plantations, Navo plantations group manager, community affairs manager, finance manager, financial controller, company lawyer, internal audit manager, sustainability manager. The general manager attends to review the process.</p>	Yes
5.13.2	<p>The input to management review shall include information on:</p> <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. 	<p>The management review input, as recorded in minutes of management review meeting dated 5 April 2018:</p> <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard: 2 internal audits carried out on 23-25 May 2017 and 13-17 November 2017. Internal audit for Hargy POM in 5 March 2018. Internal audit for Barema POM in 14 March 2018. • Customer feedback: No complaint received. • Status of preventive and corrective actions: All findings raised and closed 	Yes

	<ul style="list-style-type: none"> • Changes that could affect the management system. • Recommendations for improvement. 	<p>are reported in the internal audit.</p> <ul style="list-style-type: none"> • Follow-up actions from management reviews: To continue consistent implementation of RSPO SCCS for CPO Mill: continued awareness on the requirements and control documented in SCC SOPs and implementatoin of the process on the ground. • Changes that could affect the management system: Revision of RSPO Supply Chain Certification Standard, June 2017 and RSPO Supply Chain Certification System, June 2017. • Recommendations for improvement: FFB reception – improved controls on traceability of source; effective handling of issues regarding uncertified sources; continuous training/awareness to relevant staff. 	
5.13.3	<p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 	<p>The management review input, as recorded in minutes of management review meeting dated 5 April 2018:</p> <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes: land titles – internal due diligence on matters relating to land titles; FFB reception – improved controls on traceability of source; effective handling of issues regarding uncertified sources; continuous training/awareness to relevant staff; regular updates on progress on status of right to use land (land titles, CLUA). • Resources needs: the Hargy Oil Palms Limited is committed to continue provision of adequate and relevant resources for the implementation, maintenance and improvement of RSPO SCCS requirement. 	Yes

Appendix E: CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: Identity Preserved)

D.1 Definition			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
D.1.1	A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.	Hargy POM is implementing Module D for CPO Mills: Identity Preserved. Hargy POM only receiving certified FFB from company owned plantation: Hargy Plantation, Navo Plantation and Pandi Plantation; as well as from certified associated smallholders. Hargy Palm Oil Mill currently holding valid RSPO P&C certificate No.RSPO 535739, valid until 8 April 2019, with current supply chain standard for CPO Mills: Module D – Identity Preserved. However the sales of CPO done in Segregation. Confirm during verification upon PalmTrace transaction record; all CPO sold as Segregation. As for PK, it is to be processed further into company’s KCP, upon PalmTrace transaction record; all CPO sold as Segregation.	Yes
D.2 Explanation			
D.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be	The estimated annual tonnage for certified FFB processed, CPO and PK production are available in the Estate and Mill annual production budget for 12 months since last surveillance assessment. The FFB tonnage received from all certified supply bases (company-owned plantation and associated smallholders). The estimated for CPO and PK production from Hargy POM, Barema POM and Navo POM is recorded under the public summary report and the RSPO certificate for Hargy Oil Palms Limited. The actual CPO and PK production were verified during each subsequent annual	Yes

	recorded in each subsequent annual surveillance report.	surveillance assessment visit to ensure that certified mill only deliver the allowed tonnage for the year. BSI Group as certification body has submitted estimated of FFB received, CPO and PK produced to RSPO Public Summary Report and the RSPO PalmTrace system.	
D.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).	Hargy Oil Palms Limited, under SIPEF Group, Belgium – holds RSPO membership number 1-0021-05-000-00, since 7 December 2005. Hargy POM PalmTrace ID: RSPO_PO10000 00053. Barema POM PalmTrace ID: RSPO_PO10000 01655. Navo POM PalmTrace ID: RSPO_PO10000 00105. Please refer 5.6 above for details	Yes
D.3 Documented procedures			
D.3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a. Complete and up to date procedures covering the implementation of all the elements in these requirements;	Please refer to 5.3.1 above	Yes
	b. 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 site's procedures for the implementation of this standard.	Please refer to 5.3.1 above	Yes
D.3.2	The site shall have documented procedures for receiving and processing certified FFBS.	Please refer to 5.3.1 above	Yes
D.4 Purchasing and goods in			
D.4.1	The site shall verify and document the tonnage and sources of	Hargy POM only received FFB from certified supply base, whereby	Yes

