



## **PALM OIL INNOVATION GROUP - POIG**

# **Agropalma Mills: (CRAI/AGROPAR, AMAPALMA, AGROPALMA, CPA and PARAPALMA)**

**Tailândia and Acará, Pará, Brazil**

**POIG Verification Indicators March 2016**

**Public Summary Report**

**Lead Auditor: Álvaro Garcia**

**Main Audit report. [18 to 22/07/2016]**

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<b>1. SCOPE OF THE CERTIFICATION AUDIT</b>				
<b>1.1 Normative references</b>				
The Palm Oil Mill and the supply base was audited against the following documents:				
<input checked="" type="checkbox"/> POIG Verification Indicators March 2016.				
<b>1.2 Company and Contact Details</b>				
<b>Company name</b>	GRUPO AGROPALMA			
<b>Business address</b>	Alameda Santos, 466 – 10o andar, CEP: 01418-000, São Paulo, Brasil			
<b>Scope</b>	Production of palm oil and palm kernel of own farms, integrated and familiar farmers.			
<b>Products</b>	Crude Palm Oil (CPO) and Palm Kernel.			
<b>Contact person</b>	Tulio Dias			
<b>Telephone</b>	Tulio Dias Telephone +55 11 2505 6400			
<b>E-mail</b>	<a href="mailto:tuliodias@agropalma.com.br">tuliodias@agropalma.com.br</a>			
<b>Web site</b>	<a href="http://www.agropalma.com.br">www.agropalma.com.br</a>			
<b>Other certifications held</b>	DNV: ISO 9001, ISO 14001, OHSAS 18001, ISO 22000 and FSSC 22000. IBD Organic. Ecosocial. JAS organic. BioSuisse, USDA Organic.			
<b>1.3 Audit type</b>				
<b>Date of this audit</b>	18/07 to 22/07/2016.			
<b>Main or ASA (1 to 4)</b>	Second Verification.			
<b>1.4 Location of the Palm Oil Mill</b>				
<b>Palm Oil Mill (POM)</b>	<b>Location Address</b>	<b>Mill Capacity</b>	<b>GPS Reference</b>	
		<b>MT/Hour</b>	<b>Longitude</b>	<b>Latitude</b>
<b>Name</b>				
Crai/Agropar Mill	Road PA 150, KM74, Direito - Tailândia, PA - Brasil	72	48°47'47.85°W	2°31'36.34"S
Amapalma Mill	Road PA 150, KM74, Direito - Tailândia, PA - Brasil	60	48°47'49.86°W	2°31'29.59"S
Agropalma Mill	Road PA 150, KM74, Esquerdo - Tailândia, PA - Brasil	60	48°42'17.65°W	2°32'34.06"S
CPA Mill	Rodovia PA 150 Km 50, Esquerdo, Acará - PA - Brazil	24	48°35'11.78°W	2°15'10.54"S
Parapalma Mill	Rodovia PA 150 Km 74, esquerdo. Tailândia, PA. - Brasil	60	2°32'36.58"S	48°42'22.41"W
<b>1.5 General Description of Supply Base</b>				
The supply base of FFB for the Agropalma Group comes from the eight Agricultural Sectors, as seen in the table below as well as from Associated Growers. FFB is delivered preferably from the closest Department and so all the supply base as below is included in the audit.				
- There are 237 associated growers are referred to as "Partners" and vary in size from 6ha to just over 2.000ha. 45 of them are classified as integrated outgrowers and 192 are family farmers. The Company has commercial long term contracts with all of them.				
- The 192 family farmers are organized in 3 associations whereby there are up to 100 "smallholders", each with 6-10ha planted. Management of the associations is by way of Board, commanded by a President. Each family farmer is responsible for manage his/her own plantation. They may also use work contracted out to Family Farmers Consortium that employs workers to provide service to family farmers.				
It is noted that Agropalma provides agronomic support to all Associated Growers by way of 14 professionals and all partners are visited at least once per week. All the Associated Growers must have an agreement to manage their oil palm in accordance with the agronomic advice given by Agropalma Group.				
<b>1.5.1 Location of the Supply Base</b>				
<b>Oil Palm Plantation (OPP)</b>	<b>Location Address</b>	<b>GPS Reference</b>		
		<b>Longitude</b>	<b>Latitude</b>	
<b>Name</b>				
Departamento I	Rodovia PA 150 Km 74, Direito. Tailândia/PA	48° 47'18"	2°31'41"	
Departamento II	Rodovia PA 150 Km 74, Esquerdo. Tailândia/PA	48° 43'50"	2°32'57"	
Departamento III	Rodovia PA 150 Km 74, Direito. Tailândia/PA	48° 49'35"	2°34'47"	
Departamento IV	Rodovia PA 150 Km 94, Direito. Moju/PA	48° 54'15"	2°39'11"	
Departamento V	Rodovia PA 150 Km 65, Esquerdo. Tailândia/PA	48° 43'37"	2°29'32"	
Departamento VI	Rodovia PA 150, Km 50, Acará/PA	48° 45'10"	2°15'03"	
Departamento XV	Rodovia PA 150 Km 74, Esquerdo. Tailândia/PA	48° 34'36"	2°35'48"	

Departamento XVI	Rodovia PA 150 Km 74, Esquerdo. Tailândia/PA		48° 38'44"	2°33'16"	
Area Leased from Altino	Moju		48°57'59,24"	2°30'35,74"	
192 Family Farmers and 43 Integrated Outgrowers	Tailândia, Moju and Tome-Açú		Several	Several	
<b>1.5.2 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year</b>					
Name	Area of Oil Palm (Ha)		Estimated Tonnes FFB/Yr	Planting Years	Cycle (Years)
	Total	Production			
Departamento I	4.820	4.820	65.000	2013;2010;1992 1991;1989;1988 1987;1986;1985	25
Departamento II	5.194	5.167	55.000	2013;2012;2010;1999;1994;1993;1992;1991;1984	25
Departamento III	6.570	6.570	135.000	1999;199;1997 1996;1995;1992	25
Departamento IV	4.954	4.954	93.000	2001; 2000; 1999; 1998	25
Departamento V	6.177	5.958	120.000	2011;2010;2007, 2004;2002;2001	25
Departamento VI	4.107	2.989	50.000	2010, 2011, 2000, 2001, 1996, 1990, 1989	25
Departamento XV	4.149	4.149	65.000	2010;2009;2008;2006	25
Departamento XVI	3.090	3.090	60.000	2010;2009;2008;2007	25
Area Leased from Altino	505	505	7000	2010; 2005; 2004; 2003; 2000; 1999; 1998	25
<b>Total own plantations</b>	<b>39.566</b>	<b>38.202</b>	<b>650.000</b>		
Family Farmers and Integrated Outgrowers	8.600,92	8.011	140.000	2013;2012;2011; 2010;2009;2008;2009;2007;2006;2005 2004;2003;2002;2001; 2000;1999;1998;1986	25
<b>Total</b>	<b>48.167</b>	<b>46.213</b>	<b>790.000</b>		
<b>1.5.3 Biodiversity (Total Conservation &amp; HCV Area for the respective Supply Bases)</b>					
<b>Oil Palm Plantation</b>	<b>Biodiversity.(Total Conservation &amp; HCV Area) Hectares.</b>				
Name	Conservation	HCV	Comments		
Departamento I	5.500	5.500	----		
Departamento II	8.398	8.398	----		
Departamento III	4.711	4.711	----		
Departamento IV	5.958	5.958	----		

Departamento V	11.695	11.695	----
Departamento VI	11.593	11.593	----
Departamento XV	6.791	6.791	----
Departamento XVI	8.578	8.578	----
Area Leased From Altino	0	0	Area leased cover only palm plantation area.
<b>Total Company Conservation Area</b>	<b>63.224</b>	<b>63.224</b>	----
Family Farmers and Integrated Outgrowers	13.090*	13.090	Forest reserve of mister Altino is considered in this figure.
<b>Total</b>	<b>76.314</b>	<b>76.314</b>	----