	certified FFBs received.	<p>consist of company owned plantation: Hargy Estate, Barema Estate, Navo Estate; as well as the smallholders.</p> <p>Hargy Oil Palms Limited, through the smallholder office and community affairs work together with OPIC to identify smallholder meets RSPO P&C requirements. Community affairs and Smallholder Department are consistent in suspending smallholder that's not meeting RSPO P&C requirements. Hargy Oil Palms issued a memorandum to stop picking up FFB/crop from a number of non-conforming smallholders. These steps are taken to prevent non-conforming material (FFB) entering HOPL's process.</p> <p>Based on this audit, all FFB sources are certified and there is no non-certified FFB sources entering Hargy Palm Oil Mill's process. At the weighbridge, the docket is generated which gives the weight, origin from the plantation. IP (Identity Preserved) is printed on docket indicating the FFB received certified under IP/Identity Preserved Module.</p> <p>Based on interview with weighbridge operators, they understood currently receiving FFB from company-owned plantation as certified supply base to be eligible for supply chain module Identity Preserved.</p>	
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	"HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018. Section 3. Responsibilities: General Manager is the designated management representative, has overall responsibility for and authority over the implementations of all requirements of supply chain standard – Module D Identity Preserved, notifies the CB should HOPL foresee any projected overproduction.	Yes
D.5 Record keeping			
D.5.1	The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	Hargy Oil Palms Limited, Hargy POM records and balance all receipt FFB and outgoing stock of CPO and PK on daily basis	Yes

	<i>IP Mill must report on real time basis.</i>		
D.6 Processing			
D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non- certified oil palm product including during transport and storage to strive for 100% separation.	<p>The procedure "HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018 has rules out a record keeping for RSPO certified FFB CPO and PK.</p> <p>At the moment, all FFB sources are certified. There is no non-certified FFB sources coming to Hargy POM.</p> <p>All records are provided and traceable such as Daily production report for Hargy POM, Monthly progress report, and 3-monthly balance system.</p> <p>Barema POM and Navo POM delivering their certified CPO product to the HOPL Bulking Station which located in Hargy POM and downgrading certified CPO "IP" into "SG" in Bulking Station due to mixing certified CPO product in tanks, then exported through bulking tanks and a jetty managed exclusively by HOPL.</p> <p>"HOPL Supply Chain SOP_Production of CPO & PK No.FOR-ESD-SC-002-04" dated August 2018. Section 5.1.2 Outsourcing Activities regulates HOPL the outsourcing of supply chain activities by company is limited to trucking contractor for FFB transport, and shipping of CPO to international customer. Based on interview and document review, HOPL does not use FFB transport contractor.</p> <p>During each shipping, a "FOSFA Certificate of Compliance, Cleanliness and Suitability of Ship's Tank" produce. For example, to cater transaction No.TR-b8b046c6-81b3, shipping CSPO SG volume 500 MT, using vessel MT Sadah Silver, FOSFA Certificate of Compliance, Cleanliness and Suitability of Ship's Tank No.180400 shipp MT Sadah Silver Voy.1801 dated 30 April 2018 with the third last cargo stated, statement produce: "tank was examined internally and fit state to receive a cargo of crude sustainable palm oil/SG in bulk".</p>	Yes