<b>2. AUDIT PROCESS</b>				
<b>2.1 IBD - The Certification Body</b>				
<p>IBD takes pride in being the largest certifier in Latin America and the only Brazilian certifier of organic products with accreditation through IFOAM (international market), ISO Guide 65 (European market regulation CE 889/07), Demeter (international market), USDA/NOP (North-American market), COR (Canadian market) and INMETRO/MAPA (Brazilian market), making its certificate global.</p> <p>Located in Botucatu-SP, Brazil, IBD has been in operation since 1992. Initially focused exclusively on the certification of organic product, after 2004, IBD began including certification services in the social-environmental area through the EcoSocial, Integra, RSPO and UEBT (<i>Union for Ethical BioTrade</i>) programs. Today, IBD certifies over 5,000 producers, covering an area of approximately 520 thousand hectares in cultivation and 3 million hectares under wild harvest management, throughout 16 countries.</p> <p>For more information regarding IBD Certificações, access <a href="http://www.ibd.com.br">www.ibd.com.br</a>. RSPO Membership N°: 8-0090-08-000-00. RSPO accredited by ASI on November 4<sup>th</sup>, 2014, worldwide (accreditation code RSPO-ACC-020).</p>				
<b>2.2 Audit Team</b>				
<b>Lead auditor</b>	Alvaro Garcia			
<b>Audit team</b>	Alexandre Harkaly (AH)			
	Lisbeth Carranza (LC)			
	Ana Maria Uribe (AU)			
	Cuahtemoc Cedillo (CC)			
<b>2.3 Audit Methodology</b>				
<b>2.3.1 Audit Agenda</b>				
<b>Date</b>	<b>Time</b>	<b>Location</b>	<b>Program</b>	<b>Auditor(s)</b>
19/07/16	09:00 am	Agropalma Central Office – Tailândia/PA	Opening meeting of POIG and RSPO audit	AG, AH, LC, AU and CC
19/07/16	10:00 am	Agropalma Central Office – Tailândia/PA	Meeting with Túlio Dias / Cristiane Paiva / Raquel Melo / Heisner Caetano / Ricardo Tinoco to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC
19/07/16	12:00 pm	Agropalma Central Office – Tailândia/PA	Lunch Time	AG/ AH / CD / AU / LC
19/07/16	01:00 pm	Agropalma Central Office / Agrochemical storage area, PPE washing and packaging disposal – Tailândia/PA	Meeting with Túlio Dias / Paulo Gaia / Raquel Melo / Heisner Caetano / Ricardo Tinoco / Kátia Desmondes / Alessandra Bortolanza/ Felipe Zonta / João Martins / Rogério Aguiar / Lenes Brito / Paulo Gaia/ Joelson Barros and Visit agrochemical storage area, IPE washing and packaging disposal to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC
19/07/16	05:00 pm	Agropalma Central Office / Tailândia/PA	Closing Meeting of the day between company and auditors	AG/ AH / CD / AU / LC
20/07/16	08:00 am	Own Agropalma Farms / Meeting with Stakeholders / Integrated Agropalma Farmers	Visit Agropalma production area and partners, interview employees, visit the Stakeholders to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC
20/07/16	12:00 pm	Agropalma Central Office / Tailândia/PA	Lunch Time	AG/ AH / CD / AU / LC
20/07/16	01:00 pm	CPA Mill / Own Agropalma Farms / Visit to Stakeholders / Integrated Agropalma Farmers	Visit CPA Mill / Agropalma production area and partners, interview employees, visit the Stakeholders to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC

20/07/16	05:00 pm	Agropalma Central Office / Tailândia/PA	Closing Meeting of the day between company and auditors	AG/ AH / CD / AU / LC
21/07/16	08:00 am	Agropalma Mill / CRA/Agropar Mill / Own Agropalma Farms / Integrated and Smallholders Farmers / Meeting with Stakeholders	Visit Agropalma Mill / CRA/Agropar Mill / POME station / Laboratory / Agropalma production area and partners, interview employees, visit the Stakeholders to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC
21/07/16	12:00 pm	Agropalma Central Office / Tailândia/PA	Lunch Time	AG/ AH / CD / AU / LC
21/07/16	01:00 pm	Parapalma Mill / Amapalma Mill / Own Agropalma Farms / Integrated and Smallholders Farmers / Meeting with Stakeholders	Visit Parapalma Mill / Amapalma Mill / POME station / Laboratory / Nursery area / Agropalma production area and partners, interview employees, visit the Stakeholders to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC
21/07/16	05:00 pm	Agropalma Central Office / Tailândia/PA	Closing Meeting of the day between company and auditors	AG/ AH / CD / AU / LC
22/07/16	08:00 am	Agropalma Central Office / Tailândia/PA / Integrated and Smallholders Farmers / Agropalma School / Ambulatory / Agropalma refectory	Visit Integrated and Smallholders Farmers / Agropalma School / Ambulatory / Agropalma refectory / Visit Production area of partners and interview employees to evaluate Principles 1, 2 and 3	AG/ AH / CD / AU / LC
22/07/16	12:00 pm	Agropalma Central Office / Tailândia/PA	Lunch Time	AG/ AH / CD / AU / LC
22/07/16	01:00 pm	Agropalma Central Office / Tailândia/PA	Meeting with Agropalma employees and subcontractors	AG/ AH / CD / AU / LC
22/07/16	03:00 pm	Agropalma Central Office / Tailândia/PA	Meeting between auditors to prepare the closing meeting	AG/ AH / CD / AU / LC
22/07/16	04:00 pm	Agropalma Central Office / Tailândia/PA	Closing meeting - Presentation the audit results, ISO requirements for conducting the audit, questions of clarification and thanks	AG/ AH / CD / AU / LC

### 2.3.2 List of stakeholders consulted prior to and during the audit.

Name	Category
<b>AGROPALMA ADMINISTRATIVE PERSONNEL</b>	
Túlio Dias	Social And Environmental Cooperative Manager
João Martins Jr.	Social And Environmental Analist
Leonardo Oliveira	Safety Engineer
Alessandro Roberio Marinho	Technical Of Safety
Joelson Barros	Technical Of Environmental
Emmanuel Campos Neto	Analyst Of Sig
Ricardo Tinoco	Phytosanitary And Research Manager
Rafael Rodrigues	Analyst Of Processes
José Miranda Fernandes	Industrial Manager Of Crai/Agropar/Amapalma Mills
José Anderson Barbosa	Production Coordinator Of Amapalma Mill
Alcimara Silva	Coordinator Of Sig Related With Mills
Manuel Raimundo Rodrigues Almeida	Administrative Coordinator Of Crai/Agropar Mill
Alessandra Dias Bortolanza	Quality Control Manager Of All Mills
Marcos Nunes	Agricultural Coordinator
Fabio José Sousa Gonçalves	Rh Coordinator
Diógenes Pessoa	Agricultural Manager Of Cpa
Ednaldo Sampaio	Production Coordinator Of Cpa
Dayner	Technical Of Agricultural Labor Safety At CPA
Manoel Malaquias	Industrial Coordinator Of Cpa
Carmem Mendes	Safety Engineer
Tarcio Costa	Industrial Engineer
Solange Silva	Support Coordinator
Juan Esquivel Vargas	Maintenance Coordinator Of Agropalma Mill
João Alberto Farias Cruz	Production Coordinator Of Agropalma Mill
João Martins De Assis	Production Coordinator Of Parapalma Mill
Marcos Miranda Cardoso	Technical Os Safety At Agropalma/Parapalma Mills
José Almir Marques	Processes Coordinator At Pome Of Agropalma/Parapalma Mills
Cristiane Paiva	Responsible Of Communication With Stakeholders
Marcelo Bastos	Lawyer Agropalma
Sr. Pereira	Lawyer Consultant
Katia Delmondes	Sig Analyst

Felipe Zonta	Quality Operational Coordinator Of Agricultural Activities
Raquel Melo	Agricultural Manager
Edwin Almeida	Agricultural Coordinator
Antonio Jorge Brandao	Agricultural Coordinator
Ailton Jose Da Silva	Agrochemical Application Supervisor
Flavio Matias	Supervisor Of Department Vii
Isaac Martins	Environmental Engineer
Leia Furtado	Medical Labor
Heisner Caetano	Environmental Manager
Antonio Jorge Soares	Agricultural Coordinator Responsible For Integrated Farmers
Francisco Damião	Agropalma Analyst Production Responsible For Integrated Farmers
Zeno Martins	Agricultural Manager Responsible For Integrated And Smallholder Farmers
Carolina	Agropalma Analyst Production Responsible For Smallholder Farmers
Lenes Brito	Agricultural Assistant involved with agrochemical
Marcella Araujo	RH Department
<b>AGROPALMA PROVIDERS (MILL)</b>	
Walter Leal Lelis	Security Of Prosecur Company
José De Jesus	Worker Of Novo Horizonte Company At Maintance Of Agropalma Mill
José De Jesus	Worker Of MC Construção Company At Maintance Of Agropalma Mill
Edilson Tomé De Araújo	Worker Of Renascer Company At Maintance Of Agropalma Mill
Idevaldo Dos Santos Evangelista	Worker Of Abençoada Serviços Industriais Company At Maintance Of Agropalma Mill
<b>AGROPALMA PROVIDERS (OWN FARMS)</b>	
Gilmar Coelho Araujo	Bus Driver Of Awe Aviação
Edson Donizetti De Vasconcellos	Manager Of GR (Food Services)
Laihire Nunces	Manager Of Gr (Food Services)
Elaine Santos De Brito	Manager Of GR (Food Services)
João Gustavo	Bus Driver Of Bezerra Transportes
<b>GROWERS AND GROWERS WORKERS CONSULTED AT FARMS</b>	
Francisco Edilson De Souza Martins	Smallholder Farmer
Francisco Rodriguez De Souza	Smallholder Farmer Of Agua Preta
Yasid Almeida	Smallholder Farmer Of Agua Preta
Nilvaldo Cantanhede	Smallholder Farmer Of Agua Preta
Filomemia Freitas Silva	Smallholder Farmer Of Agua Preta
Maria Elizabete De Souza Silva	Smallholder Farmer Of Vila São José
Joao Batista De Silva	Smallholder Farmer Of Vila Israel
Domingo Otavio Furtado De Lima	Integrated Farmer Of Moju
Kazuhiko Ishii	Integrated Farmer Of Tailândia
Massao Ozaki	Integrated Farmer Of Tailândia
Hitofumi Kimura	Integrated Farmer Of Moju
Valdemir Oliveira Moreira	Worker Of Hitofumi Kimura
Vladimir Oliveira Moreira	Worker Of Hitofumi Kimura
Arnaldo Seygo	Integrated Farmer Of Moju
Ivamar Sampaio Lima	Worker Of Arnaldo Seygo
Wilson Araujo Da Silva E Silva	Worker Of Arnaldo Seygo
Arnaldo Silva	Worker Of Arnaldo Seygo
Oswaldo Ikeda	Integrated Farmer Of Tomé-Açú
Jose Damasceno	Worker Of Oswaldo Ikeda
Divino Heraldo	Integrated Farmer Of Tailândia
Francisco Lira	Adminstrative Worker Of Divino Heraldo
Daniel Jesus Costa	Worker Of Divino Heraldo
Denis Alves Viana	Worker Of Divino Heraldo
Everaldo Damasceno	Worker Of Divino Heraldo
Manoel Guimarães Dias	Worker Of Divino Heraldo
Ronax Dos Santos	Worker Of Divino Heraldo
Antonio Rodrigues	Worker Of Divino Heraldo
Antonio Claudio De Oliveira	Worker Of Divino Heraldo
Antonia Maria Nogueira Soares	Integrated Farmer Of Tailândia