Supply Chain Declaration

A. Monthly Records of Certified and Uncertified FFB Received since the last audit							
No.	Month - Year	Volume of FFB from certified supply bases (MT)				Volume of FFB from uncertified supply bases (MT)	Total FFB/Month (MT)
		Hargy Estate	Navo Estate	Pandi Estate	Smallholders		
1	Aug 2017	14,758.26	8,170.32	3,384.64	17,035.02	Nil	43,348.24
2	Sept 2017	12,886.56	8,787.72	3,915.48	15,923.16	Nil	41,512.92
3	Oct 2017	10,463.40	10,879.86	5,205.05	16,176.70	Nil	42,725.01
4	Nov 2017	12,684.30	10,693.38	5,476.42	17,567.26	Nil	46,421.36
5	Dec 2017	11,308.94	10,657.18	4,926.64	12,774.90	Nil	39,667.66
6	Jan 2018	13,566.50	10,612.94	5,581.76	14,502.84	Nil	44,264.04
7	Feb 2018	10,216.06	12,128.20	4,661.86	14,821.26	Nil	41,827.38
8	Mar 2018	11,976.72	11,479.96	4,847.32	20,649.21	Nil	48,953.21
9	Apr 2018	13,399.46	10,519.58	5,554.70	22,864.95	Nil	52,338.69
10	May 2018	14,653.48	12,291.50	5,510.14	28,111.79	Nil	60,566.91
11	Jun 2018	14,768.00	10,737.24	5,371.14	27,070.02	Nil	57,946.40
	Total	140,681.68	116,957.88	54,435.15	207,497.11	0	519,571.82

B. Monthly Records of Certified CPO & PK since the last audit							
No.	Month - Year	Certified CPO (MT)			Certified PK (MT)		
		Hargy POM	Barema POM	Navo POM	Hargy POM	Barema POM	Navo POM
1	Aug 2017	2,360.911	3,007.885	2,776.457	506.833	644.368	607.420
2	Sept 2017	2,385.144	3,140.585	3,188.155	512.036	672.796	697.490
3	Oct 2017	3,025.566	4,157.958	5,080.968	649.520	890.744	1,111.600
4	Nov 2017	3,361.356	4,423.361	5,075.946	721.607	947.600	1,110.500
5	Dec 2017	3,008.243	4,113.734	4,965.526	645.822	881.269	1,086.34
6	Jan 2018	2,987.477	4,578.954	4,894.202	834.438	946.673	1,028.600
7	Feb 2018	3,351.792	3,870.974	4,418.985	701.410	800.301	928.720
8	Mar 2018	3,438.476	4,222.960	4,664.788	719.552	366.135	980.380
9	Apr 2018	3,587.078	4,298.819	4,752.184	750.648	888.756	998.750
10	May 2018	3,706.785	4,614.608	5,276.562	775.699	654.043	1,108.950
11	Jun 2018	3,743.935	4,130.737	4,801.345	783.473	854.007	1,009.080
	Totals	34,956.76	44,560.58	49,895.12	7,601.04	8,546.69	10,667.83

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C. Records of Certified CPO & PK Sold under PalmTrace to Buyers since the last audit (if any)				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1	HOPL		N/A	25,389.52
2	CXXXX	As per preinformation checklist provided to assessment team	95,828.617	
3	XXXXXS		15,015.73	
4	XXXXXX		3,000	
5	XXXXI		7,991.507	
6	SXXXX		500	
TOTAL			122,335.85	25,389.52
Note:				