Antonio Ferreira Soares	Family Of Antonia Maria Nogueira
Raimundo Evangelista	Worker Of Antônia Maria Nogueira
Elieu Gloria Da Silva	Worker Of Antônia Maria Nogueira
Raimundo Nonato De Costa	Worker Of Antônia Maria Nogueira
José Lins De Oliveira	Integrated Farmer Of Tailândia
Manoel José Dos Santos	Integrated Farmer Of Tailândia
Maria Das Gracas Da Silva Macedo	Worker Of Manoel José Dos Santos
Raimundo Nonato Macedo Dos Santos	Worker Of Manoel José Dos Santos
Manoel Ramos De Oliveira	Smallholder Farmer Of Projeto III (Lote 150)
Michel Rodrigues Dias	Smallholder Farmer Of Projeto Iii (Lote 144)
Ivany Maria Patrocinio	Smallholder Farmer Of Projeto Iii (Lote 138)
Evaldo Portilho Borges	Smallholder Farmer Of Projeto I (Lote 33)
Lucivaldo Magalhães Portilho	Smallholder Farmer Of Projeto Ii (Lote 83)
<b>OWN FARMS PERSONNEL INTERVIEWED AT FARMS</b>	
Raimundo Alves Da Silva Bento	Rural Worker (Harvesting) Of Department IV
Edivaldo Araujo	Rural Worker (Harvesting) Of Department Iv
Rafael Lucas De Souza Pombo	Rural Worker (Harvesting) Of Department IV
Edilberto Jesus De Oliveira	Rural Worker (Harvesting) Of Department V
Antonio Carlos Da Silva Rosa	Rural Worker (Harvesting) Of Department V
Almir Lima Da Silva	Rural Worker (Harvesting) Of Department V
Carlos Da Costa Santos	Rural Worker (Harvesting) Of Department VI
Lucinaldo	Rural Worker (Harvesting) Of Department VI
Railson	Rural Worker (Harvesting) Of Department VI
Paulo Costa	Rural Worker (Harvesting) Of Department Vi
Manoel Araújo	Agricultural Supervisor Of Department Vi
Eden Luiz	Agricultural Supervisor Of Department Vi
Gabriel Cardoso	Rural Worker (Harvesting) Of Department Vi
Lucides Maciel	Agrochemical Application Operator Of Department Vii
Altom Jose	Agrochemical Application Operator Of Department Vii
Lucidel Maciel De Souza	Tractor Operator Of Agrochemical Application At Dep. Ii
Joao Batista Da Silva	Rural Worker (Harvesting) Of Department Vii
Luciedson Oliviera Do Rosario	Rural Worker (Harvesting) Of Department Vii
Antonio Edvan De Lima Soares	Rural Worker (Harvesting) Of Department Vii
Raimundo Valmir Santos	Rural Worker (Harvesting) Of Department Vii
Antonio Comes Fernandez Ferreira	Rural Worker (Harvesting) Of Department Vii
Jesse Da Silva Oliviera	Washing Operator Of Ppe Used At Agrochemicals Application
<b>MILL WORKERS INTERVIEWED AT MILLS</b>	
Alex Santos Ribeiro	Sterilization Activity Operator Of Crai/Agropar Mill
Jedilson Rodrigues Pantoja	Pressing Activity Operator Of Crai/Agropar Mill
Josiel Castro Furtado	Energy Generator Operator Of Crai/Agropar Mill
Genivaldo Pereira	Boiler Operator Of Amapalma Mill
Suzana Mescote Da Silva	Responsible For Weighbridge And Billing At CRAI/Agropar/Amapalma Mills
Daniel Costa	Security Chief Of Crai/Agropar Mill
Sergio Botelho Santiago	Auxiliary Laboratory Of Crai/Agropar/Amapalma Mills
Rildo Rocha	Agricultural Analyst At Pome Of Amapalma
José Carlos Costa Da Silva	Pump Operator At POME Of Amapalma
Jonas Furtado	Technical Of Work Safety Agropalma Mill
Ridael Souza	Brigadist And Worker Of CpaMill
Manoel Ferreira	Weighbridge Operator Of Cpa Mill
José Ribamar	Laboratory Assistance Of Cpa Mill
Alex Pantoja	Boiler Operator Of Cpa Mill
Reginaldo Leão André	Sterilizer Operator Of Cpa Mill
Dilvane Oliveira Neves	Pulley Electrical Operator Of Cpa Mill
Rafael Pimentel Da Costa	Industrial Welder Of CPA Mill
Luciete Cardoso Da Silva	Cleaner Assistant Of CPA Mill
Dorivaldo Da Silva Rodrigues	POME Operator Of CPA Mill
Amarildo Nunes De Oliva	POME Operator Of CPA Mill
Antônio Dionata	Operator And Brigadist Of Agropalma Mill
Ivanilson Cardoso	Laboratory Assistant Of Agropalma Mill
Carpeggiani	Boiler Operator Of Parapalma Mill
Rosenildo	Sterilizer Operator Of Parapalma Mill
<b>NON GOVERNMENT INSTITUTIONS, SINDICATES AND LOCAL COMMUNITY</b>	

João Meirelles	Director Of Instituto Peabiru (Ngo Located In Belém-Pa)
Thiara Fernandes	Project Manager Of Instituto Peabiru (Ngo Located In Belém-Pa)
Fernanda Martinelli	Project Coordinator Of Conservation International (Ngo Located In Belém-Pa)
Francisco Vagner Correia Leite	Lead Community Of Vila Uaiçu
Manuel Evangelista Carneiro Da Silva	Member Of Sindicato Of Rural Workers Of Tailândia Located At Vila Dos Palmares
Manoel Maciel	Vice-President Of Associação Vila Nova Esperança
Samuel Evangelista	Dweller Of Vila Nova Esperança
Angelita	Dweller Of Vila Esmeralda
Lucivaldo Magalhães Portilho	President Of Associação De Desenvolvimento Comunitário Da Soledade
Carlos Da Costa Santos	Member Of Sindicato Of Rural Workers Of Tailândia, unit Vila dos Palmares
Francisco Edilson De Souza Martins	President Of Associação Do Assentamento Calmaria

### 2.3.3 Outline of how stakeholders consultation was managed.

During the audit planning was verified the official list of stakeholders updated by Agropalma and considering its features the most relevant external stakeholders to be interviewed were chosen. In total, were indicated 82 stakeholders, among them representatives of local communities and associations, unions, representatives of family farmers, integrated producers and NGOs and government agencies.

As sampling method was used to calculate  $N = 0.8\sqrt{Y}$  and selected 8 stakeholders that should be interviewed. Among these, were selected the Instituto Peabiru and Conservation International that have action focused on social and environmental development and know the region for a long time. Both offices are in Belém / PA and on the 18th / July the auditor Alexandre Harkaly interviewed them.

As a method of consultation, interviews were conducted without the presence of Agropalma employees and such matter that the interviewed had complete freedom to answer the questions presented respecting the confidentiality in case of filing a complaint. And for help the auditors who do not speak Portuguese was available two translators hired by IBD.

### 2.3.4 Issues that arose during stakeholder consultation and company responses.

Subject raised	Company response and proposed action to be taken.	Audit team findings
At all interviews was obtained good appointments and no non conformity was identified during the interviews.	Positive input. No corrective action required.	Compliance with legal requirements was found during the audit.
Representatives of Rural Workers Sindicato stated that he is very pleased with some of the accomplishments between workers members from the Labour Union and AGROPALMA, which include: <ul style="list-style-type: none"> <li>- Since 2015, all workers are included in a health plan</li> <li>- They obtained a carnet in exchange of other products. With this card, they can purchase some products in different stores and at lower costs;</li> <li>- Since 2016, there has been an increase for working opportunities and this has benefited the community;</li> <li>- There has been a continuous growth in the community – internal migration due to work opportunities in AGROPALMA;</li> <li>- Workers are receiving an stipend equivalent to the time they invest in transportation to their work facilities;</li> </ul>	Positive input. No corrective action required.	Compliance with legal requirements was found during the audit.