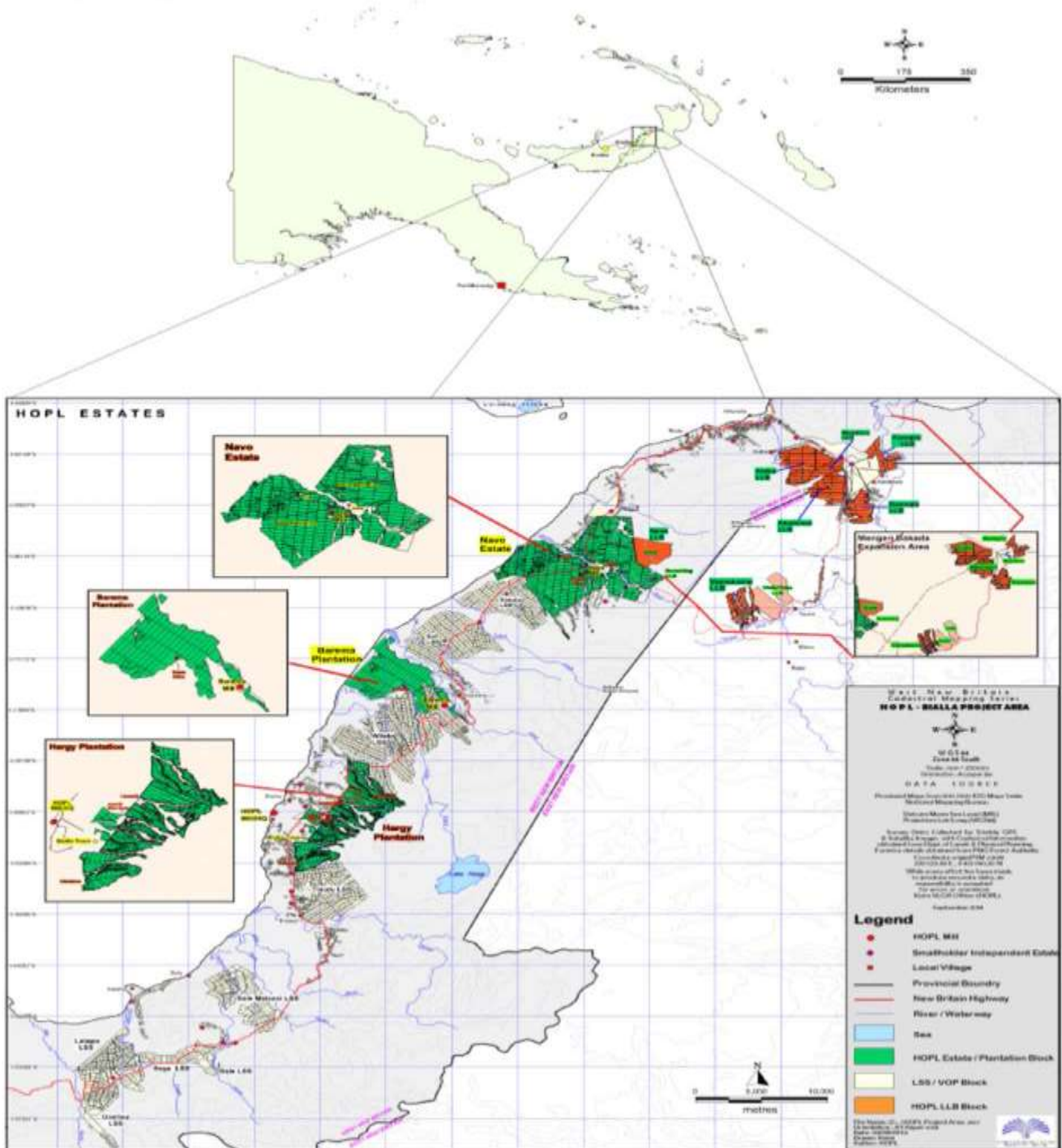
D. Records of CPO & PK Sold under other schemes to Buyers since the last audit (if any)				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
	Nil			
Note:				

E. Records of CPO & PK Sold as conventional to Buyers since the last audit (if any)				
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)	
	Nil			
Note:				

F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any)			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
	Nil		
Note:			