<p>They are happy with the opportunities given by AGROPALMA. They see more development in the community due to the production of palm oil in the region;</p>		
<p>During the audit at the integrated farmers and smallholders was noted that:</p> <ul style="list-style-type: none"> <li>- Land ownership titles were unable to have access to. The property of the land is inherited.</li> <li>- Workers were adequately trained to the activities developed;</li> <li>- The payments of workers are done timely, including insurance;</li> <li>- Storage of agrochemicals is organized;</li> <li>- The fertilization plan developed by AGROPALMA is evident as it has been delivered to the producer;</li> <li>- These products include a Schedule and adequate quantities of the agrochemical products to be applied;</li> <li>- There has been good communication (written and spoken) with AGROPALMA;</li> <li>- The fertilization plan developed by AGROPALMA is evident as it has been delivered to the producer;</li> <li>- Agropalma has a very good scheme of visitation and capacitation of the farmers;</li> <li>- Is very clear for all the prices payed for the FFB and has no problem of payment;</li> <li>- All farmers have contract signed with Agropalma;</li> </ul>	<p>Positive input. No corrective action required.</p>	<p>Compliance with legal requirements was found during the audit.</p>
<p>In interviews with Instituto Peabiru and Conservation International it was possible to view the history of work in the areas of Agropalma and related to the cultivation of palm. Was mentioned about the work was done by Instituto Peabiru in preparing the EISA and follow-up in Vila dos Palmares to assess the impact of the activity Agropalma in the region. The reports were positive in the sense that there was a beneficial impact on the local community and partner farmers involved at palm production. There were no reports that characterize a potential Non Conformity caused by Agropalma. CI reported the work done in monitoring endangered animal species in the areas of protection and palm cultivation of Agropalma. Protection areas of Agropalma are used to study the local fauna and to be data basis to evaluate the impact of palm cultivation at</p>	<p>Positive input. No corrective action required.</p>	<p>Compliance with legal requirements was found during the audit.</p>

<p>fauna and obtain important indicators in order to show that compared with other cultures palm shown that is an important option. Was reported that there is an external pressure of hunting at Agropalma areas, but in fact the company shows concern and has a surveillance system to minimize these problems.</p>		
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PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<b>1. Environmental Responsibility</b>			
<p><b>1.1 High Carbon Stock and High Conservation Values</b></p> <p>The link between oil palm expansion and deforestation will be broken through undertaking a High Carbon Stock (HCS) approach in addition to a High Conservation Value (HCV) assessment, and a process of obtaining Free, Prior and Informed Consent to use land. The approach combines biodiversity and carbon conservation, as well as social considerations (including community needs)</p>	<p>1.1.1 Prior to establishing new plantations or expanding existing ones<sup>1</sup>, in addition to or integrated with a HCV assessment, a HCS approach which combines biodiversity, carbon conservation and social considerations (including community needs) has been conducted.</p>	<p>Was prepared executive assessment report environmental impacts (AISA), high conservation values (AVC), stock of carbon and balance emissions of greenhouse gases (GHG) by OrbisExceller company in December / 2015 by leading advisor Arthur Wieczorek (No HCVRN-ALS14003AW) for new plantations by the producers listed below, totaling 2,136 ha suitable for palm planting :</p> <ul style="list-style-type: none"> <li>- Antônia Maria Nogueira;</li> <li>- Cérgio Eikawa;</li> <li>- José Wanderley Melo *;</li> <li>- Maria Rosângela;</li> <li>- Miklo Nagal;</li> <li>- Márcio Hiramizu;</li> <li>- Mitsuharu Onuki;</li> <li>- Shigeru Hiramizu;</li> </ul> <p>Obs .: The producer José Wanderley Melo was excluded by Agropalma RSPO certified producers list.</p> <p>In item 8.4 "Management and Monitoring High Conservation Values for" is presented the Table 8.4 that establishes for each HCV identified, the threats and actions to be taken to mitigate them, as well as a plan for monitoring.</p> <p>HCS Approach methodology was not used considering that the previous rural activity in the area intended to be planted was non-native vegetation (pasture).</p>	<b>COMPLY</b>

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
	1.1.2 HCS forest areas are identified and mapped.	It has been found through evaluation study of the analysis of environmental impacts (AISA), high conservation values (AVC) and stock of carbon by OrbisExceller company realized in December / 2015 that all HSC areas belonging to farmers listed in item 1.1.1 are mapped and identified. Agropalma HCS areas are mapped and identified.	<b>COMPLY</b>
	1.1.3 After March 2014 no new plantings take place in HCS forest areas identified for conservation.	Was identified that did not occur new planting after March 2014 in HCS forest even by Agropalma and smallholders.	<b>COMPLY</b>
	1.1.4 Community participatory mapping has identified and mapped garden and future farmlands that are fundamental to meeting their basic food needs over the license period of the plantation, and excluded them from being considered HCS forest	The areas where the farmers will establish new plantations are private and SEIA studies did not identify local communities customary or other use rights on these lands. So, there is no way for making a "community participatory mapping" to identify "garden and future farmlands to meet their basic food needs". Therefore this indicator cannot be applicable.	<b>NOT APPLICABLE</b>
	1.1.5 HCS forest areas are actively conserved as part of a community participatory land use plan including FPIC, and an integrated conservation and land use plan (that includes HCV areas, riparian zones, and peat land areas).	The areas where the farmers will establish new plantations are private and SEIA studies did not identify local communities customary or other use rights on these lands. So, the HCS forest areas belonged to the 8 farmers that intend to expand their plantations cannot be "actively conserved as part of a community participatory land use plan including FPIC". As consequence, this indicator cannot be applicable.	<b>NOT APPLICABLE</b>
	1.1.6 A summary report of the HCS assessment including maps is made public.	Informed on the Agropalma website ( <a href="http://www.agropalma.com.br/en/social-and-environmental-responsibility/policies/corporate-transparency">http://www.agropalma.com.br/en/social-and-environmental-responsibility/policies/corporate-transparency</a> ) that documents related to socio-environmental studies, which also covers the study of HCS, are available to the public. However, this report is not public and freely accessible on the company's website.	<b>NOT COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>1.2 Peatland</b></p> <ul style="list-style-type: none"> <li>No peat clearance: All areas of undeveloped peat lands (peat of any depth) are protected and all drainage, fires or road building on peat soils is prohibited.</li> <li>Maintenance of peat lands: Water tables are managed in existing plantations on peat in order to minimise both the subsidence of the peat and the release of GHG emissions. Strategies are employed to progressively restore critical peat land ecosystems, with a preference for replanting on mineral soils, including via 'land swaps'.</li> </ul>	1.2.1 Undeveloped areas of peat land (of any depth) are not developed or drained.	<p>Was presented the map performed by SCS (geographical coordinate system) using the software ArcGis, and Datum SAD 69.</p> <p>Verification Date 25/08/08 environmental liability management Arthur Wiczorek;</p> <p>There is no record of types of fragile soil present in the areas of production of the company:</p> <ul style="list-style-type: none"> <li>Sandy soils are situated in the protected area, as well as hydromorphic soils.</li> <li>Soils are generally latosol yellow with low clay content;</li> </ul> <p>Noted the absence of palm planting in areas with fragile soils and the absence of peat soil.</p>	<b>NOT APPLICABLE</b>
	1.2.2 Fires and road-building on peat soils are prohibited.		<b>NOT APPLICABLE</b>
	1.2.3 Where there is existing planting on peat, critical peat land ecosystems are identified and assessed for restoration opportunities.		<b>NOT APPLICABLE</b>
	1.2.4 Based on the results of the assessment above (1.2.3), peatland restoration strategies that are time-bound and expert reviewed are developed and implemented, including those to replant on mineral soils using 'land swaps'.		<b>NOT APPLICABLE</b>
	1.2.5 For existing plantings on peat, records show that the water table is maintained (at an average of 50cm (between 40 - 60cm) below ground surface measured with groundwater piezometer readings, or an average of 60cm (between 50 - 70cm) below ground surface as measured in water collection drains) through a network of appropriate water control structures e.g. weirs, sandbags, etc. in fields, and water gates at the discharge points of main drains (RSPO Criteria 4.4 and 7.4).		<b>NOT APPLICABLE</b>
	1.2.6 Where drainability assessments have identified areas unsuitable for oil palm replanting, including the likely GHG emissions associated with continued cultivation, plans should be in place for appropriate rehabilitation or alternative use of such areas. If the assessment indicates high risk of GHG emissions, fires, flooding and/or saltwater intrusion, growers cease replanting and implement rehabilitation.		<b>NOT APPLICABLE</b>
	1.2.7 A report will be made public that includes assessments and maps of all peat lands (of any depth) within the company land bank, critical peat land ecosystems, planted peat lands, and degraded or planted areas identified for peat land restoration.		<b>NOT APPLICABLE</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1.Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evatuation
<p><b>1.3 Greenhouse gas (GHG) accountability</b></p> <p>Companies shall publicly report on annual GHG emissions from all sources and on the progress towards reaching targeted reductions of non-land use GHG emissions (per ton of CPO).</p>	<p>1.3.1 All sources of GHG emissions, including those related to land use and non-land use activities, are identified and monitored using the RSPO Palm GHG methodology or equivalent.</p>	<p>Was verified the document titled as "Pollution Sources Management And Monitoring Of Environmental Quality" (NPG-018 Revision 21 of 16/07/2015) which contains the Emissions Monitoring Program in Atmospheric units of Belem and Tailândia and meets the parameters that the law requires.</p> <p>This report is made every six months. It indicates the methodology of collection and laboratory analysis accredited for the activity. It was verified the document RO-GE-MAMB-005 (Air Pollutants Management and Air Quality, Revision 09 date 07/20/2015). Details the collection sites, the emission sources for both extraction plants, such as for vehicle fleet Agropalma, and atmospheric emissions treatment system.</p> <p>Was identified that Agropalma uses RSPO Palm GHG methodology to monitor all GHS emissions.</p>	<p><b>COMPLY</b></p>
	<p>1.3.2 Targeted reductions of non-land use related GHG emissions (per ton of CPO) and/or targeted adoption of technologies or techniques which reduce global emissions of CO<sub>2</sub>eq are defined and documented.</p>	<p>The new effluent treatment plant at Parapalma and Agropalma mills was established as a strategy to reduce the emission of gas emissions and is informed in the 2015 sustainability report. Up to now, considering the changes that are being implemented Agropalma did not establish a target value of GHG reduction. However, It has established targets for adoption of technologies to reduce GHG (<a href="http://www.agropalma.com.br/en/social-and-environmental-responsibility/policies/greenhouse-gases-management">www.agropalma.com.br/en/social-and-environmental-responsibility/policies/greenhouse-gases-management</a>)</p>	

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	1.3.3 Annual GHG emissions from all sources and progress towards the targets documented in 1.3.2 are publicly reported.	<p>In the latest Agropalma 2015 sustainability report published on its website (<a href="http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf">Http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf</a>) is informed in the item "Fight climate change" all existing emissions related to Agropalma's agricultural and industrial activities.</p> <p>In addition, the emissions generated are reported annually through the ACOP report sent to RSPO (<a href="http://www.rspo.org/file/acop2015/submissions/agropalma%20group-ACOP2015.pdf">http://www.rspo.org/file/acop2015/submissions/agropalma%20group-ACOP2015.pdf</a>).</p>	<b>COMPLY</b>
<p><b>1.4 Pesticide use minimisation</b></p> <p>Highly toxic, bio-accumulative and persistent pesticides shall not be used. These include chemicals on the FSC 'Highly Hazardous' list and SAN prohibited pesticide list. Producers shall preference practice natural weed and pest control and IPM, and strive to avoid the use of toxic pesticides, only using them as an absolute</p>	1.4.1 Highly toxic, bio-accumulative and persistent pesticides (PBT) are prohibited. This includes chemicals listed by the following: a) World Health Organisation Class 1A or 1B, Stockholm or Rotterdam Conventions, b) FSC 'Highly Hazardous' list, c) SAN prohibited pesticide list and d) Paraquat	Based on the implemented IPM program and evaluated documents, weed control and pest control are technically done using Round UP (Glyphosate), and Dipel ( <i>Bacillus thuringiensis</i> ) respectively. Palm Oil weevils (i.e. <i>Ryncosporum palmarum</i> ) control is done by pheromone placing in mechanical traps.	<b>COMPLY</b>

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PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
last resort. There shall be full transparency of any pesticide use.	1.4.2 The grower preferences natural weed and pest control and IPM.	<p>It was evidenced the existence of an integrated pest management plan (IPM) that contains the strategies for monitoring pests, biological control and general considerations on integrated pest management, with emphasis on:</p> <ul style="list-style-type: none"> <li>• Knowledge of the life cycle and ecology of the pest and its natural enemies;</li> <li>• Maintain regular cycles of planting surveillance for early detection of outbreaks of each plague and continue to review, especially those concerning the levels of parasitism and predation to plan and implement control measures at the appropriate time;</li> <li>• Establish the economic damage level / incidence and action limits and opportunity to natural enemies development to restore the natural balance;</li> <li>• The company is planting species that produce nectar to stimulate and increase the natural enemies for the larvae biological control.</li> </ul>	<b>COMPLY</b>
	1.4.3 Emergency use of listed pesticides is permitted subject to POIG Organising Committee approval.	Agropalma does not use any kind of prohibited pesticides.	<b>NOT APPLICABLE</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>1.5 Chemical fertiliser</b> To reduce climate and environmental impacts producers shall strive to minimise chemical fertiliser use, and preferentially use 'precision agriculture', organic fertilisers, and where possible use waste as a source of phosphorus. Phosphorus and nitrogen levels in water courses are monitored and disclosed.</p>	<p>1.5.1 Use of chemical fertilisers is minimised through producers demonstrating preferential use of alternatives to manage soil fertility.</p>	<p>Agropalma uses chemical fertilizers for supply plant demands for nitrogen and potassium nutrients considering leaf analysis and historical production.</p> <p>Plant demands for phosphorus are attended by using exclusive of Reactive Natural Phosphate at all areas.</p> <p>Was identified the preferential use, at plantations areas near to the mills, for organic biomass generated at its mills, like:</p> <ul style="list-style-type: none"> <li>• Empty bunches;</li> <li>• Palm Kernel Cake;</li> <li>• Fiber;</li> <li>• Rind;</li> <li>• Effluents for Fertirrigation, and;</li> <li>• Ash;</li> </ul> <p>Beyond that, uses green manure fertilization with <u>pueraria spp.</u> (leguminous specie) between lines of all plantation areas.</p> <p>At Palmares farm (CPA Mill), Agropalma has 4000 ha of organic palm that does not use chemical fertilizers and most of nutrients are provided by organic biomass.</p>	<b>COMPLY</b>
	<p>1.5.2 Phosphorus and nitrogen levels in relevant watercourses are monitored and when the results of monitoring indicate an increased level of such elements in water due to fertiliser application, company will adjust fertiliser rates and procedures.</p>	<p>It was verified that, once a year, the river courses located in areas of influence of the Agropalma group are monitored at eight sampling points. As evidence the worksheet containing the results of the monitoring carried out in April / 2016 was presented. As a comparison, the CONAMA 357 standard was used to evaluate the results obtained and the results for all analyzes are lower than those defined by CONAMA.</p>	<b>COMPLY</b>

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
	1.5.3 Results of phosphorous and nitrogen monitoring in water courses are included in public reporting.	In the latest Agropalma 2015 sustainability report published on its website ( <a href="http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf">Http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf</a> ) is informed in the item "Protect and conserve water resources" the result of the analysis of nitrogen and phosphorus in eight monitoring points in the rivers located in the Agropalma areas of Influence.	<b>COMPLY</b>
<b>1.6 GMOs prohibition</b> The cultivation of GMOs in the management area is prohibited.	1.6.1 The use of GMOs in the management area is prohibited.	Verified that Agropalma does not plant any kind of GMO crops.	<b>COMPLY</b>
<b>1.7 Water accountability</b> The quality and quantity of water is maintained with responsible water management adopted including minimisation and disclosure of water use, pollution elimination, equity with other users, and consideration of catchment level impacts of irrigation.	1.7.1 Water use, consumption and pollution by plantation operations and mills are monitored.	Verified the control of water use through control spreadsheets about de DAILY consumption of water to regulate an efficient use. The pumps have a hydrometer and must comply with the specifications of the authorizations (document called "outorga").  Was verified the document titled as "Pollution Sources Management And Monitoring Of Environmental Quality" (NPG-018 Revision 21 of 16/07/2015) that is made each six months and monitor all pollution emissions at mills and plantations.	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1.Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evatuation
	1.7.2 The water management plan includes targets and measures to minimise and/or reduce water use, consumption, and pollution, including in both plantations and mills	<p>The Management Plan of Human Resources was developed through 2 internal documents: NPG029 Management Plan of Water Resources (Rev. 1 de 26/04/2016), and NPG033 called Management of the using of Water Resources (Rev. 00, 04/08/2015). The Pará State Government grants Permission No. 2186/2016 valid until January 4, 2020 that allows the water use of a pump (coordinates) that is 18m deep to the use of 1.5/h to 20h of pump. Total of 30m3/day.</p> <p>There are two SOP to check and supervise the waste water quality (DBO) called: NPG-018: Pollution Sources Management and Environment Quality Management, the other one is RO – GE – MAMB – 004: Liquid Effluents Management and Water Quality.</p> <p>The evidence that the legal parameters are being accomplished is in the Resolution of self-monitoring of CRA – filial – CRAI which its protocol number is: 016/9299. Directed to Mrs. Francisca Lúcia Porpino Teles (Environment Licensing Director) date: March 17, 2006.</p> <p>The consumption targets for water use at the mills are established in the Operational Routine (NO) GENDP -001 where a consumption goal of 4.5 m3 of water / m3 of CPO / PKO is established.</p> <p>For the water used in the planting areas, the reference target is the document called "outorga" ("authorization") that is issued by the local government and grant the use of water at nursery area and plantation area (experience stage). Was presented during the audit the "outorga", as well, the control used to monitor daily the amount of water.</p>	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	1.7.3 Water use, consumption and pollution by plantations and mills are included in public reporting.	In the latest Agropalma 2015 sustainability report published on its website ( <a href="http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf">Http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf</a> ) is informed in the item "Protect and conserve water resources" that there is a consumption of less than 1 m3 of water for each metric ton of CFF processed.	<b>COMPLY</b>
	1.7.4 A water stewardship assessment is undertaken involving relevant stakeholders to address water equity issues.	Was not promoted by Agropalma a stewardship assessment to address water equity issues. Company argue that the region has a huge quantity of water available for all and has no historic conflict for use. It is important to register that no stakeholder interviewed mentioned any issue related to water conflict.	<b>NOT COMPLY</b>
<b>1.8 Protect and conserve wildlife</b>  Following comprehensive biodiversity surveys to identify HCV 1-3, in addition to ensuring the protection and survival of all rare, threatened or endangered species within their concession land, concession holders also make a positive contribution to their survival in the wild in areas beyond the concession.	1.8.1 Comprehensive biodiversity surveys to identify HCV 1-3 have been undertaken.	Since 2008 Agropalma has a tool for collaboration with Conservation International (CI), an international organization that produced the study that year called "Diagnostico de Biodiversidade e Proposta de Criacao de uma RPPN para a Agropalma; from those jobs where species of flora and fauna (mammals and birds) rare, threatened or endangered species were identified, a scheme of periodic monitoring was established to assess the status of these species identified and their status depending on the conservation conditions of the areas where they are located and productive activities of the company. CI delivers periodic reports of species monitoring.	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	1.8.2 Management plans for all rare, threatened or endangered species include actions for their protection, survival, and prevention of poaching, in the landscape outside the management area.	Agropalma has a contract signed on 04/15/16 with the NGO International Conservation (CI) that establishes actions in order to create policies and actions, at the Center of Endemism of Belém (CEB), for the preservation of endangered, rare and endemic species to the CEB (Center of Endemism of Belém) in Agropalma areas. Agropalma together with its palm suppliers established in contract and in training activities the importance of not having hunting and activities that can impact rare and / or threatened species. In addition, the company provides, whenever possible, firefighting assistance for its neighbors, as a way, to avoid elimination or loss of the local vegetation and landscape quality.	<b>COMPLY</b>
	1.8.3 The RTE management plan takes into consideration traditional hunting by communities outside the management area and includes specific activities to contribute to the protection and survival of RTE species affected by hunting.	Agropalma develops actions to prevent any type of hunting activity together with its palm suppliers through guiding books, training, visits and a contractual instrument signed by all.	<b>COMPLY</b>
2. Partnerships with Communities			
<b>2.1 Free, Prior and Informed Consent</b>			
“Comprehensive FPIC is obtained for all oil palm development including in particular: full respect for their legal and customary rights to their territories, lands and resources via local communities own representative institutions, with all the relevant information and documents made available, with resourced access to independent advice, through a documented process, through a long-term two-way process of consultation and negotiation where the communities are informed and understand that saying no to development is an option, and not	2.1.1 Resourced access to independent expert advice is offered at each stage of an FPIC or conflict resolution process to affected communities.	According the SEIA Studies, the proposed plantations to be made by the 8 smallholders will not be established on lands where local communities have customary or other use rights. More than that, Agropalma never bought, acquired or used land that that used to belong to traditional communities or indigenous peoples. It was also verified that there was no history of conflict with communities in the Agropalma domain areas related to conflict over land tenure and / or land use. Therefore, there is no need for FPIC or redressing FPIC and, if no FPIC is conducted, no resourced access to independent advice is required.	<b>NOT APPLICABLE</b>

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
constrained by local legal frameworks. Newly acquired already planted plantation areas shall redress any lack of proper FPIC when the plantations were established. Lands will not be acquired through expropriations in the national interest ('eminent domain')."	2.1.2 Processes of consultation and negotiation, in accordance with internationally recognized FPIC standards, are not constrained by local legal frameworks.	As registered in previous item, there is no need for FPIC. It was also verified that there was no history of conflict with communities in the Agropalma domain areas related to conflict over land tenure and / or land use. So, this indicator is not applicable.	<b>NOT APPLICABLE</b>
	2.1.3 When acquiring land or replanting existing plantations, measures are taken to redress any issues arising from the lack of or inadequate FPIC processes carried out when those plantations were established. In such cases, participatory surveys will be conducted to identify HCV's 4, 5 and/or 6 that existed before the plantation was established.	There is no history of purchasing areas after implementation of the POIG standard. For the activities of replanting it was verified that there are no questions related to FPIC's processes carried out in the past and therefore there is no reference that can be made in this sense. Land acquisitions were made, in the past, directly from private farmers, individually with each producer, and negotiations covered by the law.	<b>NOT APPLICABLE</b>
	2.1.4 Plantations have not been developed on land acquired through expropriations in the national interest (eminent domain) after March 2014.	Agropalma acquired its lands directly from individual farmers and it was no expropriations via national interest areas were verified.	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>2.2 Food security</b></p> <p>As part of the Free Prior Informed Consent process, participatory Social Impact Assessments and participatory land use planning with indigenous and local communities, food security is maintained or strengthened in order to maintain their land use choice and future food security options. This will include not undermining local control of and diversity of food production systems. There is transparency of the land allocation process.</p>	<p>2.2.1 Food security for workers, smallholders, and indigenous and local communities affected by existing plantations is assessed and included in a social management plan. The scope of the food security assessment includes the additional impacts that oil palm production operations may have, including on land, water, labour and infrastructure as well as substitutability between income generation for food purchase and subsistence food production of workers, smallholders and affected communities</p>	<p>Verified that Agropalma has no new plantings in cooperation with local communities after March/2014. All the planting was made in individual areas.</p> <p>The document Diagnostic and elaboration of Agropalma's social and environmental projects aim to implement a Social Responsibility Program made by Conservation Internacional and Peabiru Institute on April, 2008. It describes participation of communities; Evaluation Report of Social and Environmental Impacts related of new plantings at new farms made in 2009 and 2010 at Tailândia and Tomé Açú cities, by Orbis Exceller; None of both studies has identified threats to food security.</p> <p>According to document Diagnóstico Socioeconomico-Censo Agricultra Familiar Agropalma, Junho/Julho 2013, there are 192 small family farmers of which 97 are involved in agricultural activities such as Cassava, Rice, Asai, Bananas, Pig production, Pepper, , etc. (i.e. Benedita Almeida Nascimento, Project 1, Lote 25).</p> <p>According to the company, and also reported by employees, food is provided with subsidized prices at a proper canteen or field shelters. Adhering the system is voluntary and employee pays monthly a fix price between R\$ 19,90 (equivalent of 6 US dollars – for breakfast and lunch) and R\$ 32,46 (equivalent of 9 US dollars – for breakfast, lunch and dinner). For the employees that prefer to bring their own meal to work, company provides a meal ticket monthly, with value of R\$ 190,00 (equivalent to US 54 dollars). The ticket is similar to a debit card and employee can use it to buy food in several supermarkets/shops</p>	<p><b>COMPLY</b></p>

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
	2.2.2 After March 2014, in new plantations or expansion of existing plantations, a minimum of 0.5 ha of garden or farmland per person is identified via participatory mapping, and enclaved for meeting food security needs.	There was no new planting after March / 2014 in an area of influence of the community. The plantations occurred in individual areas.	<b>NOT APPLICABLE</b>
	2.2.3 Measures designed to maintain or enhance local food security are included in participatory land use planning, including transparency in any land allocation process.	The plantations occurred only in individual areas.	<b>NOT APPLICABLE</b>
	2.2.4 Evidence that measures identified in assessments and planning are being implemented and are effective.	The plantations occurred only in individual areas.	<b>NOT APPLICABLE</b>
<b>2.3 Effective conflict resolution</b>  A balanced, accountable, mutually agreed and documented conflict resolution system is established that is accessible to smallholders, indigenous peoples, rural communities and other affected parties in order to deal with complaints, grievances and resolve conflicts to the mutual satisfaction of the party's. The system will include the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third party mediator.	2.3.1 The mutually agreed and documented system for dealing with complaints and grievances is accessible to all affected parties	<p>There is a procedure for complaints and grievances drawn up jointly with interested parties. Supplemented by procedures "Gestão de Demandas de Partes Interessadas" Stakeholders guarantees anonymity, if requested. In addition, has a procedure called "Procedure for Receiving, Processing, Responding, Negotiating, and Solving Complaints", from February 03, 2011.</p> <p>Verified the document analyzed: Follow Up of Records Stakeholders, with several records for 2016 issues addressed and resolved claims that evidenced that is accessible to all affected parties.</p>	<b>COMPLY</b>
	2.3.2 The system provides a clear and known procedure with an indicative time frame for each stage.	The procedure called "Procedure for Receiving, Processing, Responding, Negotiating, and Solving Complaints", from February 03, 2011 establishes the internal deadlines for each stage of the process of handling the complaint. If necessary, independent parties may be involved.	<b>COMPLY</b>
	2.3.3 The system keeps parties to a grievance informed of its progress.	Verified the records on the Follow Up of Stakeholders, with several records for 2016 issues addressed and resolved claims that evidenced that is accessible to all affected parties.	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	2.3.4 The system includes the options of a) access to independent legal and technical advice; b) support from representatives of local communities' own choosing, and c) third party mediation.	The system provides c) access to a third party mediation, but does not specify this possibility a) access to independent legal advice for conflict resolution and b) support from representatives of local community.	<b>COMPLY PARTIALLY</b>
	2.3.5 Evidence that where conflicts have arisen the conflict resolution mechanism is being used and outcomes are considered mutually agreed including by affected parties.	It was also noted that Follow Up of the Stakeholder Record is updated and shows communications confirmation and decisions as well as the dates of complaints, withdrawal period and date of resolution of problems and a short description of resolutions when possible, if not covered by secrecy. As the communication so the decision is communicated by the same vehicle. For anonymous communications response is put on display on bulletin boards.  The questions identified was not characterized as a conflict, but to complaints related with daily work.	<b>COMPLY</b>

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PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evatuation
	2.3.6 Evidence that outcomes and remedies resulting from use of the mechanism are compatible with internationally recognised human rights.	<p>Verified that the procedure called "Procedure for Internal and External Communication (NPG 16- date: 19.07.2016, Revision 14)"; to deal with complains and any kind of conflict establish that the anonymity is preserved and the company respect the human rights during its activities.</p> <p>It was also noted as described that Follow Up of the Stakeholder Record is updated and shows communications confirmation and decisions as well as the dates of complaints, withdrawal period and date of resolution of problems and a short description of resolutions when possible, that is not covered by secrecy. As the communication so the decision is communicated by the same vehicle. For anonymous communications response is put on display on bulletin boards.</p> <p>Through the program ALO AGROPALMA the employee can call the extension 8213 for complaints and make suggestions for improvements and the external public uses forms. They are printed and are in the entrances or even can call by telephone 08007090706. There is also an email for complaints and grievances, <a href="mailto:reclamacoesqueixas@agropalma.com.br">reclamacoesqueixas@agropalma.com.br</a>.</p>	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>2.4 Social conditions</b></p> <p>A comprehensive social programme with regular monitoring is in operation to ensure palm oil production does not result in human rights violations, trigger social conflicts, or produce 'land grabbing', and addresses key social equity issues including housing, healthcare, education and empowerment of women.</p>	<p>2.4.1 Social impact assessments and plans for the avoidance or mitigation of impacts address the issues of potential human rights violations, social conflicts, impacts of migrant workers on local communities, and land grabbing</p>	<p>Agropalma has the Diagnosis and Development of Socio-Environmental Projects for the implementation of a Social Responsibility Program.</p> <p>This diagnosis lists a number of opportunities for improvement.</p> <p>Evidence of meetings held for this survey:</p> <p>1. List of presence at field research -02/11/07 (Annex 7).</p> <p>2- Report Year I - plentiful photographic record 2010 in the Annex, with people in work generated documents, lists, calendars, spreadsheets, calendars developed together.</p> <p>Social Project Plan of 2011.</p> <p>Social Project Plan of January 2016.</p> <p>This plan is being updated as Plan Social Projects which appears in the Schedule, developed by Agropalma consultation with stakeholders in the union surrounding .</p> <p>This is the schedule of social and environmental projects developed by Peabiru Institute, which was being updated by the company over time.</p>	<p><b>COMPLY</b></p>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	<p>2.4.2 Social impact assessments and plans for the avoidance or mitigation of impacts address key equity issues, including housing, healthcare, education, and empowerment of women.</p>	<p>Was verified that Agropalma meets with employees and representatives to evaluate the improvements / corrections needed. The actions are performed as agreed. Examples of these improvements in the last year are: Health care, reform in medical center and cafeteria, food vouchers, monitoring and management of child labor and informal adult labor, new report describing family farm payments and discounts.</p> <p>Health Plan costing R \$ 3.8 million to the company. Newsletter Interaction January 2015 announcing the start of the health plan and availability.</p> <p>Agropalma Group provides adequate infrastructure and educational opportunities for its employees. Infrastructure of villages, health services, leisure options (clubs and social programs) and educational development programs (school, adult education).</p> <p>According to interviews and sites visited, the accommodations placed at the disposal within the project areas meet the conditions of cleanliness, hygiene, structure and the company works to meet NR 31 which regulates all the infrastructure to rural employees in Brazilian territory.</p> <p>Water supply comes from pits made by the company and whose water quality is monitored according to the law every six months.</p> <p>Regarding the women activities, Agropalma contribute to women empowerment by creating opportunities for them to work in core activities, as for example the female FFB harvesters teams..</p>	<p><b>COMPLY</b></p>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>2.5 Workers' rights</b></p> <p>Palm Oil Producers shall respect worker's rights including the ILO requirements for 'decent work' and core conventions on child labour, forced or compulsory labour, freedom of association, and elimination of discrimination</p>	<p><b>Terms and Contracts of Employment</b></p> <p>2.5.1 Permanent, full-time employment is used for all core work performed by the company. Casual, temporary and day labour is limited to jobs that are genuinely temporary or seasonal, and account for no more than 20% of the workforce</p>	<p>It has been found that there is no practice of hiring temporary, casual or migrant workers by the company. All are registered according law and are treated the same way. For specifically activities like maintenance, security, restaurant unit and transportation of employees Agropalma contracted companies to provide these services and they are responsible for hire their workers, according the laws (the same that apply to Agropalma employees).</p>	<b>COMPLY</b>
	<p><b>Remuneration</b></p> <p>2.5.2 A living wage assessment for all workers, whether employed directly by the company or indirectly by a private employment agency, is conducted based on a credible methodology.</p>	<p>A Living Wage Assessment like the methodology created by Global Living Wage Coalition was not conducted by Agropalma or private agency.</p> <p>All employees interviewed had confirmed the payment according with the law and previous agreement made with the company and considering their work contract.</p> <p>Standardized contracts are signed by employees, with support orientation of the union and the company HR. Verified that all employees interviewed had signed documents. Permanent orientation is provided by the union and HR. legal requirement: DEL 5452, Art 442 and 443.</p>	<b>NOT COMPLY</b>
	<p>2.5.3. Wages are paid to all workers regularly, on time, directly to the worker and in legal tender or cheque.</p>	<p>All employees interviewed have confirmed the payment according with the law, made on time and previous agreement made with the company and considering their work contract. Company pays directly to each employee in their bank accounts (all them have bank accounts). Employees being hired or dismissed have Union aid.</p>	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1.Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evatuation
	2.5.4 Wage advances, loans and deductions are legal, recorded, communicated and available to workers upon request, and do not result in debt bondage.	<p>The paychecks are issued monthly and list all incomes and discounts. Employees receive these documents, that are reported in the local language (Portuguese). If they have questions, they can consult the HR department, the Union or the media available. Copies of the paychecks are available in the HR department.</p> <p>Was verified that Agropalma does not have practice to lend money and all deductions are made according to the law.</p>	<b>COMPLY</b>
	2.5.5 All workers, including casual, temporary, seasonal and migrant workers, are provided compensation and benefits consistent with applicable law, including health, pension and social security.	During interviews with employees of the agricultural and industrial areas and union was identified that Agropalma applies all labor rights to their employees provided by law (salary above the minimum required by law, 13 wage, paid holidays, INSS, FGTS and other additional depending on the activity performed). Beyond that, all employees have access to a Health Plan and is not stablish by law.	<b>COMPLY</b>
	<p><b>Working Hours and Leave</b></p> <p>2.5.6. The normal work week does not exceed 48 hours, not including overtime, and workers are entitled to at least one day off in 6 consecutive days. Overtime in excess of what is permitted by law is prohibited, and workers report that all overtime is voluntary.</p>	Verified during all interviews with employees at mills and plantation that they do not exceed 48 hours of working and have one day off in 6 consecutive days.	<b>COMPLY</b>
	2.5.7 All workers are provided legally mandated public holidays and periods of leave consistent with applicable law, including paid annual, parental, compassionate and sick leave. Workers not covered under applicable laws are entitled to equivalent benefits.	<p>Verified that all employees enjoy public holidays and periods of leave consistent with Brazilian law. For example, the women have 6 months for maternity and when the employee is sick or has an accident he has the right to leave during the required time and receive benefit wages during this period.</p> <p>Beyond that, Agropalma pays the additional salary related with vacations and other additional payments required by law or negotiated via collective agreements with the unions.</p>	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	2.5.8 Records are maintained and demonstrate that hours of work do not exceed the maximum allowed by local law, regulation or collective agreement or 48 hours (per 2.5.5 above), whichever is lower.	Was verified at HR department the records of 11 employees interviewed that demonstrate that the total hours of work do not exceed 48 hours.	<b>COMPLY</b>
	<p><b>Child labour</b></p> <p>2.5.9. A clear policy and compliance system is in place that prohibits child labour and its worst forms and sets the minimum age for employment consistent with applicable law.</p>	<p>Manual of Conduct, signed by each employee in item 7:34 mentions that regular work for children under 18 years is forbidden. Young people (14 to 18) work occur provided it is protected by specific contracts as apprentices. Verified manual signed Francisco Mesquita da Silva Neto, July 31, 2006.</p> <p>Social Responsibility guidelines NPG-25 07.07.2016 item 5.2.1 forbidding work under 16 or worker exposure between 16 and 18 to unhealthy situations, unsafe and dangerous including suppliers.</p>	<b>COMPLY</b>
	2.5.10 Young workers legally permitted to work but subject to compulsory education laws only work outside school hours.	The Agropalma Group hires only people older 18 years as employees. Young people between ages 14 and 24 are hired as young apprentices in order to meet a legal requirement and during outside school hours.	<b>COMPLY</b>
	2.5.11 The company maintains an up-to-date list of hazardous activities and functions in the workplace that are prohibited for young workers consistent with or exceeding national regulation, where applicable.	Agropalma establishes according to Brazilian law that children could work only under apprenticeship program. Any kind of hazardous activity is forbidden for children,	<b>COMPLY</b>
	<p><b>Forced or trafficked labour</b></p> <p>2.5.12. No fees or costs are charged to workers, directly or indirectly, for recruitment or employment services by recruitment agencies, private employment agencies or the employer. Where it is discovered that fees have been charged, workers are reimbursed the total amount paid.</p>	Agropalma is responsible for selection and hiring and the new employees do not pay any fee or charge before or after start to work.	<b>COMPLY</b>
	2.5.13 The retention of passports, other government-issued identification and any personal valuables by the employer or third party recruitment or employment agency is strictly prohibited in policy and monitored in practice.	Was verified that Agropalma does not practice the retention of personnel documents of the employees. This practice is forbidden according Brazilian law and Agropalma respect this right.	<b>COMPLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
	2.5.14. Growers and millers conduct a risk assessment of their FFB supply chain to identify and take steps to address risk of forced labour, human trafficking and child labour.	Agropalma has a department dedicated exclusively to provide technical assistance to partner producers and beyond the service monitors the social and environmental indicators addressing risks of forced labour, child labour and any kind of situation not permitted by Brazilian Law.	<b>COMPLY</b>


  
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PART 3. VERIFICATION AUDIT FINDINGS			
3.1.Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>2.6 Support to smallholders</b></p> <p>Contracts with smallholders are based on a fair, transparent and accountable partnership. Smallholders are supported to improve economic, social and environmental outcomes including: increase productivity to a comparable benchmark of productivity for the region and a target of having the same productivity as the company nucleus plantation. The productivity gains shall be achieved without expansion that threatens local community food security or additional environmental impact, and support should include financial management and budgeting, logistics and FFB processing, and improved market access such as through group certification. Companies shall report on the support they have provided to smallholders.</p>	<p>2.6.1 A smallholder support program is developed, documented and monitored, which includes: a) Measures to increase the productivity of smallholders to a comparable benchmark of productivity for the region, and a target of reaching at least the same productivity level as company estates; b) Support relating to financial management and budgeting and c) Support relating to logistics, FFB processing and market access.</p>	<p>Agropalma has a department dedicated exclusively to provide technical assistance to partner producers without charging for this service, and is offered the possibility of acquiring inputs for use in their activities and discount payments to be received with accessible values. Beyond the service monitors the social and environmental indicators, with verification of activity costs, payment of labor charges, palm cultivation satisfaction and other issues that may arise.</p> <p>Through technical assistance reports and record books of visits (black book) routinely performed every producer can show the impacts caused.</p> <p>Agropalma releases monthly for each producer the prices charged for the purchase of FFB, as provided in the contract signed, and for each delivery the producer is informed about the total received and is informed about the value to be received at the end of the month.</p> <p>All audited farmers reported:</p> <ul style="list-style-type: none"> <li>- Having knowledge about the amounts paid, reported knowing the dynamics of payment, they are informed about the international value set by Rotterdam and that the price paid is reported in routine visits by technicians Agropalma.</li> <li>- That they received all the necessary explanations, are satisfied with the conditions stated in the contract and understand that the business relationship is done transparently.</li> <li>- That payments are made on the dates established between them and Agropalma and there is no late registration.</li> </ul>	<b>COMPLY</b>

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
	2.6.2 Progress in implementation of the smallholder support program is included in public reporting.	In the latest Agropalma 2015 sustainability report published on its website ( <a href="http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf">Http://www.agropalma.com.br/arquivos/relatorios/Relatorio_Sustentabilidade_2015_Portugues-1480095831.pdf</a> ) is informed in the item "Contribution to community and Local Economy" the improvements obtained by smallholders integrated with Agropalma, as the revenue increasing, number of smallholders.	<b>COMPLY</b>
	2.6.3 Report on percentage of schemed smallholders, percentage of independent smallholders and percentage RSPO certified of each.	Agropalma presented a complete list of all schemed smallholders and integrated farmers involved to RSPO certification, as well which smallholders are certified.	<b>COMPLY</b>
	2.6.4 Develop a group certification plan for independent smallholder identified in the supply base of each mill within three years of the mill obtaining its own certificate and support the independent smallholders to achieve certification and progress towards POIG verification.	The smallholders involved with Agropalma project to cultivate palm are integrated and are not characterized as independent. All their production is sold to Agropalma considering a contract made in accordance by all parties involved (smallholders, smallholders representative organizations, government organizations, bank and Agropalma).	<b>COMPLY</b>
<b>3. Corporate and Product Integrity</b>			

PART 3. VERIFICATION AUDIT FINDINGS			
3.1.Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evatuation
<p><b>3.1 Anti-corruption and Transparency</b></p> <p>Producer companies shall publicise a commitment to prohibit any form of corruption including during the concession acquisition process and within their operations, and support efforts to establish and comply with anti-corruption legislation where this exists. In the absence of anti-corruption law, the producer company shall implement other anti-corruption measures proportionate to scale and intensity of management activities and the risk of corruption.</p>	<p>3.1.1 An ethical policy prohibiting all forms of corruption is publicly available.</p>	<p>Was verified the Manual of Conduct delivered to employees, where reports: - Sub-1 Presentation item, "Companies of Agropalma Group must operate within the existing laws of the country and ethical principles." Among the laws there is the Anti-Corruption Law.</p> <p>The document NPG 25 "Social Responsibility Policy (Ver. 02, 07/07/16) in item 5.3" Integrity and ethics in business "is mentioned the company's commitment to fully respect the anti-corruption law.</p> <p>In addition, Agropalma is signatory of Business Pact for Integrity and Against Corruption (ETHOS).</p>	<b>COMPLY</b>
	<p>3.1.2 The ethical policy covers: a) Bribery; b) Facilitation payments; c) Guidance and procedure for gifts and hospitality d) Disclosure of political contributions; and e) Guidelines for charitable donations and sponsorships, f) Respect for fair conduct of business; g) Proper disclosure of information in accordance with applicable regulations and accepted industry practices and h) Compliance with existing anti-corruption legislation.</p>	<p>Agropalma policies does not cover items c) and e). For items a), d), g) and h) the company establishes in its Manual and Social Responsibility Directive. Agropalma is a signatory to the Business Pact for Integrity and Against Corruption (ETHOS) and clearly addresses items a), b) and h).</p>	<b>COMPLY PARTIALLY</b>

PART 3. VERIFICATION AUDIT FINDINGS			
3.1. Summary of Findings			
POIG requirement	Proposed additional POIG indicators	Result of IBD assessment	Evaluation
<p><b>3.2 Traceability</b></p> <p>Within 12 months of commitment to the Charter, all supply is fully traceable from company plantation and other suppliers' fields to their mills. Each party shall take responsibility for traceability in the components of the supply chain under their control and transparency with their supply chain partners.</p>	<p>3.2.1. Within 12 months of commitment to the Charter all mills under the management of the grower member have a traceability system in place to identify the location (at least GPS coordinates) of FFB production.</p>	<p>Agropalma has a management system called BioSalq that manages the input of all the fruit for all industrial plants complex Agropalma, so that is possible to visualize the information of all entries indicating the producer's name, delivery date, quantity, responsible for the delivery and the plot where the fruit was harvested within more than 12 months.</p> <p>In addition, for each FFB delivered is generated in each weighbridge of the mills a ticket with all source information of the fruit production and the system do not accept sources not previously registered. To be registered in the system, supplier must have a contract. In this way, our mills only receive FFB from previously known and approved suppliers.</p> <p>Department dedicated exclusively to provide technical assistance to partner producers has all information of smallholders, including GPS coordinates.</p>	<p><b>COMPLY</b></p>
	<p>3.2.2. Within 24 months of commitment to the Charter the mills under the management of the grower member will only source FFB from known and identified sources and not from illegal sources.</p>	<p>Agropalma demonstrated that all FFB received is from smallholders previous identified, approved by Agropalma and one of the conditions is that are not from illegal sources.</p>	

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
	3.2.3. Within 24 months of commitment to the Charter the company will have a time-bound plan to bring all FFB sourced into compliance with the POIG indicators and efforts to bring non-compliant smallholders into compliance are documented.	Until now Agropalma demonstrated that most of all smallholders integrated are in compliance with POIG indicators. Amongst the integrated outgrowers, two of them failure in complying with RSPO requirements on SEIA/HCV studies before new plantings. So Agropalma decided remove them from RSPO certification and, as consequence, they are in conflict with POIG, which requires RSPO as a pre-requirement. Company already reported this case to RSPO complaints system and is running a Remediation and Compensation Procedures. A time-bound plan was not presented to bring both farmers in compliance with POIG indicators.	<b>NOT COMPLY</b>
<b>3.3 Report on Social, Labour and Environmental Performance</b>	3.3.1 A publicly available sustainability report is prepared at a minimum every two years, covering as a minimum all issues relevant to compliance with this Charter. This includes relevant RSPO indicators and the additional POIG indicators.	Was verified that Agropalma publishes each two year the sustainability report published on its website that covers with RSPO and POIG standards.	<b>COMPLY</b>
Disclose the company's social, labour and environmental performance including the elements of the POIG Charter, and how the organisation demonstrates good governance of its sustainability system using the guidance of the Global Reporting Initiative (GRI) or equivalent approach.	3.3.2 The public sustainability report includes details relating to the company's governance of its sustainability systems, consistent with the GRI Sustainability Reporting Guidelines (or equivalent approach).	Was verified that Agropalma sustainability report published on its website is made according GRI Sustainability Reporting Guidelines.	<b>COMPLY</b>
<b>3.4 RSPO Certification and Company Operations</b>	3.4.1 A minimum of 50% of the company's plantations and mills are RSPO certified upon commitment to this Charter.	Verified that 100 % of Agropalma plantations and mills are RSPO certified.	<b>COMPLY</b>
Producers shall meet a minimum of 50% of their plantations being RSPO certified upon commitment to the Charter, and a commitment to achieve 100% by within 2 years. This shall cover all palm oil operations, subsidiaries, acquisitions of existing plantation and fresh fruit bunch purchases from third parties, with possible alternatives to full RSPO certification for small independent producers.	3.4.2 Within 24 months of POIG membership, 100% RSPO certification of the company's plantations and mills is achieved.	Agropalma achieved 100 % of its plantations and mills. At this year Parapalma mill started to operate and achieved RSPO certification.	<b>COMPLY</b>
	3.4.3 Newly acquired plantations are RSPO certified within 24 months of acquisition.	Agropalma did not acquire new plantations since up to this audit.	<b>COMPLY</b>
	3.4.4 A policy for purchasing 100% RSPO certified FFB within 24 months of signing the POIG Charter is developed, implemented and monitored for progress. Acceptable alternatives may be defined for independent smallholders.	This year Agropalma decided to withdraw two integrated farmers of their certification because they have not met all RSPO standard for new planting procedure. Facing the new situation, there was noted the absence of a policy to take back 100% of its FFB certificate.	<b>NOT COMPLY</b>

<b>PART 3. VERIFICATION AUDIT FINDINGS</b>			
<b>3.1. Summary of Findings</b>			
<b>POIG requirement</b>	<b>Proposed additional POIG indicators</b>	<b>Result of IBD assessment</b>	<b>Evaluation</b>
<b>3.5 Responsible Supply Chains</b>  Producers shall independently verify and report on compliance with this charter within 12 months of commitment to the Charter, across their operations, subsidiaries and acquisitions of existing plantation including FFB from 3rd party suppliers.	3.5.1 Compliance with the requirements of the Charter, including the POIG indicators, is independently verified within 12 months after signing the commitment to this Charter.	That is the second POIG audit realized by IBD Certificações at Agropalma.	<b>COMPLY</b>
	3.5.2 Following the initial assessment, compliance with the requirements of the Charter, including the POIG indicators, is independently verified on an annual basis.	Agropalma POIG audit was made joined with RSPO certification audit that is made in annually base.	<b>COMPLY</b>
	3.5.3 Audit reports are made publically available on the POIG website.	Last Agropalma POIG audit was published at POIG website.	<b>COMPLY</b>


  
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