Appendix F: Location Map of Certification Unit and Supply bases

PNG Map Showing HOPL Estates



Appendix H: List of Smallholder Sampled

No.	Division code	Division	Block code	Name of Registered Smallholder	Block Type	Planted Area - GIS
1	Div2	Wilelo	021218	MICHAEL KAWAKIN	LSS	2.77
2	Div2	Kabaiya	331816	BALELE MARTIN	LSS	3.94
3	Div2	Soi	311534	MARKUS BATE	LSS	5.01
4	Div1	Tiauru	010407	BUKA DEN	LSS	5.90
5	Div1	Tiauru	010350	VIO KARALIONG MUNARE	LSS	5.81
6	Div2	Kabaiya	331925	ELARI BENEDICT	LSS	4.27
7	Div1	Sale	292938	TULASA TILIA	LSS	1.56
8	Div2	Barema	031398	MOSES KAPO	LSS	5.79
9	Div1	Malassi	040092	JOHN KOLAMA	LSS	2.29
10	Div1	Uasilau	050195	KOLOGO AULU PIGISELE	LSS	3.13
11	Div2	Barema	031420	PER KOM	LSS	5.07
12	Div1	Lalopo	321129	ANNA JORAM	LSS	3.71
13	Div1	Malassi	041200	POSIN SUKA	LSS	0.21
14	Div2	Barema	031260	LIBO TETE	LSS	2.81
15	Div2	Barema	031427	SEVE MANAU	LSS	1.07
16	Div1	Tiauru	010345	MALEI INANA	LSS	6.66
17	Div2	Kabaiya	331961	HENRY TONNY	LSS	5.05
18	Div2	Barema	031252	LIVAI SIKAKA	LSS	5.31
19	Div2	Wilelo	021453	MAIWARA RABBY	LSS	7.98
20	Div1	Tiauru	010395	SENIS AWE	LSS	7.79
21	Div1	Tiauru	010253	KIANUGA LUDWICK	LSS	5.91
22	Div3	Noau	070758	JULIUS NIU	VOP	1.53
23	Div3	Mauba	410017	HENRY MAGEA	VOP	2.00
24	Div1	Kaiamu	161643	ELIAS DIMON	VOP	1.66
25	Div1	Sulu	080819	PETER GAVURI	VOP	0.65
26	Div3	Gamupa	390098	BENEDICT LOME	VOP	1.86
27	Div1	Kiava	111210	ROBIN ANDRIAS	VOP	3.85
28	Div1	Walo	460024	TRIDE VOLUTI	VOP	1.26
29	DIV1	Apupul	131357	DALE BERA	VOP	2.00
30	Div3	Noau	077102	NERIUS VARMARI	VOP	2.00
31	DIV1	Apupul	131353	OSWALD SEMMY MARUM	VOP	2.00
32	Div1	Matililiu	170102	EPHRAIM SUBUI	VOP	2.05
33	Div2	Gigipuna	060647	NANCY JOHN	VOP	2.00
34	Div3	Nantabu	440005	PEARSON GALIA	VOP	2.00
35	Div1	Bubu	181835	POILEP PATIKEN	VOP	2.82
36	Div3	Noau	070794	WINIFRED MAELA	VOP	1.48
37	Div3	Noau	077192	AUGUSTINE POILELE	VOP	1.09

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No.	Division code	Division	Block code	Name of Registered Smallholder	Block Type	Planted Area - GIS
38	Div1	Baekakea	090915	APISAI TORUGA	VOP	4.00
39	Div3	Galelo	370003	AUGUSTINE VITATA	VOP	2.00
40	Div3	Noau	070783	NATHANIEL MELEKO	VOP	1.91
41	Div1	Kiava	111176	PEOKA SIVALIA	VOP	1.84
42	Div1	Kaiamu	161678	ERUEL MARISA	VOP	1.96
43	Div1	Baekakea	090947	JOAN SOBI	VOP	2.00
44	Div2	Gigipuna	060667	PHILIP KALINKA	VOP	2.00
45	Div3	Nantabu	440038	NOEL SAEKE	VOP	1.23
46	Div3	Noau	070714	AVAMON HOSEA	VOP	2.00
47	DIV3	Noau	077486	AUGUSTINE TAUMOSI	VOP	0.56
48	Div3	Gamupa	390076	FRANCIS KELTORE	VOP	0.32
49	Div1	Mataururu	101011	ARTHUR DENNIS	VOP	2.30
50	Div3	Noau	077256	DANNY LOKO	VOP	2.00
51	Div3	Nantabu	440002	JULIE TOVUE	VOP	0.90
52	Div3	Nantabu	440027	NANTABU UNITED CHURCH	VOP	0.39
53	Div2	Pakisi	141422	RAPHAEL RANPAGE	VOP	1.60
54	Div1	Bubu	181836	JOAN VASU JOANES	VOP	2.00
55	Div3	Noau	077191	GETHRUDE GABU	VOP	2.07
56	Div1	Sulu	080834	BEN LOWA	VOP	0.30
57	DIV1	Gomu/Uru	120103	STANLEY TOMARUM	VOP	2.00

Note: LSS – Land Settlement Scheme
VOP – Village Palm Oil

Appendix I: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
HOPL	Hargy Oil Palm Limited
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure