

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

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

Name of Management Organisation : DOLOK ILIR MILL, subsidiary of PT PERKEBUNAN NUSANTARA IV
 Plantation Name : PT PERKEBUNAN NUSANTARA IV –Dolok Ilir Estate
 Location : Village of Babolon, Sub District of Dolok Batunanggar, District of Simalungun, Province of North Sumatera, Indonesia
 Certificate Code : **MUTU-RSPO/075**
 Date of Certificate Issue : 29 September 2015 Date of License Issue : 29 September 2016
 Date of Certificate Expiry : 28 September 2020 Date of License Expiry : 28 September 2017

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	21-26 July 2017	Muhammad Rinaldi (Lead Auditor), Mahmud Firdaus, Nanang Mualib	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	-

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: agri@mutucertification.com • www.mutucertification.com
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 on March 12th, 2014 with registration number **RSPO-ACC-055**

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Figure 1. Location Map of PT Perkebunan Nusantara IV - Dolok Ilir Business Unit

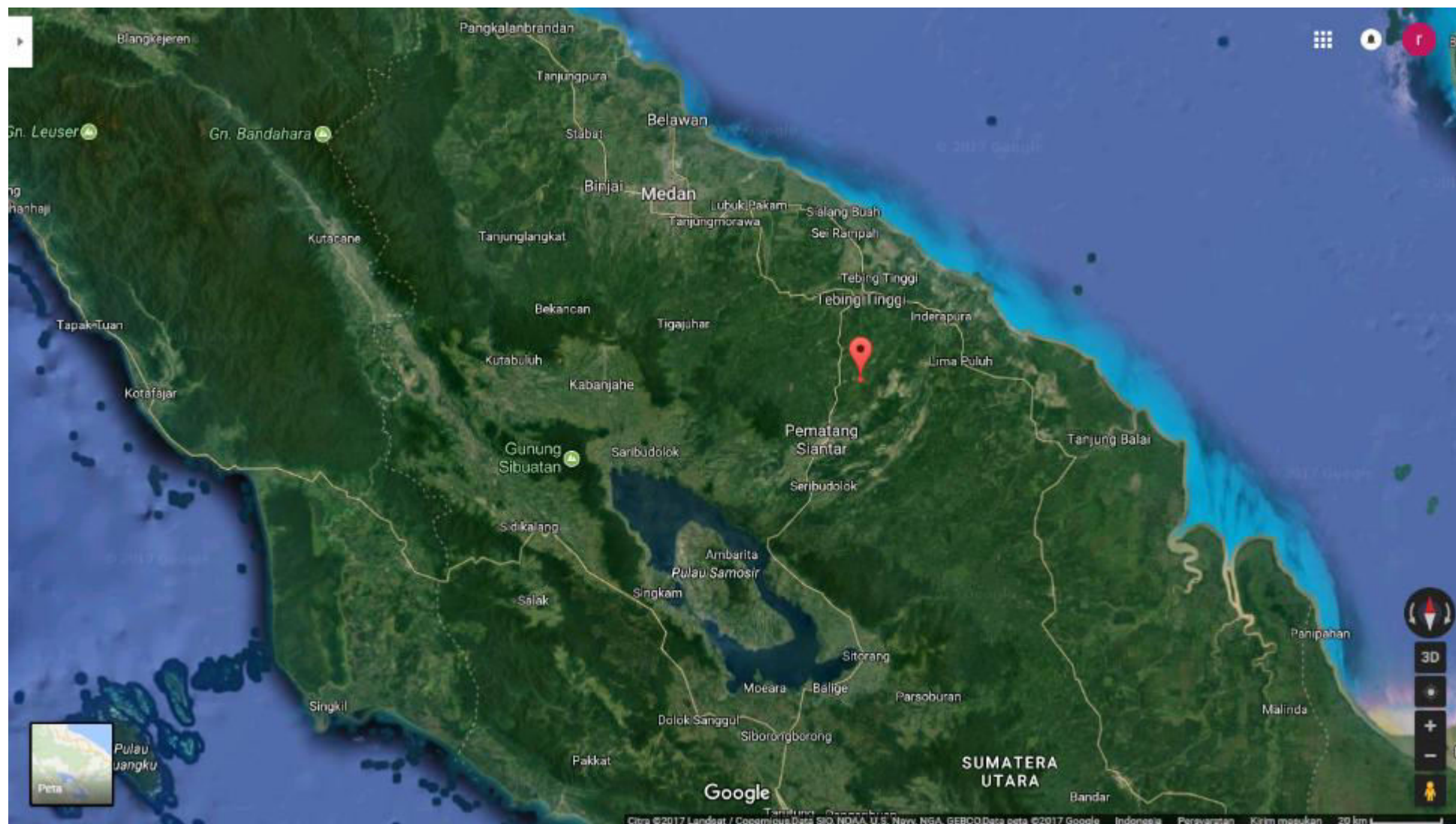
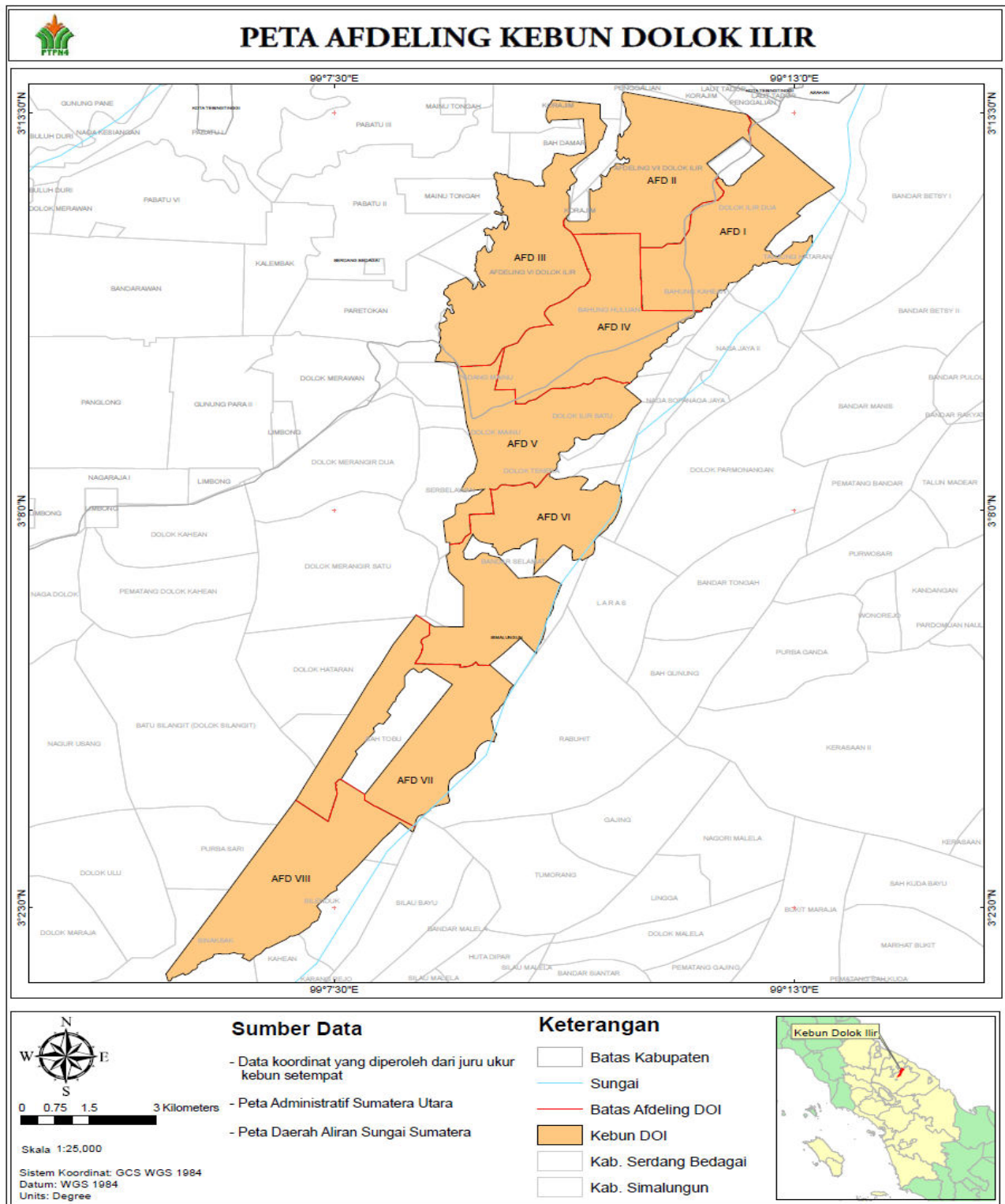


Figure 2. Operational Map of PT Perkebunan Nusantara IV - Dolok Ilir Business Unit



Abbreviations Used

AMDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental Impact Analysis)
ASA	:	Annual Surveillance Assessment
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Material)
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Assurance Body)
CH	:	Certificate Holder
CSR	:	Corporate Social Responsibility
CITES	:	Critical Threatened Endangered species
COC	:	Code of Conduct
CPO	:	Crude Palm Oil
DOI	:	Dolak Ilir
dB	:	Decibel
EBA	:	Empty Bunch Area
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Analysis
EWS	:	Early Warning System
FFA	:	Free Fatty Acid
FFB	:	Fresh fruit Bunch
GHG	:	Green House Gas
GUU	:	<i>Group Unit Usaha</i> (Business Unit Group)
HCV	:	High Conservation Value
HGU	:	Hak Guna Usaha (Land Use Title)
HR	:	Human Resources
IKBI	:	Gender Committee (<i>Ikatan Keluarga Besar Istri</i>)
IUP	:	Izin Usaha Perkebunan (Plantation Business Permit)
K3	:	<i>Kesehatan dan Keselamatan Kerja</i>
KER	:	Kernel Extraction Rate
LA	:	Land Application
LB3	:	<i>Limbah Bahan Bahaya dan Beracun</i> (Hazardous Waste)
MSDS	:	Material Safety Data Sheet
NGO	:	Non Government Organisation
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
PK	:	Palm Kernel
PKB / CLA	:	Perjanjian Kerja Bersama (Collective Labour Agreement)
PKM	:	Palm Kernel Meal
POME	:	Palm Oil Mill Effluent
PPD	:	<i>Personil Pengendali Dokumen</i> (Document Control Officer)
PPE	:	Personnel Protective Equipment
PPKS	:	<i>Pusat Penelitian Kelapa Sawit</i> (Indonesian Palm Oil Research Center Medan)
PTPN IV	:	PT Perkebunan Nusantara IV
P & C	:	Principle and Criteria
POM	:	Palm Oil Mill
PWRI	:	<i>Persatuan Wredatama Republik Indonesia</i> (Unity of Wredatama Republik Indonesia)
RKAP	:	<i>Rencana Kerja Anggaran Perusahaan</i> (Company Working Budget)
RKL-RPL	:	<i>Rencana Kelola Lingkungan-Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare Threatened Endangered
SE	:	Surat Edaran (Circular Letter)
SI	:	<i>Satuan Inspeksi</i> (Inspection)

SIO	:	<i>Surat Izin Operator (Operator License)</i>
SMK3	:	<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja (OHS System Management)</i>
SPBUN	:	<i>Serikat Pekerja Perkebunan (Worker Union of Plantations)</i>
SPI	:	<i>Satuan Pengawas Internal (Internal Control Unit)</i>
SPO	:	Sustainable Palm Oil
ST-1	:	Stage-01 (Pre Assessment)
ST-2	:	Stage-02 (Initial Assessment)
SOP	:	Standard Operational Procedure
SPK	:	<i>Surat Perintah Kerja (Work Order Letter)</i>
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit (Oil Palm Tree Leaf Caterpillar)</i>
WHO	:	World Health organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT						
1.1	Assessment Standard Used	<ul style="list-style-type: none"> INDONESIAN NATIONAL INTERPRETATION OF RSPO PRINCIPLES AND CRITERIA 2013 RSPO BYINA – NITF (Indonesian National Interpretation Task Force) - July 2016 RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill) 					
1.2	Organisation Information						
1.2.1	Organisation name listed in the certificate	PT Perkebunan Nusantara IV					
1.2.2	Contact person	Biduri Marahimin					
1.2.3	Organisation address and site address	Head Office: Jalan Letjen Suprpto No.2, 20151, Medan, Sumatera Utara, Indonesia					
1.2.4	Telephone	(62-61) 415 4666					
1.2.5	Fax	(62-61) 457 3117					
1.2.6	E-mail	perencanaan@ptpn4.co.id					
1.2.7	Web page address	www.ptpn4.co.id					
1.2.8	Management Representative who completed the application for certification	Biduri Marahimin					
1.2.9	Registered as RSPO member	1-0082-09-000-00 29 June 2009					
1.3	Type of Assessment						
1.3.1	Scope of Assessment and Number of Management Unit	One (1) unit of Palm Oil Mill supply by one (1) estate					
1.3.2	Type of certificate	<ul style="list-style-type: none"> Dolok Ilir Mill and Dolok Ilir Estate 					
1.4	Locations of Mill and Plantation						
1.4.1	Location of Mill						
	Name of Mill	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>N 03° 07' 20"</td> <td>E 99° 09' 42"</td> </tr> </table>	Latitude	Longitude	N 03° 07' 20"	E 99° 09' 42"
Latitude	Longitude						
N 03° 07' 20"	E 99° 09' 42"						
	Dolok Ilir Mill	Village of Babolon, Sub district of Dolok Batunanggar District of Simalungun, Province of North Sumatera, Indonesia					
1.4.2	Location of Certification Scope of Supply Base						
	Name of Supply Base	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>N 03° 13' 44"</td> <td>E 99° 10' 59"</td> </tr> </table>	Latitude	Longitude	N 03° 13' 44"	E 99° 10' 59"
Latitude	Longitude						
N 03° 13' 44"	E 99° 10' 59"						
	Dolok Ilir Estate	Village of Babolon, Sub district of Dolok Batunanggar District of Simalungun, Province of North Sumatera, Indonesia					
1.5	Description of Area Statement						
1.5.1	Tenure						

	<ul style="list-style-type: none">• State• Community	7,348.81 Ha			
		Ha			
1.5.2	Area Statement				
	<ul style="list-style-type: none">• Total area	7,348.81	Ha		
	<ul style="list-style-type: none">• Mature area	3,378.00	Ha		
	<ul style="list-style-type: none">• Immature area	3,188.00	Ha		
	<ul style="list-style-type: none">• Unplanted Area (Areal HYATEN)	216.00	Ha		
	<ul style="list-style-type: none">• Housing	100.42	Ha		
	<ul style="list-style-type: none">• Mill	4.71	Ha		
	<ul style="list-style-type: none">• Golf Court	5.60	Ha		
	<ul style="list-style-type: none">• Government Electricity Line	10.81	Ha		
	<ul style="list-style-type: none">• Public Road	117.00	Ha		
	<ul style="list-style-type: none">• Infrastructure (roads and bridges)	298.60	Ha		
	<ul style="list-style-type: none">• Canal	19.16	Ha		
	<ul style="list-style-type: none">• Symbolic Plant	8.79	Ha		
	<ul style="list-style-type: none">• Cemetery	1.72	Ha		
	<ul style="list-style-type: none">• **Conservation Area (Inclusive in planted area/not as HCV area)	51.45	Ha		
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year		Hectarage (Ha)		
			Dolok Ilir Esate		
	2013	451			
	2012	106			
	2011	263			
	2010	19			
	2008	14			
	2004	8			
	2000	90			
	1999	573			
	1998	743			
	1997	1,111			
	2016	2,898			
	2017	290			
	TOTAL		6,566		
	1.6.2	New Planting area after January 2010	-Ha		
	1.6.3	Planting Cycle	3 rd Cycle		
1.7	Description of Mill and Supply Base				
1.7.1	Description of Mill				
	Name of Mill	Capacity	FFBProcessed	CPO	Palm Kernel

		(tonnes/ hour)	(tonnes/year)	Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Dolok Ilir Mill	60	138,092.48	30,217.11	21.88	5,760.63	4.17
	<i>*Production data source from 12 months before assessment (July 2016 – June 2017)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
FFB (tonnes/year)							
%							
	Dolok Ilir Estate	7,348.81	6,566	64,584.64	19.12	63,939.34	99
	TOTAL	7,348.81	6,566	64,584.64	19.12	63,939.34	99
	<i>*Production data source from 12 months before assessment (July 2016 – June 2017)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
FFB (tonnes/year)							
	Laras Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	3,658	48,767.59		
	Marjandi Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	1,802	7,453.08		
	Bah Birung Ulu Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	2,194	802.27		
	Marihat Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	3,970	10,065.32		
	Sei Kopas Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	4,154	606.89		
	Pabatu Estate (RSPO Certified)	Subsidiary of PTPN IV	-	5,015	235.41		
	Third Parties (RSPO Non Certified)	Independent supplier	-	-	6,222.58		
	TOTAL					74,153.14	
	<i>*Source Production Data on 12 months before assessment (July 2016 – June 2017)</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim 29 September 2016 to 28 September 2017 (tonnes/year)		Actual certified product 29 September 2016 to 21 July 2017 (tonnes/year)		
	• FFB Production		50,000		50,060.54		
	• CPO Production		11,000		10,937.33		
	• Palm Kernel (PK) Production		2,500		2,162.61		
1.8.2	Product selling						
	Tonnage of selling product		Actual selling product period 29 September 2016 to 21 July 2017				
	• CSPO		5,500				
	• CSPK		-				
	• CPO under other scheme trading (e.g ISCC, RFS)		-				

	<ul style="list-style-type: none">CPO under conventional trading (if any)	5,437.34																																																										
	<ul style="list-style-type: none">PK under other scheme	-																																																										
	<ul style="list-style-type: none">PK under conventional trading (if any)	2,162.61																																																										
1.8.3	Estimate of Certified FFB Claim																																																											
	<table><tr><th>Name of Estate(s)</th><th>Total Area (Ha)</th><th>Planted Area (Ha)</th><th>FFB (tonnes/year)</th><th>Yield (tonnes/ha/year)</th></tr><tr><td>Dolok Ilir Estate</td><td>7,348.81</td><td>6,566</td><td>67,814</td><td>20.08</td></tr><tr><td>TOTAL</td><td>7,348.81</td><td>6,566</td><td>67,814</td><td>20.08</td></tr></table>	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Dolok Ilir Estate	7,348.81	6,566	67,814	20.08	TOTAL	7,348.81	6,566	67,814	20.08																																												
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1.8.4	Estimate of Certified Palm Product Claim																																																											
	<table><tr><th rowspan="2">Name of Mill</th><th rowspan="2">Capacity (tonnes/ hour)</th><th rowspan="2">FFB Processed (tonnes/year)</th><th colspan="2">CPO</th><th colspan="2">Palm Kernel</th></tr><tr><th>Out put (tonnes)</th><th>Extraction (%)</th><th>Out put (tonnes)</th><th>Extraction (%)</th></tr><tr><td>Dolok Ilir Mill</td><td>60</td><td>67,814</td><td>15,258</td><td>22.5</td><td>3,052</td><td>4.5</td></tr></table>	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	Dolok Ilir Mill	60	67,814	15,258	22.5	3,052	4.5																																									
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1.9	Other Certifications																																																											
	ISO 9001:2008	Certified No. 16 00 J 14185 validity period till September 2017																																																										
	ISO 14001: 2004	Certified No. 08 04 J 14061 validity period till September 2017																																																										
	OHSAS 18001:2007	-																																																										
	ISCC	-																																																										
	Others	Has OHS Management System Certificate No. 201 on 2017 with rank “Bendera Emas”																																																										
1.10	Time Bound Plan																																																											
1.10.1	Time Bound Plan for Other Management Units																																																											
	<table><tr><th colspan="2">Management Unit</th><th rowspan="2">Estate (Supply Base)</th><th rowspan="2">Time Bound</th><th rowspan="2">Location</th><th rowspan="2">Status</th></tr><tr><th>POM</th><th>Time Bound</th></tr><tr><td>Pabatu</td><td>2015</td><td>Pabatu</td><td>2015</td><td>Serdang Bedagai, Sumatera Utara</td><td>Certified September 2015</td></tr><tr><td rowspan="2">Dolok Ilir</td><td rowspan="2">2015</td><td>Dolok Ilir</td><td>2015</td><td>Simalungun, Sumatera Utara</td><td>Certified September 2015</td></tr><tr><td>Laras</td><td>2018</td><td>Simalungun, Sumatera Utara</td><td>Stage-1 Audit</td></tr><tr><td>Pulu Raja</td><td>2015</td><td>Pulu Raja</td><td>2015</td><td>Asahan, Sumatera Utara</td><td>Certified August 2015</td></tr><tr><td>Adolina</td><td>2018</td><td>Adolina</td><td>2018</td><td>Serdang Bedagai dan Deli Serdang, Sumatera Utara</td><td>Audited on March 2017</td></tr><tr><td rowspan="5">Bah Jambi</td><td rowspan="5">2018</td><td>Bah Jambi</td><td>2018</td><td>Simalungun, Sumatera Utara</td><td>Stage-1 Audit</td></tr><tr><td>Marihat</td><td>2018</td><td>Simalungun, Sumatera Utara</td><td>Stage-1 Audit</td></tr><tr><td>Bah Birung Ulu</td><td>2021</td><td>Simalungun, Sumatera Utara</td><td>Stage-1 Audit</td></tr><tr><td>Tonduhan</td><td>2018</td><td>Simalungun, Sumatera Utara</td><td>Stage-1 Audit</td></tr><tr><td>Mariandi</td><td>2021</td><td>Simalungun, Sumatera Utara</td><td>Stage-1 Audit</td></tr></table>	Management Unit		Estate (Supply Base)	Time Bound	Location	Status	POM	Time Bound	Pabatu	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified September 2015	Dolok Ilir	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified September 2015	Laras	2018	Simalungun, Sumatera Utara	Stage-1 Audit	Pulu Raja	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified August 2015	Adolina	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Audited on March 2017	Bah Jambi	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Stage-1 Audit	Marihat	2018	Simalungun, Sumatera Utara	Stage-1 Audit	Bah Birung Ulu	2021	Simalungun, Sumatera Utara	Stage-1 Audit	Tonduhan	2018	Simalungun, Sumatera Utara	Stage-1 Audit	Mariandi	2021	Simalungun, Sumatera Utara	Stage-1 Audit	
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		Mariandi	2021	Simalungun, Sumatera Utara	Stage-1 Audit																																																							

Dolok Sinumbah	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Audited on March 2017
		Balimbingan	2021	Simalungun, Sumatera Utara	Stage-1 Audit
Mayang	2019	Mayang	2019	Simalungun, Sumatera Utara	Preparation
		Bukit Lima	2020	Simalungun, Sumatera Utara	Preparation
Gunung Bayu	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Preparation
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Preparation
Tinjowan	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Preparation
		Aek Nauli	2019	Simalungun, Sumatera Utara	Preparation
		Padang Matinggi	2019	Simalungun, Sumatera Utara	Preparation
Air Batu	2021	Air Batu	2021	Asahan, Sumatera Utara	Stage-1 Audit
Berangir	2019	Berangir	2019	Labuhan Batu Utara, Sumatera Utara	Stage-1 Audit
Sawit Langkat	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Stage-1 Audit
Pasir Mandoge	2021	Pasir Mandoge	2021	Asahan, Sumatera Utara	Stage-1 Audit
		Sei Kopas	2021	Asahan, Sumatera Utara	Stage-1 Audit
Timur	2021	Timur	2021	Mandailing Natal, Sumatera Utara	Preparation
		Balap	2021	Mandailing Natal, Sumatera Utara	Preparation
Ajamu	2021	Ajamu	2021	Labuhan Batu Utara, Sumatera Utara	Preparation
		Meranti Paham	2021	Labuhan Batu Utara, Sumatera Utara	Preparation
		Panai Jaya	2021	Labuhan Batu Utara, Sumatera Utara	Preparation
Sosa	2021	Sosa	2021	Padang Lawas, Sumatera Utara	Preparation
PT Agro Sinergi Nusantara	2020	PT Agro Sinergi Nusantara	2020	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara	2020	PT Sinergi Perkebunan Nusantara	2020	Morowali Utara, Sulawesi	Preparation
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	PTPN IV- Dolok Ilir POM does not have scheme smallholders. The other supplier of Dolok IlirPOM are include to other scope in accordance with the time bound plan.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-2	<p>1. M. Rinaldi (Lead Auditor Witnessed). Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2009. He has attended training RSPO Lead Auditor, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, and training of ISO 14000, training of HCV identification, training of OHS management system, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare. At this activity he assess aspect of legal, OHS, land conflict and SCCS.</p> <p>2. Mahmud Firdaus (Auditor). Diploma in Supervisor Food Quality Assurance and Bachelor on Management at Bogor Agricultural University. He is experienced in the field of Quality Assurance (QA) and personnel competence (auditor center) with the last position for each field is the coordinator. The types of training that have been followed are training of ISPO lead auditors, ISO 14001: 2004, RSPO Awareness, GHG training, ISO 9001: 2008, ISO 17021 & ISO 17065 training, Palm Oil Production training, Peat Management training, HACCP and food safety management system. During this assessment he was observed and audit on best management practices, planning, social, and workers welfare</p> <p>3. Nanang Mualib (Auditor). Bachelor of Forestry Science, Forest Technology Department in Bogor Agriculture Institute. He had followed training such as Performance Evaluation in Sustainable Management of Natural Production Forest on Unit Management. Sustainable Natural Production Forest Management Assessor Training Course, Training Lead Assessor ISO 9001:2001/SNI 19-9001:2008. He worked in Forest Company in 2000 – 2004 as a technical assistant of Sustainable Forest Management Implementation, Joint program with Forest Faculty Bogor Agriculture Institute and WWF Indonesia in 2006 – 2010. As a professional, he was involved in HCV social study of Sustainable Forest Management, HCV Identification in 3 palm oil plantation in Indonesia. Currently, he works as professional HCV assessor. During assessment he conducted an assess on Transparency, Social, Environmental aspects/HCV & GHG Emission.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-2	<p>Number of auditors : 3 auditor</p> <p>Number of days for ASA-2 at site : 5 days</p> <p>Number of working days for ASA-2 at site : 15 Working days</p>
2.2.2	Assessment Process
ASA-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Dolok Ilir Mill subsidiary of PTPN IV to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria, July 2013 (endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard for Organizations Seeking or Holding Certification Adopted by The RSPO Board or Governors on November 21st 2014 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-3).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ASA-2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2.</p> <p>The assessment program please find Appendix 2</p>
2.2.3	Locations of Assessment
ASA-2	Dolok Ilir Factory

- **Sterilizer Station.** Interview about safety work implementation, PPE's and work accident.
- **Boiler Station.** Auditor was interview boiler operator, boiler man has license. Company was provide PPE's every year. Fibers and shell is used as fuel to reduce fossil fuel consumption and maximize renewable energy.
- **Engine Room.** Auditor was observe engine room condition, all operator was using PPE's, fire extinguisher that known it was no monitoring form
- **Weighbridge Station.** Observation of supply chain procedure.
- **Loading Ramp.** Observation and interview with sortation personnel related to personnel understanding over sortation procedure, the implementation of sortation, fruit criteria, fruit separation with ripeness and rawness criteria.
- **Water Treatment Process (WTP).** Observation related to water consumption.
- **Central chemical storage.** Observation related to chemical containers management.
- **Central Workshop.** Observation related to OHS, worker welfare and emergency response.
- **Empty Bunch Area (EBA).** Observation related to EFB management.
- **Hazardous waste storage.** Observation related to LB3 including chemical containers management.
- **WWTP.** Observation related to mill effluent management activities and OHS implementation.

Dolok Ilir Estate

- **Fertilizer Storage of Division 1.** Observation about management of hazardous material
- **Rinse room, PPE Storage and Pesticide Storage Division 1.** Observation related to the handling of PPE sprayer after work and pesticide storage management
- **Housing of Division I.** Field observations the facilities and infrastructure provided for employee welfare, environmental hygiene and sanitation
- **Daycare Division 1.** Observation and interview with the worker about first aid kit, worker welfare, domestic waste management and policy socialization
- **Worker Cooperative Division 1.** Observation related to availability of basic needs
- **Water Pump House on block 97C Division 1.** Observation related to water supply, hazardous waste management, risk of work area
- **Block 16V Division 6.**
 - Observation related to replanting area on 2016
 - Observation regarding to pest control with beneficial plant (*Turnera Sp.*)
 - Observation related planting technique using the method hole in hole
 - Observation related to EFB application
 - Observation related to soil management using legume cover crop
- **Block 13T Division 6.** Observation legal boundary conditions No. 76 & 77 and area of HCV 6 with type of cemetery for Bandar Selamat Village.
- **Block 13P Division 6.** Observation legal boundary conditions No. 8 & 9
- **Block 97AI Division 3.** Observation realted to area with type of cemetery & Riparian of Bah Hilang River.
- **Block 16BH Division 3.** Observation legal boundary conditions No. 260
- **Block 97A Division 5.** Observation realated to Land Application Area.
- **Block 11G Division 6.** Interview and observation to harvest area. Interview with worker related to harvest procedures, harvest criteria, insurance, wages, PPE, and etc.
- **Block 12D division 6.** Interview with IPM worker. interview related to census procedures, criteria for threshold, type of pest in the area, preventice action for pest attack, and etc.
- **Division 6 office.** Interview with sprayer worker regarding the working instructions, PPE, health inspection, wages, complaint, nondiscrimantion implementation, etc.

Stakeholder visit :

1. Environment Agency Simalungun district.

	<ol style="list-style-type: none"> 2. Labour Agency Simalungun district. 3. Bahung Kahean, Dolok I & Dolok Ilir II Village. interview the head of village and community representation related to social interaction between company and community surround, another social issues
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for Dolok IlirPOM subsidiary of PTPN IV was held by:</p> <ol style="list-style-type: none"> 1. Public announcement on the MUTU website (www.mutucertification.com) at July 03rd, 2017. 2. Stakeholder consultations with NGOs have been conducted by sending questionnaires via email to several NGOs (WWF, Walhi, Sawit Watch, PWRI Simalungun District) on July 18th 2017. 3. Public consultation meeting with internal stakeholders (worker union, committee gender, local contractor and local communities) by interviews at July 21th and 25th, 2017. 4. Stakeholder consultations with government have been conducted by interview to several governments in Simalungun District on July 21th, 2017. <p>Numbers of input from stakeholders were clarified by Dolok Ilir POM subsidiary of PTPN IV</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-3) will be determined one year after this ASA-2(July -2018) .

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Dolok IlirPOM – PT Perkebunan Nusantara IV operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were nine (9) Nonconformities were assigned against Major Compliance Indicators ; six (6) nonconformities were assigned against Minor Compliance Indicators; two (2) nonconformities against supply chain requirement for CPO mill; one (1) nonconformity against system certification and ten (10) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Dolok Ilir POM – PT Perkebunan Nusantara IV complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008 **and/or Scheme Smallholders, October 2009*** .

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is ~~Issued/Continued/suspended*~~.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The management has a list of Stakeholders and has been consistently updated once a year, the last update made on July 22, 2017 consists of; 6 FFB suppliers III, 5 Related agencies, 11 Local Purchase Order Partners, Head of Sub-District, 11 Local NGOs / NGOs, 17 FFB Transmitters, 7 Replanting Contractors, 8 Engineering / Processing Contractors and 23 Transport Contractors EFB/ Seed</p> <p>Types The routine information provided to the principal stakeholders is consistently carried out in accordance with applicable laws and regulations, such as reports on the monitoring of liquid waste and B3 waste once every three months, semester reports of air quality and quality of river water, Semester Report on environmental management plan / environmental monitoring plan, Mandatory Report Labor etc. Based on an interview with the Environment Office of Simalungun District, the company has routinely convey mandatory information / report.</p> <p>Based on interviews with stakeholders including the villagers of Dolok Ilir I Village, Bahung Kahean Village and Dolok Ilir II Village stated that information can be obtained easily by mail and telephone.</p> <p>Based on the results of interviews with the council of Dolok Ilir I Village, Dolok Ilir II and Bahung Kahean, stated that the company responded well to requests for information if needed but they did not know if the company has a maximum time limit on the request information will be responded by PTPN IV Dolok Ilir Estate.</p> <p>In general, the process of controlling information and response requests is managed by the HR and General Assistants, assisted by the respective field in afedling. Based on the results of interviews with village administrators around as well as housing residents shows that they have understood the mechanism of information demand.</p>	

Based on interviews with the administrators of Dolok Ilir I Village, Dolok Ilir II and Bahung Kahean stated that the Company is open to any requests for information submitted by the community and they have a good understanding of the mechanism of sending information requests to the management.

1.1.2

The management has owned SOP no. 06 (rev 02) of 02 January 2015 on Information Request and Response. The SOP explains that any requests for information from stakeholders will be responded to promptly and then submitted to the informant. The specific time period for responding to information requests is not recorded on the mechanism, but the company keeps responding to informants by mail or telephone after coordinating to head office first. CH has had a mechanism for submitting requests for information and responses listed in the SOP of the period of save of information and response request No. SPO 06 (rev. 02) dated January 2, 2015. Based on the verification the document indicates that it has not been described the period of response to information request. **Non-conformity No. 2017.01 with major category**

Based on the document verification indicates that the Officer responsible for the process of controlling the information and response request is the HR and General Assistant, assisted by the respective field in afedling, while the officer responsible for recording each request / giving information to the letter-shaped stakeholders is the Secretary.

Based on document verification and interviews with management indicates that any requests for information from stakeholders are responded promptly and then submitted to informants. Management can not show the specified time period specified as a time limit for responding to requests for information and this has not yet been regulated in SOP no. 06 (Rev 02) in 2015, however, based on interviews with the administrators of Dolok Ilir I Village, Dolok Ilir II and Bahung Kahean as well as NGO (PWRI Simalungun) stated that every request for information to management is always responded quickly.

Management has consistently documented every incoming or outgoing letter including the provision of information to stakeholders and its responses. All incoming letters are documented in the Book "Letter of Entry 2017" managed by the secretary of the office, based on verification documents indicate in 2017 there are 819 types of letters coming into PTPN IV, Dolok Ilir Estate

Responses to requests Information is documented in the "Letter Out Books of 2017" which, by virtue of verification of the document, manajemen classifies Letter Out into groups. Letters which are responses to requests for information from external parties including those classified in "Third Party" Letters where from January 2017 to June 2017 there are 104 types of outgoing letters to third parties including answers to information requests.

1.1.2	Status: Non Conformity No. 2017.01 with Major category	Open
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 <p>Based on the review of the policy document Number 01 "Open and Closed Document" (Rev. 02) signed by the Management on January 2, 2015 states that the company divides the document into 2 types namely;</p> <ul style="list-style-type: none"> - Documents that are open to the public are general documents such as vision, Mission, published Financial Report, CSR and other information. - Closed documents are all information of the company's internal required activities such as Management Reports, Meeting Minutes, SI, SE and confidential documents which are sensitive in terms of financial stability and corporate strategy including documents concerning employee appraisal and mutations. <p>Management also has a no. 2 "The Interest and Nature of Confidentiality of Information" (Rev. 02) signed by the Management on January 2, 2015 stipulates that All Information is stored in paper documents (Hard Copy) and / or in the form of electronic documents (Soft Copy). Disclosure of information is also available in the form of Electronic Filling which is the responsibility of the Corporate Secretary and can be accessed via electronic mail (e-mail) with address ptpn Nusantara4@ptpn4.co.id and Website: www.ptpn4, co, id. Such public information disclosure refers to Law no. 14 of 2008 concerning public information disclosure and Decision of Minister of SOE Number; Kep-117 / M-MBU / 2002 on the</p>		

Implementation of Good Corporate Governance Practices on State-Owned Enterprises (SOEs).

All public documents related to each unit are available in the unit office whereas public documents in general are also available in electronic filing available on the Management Website.

All information is available at the office of each unit including land use rights documentation, including legal borders, land use, classification, total area of permits, validity of permits, NCR rights (See criteria 2.2), Occupational Safety and Health Document (See Criteria 4.7), Risk and mitigation risk assessment documents, emergency response plans, trainings, accident records, Environmental impact assessment plans and documents and key environmental impact assessment documents and their mitigation (See criteria 5.1, 6.1), Documentation of Identification in HCV areas, maps, management, and HCV monitoring (see Criteria 5.2), pollution identification documents, management and mitigation measures (See Criteria 5.6), Internal and external complaints document (See Criteria 6.3), Grievance and Conflict Resolution Procedures (See Criteria 6.4), General Summary of certification assessment reports that follow the RSPO format, Company Policies (see criteria 1.3, 6.6, 6.7, 6.8, 6.9, 6.12 and 6.13)

Based on the verification of documents shows that the entire document management available including planning documents, document evaluation and reporting, such as Documents environment that includes EIA, environmental management plan / environmental monitoring plan, report of environmental management plan / environmental monitoring plan (Criteria 5.1), Document Management of Hazardous and Toxic Waste, Including Document of Permit for Temporary Storage of Hazardous and Toxic Waste, Hazardous and Toxic Waste Report, Occupational Health & Safety Management System document includes identification document and risk assessment, OHSAS Report (Criteria (4.7), Social Document includes EIA document, Social Impact Assessment Document (SIA) etc.

Based on the results of interviews with the management and interviews with related institutions and Village Devices Dolok Ilir 1, Dolok Ilir 2, Bahung Kahean Village and Local NGO (PWRI Simalungun) indicate that the stakeholders have no complaints related to information request to PTPN IV (Dolok Ilir I Unit) and always responded quickly.

Status: Comply
1.3
Growers and millers commit to ethical conduct in all business operations and transactions.
1.3.1

Policy containing a commitment to integrity and ethical behavior code is no change from the previous assessment are listed in the Code of Conduct (COC) written in 2013. Chapter V describes the Prohibition For Business People. This chapter contains the code of conduct with respect to conflict of interest, Corruption, Collusion and Nepotism and bribery, political activities, drugs and gambling, and misconduct which are prohibited for the business people. Every person is prohibited to conduct corruption, collusion, nepotism and bribery (Gratuities).

The COC has been socialized to employees on January 28, 2015. The COC also communicated through posters and giving pocket book to employees. Based on interviews with management representatives, they already know the contents of COC, among others the prohibition of corruption, bribery and drugs. The CH has been distributed the book to all worker on August 12th, 2016.

Based on the results of interviews with the Replanting contractor indicates that they have understood the Code of Conduct well. CH has the opportunity to improve understanding of existing policies in the company especially to third parties (contractors). **OFI**

Status: Comply
PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS
2.1
There is compliance with all applicable local, national and ratified international laws and regulations.
2.1.1

CH has a list of regulations and can show copies of existing regulations such as Law No. 05 of 1994 and Law no. 19 of 1999 which is stored in the Document Control Officer (PPD).

CH is also able to show compliance with regulations, for example:

OHS

- Has have P2K3 structure and P2K3 report in accordance with Regulation of Labor Ministry No. 4 year 1987
- Has boiler operators, welders, heavy equipment and certified of electricity technicians in accordance with the regulations

Legality

- The Business Unit has had a land use title as proof of tenure. This is in conformance with Government Regulation No. 40 of 1996
- The Business Unit has Plantation Business Permit as proof of land utilization. This is in conformance with the Regulation of the Minister of Agriculture No. 98 of 2013

CH has not been able to show proof of reporting of Plantation Business Progress Report to Plantation Agency in accordance with Regulation of agriculture minister Number 98 of 2013. **Non-conformity No. 2017.02 with Major category**

2.1.2 & 2.1.3

CH shown the Identification and Access to Regulations and Other Requirements (No. PKS.DOI-PL-MR-03 dated 01 October 2008) which explains that the evaluation of compliance to the regulations is done at least once a year with the officer is the Document Control Officer (PPD) together with ISO Chairman. The last evaluation has conduct on October 29, 2016. Based on that document, it is known that evaluation is done on some regulations, among others:

- In the field of Licensing/Land regulations as much as 9 regulations,
- In the field of Cultivation area as much as 6 regulations,
- In the field of Employment as much as 33 regulations,
- In the field of environment as much as 28 regulations.

2.1.4

Based on the verification of the Evaluation Result Documents against the Regulations in October 2016 shows that: **Non-conformity No. 2017.03 with Minor category**

- CH has not been able to show the addition of types of regulations that are local such as Regional Regulations, Governor Regulations, etc. For example Regional Regulations related to Provincial Land Use Plan, Regulation related to Province Minimum Wage and District, etc.
- CH has not fully updated the type of regulation as requested in Appendix I of the RSPO 2013 National Principles and Criteria for Indonesia.
- CH has not updated the regulation, such as regulations on hazardous waste management, wages, and etc.

2.1.1 **Status: Non-conformity No. 2017.02 with Major category**

2.1.4 **Status: Non-conformity No. 2017.03 with Minor category**

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

Based on the document review, it is known that there is no change and addition of operational area of Dolok Ilir Business Unit, so that the document of land ownership and utilization is still the same as before. PTPN IV Dolok Ilir Business Unit already have Legal Documents of Land Ownership and Utilization, consisting of:

- Certificate of Land Use No. 1 Year 2006 dated September 11, 2006 covering an area of 7,348.81 Ha.
- Plantation Business License No.188.45 / 503/1113 / BPPT-P4 12014 dated December 16, 2014 which explains the mill capacity of 60 tons of FFB/Hours with an area of 7,348.81 Ha

2.2.2

Based on field visit on block 13T Division 6 at boundary poles No 77 & 76, Block 13S Division 6 at boudary poles no 6,

Block 13P Division 6 at boundary poles No. 8 & 9, Block 97AI Division 3 at boundary poles No. 61, Block 94O/16BH Division 3 at boundary poles no. 260, it is known that the poles are still there and still well maintained.

Monitoring of the boundary poles has been performed by CH and recorded in the Boundary Poles Monitoring document, for example:

- In Division 3 with monitoring conducted on 22-23 November 2016 there were 35 poles with 1 broken condition and 4 poles missing.
- In Division 6 with monitoring conducted on 17 April 2017 there were 66 poles with 7 damaged conditions and 18 poles missing.
- In Division 6 with monitoring conducted on February 26, 2015 there were 30 poles with 1 broken condition.

CH has shown evidence of boundary poles monitoring but has not been implemented every 6 months in accordance with Standard Operating Procedures Maintenance of boundary poles with No.SPO 12.0, for example on division 1 last monitoring was conducted on February 26, 2015 and in division 3 conducted on 22-23 November 2016. **Non-conformity No 2017.04 dengan kategori Minor**

2.2.3, 2.2.4, 2.2.5 & 2.2.6

Based on interviews with surrounding villages, there is currently no land dispute between PTPN IV Unit Dolok Ilir with the parties around the plantation area. The last land dispute was the conflict with Jumadi (community representative) group over the 121 Ha land area as on September 30, 2004 and has been resolved by field review involving the parties including the government agency.

The CH has have Code of Conduct that explains that the CH does not use violence in keeping peace and order. In addition, The CH has SPO for Land Conflict Management No. 04 (revision 2) dated 02 January 2015 which explaining that the settlement of land disputes is done by negotiation involving deliberation of regional leaders and determine the compensation done by negotiation until they reach agreement. The company has opportunities to improve the quality of conflict resolution procedures by considering the document of Free, Prior and Informed Consent Guide for RSPO Members 2015. **OFI**

2.2.2 **Status: Non-conformity No 2017.04 dengan kategori Minor**

2.3

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

2.3.1, 2.3.2, 2.3.3 & 2.3.4

The CH has SPO for Land Conflict Management No. 04 (revision 2) dated 02 January 2015 which explaining that the settlement of land disputes is done by negotiation involving deliberation of regional leaders and determine the compensation done by negotiation until they reach agreement. Calculations carried out with reasonable prices in accordance with the taxable value and state of the areas. In SOP does not distinguish the compensation calculation based on sex, homesteader, local community or ethnic groups. It is possible to improve the quality of conflict resolution procedures by considering the Free, Prior and Informed Consent Guide for RSPO Members in 2015. **OFI**

Based on interviews with the villagers and study documents of Government Regulation no. 19 of 1959, it is explained that the CH area comes from the land of the Dutch company. For land disputes in the form of community land claims have been settled by involving the government (verification 2.2.3)

Status: Comply

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

3.1

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

3.1.1

The Company can show the document of long-term plan 2015-2019 PT Perkebunan Nusantara IV, Dolok Ilir Business Unit Approved by the Board of Directors and Board of Commissioners in November 2014. Based on statement management, Projections and long-term management plans are created and evaluated based on the actual conditions and trends of the current year. Until the ASA-2 activity there has been no change or revision of the long-term plan that

already exists. Based on document review, it can be concluded that the company has a minimum long-term plan for the next three years includes several parameters in the aspects of cultivation and processing palm oil.

PIC personnel responsible for long-term plans and realizations are estate manager. Estate manager will report the realization of long term plan document to the existing personnel at the headquarters.

3.1.2

Replanting program is available in long-term plan document 2015-2019 PT Perkebunan Nusantara IV, Dolok Ilir Business Unit Approved by the Board of Directors and Board of Commissioners in November 2014. Progress of the replanting process is available in weekly and monthly reporting documents. Available examples of weekly reports containing job descriptions, job volumes, appointment letters, plans and realizations. The report was made by the head of the plant service and signed by the estate manager. In addition the company shows the document implementation of replanting such as:

1. Work orders re-planting in afdeling 3 and 5 covering 159 Ha.
2. Work orders re-planting in afdeling 7 covering 131Ha.

Based on Company long term plan document, there is no peatland management program in Business Unit Dolok Ilir because there is no peatland in company area. Based on interviews with management representatives It is known that the re-planting Implemented based on the existing plan in long term plan document. In 2017 company implemented replanting in afdeling 3,5 and 7. Replanting plan for 2017 is 237 Ha, but the total work order document is 290 Ha. The difference of replanting area is contained in the document of the 2017 replanting feasibility study.

Status: Comply

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

Company can show document procedure related to technical cultivation and processing of palm oil, Approved by the President Director on 21 April 2010, such as:

Palm oil cultivation

- No. SPO.01 about land development
- No. SPO.02 about new plants.
- No. SPO.03 about breeding
- No. SPO.04 about Immature
- No. SPO.05 about Mature
- No. SPO.06 about harvest that includes harvest management
- Regulation of Directors of PTPN IV No. 04.01 / PER / 13 / VIII / 2015 dated 3 August 2015 on guidelines on the provision of harvesting premium, load premium, result premium.

Palm oil Process

- No. SPO.01 about weigh stations.
- No. SPO.02 about loading ramp.
- No. SPO.03 about boiling station (sterilizer).
- No. SPO.04 about thresher station.
- No. SPO.05 about empty fruit bunch hopper.
- No. SPO.06 about the earthquake station
- No. SPO.07 about oil purification stations,
- No. SPO.08 about oil tank dispatch (dispatch).
- No. SPO.09 about quality of FFB, CPO and palm core.
- No. SPO.10 about laboratory, equipment, chemicals and sample analysis,
- No. SPO.11 about care and use of analytic scales.

Based on the study of company SOP documents, it can be concluded that the SOP of cultivation and processing of palm oil still relevant to the current condition and has covered the whole process of plantation and factory operations. In addition to ensuring that workers understand their technical work in accordance with the SOP, the company conducts periodically internal and external training.

Based on the results of interviews with harvest workers in afdeling VI block 11G, the worker can explain the work procedures in accordance with the SOP starting from the tools, the criteria of the harvested fruit, and others.

4.1.2

The entire SOP master list stored at PTPN IV Medan Headquarters in the Planning Section. At the business unit level, SOP arrangements are implemented by document control officers (PPD) Under the secretariat section. Master documents are available in softcopy and hardcopy. The revised documents and their arrangements refer to ISO 9001.

SOP are available in Bahasa.

Internal controls are conducted through an audit mechanism, Internal audits conducted are internal audit of RSPO and internal audit of SPI. The Company shows the document of RSPO audit results conducted on April 20-22, 2017 Contains internal auditor information, number of nonconformities and audit plan. The internal audit result of RSPO is not related to SOP of plant and SOP of processing. More audit findings to OSH implementation.

The Company show a document of audit check list of internal audit result conducted by SPI period November 2016 to April 2017. From the results of the overview it is known that there are 24 findings. All findings have been acted upon and closed by the SPI team.

Internal audits are conducted annually and implemented by the strategic planning section and by the SPI section (internal control unit)

4.1.3

The Company show document report of internal audit result conducted on 20-22 April 2017 conducted by strategic planning section and by SPI section (Internal Control Unit).

The report contains a record of corrective and preventive actions taken to close the non-conformities that arise during an internal audit. There are 3 inconsistencies with the subject of findings on the implementation of OSH. Records of corrective and preventive actions are stored in the PPD room (document control officer).

4.1.4

SOP related to the purchase of FFB from Third Parties have not changed as stated in the Regulation of Board of Directors of Nusantara IV Estate (PERSERO) No. 04.01/PER/13.1/IV/2014, dated 30 April 2014 on Guidance on Purchasing Fresh Fruit Bunches.

There is a List of 3 Contractors who has cooperation agreement in supplying FFB to PTPN IV Dolok Ilir Oil Mill, namely: UD Dicky, UD Riana and PT. Hot Abadi Lestari. For example Letters of Purchase Agreement of FFB with UD. Dicky (No. Pemb-TBS/SP/01/XI/2016 dated 2 November 2016) which describes about work object, fruit quality, way of implementation, payment, price set by Dolok Ilir POM and set every day or every change, agreement deadline, dispute resolution.

Status: Comply

4.2

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

4.2.1

Soil fertility management procedures are included in SOP no. SPO.05 about mature plant including Mature plantmanagement, road and bridge maintenance, fertilization, fertilization organization, leaf sample analysis every year and soil every 3-5 years, tool calibration, water deficit calculation, sowing of empty fruit bunches, sowing of compost, application of palm oil effluent, stem rot disease (Ganoderma), pests and diseases of oil palm oil.

Soil fertility rates are monitored by leaf and soil sampling, analysis conducted by Indonesian Palm Oil Research Center Medan. The results of 2016 leaf analysis and soil analysis results of 2014 on fertilizer dosage calculations are included in the report on fertilization recommendations of palm oil plantations 2017. The company can also show macro and micro nutrient estate maps on a scale (1: 25,000), based on soil analysis results. In addition, the company can show the realization of SOP of Soil Fertility Management in 2016.

4.2.2

The Company have a Fertilizer Recommendation document produce palm oil plantations 2017 For Dolok Ilir estate made by PPKS Medan in December 2016. The recommendations include:

1. Conditions of leaf nutrients
2. Fertilizer Type and specification
3. Dose of Fertilizer Requirement (The fertilization dose of 2017 is presented in Appendix 9 and Appendix 10)
4. How to Fertilize
5. Time and Frequency of Fertilization
6. How to Increase the Effectiveness of Fertilization

Company can show proof document Recording of Fertilization of Palm oil Plantation in Dolok Ilir estate PT. Perkebunan Nusantara IV Year 2015-2016. Based on the data of the plan and the realization of fertilization in the first semester of 2017 It is known that there is dolomite fertilization plan, NPK 14.7.25 + 1.0 TE in afdeling I, III and VI, but the company has not been able to show the results of the evaluation of fertilizer programs that have been made in the first half of 2017. The company shows the news of fertilizer explanation semester I, In the document mentioned that the fertilization has not been realized due to delays in the delivery of fertilizers as well as awaiting the results of feasible test conducted by third parties.

4.2.3

The Company has the Basic Manual of Fertilization Management (No. Doc.A10 dated 01 January 2013) Inside there is Work Instruction (IK) Soil analysis and leaf analysis. Soil sampling is tested and applied every 1-5 years. Leaf analysis applied every year simultaneously with the visual observation through the collection of Leaf Sample. For the management of soil fertility, the company does the fertilizing of plants according to the recommendation of fertilization based on the results of leaf and soil analysis. Leaf and soil analysis results were used as material for monitoring changes in nutrient status.

Soil analysis has been conducted in 2014 in PPKS testing laboratory Medan, while the 2016 leaf analysis was carried out on 15-24 June 2016 on Leaf Sampling Units by Palm Oil Research Center (PPKS) Medan. Soil analysis has been done in 2014 in PPKS testing laboratory Medan. the result is:

1. The pH falls into moderate criteria
 2. Total N content, organic C, P is available, and soil KTK is dominated by medium criteria.
 3. K content is dominated by moderate criteria
 4. CA and MG are predominantly criteria.
 5. The content of micro nutrients Cu classified low criteria (trace)
 6. The nutrient balance of K, Ca and Mg has not corresponded to the K / Ca / Mg nutrient balance of 10/60/30.
- Improvement of soil fertility that can be done, among others, by application of Empty fruit bunches or compost.

Leaf analysis of 2017 has been implemented on 10-20 May 2017 on Leaf Sampling Units. This is in accordance with the recommendation document for the fertilization of palm oil plantation issued by PPKS regarding methods in making fertilizer recommendation such as: (1) result of leaf analysis (2) fertilization year 2013-2016 (3) Production last 5 years (4) result of field observation.

4.2.4

The Company adopted a nutrient recycling strategy in accordance with SOP for Utilization of Palm Oil Mill - (RSPO and ISPO Documents) SPO 17 On January 02, 2015 it is known that the company is implementing the recycling of nutrients through the application of empty fruits bunch and effluent application of palm oil mill through Land application.

The Company (Business Unit) does an empty bunch application on a sandy soil area. Based on document of empty fruit bunch application realization year 2016 can be seen empty fruit bunch application implemented only in Afdeling I, Afdeling II, Afdeling III (seed), and Afdeling VI. For kernel fiber and shell re-applied for boiler fuel, while the rest of the replanting is cut into pieces and torn and stacked according to the replanting document no SPO 02.0 dated August 1, 2007.

The company can show the recording of the plan and the realization of empty fruit bunches (EFB), Land Applications, and recycling of plant residues.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

Based on the topographic map, the slope of PTPN IV Dolok Ilir business unit with a scale of 1: 25,000 and land type map created by PPKS in 1999, It can be concluded that generally the topography is generally flat to undulating. There is no area with slopes > 40% (hilly). Meanwhile, land type and soil fertility maps indicate that the type of land in the company's operational is 100% mineral soil consisting of six soil types. The soil acidity level is generally moderate with nutrient content varying from low to moderate. The limiting factor for palm oil planting in the Dolok Ilir unit is low soil fertility.

Based on the description above, it can be concluded that there is no fragile land, indicated by a map informing the location of fragile soils by considering topographic conditions, types and characteristics of informative soil properties on an adequate scale.

4.3.2

Based on the topographic map, the slope of PTPN IV Dolok Ilir business unit with a scale of 1: 25,000 and land type map created by PPKS in 1999, It can be concluded that generally the topography is generally flat to undulating. There is no area with slopes > 40% (hilly). Thus, there is no management strategy in the slope area. Nevertheless, the company has procedures for planting on soils with steep slopes, as stated in SOP no. SPO.01 on land development. Strategies that need to be implemented include the manufacture and checking of the condition of the pitch, the making of silt pit in the lowland area, the land clearance, the preparation and preservation of land, the construction of roads and bridges. The procedure is also contained in SOP no. SPO.02 on new plant, which includes replanting, under replanting, peat management, ground cover crops and technical cultivation.

4.3.3

The company shows working budget document in 2017, which in the document there is information on the budget for the maintenance of roads, bridges and waterways.

The company shows the recording of a road maintenance report with manual made in June 2017. In the report there is information as follows:

1. January 2017 in Afdeling V block of 97AE of 20 Ha.
2. In February 2017 in afdeling V blocks 98V, X, Y covering 25 Ha
3. In February 2017 in afdeling III block 98AM s / d AS covering 37 Ha.

4.3.4, 4.3.5

Based on the HCV map, the soil type map made by PPKS in 1999 and the soil type and soil fertility map with scale of 1: 25,000, it can be concluded that the type of land in the company's operations does not contain peat soil or all area are mineral soil consisting of six type (Typic tropopsamment (brown alluvial) area of 1,132 ha, Typic Dystropept (yellow brown podsolic) of 2,135 ha, Typic hapludult (red yellow podsolic) of 407 ha, Typic Hapludult (red yellow podsolic) of 2,080 ha, Typic Tropaquent Alluvial) area of 673 ha and Typic Dystropept (podsolic brown yellow) of 138 ha. This is in accordance with the results of field observations. Thus it can be concluded that the company does not have peat.

4.3.6

Based on topographic maps of PTPN IV Dolok Ilir business unit with scale of 1: 25,000 and a soil type map created by PPKS 1999, it can be concluded that in general, the topography is generally flat to undulating. There is no area with slopes > 40% (hilly). Meanwhile, the map of soil types and soil fertility shows that the type of soil in the operational company is a 100% mineral soil consists of six different types of soil, which is (Typic tropopsamment (brown alluvial) area of 1,132 ha, Typic Dystropept (yellow brown podsolic) of 2,135 ha, Typic hapludult (red yellow podsolic) of 407 ha, Typic Hapludult (red yellow podsolic) of 2,080 ha, Typic Tropaquent Alluvial) area of 673 ha and Typic Dystropept (podsolic brown yellow) of 138 ha. The level of soil acidity is generally moderately nutrient content varies from low to moderate. The limiting factor in oil palm cultivation in Dolok Ilir unit is low soil fertility.

Less fertile land management strategy refers to procedure No. SPO.02 on new plant and procedure no. SPO.05 on mature plant Among others contains:

- Implement fertilization activities based on Agronomist recommendation from PPKS.
- By-product application consisting of EFB and Palm Oil Mill effluent (POME).
- Planting mucuna during replanting.

There is a recording of the realization of the implementation of fertile land management activities. Based on field observation, it can be concluded that the company has implemented a low fertility land management strategy with company-owned procedures, such as by-products application and fertilizer based on Agronomist PPKS recommendation.

Status: Comply
4.4
Practices maintain the quality and availability of surface and ground water.
4.4.1

Based on document verification as well as field visit result indicated that there is no indication of peat land in PTPN IV area and has a relatively flat slope of 0 - 8% thus the water management is only watershed quality monitoring and river border management to avoid erosion . Water management plans are recorded on environmental management plan / environmental monitoring plandocuments as well as HCV Identification Documents, in the form of water testing activities of the Bah Apal and Bah Bolon rivers every six months and the management of river border.

The management has consistently recorded the utilization of water for the process and Non-Process every day which then recorded into monthly data of water utilization. The management set a water use budget of 1.2 - 1.5 m³ / Ton FFB. Based on data of water use during the last 1 year showed that the use of water PTPN IV (Unit Dolok Ilir) is still in accordance with the Budget of 1.29 m³ / Ton FFB

Based on the report of environmental management plan / environmental monitoring plan implementation of semester I and II in 2016, it shows that the management has consistently conducted surface water quality testing in Bah Apal river once every six months in collaboration with Environmental Lab which has been accredited by KAN.

The management also consistently monitors the impact of Palm oil Mill Effluent Application to the Land by conducting periodic testing of water quality at monitoring wells conducted every 6 months and testing the quality of Palm oil Mill Effluent Application that flows into the Land every month.

Based on the results of field visits in riparian Bah Hilang (Block 97 Ai, Afd III) showed that border the river is still vegetated naturally with the physical form of the field in the form of a Steep river slopes), the Company also planted bamboo China in some places along the border river Bah Bolon .

The management has also consistently tested the quality of clean water used by employees in each housing complex of employees every semester.

Management also conducts river flow protection in the form of;

- Doing marking boundary river border with red stakes or a cross (X) in red on the last staple along the river border that have been determined (palm oil plantation area) as the permissibility limit chemical applications.
- Prohibition of chemical applications along the designated river border.

4.4.2

Based on the verification of EIA document as well as identification of HCV indicated that there are two main river flow in operational area of PTPN IV (Unit Dolok Ilir) that is Bah Apal and Bah Bolon river. The river network has been mapped in the HCV Identification Map (including Potential HCV 4.1) and the Work Map of each Afdeling.

As described in indicator 4.4.1 which states that the boundary area of the river is managed through several activities namely;

- Marking of the boundary of the river border with red or red cross (X) red marks on the last point along the designated river border line (palm oil area) as a limit for chemical applications.
- Prohibition of chemical applications along the designated river border.
- Conducting planting of bamboo china species in some river border places, for example in Bah Bahun river border.
- Based on the report of RKL / RPL implementation in the first and second semester of 2016, it is known that the upstream and downstream Bah Apal river water testing has been conducted on December 14, 2016.

The Management has possessed a mechanism of river border protection as outlined in SOP no. 05 (Rev 2) dated January 2, 2015 on the management of river borders, explains that the management of riparian areas, among others, carried out by marking, making a warning to protect the river border, maintain vegetation, and enrichment planting with native and fast growing plant species such as Mahogany, Meranti, Mahang, Waru, Sengon, and Beringin.

Based on the results of field visits in the Bah Hilang river border (Block 97 Ai, Afd III) indicates that the river border is still

a natural vegetation with a physical form in the field of steep slopes), the Company also planted bamboo china in several places along the Bah Bolon river border . Based on the results of field visits replanting area in 2017 in Afdeling I, III and VI did not find any river flow within the replanting area. CH has the opportunity to increase the marking of the boundary of the river, especially in areas to be replanted because in some places the boundary has been blurred. **OFI**

4.4.3

The management of factory liquid waste is done by waste water treatment at Waste water Treatment Plant (WWTP) consisting of 11 types of liquid waste treatment ponds, namely; Deoiling Pond, Acidification Pond, Primary Anaerobic Pond, Secondary Anaerobic Pond, Facultative Anaerobic Pond, Algal Pond and Sand Bed, this is described in detail in Lay Out of Waste water Pond Dolok Ilir Mill scale 1: 750.

Utilization of POME applied to the soil already has a Permit in accordance with Decree of Simalungun Regent Number; 188.45 / 3439 / LINGHUP-2015 dated October 23, 2015 and is valid for 5 years from the date of decision. In the Permit is stipulated on Obligation to monitor wastewater coming out of Waste Pool (Monthly), monitoring of Water Quality in Monitor Well every 6 months, monitoring of soil quality every 1 year period and Result Monitoring of quality of POME reported every month, Result of quality monitoring Water in Monitor Wells is reported every 6 months, and soil quality test reports are reported once every 1 year. Based on the application letter number DOI / BLH / 44 / VI / 2010 dated June 9, 2010 it is known that the extent of land for application is 91 hectares located in block 97A of 23 ha, bok 97B 17 hectares, block 97c of 23 ha, block 99AK of 4 ha, block 04A of 8 ha, 00A block of 16 ha.

Management has consistently conducted monitoring of POME management covering;

- Monitoring of effluent discharge and pH is done every day, POME discharge measurements are done by the rendemen approach (0.6) of total FFB processed daily
- Monitoring of POME discharges applied to the soil is measured using Flowmeter or flow pump capacity multiplied by clock flow. The results of the calculations are recorded in a daily POME book.
- Daily Effluent pH monitoring performed by the internal Lab.
- Monitoring the quality of POME that is flowed to Land Application is done in collaboration with environmental laboratories that have been accredited KAN every month.
- Monitoring of soil quality in Land Application is done in cooperation with environmental laboratories that have been accredited KAN once a year

Based on the last 1 year data indicates that all environmental parameters tested are still in accordance with the environmental Quality Standard as permitted by applicable laws and regulations.

Based on the results of interviews with the administrators of Dolok Ilir I Village, Dolok Ilir II, Bahun Kahean and Local NGO (PWRI) stated that, during the last one year period, there were no reports from the community related to the water pollution caused by POME.

4.4.4

Based on field visits at the Water Treatment Proces (WTP) mill, the operator records the usage of the water debit through the available flowmeter. Water use for FFB processing is adjusted to the defined budget of 1,2 - 1,50 m3 / t FFB.

The use of water for boilers is recorded based on the flaps in the Water Threathement Proces (WTP) with other uses at the processing station (Pressing, condenser, fire extinguisher etc.) is carried out on the flowmeter in the water pump.

Management has recorded water usage for FFB processing, based on the document verification of the last 1 year period of recording shows that the average water usage for FFB processing is still in accordance with the budget of 1.29 m3 / ton FFB compared to 1.2 - 1.50 m3 / t FFB.

Status: Comply

4.5

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

4.5.1

The IPM management plan is contained in the Company's Budget Work Plan document. The activity plan consists of attack detection, monitoring of pest attack and early warning system, census, and effort of controlling pest populations biologically and chemically, as described in more detail in SOP no. SPO.05.10-12. Based on the results of EWS conducted through the global telling census, it is known that potential pests identified by firms are UPDKS (nettle worm and back worm), horn beetles and plant diseases (ganoderma) refers to document SPO-05 (mature plant) part of oil palm pest on 1 August 2007, It is known that methods for the eradication of pests by mechanical means (hand picking), biological, plant breeding and chemically.

The company applies biological controls using the turnera subulata and Antigonon Leptosus, The chemical reduction is done in accordance with the results of the census. The Company has made efforts to minimize chemical use through turnera planting, conducting census as the basis of chemical treatment. The company conducts regular censuses against potential pests that will attack, and will only use chemicals if the census shows results above the threshold.

Based on document of weekly report of attack and controlling of caterpillar during period of 1-10 June 2017 it is known that there are census (effective telling) results that exceeds economic threshold of example in blocks 2013A and 2013B afdeling I, blocks 2013N - 2013L, 1998R and 1998Q, 1997CN and 1997CO. However, The CH has not been able to show the follow-up of the results of the census that exceeds the economic threshold. Refers to SOP SPO 05.11 (mature plant) part of pests and plant diseases dated August 1, 2007 should be controlled. **Non-conformity No. 2017.05 with Major category**

The results Visit to 2016 planting area at afdeling VI 2016 block V, it is known that the company has done prevention against ganoderma by planting hole in hole system.

4.5.2

Based on training programs 2017 known that this years there are no programs for IPM training. There are documented triaing related to IPM from previous years such as :

- Integrated pest management Training on 25-27 March 2017 by PPKS-Medan
- Integrated pest management Training on 6 & 8 April 2015
- Training of pesticides by pesticides agency on 23-24 november 2016, 25-26 november 2016, and 28-29 november 2016

4.5.1 | **Status: Non-conformity No. 2017.05 with Major category**

4.6

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

4.6.1

The Company has a policy document on the use of herbicides with active ingredients paraquat, namely a circular letter from the Head of Plant PT. Perkebunan Nusantara IV No.04.03, dated August 4, 2006 to Business Group I, II, III, IV and V Group Managers regarding Supervision and Socialization of the Terms of Use of Paracuat Herbicides. In addition, the Company already has Material Safety Data Sheet that describes hazard identification, first aid mode, PPE used up to chemical composition. Company can show MSDS of all Hazardous material owned eg Pesticide Gempur 480SL, Paratop 276 SL, Marshal 5 GR.

Procedure no. SPO.05 Section 5.10-12 explains that the control of pest populations is chemically only carried out if the attack rate exceeds its critical point or economic threshold. Justification of the use of chemicals should be made based on the results of the census conducted periodically every month. The company can show the list of pesticides used and its targets. The pesticide used is a pesticide listed in the book of pesticides agriculture and forestry RI in 2016. Based on interviews with spray workers note that workers have known the dose of chemical use for the treatment of chemicals in the circle and path spraying.

4.6.2

The company shows the document of the use of chemicals unit dolok ilir. In the document inform the trade name, active ingredient content, dose, LD50 and the amount of chemical usage in 2014-2016. From the data shown is known there are

18 types of chemical trade names used by the unit dolok ilir. The highest use of chemicals in 2016 is a type of marshal% G of 4,216.84 liters. The use of pesticides is always recorded and reported to the assistant head of the plant and closely monitored its use by such personnel. There are example of the application in block 2012D and 2012B afdeling IV, dosage used are 25 gr/tree and the total used of pesticides are 41.21 liters.

4.6.3

Integrated pest management plans are contained in the Company Budget Work Plan document. The activity plan consists of attack detection, monitoring of pest attack and early warning system, census and control effort of pest populations biologically and chemist including the use of pesticide, as described in more detail in SOP no. SPO.05.10-12 (mature plant) part of pests and diseases that was published on August 1, 2007. In addition there are work instructions Plant Pest Control and Disease (no document: Unit.Usaha.A.08 June 2013) note that the observation of pests / Global telling is done every 1 week. Plant pest control is based on census. The Company has made efforts to minimize the use of chemicals through planting of beneficial plants. The census results are then reported to the unit manager for review through daily work report.

Company can show document of use of chemicals unit dolok ilir. In the document is known there are 18 types of chemical trade names used by the unit dolok ilir. The highest use of chemicals in 2016 is the type of marshal% G 4,216.84 liters, besides from the data shown seen the company's efforts in reducing the use of pesticide materials for example paraquat dichloride and amcothene. In the case of pesticide use the company refers to the results of EWS and census conducted routinely every week. If the census results are effective in telling above the threshold then pest eradication is done with the main priority using manual and if it can not use manual method then it is done by chemical method.

4.6.4

The Company shows letter 04.03 / 051 / VII / 2010 dated July 20, 2010 regarding the use of registered agrochemicals. The letter was signed by the Director of Production of PTPN IV and granted to all units of PTPN IV. The letter is a prohibition on the use of listed chemicals. In the letter there is a list of prohibited pesticides of 37 types. The list of prohibited pesticides refers to a list issued by the ministry's pesticide commission.

In addition, the company has a policy document of the use of herbicides made from paraquat active, namely a circular letter from the Head of Plant PT. Perkebunan Nusantara IV No.04.03, dated August 4, 2006 to Business Group I, II, III, IV and V Group Managers regarding Supervision and Socialization of the Terms of Use of Paracuat Herbicides. This Circular Letter is a follow up from the Director General of Plantation, Ministry of Agriculture no. 276 / LB.330 / EO.1 / 07/2006 dated 21 July 2006.

Results of field visits, interviews with the management representative, and visits to chemical warehouses revealed that there were no use of paraquat and category WHO 1A and 1B pesticides. Therefore, based on document verification of pesticide use and record of pest and disease census detection period April – June 2017 there are also no use pesticides from category WHO 1A and 1B.

4.6.5, 4.6.7, 4.6.9

SOP of pesticide management does not change from the previous assessment listed in the Chemical Instruction Document No. FM.4.3.13-05 dated March 3, 2012.

CH shows evidence of training on spray workers on 28-29 October 2016 to 52 employees. The proof of training is in the form of Limited Pesticide Certificate from Pesticide Commission.

Based on documentation of PPE provision and interview with pesticide applicators, it is known that spray workers have been equipped with PPE type of boots, rubber gloves, chemical masks, googles and chemical clothing. The type of PPE is in accordance with the recommendations in MSDS. Workers also explained that training has been given on how the spray works, how to handle the risks of chemicals and explained that all equipment is washed and stored in special place at division office.

4.6.6 & 4.6.10

The management has a hazardous waste management mechanism as outlined in Standard Operating Procedures (SPO) no. 02 (Rev 02) dated January 2, 2015 on the Management of Hazardous and Waste which in that mechanism regulates the management of Hazardous waste including pesticide packaging:

Hazardous waste Temporary Storage Terms are: Hazardous storage locations are free from flood, roof, rainwater splatter, adequate air circulation and floor made of impermeable material. Available Personal Protective Equipment Facility (PPE), Hazardous waste spill handling and emergency handling. Hazardous waste temporary storage household (tps) has been licensed by the government through hazardous waste storage license issued by the head of the environment office of simalungun regency through the decree of the head of the environment agency, simalungun regency number; 188.45 / 439 / sekt - 2016 dated May 19, 2016 and is valid for 5 years from the date of publication. in the permit regulates the location of hazardous waste storage is in coordinate: N 03° 07 '10.9 "and E 099° 09' 41.1" premises building size 5 mx 3.70 mx 3 m and the type of waste that can be stored include oil used , used oil filter, used drums, used bulb, used battery, used cartridge, used tape machine rib, used stamped tire, printer ribbon used, buried former fertilizer, pesticide container, contaminate fibric, contaminate gloves, contaminate apron.

Based on field observation and interview worker in the mill chemicals warehouse, Afdeling I and Afdeling III showed that all agrochemical containers have been stored in hazardous waste storage. Management has well documented the hazardous waste recording and reported it to the Environment Agency of Simalungun Regency every 3 months period.

Management has sent hazardous waste to licensed hazardous waste collector, PT Veronica Tannaga based on Letter of Agreement between PTPN IV and PT Veronica Tannaga on the Transportation and Collector of Hazardous and Toxic Waste of PT Perkebunan Nusantara IV Number: 04.03 / S-Perj / 01 / III / 2017 dated March 02, 2017. The company already has an official license issued by the Ministry of Environment and Forestry as well as other related Agencies.

Management has documented evidence of hazardous waste delivery to licensed hazardous waste collecting company for example;

- Proof of delivery of hazardous waste in the form of manifest document no. 0000434 dated June 12, 2017 consists of 375 Ltr used lubricants transported by vehicle No. Pol. BK 8591 CB by PT Veronica Tanagga.
- Proof of delivery of hazardous waste in the form of manifest document no. 0000435 dated June 12, 2017 consists of 260 pieces ex pesticide container, 24,400 pieces used sack for fertilizer and 22 Used drums are transported by Vehicle No. Pol. BK 8591 CB by PT Veronica Tanagga.

Based on field visits at Afdeling I Housing and Afdeling III, no pesticide containers were found as flower pots or bins. Pesticide containers are used for similar purposes, such as pesticide mixing containers and containers for bring water to the field at spraying activity. Based on field visits in the on pesticide storage (warehouse PPE) Division 1, it is known that pesticide storage has been well managed, for example has been separated each type, there is a symbol of hazardous material to the place of rinsing.

Based on the results of field visit at hazardous waste storage in Mill shows that all hazardous waste has been managed well according to SOP and regulation, for example hazardous waste is grouped according to its type and character, hazardous waste storage is equipped with emergency response procedure, PPE, First Aid Kit, fire extinguisher, Wash hands and Second containment. The condition of the room neatly arranged, protected from rain or splashing water and ventilation is pretty good.

4.6.8

The company does not spray from the air, but with a knapsack spray device.

4.6.11

The CH shows evidence of medical examination in the form of Minutes of Health Inspection conducted by OHS Office of Medan on March 17, 2017. Based on the letter is known there are 20 spray employees who is carried out lung capacity checking (Spirometry).

Based on the Health Check Report on March 17, 2017, it is known: **Non-conformity No 2017.06 with Major category**

- No medical examination has been performed for all spray workers (from 49 workers, only 20 people under medical examination)
- The health check only checks the lung capacity (Spirometry). It is not enough to know the toxic contents caused by exposure to pesticides in spray workers.

Based on interviews with pesticide applicators, it is explained that health checks are conducted periodically. During this time there is no occupational disease due to pesticides exposure.

4.6.12

CH shows the Employee List of Dolok Ilir Business Unit on June 2017 which there are 49 spray workers with 30 female workers.

A policy which states that preventing pregnant and lactating women from handling pesticides has not changed from the previous rating contained in unit no: DOI/SE/50/X/2012 dated on October 4, 2012. Based on interviews with female pesticide applicators, it is known that workers have known the prohibition of employment for employees who are pregnant and lactating.

4.6.11 **Status: Non-conformity No 2017.06 with Major category**

4.7

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

4.7.1

The CH has OHS Policy dated on October 22, 2016 authorized by the Unit Manager. Policies are socialized by creating banners in front of the unit business office.

CH shows the P2K3 program on 2017 which describes the work plan of OHS, among others: P2K3 Meeting, OHS socialization, OHS management review, P2K3 report, OHS inspection (signboard, hydrant, first aid kit, etc.), employee competency training, health examination, internal audit, Management review.

OHS program in 2016 that has been realized such as:

- Monthly meetings, P2K3 monthly reports, P2K3 Quarterly Reports, P2K3 annual report.
- Evaluation of SMK3 documents, risk management realization in October 2016
- Internal Audit of SMK3 conducted in September 2016
- Review management meeting in December 2016.
- Internal training of SMK3, among others, emergency and first aid training.
- Inspection of Fire Extinguisher and First Aid Kit which is done every 3 months
- Medical examination on April 01, 2016 with Spirometry and Audiometric method.

Evaluation of OHS work program is done during Management Review Meeting for example for work program of 2016 conducted evaluation in management review meeting on December 30, 2016 with results are among others; evaluation of work program and its adjustment.

4.7.2

CH shows the last evaluation of Risk Management Document which is done in October 2016. the risk identification has been conduct for operational area, for example:

- Risk Management for Plantation: FFB harvesting, FFB Transportation to the truck, Pest Control, Fertilization, Road Maintenance, drainage Maintenance, palm planting, application of Empty Fruit Bunch, weed control, nursery, Chemist/spraying, castration, harvesting near power grid, Replanting
- Risk Management for Mill: Mill securing Post, weighbridge station, Solar Tank, hoisting cranes station, clarification station, Demint plant station, boiler station, engine room station, sterilizer station, kernel station, laboratory, water treatment, civil engineering, workshops, Motor workshops, electric workshops, Fat Pit, etc.

Based on field visits, there are activities and areas where risk identification is not identified in the Risk Management document, among others: **Non-conformity No 2017.07 with Major category**

- Railway crossing area on division area
- There is a spinning machine that has not been equipped with safety cover at the factory and water machine in division 1

Based on field visits in WTP, it is known that workers have used PPE with helmets, shoes, masks, gloves and earplugs.

This is in accordance with risk identification and MSDS chemicals that require the use of masks and gloves.

4.7.3

CH has shown evidence of training on safe work practices in the form of certificates, including:

- Limited Pesticide Application certificate to 52 employees with Certificate no. 521.4/206.07/UPT.PTPH/XI/2016 dated November 1, 2016.
- Boiler Operator License of 5 employees for example Muhammad Amri with SIO no. 5296.OPK3-PUBT-B.II/XI/2013
- Certificate of OHS electricity technician named Agus Priadi with no. 1383/TK3-LIST/VI/2016 dated June 20, 2014.

During field visits at the factory, there are unsafe working practices, including: **Non-conformity No 2017.08 with Major category**

- There are workers who smoke in the engine room, in the back of processing office and there are cigarette stump in the workshop area
- In fertilizer warehouse division 1 there is no hazardous material symbol
- In the factory area there is no sign such as slippery and hot area

The list of PPE distributions is recorded in the documents of the PPE Distribution List. The last distribution was conducted on February 2017. For example PPE for pesticide applicators in division 1 on behalf of Kornel Siahaan was given PPE with type of Boot, rubber gloves, chemical mask, goggles and chemical clothing. This is in accordance with risk identification and MSDS.

When visiting the Mill, it is known that the PPE used is in accordance with risk identification, for example in the boiler area, the workers have used safety shoes, leather gloves, ear plugs and masks in accordance with risk identification.

4.7.4

CH has identified the person responsible for carrying out OHS that is P2K3 team which has been legalized by the Labor Agency with Letters of validation Number 188.45/888/16.5/2017 dated May 15, 2017. The P2K3 structure has been prepared in accordance with Ministerial Decree no. 4 year 1987, where P2K3 secretary is an OHS expert.

CH also conducted meetings related to OHS in P2K3 meetings that conducted every month. For example:

- On June 16, 2017 with the agenda of First Aid training. Attended by 16 members of P2K3 and workers.
- On May 8, 2017 with the agenda of OHS signs improvement. Attended by 15 members of P2K3.

4.7.5 & 4.7.7

The procedures related to the emergency response has not change from the previous assessment listed in the Accident and Health Check Procedures on April 23, 2013 and the Emergency Management Procedures No. document 4.3.16 revision 02 dated April 23, 2013.

CH has conducted emergency response training on April 18, 2017 about land fire, earthquake, natural disaster and riot and also the use of first aid kit attended by 60 employees. In addition, there are emergency response training certificates from the Ministry of Labor, including:

- First aid Training Certificate named Elidawati Nasution (No. Certificate Reg.21103/P3K/KK/12/2016 dated 01 March 2016)
- First Aid Training Certificate named Norma Bangun (No. Certificate Reg.21116/P3K/KK/12/2016 dated 01 March 2016)
- Fire Training Certificate named Chairul Anwar (No. Certificate Ser.002998/PeranK3-KEB/X/2015 dated October 23, 2015)

Based on interviews with the supervisor, it is known that the supervisor may explain the usefulness of first-aid kit equipment and may explain how first aid is used in an accident

Based on the field visit, it is known that CH has equipped the working area with emergency response equipment such as fire extinguisher and a first aid kit. In addition, there is monitoring for first aid kit which is done every 3 months. CH has the opportunity to reassure the completeness and readiness of emergency response tools. **OFI**

CH shows Summary of Work Accident Report in 2016 which describes the time of the incident, the data of victim, as a result, to estimate damages including work lost day. Based on the data there are 14 accidents with total lost days 65 work days. Follow-up of occupational accidents recorded in Work Accident Handling document that describes the identification information (injury, damage estimates of lost working days), a description of the accident, and the cause of the accident until the corrective action.

Work accidents has been reported on P2K3 report for example for the first quarter of 2017 that has been received by the Labor Agency in April 4, 2017 and the second quarter 2017 were received on July 12, 2017

4.7.6

Based on the results of the documents review, it is known that CH has registered all employees in the Employment BPJS program that include work accidents insurance. Proof of the validity of work accident insurance, among others, there is proof of payment of Employment BPJS on May 2017 that has been pay on June 16, 2016 for 781 workers. CH also shows Report of Work Accident Phase I to BPJS of Employment as evidence of claims against accident insurance.

For medical care, the company has registred all worker in BPJS for Health and has hospital in the Laras Estate (subsidiary of PTPN IV).

Based on interviews with workers, it is explained that each worker has a member card of BPJS Employment & Helath.

4.7.2 **Status: Non-conformity No 2017.07 with Major category**

4.7.3 **Status: Non-conformity No 2017.08 with Major category**

4.8

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

4.8.1

Letter from unit manager number DOI / 04.13 / 86 / IX / 2016 about training needs analysis 2017.

The proposed 2017 Training Program is:

1. Training of steam aircraft
2. Engine room operator
3. Heavy equipment operator
4. Technical maintenance of factory electronic components
5. Technical welding
6. Electric OHS experts
7. Technical maintenance of electronic components in hydraulic insuk panel
- 8.OHS Expert
9. Emergency response
10. Control documents
11. Chemical OHS Officer
12. Technical competence of integrated pest management
13. Limited pesticide training
14. Managerial leadership competence
15. GHG inventory
16. Monitoring and management of HCVs
17. Calculation of toxicity of pesticide used
18. Internal audit
19. Risk management and inspection

4.8.2

The company has training records for employees as follows:

- Simulation of emergency response, dated April 12, 2017. Participans: Irmansyah Purba, Ir berlindo Saragih, Salman Putra harahap

- Socialization of HCV areas, dated August 10, 2017. Participants: Nera Mayrani, Sudarwaji, Mardi, Sukanto, Amir Mahmud.

Status: Comply

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

5.1

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

5.1.1

The area of oil palm plantation of PTPN IV (Unit Dolok Ilir) is a land that has been managed as a plantation land (Cocoa, Rubber and Palm) since Dutch colonial government and became a national company since 1959. Based on verification of legal documents, vegetation cover all operational areas of PTPN IV Dolok Ilir Unit is a plantation area. The Environmental Study Document owned by CH is an Environmental Document approved on 13 January 1993 by the EIA commission of the Ministry of Agriculture with decision number RC.220 / 59 / B / I / 1993. The Company also has a revised environmental management and monitoring document for the Dolok Ilir Mill and the Dolok Ilir organic fertilizer factory in 2010 prepared by the University of North Sumatra research institute with requirements in conformity with the Regulation of Ministry of Environment No. 08 of 2006 on guidelines for the preparation of an environmental impact analysis wherein the regulation states that "The head of the EIA study team must be certified with the EIA of the Authors and in accordance with applicable provisions, while other members of the drafting team shall have expertise in accordance with the scope of the EIA study to be conducted" .

5.1.2

Documents Environmental management plans and Environmental Monitoring as a reference in environmental management efforts are available in both the plantation and mill offices. The document is supplemented by an environmental management and monitoring matrix that describes environmental parameters being managed / monitored, Source of impacts, benchmarks, management / monitoring objectives, monitoring / monitoring methods, monitoring locations, monitoring periods and responsible parties. Based on Environmental management plans and Environmental Monitoring document verification indicates that all activities have been included in the scope of the study including environmental impact of replanting activities.

In general, the management has consistently conducted the management and monitoring of the company where the results are contained in implementation report of Environmental management plans and Environmental Monitoring prepared every semester and reported to the Environment Agency of Simalungun Regency. Based on the verification of the Implementation Report of Environmental management plans and Environmental Monitoring semester 1 and II of 2016 shows that in the implementation of environmental monitoring has involved the parties of the surrounding community through the data collection through questionnaires to the surrounding community. Results of field visits at Boiler Station, Genset Station and WWTP, operators have used PPE when working. Result of field visit to WWTP, there is no pollution contamination caused by Palm Oil Mill effluent. Based on interviews with the Dolok Ilir I Village, Dolok Ilir II and Bahung Kahean Village and Local NGO (PWRI) stated that there has been no reports from the community regarding environmental pollution caused by estate and mill operations.

5.1.3

The Environmental management plans and Environmental Monitoring document contains an environmental management and monitoring matrix that describes environmental meters managed / monitored, Source of impacts, benchmarks, management / monitoring objectives, monitoring / monitoring, monitoring locations, monitoring periods and responsible parties.

Based on Environmental management plans and Environmental Monitoring document verification indicates that all activities have been included in the scope of the study including environmental impacts of replanting activities. The monitoring activities are recorded in the Environmental Monitoring Plan document.

Management has compiled RKL-RPL implementation report consistently every semester as stipulated in AMDAL

Document year 2010 but management can not prove yet: **Non-conformity No 2017.09 with Minor category**

1. Prepare Environmental management plans and Environmental Monitoring document implementation report with format referring to Attachment of environment Ministerial Decree No. 45 of 2005 on Guidelines for Preparation of Environmental management plans and Environmental Monitoring Implementation Reports where Management shall conduct 3 types of evaluation of environmental monitoring results including Trend Evaluation, Critical Level Evaluation and Compliance Evaluation.
2. Incorporating environmental impacts felt by surrounding communities related to the implementation of replanting such as increased pest beetle attack in coconut / oil palm plantation owned by residents adjacent to replanting area, estimate of landslide impact due to isolation trench during replanting especially land adjacent to settlement local people.
3. Conducting monitoring of surface water quality in Bah Bolon river as required in Environmental Monitoring Plan Document on 2010

In general, the company has monitored the management of environmental parameters as regulated in the environmental monitoring matrix however, based on the verification of the Implementation Report of Environmental management plans and Environmental Monitoring in the first and second semester of 2016 shows that CH has not evaluated the environmental monitoring result as regulated in the legislation Which involves conducting trend evaluation, critical level evaluation and compliance evaluation.

5.1.3	Status: Non-conformity No 2017.09 with Minor category
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5.2

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

5.2.1

CH has conducted HCV identification in 2010 in collaboration with Indonesia Surveyor and Sustainable Palm Oil Foundation of Indonesia used the guideline for Identification of High Conservation Values in Indonesia published by Consortium Revision HCV toolkit Indonesia June 2008. Based on the document, identified 16 species of protected animals based on Appendix II of CITES and no protected flora. Total area identified as HCV area of 52.45 ha (HCV 1, 4 and 6).

In the document has been described about the condition of the work area of PTPN IV (Dolok Ilir Unit) in general the whole area of oil palm plantation with the function of another purpose area (APL) as well as the existing area around it is a palm plantation and mixed plantation owned by local community. The nearby forest ecosystem is a protected forest in the west with a distance of approximately 20 Km. Field verification shows that natural vegetation exists only in part of the border of the Bah Bahang River which lies to the west of the boundary of Land Use Title PTPN IV (Dolok Ilir Unit).

Wildlife corridors are not discussed in detail in the document as wildlife species (especially mammals) are adaptive to palm oil plantations such as *Felis bengalensis*, Bats, Weasels while species are not available with oil palm plantations (*Lingsang*, *kiah-kiah*, pangolins and Slow loris) has habitat along the border of Bah Bahang River which lies to the west of the operational area of PTPN IV.

At the time of preparation of the 2010 HCV Document there was no ALS Scheme, however the Team Leader and its members have been registered as Approved RSPO HCV Assessor. HCV Identification Activities PT. PTPN IV (Unit Dolok Ilir) in 2010 for an area of 7,087 ha has been through a public consultation process conducted on 27 April 2010 at Dolok Ilir Employee hall with 62 participants representing stakeholders including local villagers, Local NGOs and Journalists Local.

Preparation of HCV Identification Documents has been using the Guidelines for Identification of High Conservation Values in Indonesia published by the Indonesian Consortium for HCV Revision June 2008 toolkit including its Assessment Methodology and has been completed with a HCV Identification Map Result and installed in Afdeling office and Unit Offices on a sufficient scale adequate.

5.2.2

Based on the identification result of HCV identified several species of animals and flora found in plantation operational

area, among others; 23 species of Aves, 13 species of mammals, 14 species of reptiles and amphibians, 3 types of pisces and 62 species of flora. In the report the results of HCV identification have been complemented by the classification of species scarcity based on IUCN and CITES redlist.

Based on field visits on Block 97AI Afdeling III (Lempong River Basin and Public Cemetery) and Block 88C / 13T (HCV 6; Public Cemetery) showed that the company has made efforts to manage HCV such as the installation of identity boards and there are warning signs / prohibitions hunting, electrocution, poisoning, destructive trees while for the public cemetery (HCV 6) the company has done the installation of HCV boundary in the form of fence and installation of HCV identity board.

The Company has regularly monitored HCV & RTE and the results are set forth in "Wildlife Monitoring in Unit Dolok Ilir 2016". Animal monitoring method is done by direct encounter method (direct view, trace, sound) and get information from the community (indirect).

5.2.3

CH has had the protection policy of the type of animal as outlined in Standard Operating Procedure No. 09 (Rev 02) dated January 2, 2015 on the Identification and Protection of Flora and Fauna where in the SPO is regulated on the prohibition of catching, maintaining or killing wildlife either protected or not and give sanctions if found the things that are prohibited above. SPO also arranges cooperation with other parties in this case is Natural Resource Conservation Center in order to save the animal and rehabilitation and release of rehabilitation result. The policies set out in the SPO are then reinforced by the issuance of DI / SE.interen.14 / II / 2015 memo number, dated February 25, 2015 from the DOI unit manager on the prohibition of maintaining and catching protected animals.

CH has appointed a special officer who has attended HCV training to be responsible in monitoring and managing the HCV Area through the Decision of Unit Manager of Dolok Ilir no. MU / Kpts / 01 / V / 2016 dated May 9, 2016 where CH appoints you. Leonard Bakkara SH and Mr. Ishak Siregar as Special Officers.

CH has shown evidence of socialization regarding the status of RTE species, for example

- Socialization conducted on January 28, 2015 which was attended by 21 people attached photos and attendance
- Socialization to all Division employees related to wildlife protection on February 24, 2015 (attached attendance)

Based on the results of field visits in the HCV Afdeling III and Afdeling VI areas indicated that there was no indication of the destruction of natural vegetation or wildlife hunting as well as based on interviews with the administrators of Dolok Ilir I Village, Dolok Ilir II, Bahung Kahean and Local NGOs stated that CH had done Socialization of flora and fauna protection within the work area of PTPN IV (Unit Dolok Ilir). Based on the results of interviews with workers indicates that they have understood the company's policies related to wildlife protection.

Based on the results of field visits in employee housing shows that there is no indication of any hunting or maintenance activities of wildlife by workers. Based on the results of interviews with workers indicates that they have understood the company's policies related to wildlife protection.

5.2.4

Based on the verification of the 2010 HCV Identification Document as well as the 2016 Satellite Announcement report document indicating that the HCV identification and monitoring results have been supplemented by the status of scarcity types based on the IUCN and CITES redlist, however CH has not been able to demonstrate the overall of Management and Monitoring Plan for the HCV area that has been identified by considering the recommendation of HCV Assessment on 2010. **Non-Conformity No 2017.10 with Minor Category**

CH has conducted monitoring of wildlife species in 2016 but there is insufficient evidence of the results of HCV Management and Monitoring periodically to be used as consideration for evaluation of the implementation of management and monitoring of the next period. **Non-Conformity No 2017.10 with Minor Category**

5.2.5

Based on the results of verification document HCV Identification 2010 shows the existence of HCV 6 in the form of Public

Cemetery utilized by the surrounding community residing in Land Use Title PTPN IV (Unit Dolok Ilir). There are 16 HCV 6 locations with total area of 6.01 Ha located in Blocks 98B, 90D, 88C, 98P, 98N, 99M, 99S, 97AE, 99AF, 97AI, 98AP, 97BA, 97AZ, 97BV, 97CB, 97CE.

The public cemetery has existed for a long time and is still used by the public as a funeral if any of its citizens pass away

Based on the verification of HCV Map 2010, there are 16 HCV 6 locations with total area of 6.01 Ha located in Blocks 98B, 90D, 88C, 98P, 98N, 99M, 99S, 97AE, 99AF, 97AI, 98AP, 97BA, 97AZ, 97BV, 97CB, 97CE. These HCV sites have been included in the Afdeling work maps on a sufficient scale

Based on document verification as well as the results of field visits in HCV VI (Public Cemetery, Afd III and Afd VI) shows that CH has conducted a public consultation on 2 August 2016 and presented on 10 August 2016 in relation to the cooperation of the parties to the management of HCV VI (public cemetery). The HCV area has been set up borders and clearances in collaboration with local communities and has been installed HCV identity boards.

An agreement has been reached between the surrounding community and the Management of PTPN IV (Unit Dolok Ilir) through a public consultation and presentation process in August 2016. Based on field visits in Block 88C (Afd VI) and Block 97AI (Afd III) indicates that the HCV area has Border installation and cleaning in cooperation with the local community and HCV identity board has been installed.

5.2.4 Status: Non Conformity 2016.10 with Minor category

5.3

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

5.3.1

CH has conducted waste identification as stated in the list of waste products in 2016, covering pesticides packaging, domestic waste, shell, fiber, used oil, empty bunches, POME, etc.

CH has identified the source of waste that is the source of waste from the estate activities, household activities in housing, mechanical activities in the workshop, the processing of palm oil in the mill.

In the detail identification of source and waste products result are as follows:

- Estate waste: waste generated from the operational activities of oil palm plantation cultivation such as the former packaging of pesticides.
- Mill waste: waste generated from factory operating activities such as POME, shell, fiber, dust and empty bunch.
- Domestic waste: waste from household and office activities such as domestic waste, water used in laundry, etc.
- Clinical waste: waste from clinical activities such as used drugs, used injections, gauze, used plaster, etc.
- Hazardous waste: waste derived from the residue of an activity containing hazardous material.

In the RKL / RPL document on 2016, the types of sources of pollution and emissions at the oil palm plant are included. From these documents, identified sources of pollution and emissions in palm oil mills are:

- Pollution of noise generated by POM activities. Pollution is managed by machine maintenance and using personal protective equipment.
- Air pollution from the odor. Air quality test (emissions) every 6 months.
- Air pollution from air emissions from boiler chimneys. Air quality test (emissions) every 6 months.

5.3.2

CH has owned hazardous waste storage license issued by the Head of Environmental Office of Simalungun District through the Decree of the Head of the Environment Agency, Simalungun District Number. 188.45/439/Sekrt-2016 in 19 May 2016 and is valid for 5 years from the date of publication. The permit regulates the location of the hazardous waste storage located at Coordinate: N 03° 07' 10.9" and E 099° 09' 41.1" with the building size of 5 mx 3.70 mx 3 m and the types of waste that can be stored include used oil, used oil filter, used bulb, used drum, used battery, used print cartridge, used typewriter ribbons, used seals, used printer ribbons, used sack for fertilizers, pesticide containers, contaminate fabric, contaminate gloves, contaminate apron.

CH has cooperated with licensed Hazardous Waste Collector, PT Veronica Tannaga based on Letter of Agreement between PTPN IV and PT Veronica Tannaga on Hazardous Waste Material Distribution of PT Perkebunan Nusantara IV Number: 04.03/S-Perj/01/III/2017 dated 02 March 2017. The company already has official licenses issued by the Ministry of Environment and Forestry as well as related institutions.

CH has properly documented the management records of hazardous waste and reported to the Environment Agency of Simalungun District every 3 months period or delivery of hazardous waste to license hazardous waste Collecting Company.

Based on the results of field visit at hazardous waste storage in Mill shows that all hazardous waste has been managed well according to SOP and regulation, for example hazardous waste is grouped according to its type and character, hazardous waste storage is equipped with emergency response procedure, PPE, First Aid Kit, fire extinguisher, Wash hands and Second containment. The condition of the room neatly arranged, protected from rain or splashing water and ventilation is pretty good.

Based on interview with storage officer, explaining that all of chemical container has been placed on hazardous waste storage and will transferred by licensed contractor.

5.3.3

CH has a documented waste disposal plan classified into several types (Hazardous Waste, Domestic Waste, Palm Oil Mill Effluent and Emission from Immobilized Source) as outlined in several procedures such as:

- Standard Operating Procedure No. 02 (Rev. 02) in 02 January 2015 governing the management of hazardous waste (as described in indicators 5.3.1 to 5.3.2).
- Standard Operating Procedure No. 20 (Rev. 02) in 02 January 2015 governing Domestic Waste Management.
- Standard Operating Procedure No. 10 (Rev. 02) in 02 January 2015 governing the Inventory and Mitigation of Greenhouse Gases.
- Standard Operating Procedure No. 14 (Rev. 02) in 02 January 2015 governing the Management of Air Pollution, Greenhouse Gas Inventory and Mitigation.
- Standard Operating Procedure No. 15 (Rev. 02) in 02 January 2015 governing the Management and Monitoring of Immobilized Source Disorders (See principle 5.6).
- Standard Operating Procedure No. 17 (Rev. 02) in 02 January 2015 which regulates the Utilization of Palm Oil Mill Effluent.

CH has implemented a waste management plan as set out in the SOP of each waste for example:

- Based on the results of field visits at the hazardous waste storage indicate that hazardous waste has been well managed as described in indicator 5.3.1 and indicator 5.3.2.
- Based on the results of field visits in WWTP and Land Applications shows that POME has been well managed through Waste Water Treatment Plant (WWTP) and applied to the soil in accordance with the Land Application Permit (see indicator 4.4.3).
- Based on the results of field verification both in Estate and Mill show that Solid Waste from Mill production has been utilized as a boiler fuel (Shells and Fiber) and Land Application (empty bunch).
- Based on the results of visits to housing complex in Division III, IV and VI indicates that domestic waste has been managed according to the procedure whereby domestic waste is managed by separation of organic and inorganic waste, domestic waste disposal is done by Landfill system with certain plots of employee housing.
- CH consistently conducts monitoring through the Lab Test on air quality in the workplace as well as ambient air quality (described in detail in indicator 5.6.3) in accordance with the period set forth in the RKL-RPL document.

The results of field visits in Housing complex in Division III, IV and VI, there is no indication of domestic waste incineration activities, waste has been disposed of in the place provided (Landfill). Reassure the distance of the final waste disposal site of domestic waste in accordance with the SOP. **OFI**

Status: Comply

5.4

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

CH has had Standard Operating Procedures for Utilization of Palm Oil Mill Waste (SOP No. 17, second revision in 02 January 2015) which describes them well in relation to;

- The purpose of utilizing Palm Oil Mill Waste is to suppress the use of fossil fuels so as to reduce greenhouse gas emissions. Waste in refers to Utilization of empty bunch, Shell, Solid, Fiber and POME.
- All solid waste in the form of shells and Fiber used for fuel boilers.

Based on the results of field visit at Dolok Ilir POM shows that CH utilize Shell and Fiber as boiler fuel but CH cannot show: **Non-Conformity 2016.11 with Minor category.**

- Records of Shell and Fiber utilization for the period of 2016 and 2017 as boiler fuel.
- Calculation of the efficiency of the use of Shell and Fiber fuels as a replacement for Fossil Fuels in 2016 and 2017.

Based on the results of field visits in WWTP and Land Application shows that all POME generated from palm oil processing is utilized on land through land application system and no plans have been utilized for biogas plan.

5.4.1 Status: Non Conformity 2016.11 with Minor category

5.5

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

5.5.1

zero burning land clearing policy refers to SOP no. SPO.02 on new crops, one of which includes replanting and under replanting. The method of clearing the land carried out by the company is mechanically without burning. In accordance with the new plant SOP (SPO-02) note that the company does not burn in the clearing of land or in the replanting activities.

The company has no plasma farmers, so there are no training programs related to land clearing without burning.

Based on field observation of replanting area block 16V Division 6, observed there is no burning activity in that areas.

5.5.2

As indicated in Indicator 5.5.1, it is known that the company does not carry out land clearing activities by burning method. Based on interviews with management representatives it is known that pest eradication is only done by way of Chemist method and not through the use of fire.

Status: Comply

5.6

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

5.6.1

CH has done a good monitoring of each waste generated, for example:

- POME; POME management by means of POME treatment at Wastewater Treatment Plant (WWTP) consisting of 11 types of ponds as described in indicator 4.4.3.
- Utilization of liquid waste to be applied to the soil already has a Permit in accordance with Decree of Regent of Simalungun Number. 188.45/3439/LINGHUP-2015 in 23 October 2015 and is valid for 5 years from the date of decision. In the Permit is regulated on Obligation to monitor POME coming out of WTP (Monthly), Water Quality in Monitor Pond at every 6 months, soil quality monitoring every 1 year period and Result Monitoring quality of POME reported every month, Result of Monitoring quality Water in Monitor Ponds is reported every 6 months, and soil quality test reports are reported once every 1 year.

CH has consistently conducted monitoring of POME management including:

- Monitoring of waste disposal and POME pH is carried out everyday, the measurement of POME discharge is done by OER approach (0,6) from total FFB processed daily
- Monitoring of waste discharges applied to the soil is measured using Flowmeter or flow pump capacity multiplied by the flow clock. The results of the calculations are recorded in a daily POME book. Based on field visit in

WWTP, Flowmeter used to measure POME applied to the soil is still functioning but constrained its function is not optimal due to solid matter disturbance (solid) carried by the waste stream so that the displayed data is less accurate and CH keep doing Other calculations using the pump capacity are multiplied by the flow clock as data that is considered more accurate.

- Monitoring of daily waste pH is performed by an internal Lab.
- Monitoring the quality of POME that flowed into the Land Application is done in collaboration with environmental laboratories that have been accredited by KAN every month.
- Monitoring the POME discharge that is generated and that is streamed into the Land application measured daily.

CH has consistently conducted environmental quality monitoring (Air, Vibration, Dust, Noise, light intensity etc.) in collaboration with KAN accredited Laboratories.

All identification activities, waste management, waste utilization and monitoring results are presented full in the Implementation Report of RKL-RPL prepared every semester and reported to related institutions (Environment Agency of Simalungun District).

5.6.2

CH has undertaken a Greenhouse Gas inventaritation in 2014 collaboration with third Party (Kompasia) which results are set forth in "Inventaritation and Calculation Report of PTPN IV Greenhouse Gas (Dolok Ilir Business Unit)". The report describes the complete documents required in the Greenhouse Gas calculation. The document has been described about Greenhouse Gas Management (Mitigation) Action Plan.

CH has undertaken Inventaritation and calculation of Greenhouse Gas in 2014 cooperation with external parties (Kompasia). The document has been described on the types and sources of emissions generated by plantation and mill activities including the Greenhouse Gas Mitigation Action Plan. However, CH cannot be able to demonstrate the operational plans and realizations in the context of GHG mitigation by considering GHG identification results in 2014. **Non Conformity 2016.12 with Major category**

The management of POME is done by wastewater treatment at WWTP consisting of 11 types of ponds as described in indicator 4.4.3.

Utilization of liquid waste to be applied to the soil already has a Permit in accordance with Decree of Regent of Simalungun Number. 188.45/3439/LINGHUP-2015 in 23 October 2015 and is valid for 5 years from the date of decision. In the Permit is regulated on Obligation to monitor debit of POME monthly, Water Quality in Monitor Pond at every 6 months, soil quality monitoring every 1 year period and Result Monitoring quality of POME reported every month, Result of Monitoring quality Water in Monitor Ponds is reported every 6 months, and soil quality test reports are reported once every 1 year. Based on the application letter number DOI/BLH/44/VI/2010 in 09 June 2010 it is known that the extent of land application is 91 ha located in block 97A of 23 ha, block 97B of 17 ha, block 97C of 23 ha, block 99AK of 4 ha, block 04A of 8 ha, block 00A of 16 ha.

CH has consistently conducted monitoring of POME management including:

- Monitoring of waste disposal and POME pH is carried out everyday, the measurement of POME discharge is done by OER approach (0,6) from total FFB processed daily
- Monitoring of waste discharges applied to the soil is measured using Flowmeter or flow pump capacity multiplied by the flow clock. The results of the calculations are recorded in a daily POME book.
- Monitoring of daily waste pH is performed by an internal Lab.
- Monitoring the quality of POME that flowed into the Land Application is done in collaboration with environmental laboratories that have been accredited by KAN every month.

Based on the verification results of laboratory test on POME quality and water quality in observed ponds period of 2016 shows that all parameters of water quality tested meet the environmental quality standard in regulation.

Based on interviews with the Dolok Ilir I Village Representative, Dolok Ilir II, Bahun Kahean and Local NGO (PWRI) stated that, during the last one year period there were no reports from the community related to the water pollution resulting from

the POME management.

In the RKL / RPL document on 2016, the types of sources of pollution and emissions at the oil palm plant are included. From these documents, identified sources of pollution and emissions in palm oil mills are:

- Pollution of noise generated by POM activities. Pollution is managed by machine maintenance and using personal protective equipment.
- Air pollution from the odor. Air quality test (emissions) every 6 months.
- Air pollution from air emissions from boiler chimneys. Air quality test (emissions) every 6 months.

Based on field visit, interview with workshop and document verification, it is known that the CH has implement the plan to minimize pollution, among others has conduct maintenance routinely and has maintenance schedule, apply POME to the field and conducted environmental quality monitoring (Air, Vibration, Dust, Noise, light intensity etc.) every 6 months.

5.6.3

Based on the RKL / RPL document, it is known that the company has an obligation to monitor air quality generated in every semester. The plan has been implemented by the company by conducting air quality testing at the accredited laboratory. The test results are still in accordance with the regulations. Regularly, CH is also doing the calculation of Greenhouse Gas which in the calculation of 2016 has been using PalmGHG v.3.0.1 calculation method in 2016

The company has reported the results of air emissions testing of second semester of 2016 to related institutions (Environment Agency of Simalungun District).

The Company has calculated the 2016 GHG Emissions using PalmGHG v.3.0.1 calculation method 2016 with the following results:

Summary of Net GHG Emissions	
Emission per product	tCO ₂ e/t product
CPO	4,86
PK	4,86
Production	t/yr
FFB Processed	149.015,05
CPO Produced	35.217,313
Extraction	%
OER	23,63
KER	4,46
Land Use	Ha
OP Planted area	3.378
OP Planted on peat	-
Conservation (Forested)	-
Conservation (Non-Forested)	16,11
Total	3.394,11

Summary of plantation / field emissions and sinks

Emission source	Own			Group			3rd Party		
	tCO2e	tCO2e/ha	tCO2e/FFB	tCO2e	tCO2e/ha	tCO2e/FFB	tCO2e	tCO2e/ha	tCO2e/FFB
Land conversion	31.623,94	9,36	0,43	-	-	-	-	-	-
CO2 emission from fertilizer	197.486,87	58,46	2,70	-	-	-	-	-	-
N2O Emission	2.699,03	0,80	0,04	-	-	-	-	-	-
Fuel consumption	358,48	0,11	-	-	-	-	-	-	-
Peat oxidation	-	-	-	-	-	-	-	-	-
Sinks				-	-	-	-	-	-
Crop Sequestration	-31.623,94	-9,36	-0,43	-	-	-	-	-	-
Sequestration in Conservation area	-	-	-	-	-	-	-	-	-
Total	200.544,38	59,37	2,75	-	-	-	-	-	-

Summary mill emission and kredit

Discription	tCO2	tCO2e/t FFB
Emission source		
POME	3.333,44	0,02
Fuel consumption	0	0
Grid eletricity Utilisation	4,86	0
Credit		
Export of exess electricity to housing & grid	- 290,63	0
Sale of PKS	0	
Sale of EFB	0	
Total	3.047,67	0,02

POME Treatment

Emissions	%
Divert to compost	0
Divert to anaerobic digestion	100

POME Diverted to Anaerobic Digestion

Emissions	%
Divert to anaerobic pond	100
Divert to methane capture (flaring)	0
Divert to methane capture (Electricity generation)	0

5.6.2 Status: Non Conformity 2017.12 with Major category

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

6.1

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

6.1.1

CH has an environmental document in the form of EIA and was approved on 13 January 1993 by EIA commission of the Ministry of Agriculture with decision No. RC.220/59/B/I/1993 and RKL-RPL Revised Document approved by Environment Agency of Simalungun District based on recommendation letter Environment Agency of Simalungun District No.

213/LINGHUP-2010 in 27 October 2010 for operational area of 7,348.81 ha and Mill with capacity of 60 tons/hour.

In 2009, CH conducted a Social Impact Assessment in cooperation with the Indonesian Sustainable Palm Foundation (YASBI) and the Faculty of Social and Political Sciences, University of North Sumatera. Team Compilation Document SIA PTPN IV (Unit Dolok Ilir) is; Agustrisno, Nurman Ahmad and Jonni Marbun.

This document describes the positive and negative impacts of plantation operations and social impact management recommendations by the company. The report is also supplemented by the recording evidence at the time of the activities implementation. The Social Assessment Activities have involved parties proven through recordings of Minutes from interviews with stakeholders, documentation of YASBI's Social Impact Assessment team photos during interviews and Focus Group Discussion in villages around the plantation.

The SIA aims to explain the negative impacts and positive impacts of Estate and Mill activities on surrounding communities, and recommendations to mitigate negative impacts and enhance positive impacts. There is a report that has been completed with a follow-up recommendation that needs to be done by the company

The Social Impact Assessment covers the socio-economic and cultural issues of the surrounding community, covering aspects: Improving infrastructure such as roads and bridges and other facilities, Making mechanisms open and transparent, Creating community development programs in a planned and directed manner according to the needs of local communities Creating divisions Special tasks to build a harmonious relationship and map the stakeholders of PTPN IV Unit Dolok Ilir in more depth.

6.1.2

In the process of preparing the Social Impact Assessment of PTPN IV (Unit Dolok Ilir) has involved parties through interviews, Focus Group Discussion with affected parties. Records of interviews are available, documentation of discussions with stakeholders, employees and communities in the surrounding villages, Present List and Photographs of the Implementation, the parties are given the opportunity to provide suggestion.

CH, has consistently conducted social impact monitoring with parameters as mentioned in the RKL-RPL Matrix every year through the provision of Questionnaire Attitude, Perceptions and expectations of the community around PTPN IV Dolok Ilir Unit includes questions related to:

- People's views on Estate and Mill activities.
- Community complaints against Estate and Mill activities.
- Public expectations of the existence of the Estate and Mill.
- Concerns due to the existence of Estate and Mill activities.
- Benefits of the existence of Estate and Mill activities.
- Assistance ever received by the community from the Estate and Mill.
- Expectations of aid programs undertaken by Estate and Mill.

The results of the questionnaire are presented in the RKL-RPL Implementation Report reported to the relevant agencies in this case is the Environment Agency of Simalungun District.

6.1.3

Based on the verification of RKL-RPL documents in 2010 (revised) indicates that it has been described on the Social Monitoring and Management Plan in the form of management and Social Monitoring matrix which in the matrix describes the affected environmental aspects, the Source of Impacts, the impact benchmarks, the objectives of the management/monitoring, Method of management/monitoring, Location Management/monitoring, Time/period of management/monitoring and the party responsible for carry out management/monitoring. Environmental parameters (Social) that are managed based on RKL-RPL Document 2010 are Change of Negative Attitudes and Perceptions of the Society on the existence of the Garden, Employment Opportunity and Business Opportunity/Income Increase, Attitudes and Public Perception.

Based on the verification of the Social Impact Assessment (SIA) in 2009 document does not outline the recommendations for social management/monitoring planning. This document only describes the Positive Impact as well as the Negative impact caused by the estate and mill operations.

In general social management PTPN IV already has a CSR program for all Units within PTPN IV in the document of "RKAP Social Responsibility and Environmental Responsibility" but cannot yet show that CH has a comprehensive social management program considering the Social Impact Assessment (SIA) in 2009, EIA Documents as well as the social dynamics of monitoring results of the Environmental Monitoring Plan conducted annually. **Non Conformity 2017.13 With Major category**

Indicator 6.1.4 dan 6.1.5

CH, has consistently conducted social impact monitoring with parameters as mentioned in the RKL-RPL Matrix every year through the provision of Questionnaire Attitude, Perceptions and expectations of the community around PTPN IV Dolok Ilir Unit includes questions related to:

- People's views on Estate and Mill activities.
- Community complaints against Estate and Mill activities.
- Public expectations of the existence of the Estate and Mill.
- Concerns due to the existence of Estate and Mill activities.
- Benefits of the existence of Estate and Mill activities.
- Assistance ever received by the community from the Estate and Mill.
- Expectations of aid programs undertaken by Estate and Mill.

The results of the questionnaire are presented in the RKL-RPL Implementation Report reported to the relevant agencies in this case is the Environment Agency of Simalungun District. As described in indicator 5.1.3 which states that CH has not evaluated the monitoring results include Trend Evaluation, Critical Level Evaluation and Compliance Evaluation. Based on the explanation, it is known that the CH has not been able to prove that it has evaluated the results of environmental monitoring including social impact at least 2 years. **Non Conformity 2017.14 With Minor category**

Based on the verification of EIA documents in 2010 (Revised) and Social Impact Assessment (SIA) in 2009 show that the main impacts on stakeholder are the opening of access roads from the plantation to the surrounding villages as well as access roads between villages, as well as opening access for the local community to work in estate and mill.

6.1.3 Status: Non Conformity 2017.13 With Major category

6.1.4 Status: Non Conformity 2017.14 With Minor category

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

CH has a list of Stakeholders and has been consistently updated annually, the last update made on 22 July 2017 consists of comprising; 6 FFB suppliers III, 5 Related agencies, 11 Local Purchase Order, Sub-District Head/Elders, 11 Local/others NGOs, 17 FFB Transport Contractors, 7 Replanting Contractors, 8 Engineering/Processing Contractors and 23 Transport Contractors for Empty Bunch/Seedling.

CH has established a mechanism for managing communication and consultation with the surrounding community as outlined in Standard Operating Procedures (SOP) No. 03 (Rev. 02) of 02 January 2015 on Communication and Consultation with the Local Community. In the procedure described about the procedure of communicating and consulting with the local community either by unit management, group Unit or head office and equipped with Flow Chart of Communication Process and Consultation.

For every estate, CH has appointed the Assistant of Human Resources and General as the representative of the Manager to conduct consultation and Communication with the local community while for the level of Group Unit has been appointed Assistant of Human Resources and General represent the Manager of GUU and for Head Office level handled directly by (Public Relations/Corporate communication) head office that is part of the Corporate Secretary.

Based on document verification indicates that CH has special officers to communicate and consultation with the local community through the Decree of Estate Manager of Dolok Ilir No. MU/Kpts/07/III/2015 in 10 March 2016 regarding the Special Officer responsible for consultation and communication with the community related to the RSPO/ISPO Dolok Ilir Estate, namely: Hendra Jusada, SH (Department of HR & General Assistant) and Drs. Alines Saragih (Clerk HR & Public).

Based on the interview with the Village Representative of Dolok Ilir I, Dolok Ilir II Village, Bahung Kahean Village and Local NGO stated that so far there is no problem to communicate with PTPN IV (Unit Dolok Ilir). Once conducted a joint meeting between the management of PTPN IV (Unit Dolok Ilir) with representatives of surrounding communities for example; The meeting in the discussion of CSR program of PTPN IV Dolok Ilir with the government of the surrounding villages, among others: in Aman Sari Village, Nagori Dolok Tenera, Nagori Silinduk and Nagori Dolok Mainu, in 16 February 2016.

Based on the results of consultations in the Dolok Ilir I Village, Dolok Ilir II and Bahung Kahean villages stated that they have understood the flow of communication mechanisms with PTPN IV (Unit Dolok Ilir).

Based on the verification document shows that the SOP has been socialized to the surrounding community on 16 February 2016 which is equipped with evidence of Attendance List of Participants Socialization.

6.2.2

The organizational structure is described in the form of Organizational Structure of Palm Plantation Estate + Mill (D.1) and Profile Position (outlining job description). This is part of the appendix of Decree of the Board of Directors of PT Perkebunan Nusantara IV, No. 05.15/Kpts/58/V/2016 in 31 May 2016 on Organizational Structure of PT Perkebunan Nusantara IV.

Working tasks are also available in the Estate Manager's Decree No. Dolok Ilir. MU/Kpts/07/III/2015 in 10 March 2016 regarding the Special Officer responsible for consulting and communicating with the community in relation to the RSPO/ISPO Dolok Ilir Estate.

6.2.3

CH has consistently documented every communication made with the parties consisting of:

- The communication through correspondence is documented in the Book "Incoming Mail of 2017" and "Outgoing Mail of 2017" administered by the office secretary, based on verification of the document indicating in 2017 there are 819 types of letters entering PTPN IV (Dolok Ilir Estate) and 104 Type of outgoing mail to third parties/ other parties. (See indicator 1.1.1 and 1.1.2).
- Communication/consultation through meetings is managed by the HR & Public sectors such as meetings between companies and parties, among others: the surrounding villages, among others: in Aman Sari Village, Nagori Dolok Tenera, Nagori Silinduk and Nagori Dolok Mainu, 16 February 2016.

Based on document verification and interview result with surrounding community, every meeting is always equipped with attendance list and minutes of meeting result such as meeting between company and parties, such as: the surrounding villages, such as: Aman Sari Village, Nagori Dolok Tenera, Nagori Silinduk and Nagori Dolok Mainu, in 16 February 2016 meeting between the company and the parties, among others: the surrounding villages, among others: in Aman Sari Village, Nagori Dolok Tenera, Nagori Silinduk and Nagori Dolok Mainu, in 16 February 2016. While the forms of communication through correspondence are well documented by the Corporate Secretary section including notes (memo related sections) as a process for responding to stakeholders.

Status: Comply

6.3

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

6.3.1

CH has had a grievance mechanism consisting of:

- Standard Operating Procedures (SOP) No. 13 (Rev. 02) in 02 January 2015 on Handling Customer Complaints and the environment in which to manage complaints submitted by customers to companies ranging from Unit level, Group or head office. The officer responsible for documenting and acting for complaints is part of the Corporate Secretary of the Head Office.
- Standard Operating Procedures (SOP) No. 19 (Rev. 02) in 02 January 2015 on Internal Communication and complaints handling of employees in which to set internal complaints resolution mechanism. Responsible for internal complaints resolution is the Unit Manager. Complaints can be submitted through Letters, Memos, letter dispositions, bulletin boards, meetings, briefings and suggestion boxes. Unit-level employee complaints may be made through Worker Unions.
- Based on the results of consultation with the Dolok Ilir I Village, Dolok Ilir II Village, Bahung Kahean Village and Local NGO (PWRI) stated that they have understood the grievance mechanism to the company. Any complaint

from the parties, CH has responded to the complaint well and quickly.

- Based on the results of interviews with workers indicates that they have understood the grievance mechanisms that can be done through letters, suggestion boxes, or directly to superiors and through representation in Worker Unions. Based on the results of interviews with workers and employee housing residents stated that so far there has been no significant complaint only in the form of demand for housing improvement if there is damage and has been responded well by the company. Based on the results of interviews with trade union officials and document verification, the employee complaints were also discussed at meetings between the Managers of Trade Unions, Management and Workers such as Workers' Union, on 26 February 2016 attended by All Assistants Division I up to VIII, clerk, Workers and PPD RSPO.

As mentioned above that in Standard Operating Procedures (SOP) No. 19 (Rev. 02) in 02 January 2015 on Internal Communication and complaints handling of employees in which to set internal complaints resolution mechanism. Responsible for internal complaints resolution is the Unit Manager. Complaints can be submitted through Letters, Memos, letter dispositions, bulletin boards, meetings, briefings and suggestion boxes. Unit-level employee complaints may be made through the Worker Union. This is also regulated in the document of Collective Work Agreement (PKB) for the Period of 2016 - 2017 between PT Perkebunan Nusantara IV (PTPN IV) with Plantation Workers' Union (SPBUN) of PT Perkebunan Nusantara IV, CHAPTER XI Industrial Relations Settlement, Article 64 on Dispute Settlement Procedures & 65 on Employee Complaints and Industrial Action.

CH has a Regulation related to the protection of Whistleblower which is regulated in the Joint Regulations of the Board of Commissioners and Board of Directors of PTPN IV (Persero) No. DK-60/PER/XI/2013; No. 04.03/PER/13/XI/2013 in 26 November 2013 on the Whistleblowing System, particularly the article in Article 10: Protection of Reporters, states that:

1. The Company shall provide protection to a well-informed rapporteur in accordance with applicable regulations and regulations
2. A reporting person shall have the right to protection, to provide a report without pressure, confidentiality of reporter identification and report content, protection from adverse treatment, unfair dismissal, protection of demotion and rank and protection of harassment/discrimination in all forms
3. The guarantee of confidentiality of identity is given by the company until a complaint report is processed in accordance with applicable law.

Based on document verification if there are problems that cannot be resolved at the unit level, it will be continued at the level of the board of directors and subsequent according to the agreement of the parties, including the legal path or other settlement path.

6.3.2

Based on the results of document verification and interviews with workers and Management of Worker Unions and the village government of Dolok Ilir I, Dolok Ilir II Village and Bahung Kahean Village stated that:

- a. Communities of some villages of the Bah Bolon River (example Bahun Kahean Village) feel a sharp decline in income from fish farming that has been the center of the people's economy since CH utilized POME to be applied to land and not flowed to the Bah Bahun River. This happens because the fish farmer community diverts the source of feed for fish cattle to the source of feed manufacturer (Pellets) from the original form of red worms harvested from along the Bah Bolon River flow during the POME flowed to the Bah Bolon River.
- b. Impact of replanting implementation is felt by villagers of Dolok Ilir II who have coconut or palm plantation during the replanting period. There is an increase of horn beetle (*O. rhinoceros*) attack in palm tree owned by residents adjacent to replanting area.
- c. Replanting impact is also felt by the residents also caused by the manufacture of isolation trench during replanting, especially the land adjacent to the surrounding residents where it is feared will happen landslide.

Based on the results of interviews with the above mentioned village representative stated that point a above has been submitted to the local government and the PTPN IV but until now has not got the right solution. This become Non-compliance in indicators 5.1.3

Based on the documents study and interviews with the Village and Local NGOs stated that point b and c have not been submitted to the management of PTPN IV but now some residents have submitted the complaint to their side.

Based on the mechanism set forth in Standard Operating Procedures (SOP) No. 13 (Rev. 02) in 02 January 2015 on

Handling Customer Complaints and the environment in which to manage complaints submitted by customers to companies ranging from Unit level, Group or head office. The officer responsible for documenting and acting for complaints is part of the Corporate Secretary of the Head Office.

Based on the mechanism set forth in Standard Operating Procedures (SOP) No. 19 (Rev. 02) in 02 January 2015 on Internal Communication and complaints handling of employees in which to set internal complaints resolution mechanism. Responsible for internal complaints resolution is the Unit Manager.

Status: Comply

6.4

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

6.4.1, 6.4.2, 6.4.3

The CH has SPO for Land Conflict Management No. 04 (revision 2) dated 02 January 2015 which explaining that the settlement of land disputes is done by negotiation involving deliberation of regional leaders and determine the compensation done by negotiation until they reach agreement. Calculations carried out with reasonable prices in accordance with the taxable value and state of the areas. In SOP does not distinguish the compensation calculation based on sex, homesteader, local community or ethnic groups

Based on interviews with the villagers and study documents of Government Regulation no. 19 of 1959, it is explained that the CH area comes from the land of the Dutch company. For land disputes in the form of community land claims have been settled by involving the government (verification 2.2.3)

Based on interviews with surrounding villages, there is currently no land dispute between PTPN IV Unit Dolok Ilir with the parties around the plantation area. The last land dispute was the conflict with Jumadi (community representative) group over the 121 Ha land area as on September 30, 2004 and has been resolved by field review involving the parties including the government agency.

Status: Comply

6.5

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

6.5.1

Based on letter no. 04.11 / SE / 07 / III / 2017 dated March 13, 2017 regarding the provisions of the Basic Salary and Employee Benefits of 2017 which refers to SK. Dir.PTPN IV No: 04.11 / Kpts / 23 / III / 2017, dated March 13, 2017 there is information as follows:

1. Basic salary of employees
 - Group IA-0 to IA-14 = Rp 1,577,084 to Rp 1,579,270
 - Group IID-0 to IID-6 = Rp 2,535,103 s / d Rp 2,677,575
2. Employee Benefits
 - Group IA-0 to IA-14 = Rp 251, 771 s / d Rp 253, 499
 - Group IID-0 to IID-6 = Rp 503,899 s / d Rp 540,983

Fixed income received by workers is the basic salary + allowance + natura rice. The amount of rice received by the workers is 15kg / worker. Documents from Labour Unions of Sumatera Region are used for reference in the calculation of rice supply. Based on the document of North Sumatra governor's decision number 188.44 / 623 / KPTS / 2016 concerning the minimum wage of northern sumatera province in 2017 dated October 28, 2016, it is known that the minimum wage of Rp. 1,961,354.69. However, the company itself has provisions related to the wages of employees in accordance with the letter no. 04.11 / SE / 07 / III / 2017 dated March 13, 2017 regarding the provisions of the Basic Salary and Employee Benefits of 2017 which refers to SK. Dir.PTPN IV No: 04.11 / Kpts / 23 / III / 2017, dated March 13, 2017 signed by the Director of Human Resources and General Affairs.

Based on payslip worker period April to June 2017 there is known that the pay conditions has been given to all workers according to the references (internal letter and governor decision). There is no identify violation regarding the pay conditions. During an interviews with factory workers, it is explained that the wage system is done with a premium system

based on the tonnage of processed FFB, but the workers do not know the amount. CH has the opportunity to socialize calculations on wage premiums. **OFI**

6.5.2

The CH indicates that the conditions of employment and the binding provisions between the workforce and the company are contained in the Working Agreement (PKB) document of 2016 - 2017. The collective agreement has been registered with the labor agency of North Sumatra Province (Registration No. 01 01 / DFT / PKB / 6 / SU / I / 2016) and has been approved by SK Kadisnakertrans No. KEP.18-6 / DTK-TR / 2016 Registration of Collective Labor Agreement dated January 22, 2016. Validity period from 1 January 2016 s.d. December 31, 2017.

Available contracts are prepared in the language the workers understand, explained slowly by management, and signed by the parties officially. The company shows the document of North Sumatra governor's decision number 188.44 / 623 / KPTS / 2016 as the minimum wage of northern sumatera province in 2017 dated October 28, 2016. It is known that the minimum wage of Rp. 1,961,354.69, but the company itself has provisions related to the wages of employees in accordance with the letter No. 04.11 / SE / 07 / III / 2017 dated March 13, 2017 regarding the provisions of the Basic Salary and Employee Benefits of 2017 which refers to SK. Dir.PTPN IV No: 04.11 / Kpts / 23 / III / 2017, dated March 13, 2017 signed by the Director of Human Resources and General Affairs.

Of the two documents, the provisions made by the company are greater in value than the provincial minimum wage that already exists. Based on interviews with the head of SPBUN, the dolok ilir basis and workers can be known that no cases have been recorded as an industrial relations violation by the company, or complaints made by employees against the company on wages and unfair conditions.

During an interview with sprayer worker and harvester, all personnel has been explained regarding the Collective Labor Agreement/Company Regulation. Representative of the worker union and management explained about its document every the document are updated and or in the early of personnel work in the company.

6.5.3

Based on document list of asset collection remains known that public facilities available in the company include:

1. House building (residence): Staff house and Employee's house
2. Education Facility: Kindergarten, Elementary School, Junior High School, Madrasah Aliyah, Madrasah Tsanawiyah
3. Clean water facilities: wells, public baths,
4. Health facilities: facilities clinic are located outside from the estate, however the clinic are near and can easy reach by the workers.
5. Glorification of worship: mosque, mosque, church
6. Sporting facilities: volley ball field, soccer field, badminton hall, table tennis court, mini golf course, tennis court
7. General tools: baby / child care

Based on field visits to afdeling I housing, it is known that there are no special drainage to drain the water from the house. The disposal water is immediately discharged to the ground behind the house. **OFI**

6.5.4

PTPN IV Dolok Ilir business unit located in Tanjung Prapat Village, located in a neighborhood not far from the city center, so the workers have easy access to get decent food, enough and reasonable price.

Status: Comply

6.6

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

6.6.1

The policy of a company giving freedom to workers to associate is found in PKB/CLA for 2016-2017 (valid until December 3, 2017) clause 5 stating that the directors will not interfere or obstruct anything related to the development of the organization, as long as such developments are not contrary to regulations prevailing labor legislation.

Based on interviews with employees in the estate and mill, it is mentioned that all employees are given the freedom to form a worker union. Currently all employees are registered as SPBUN members.

The company worker union (SPBUN) has been actively engaged in performing its duties as a workers association. SPBUN in the company consists of two levels, the first SPBUN base and SPBUN center. In each unit there is the head of SPBUN (SPBUN basis) which always coordinates with SPBUN center. Based on interviews with the head of SPBUN base Dolok Ilir known that SPBUN always conducting meetings every year and always play an active role to fight for the rights of employees.

6.6.2

Available documents in the form of meeting between the management of SPBUN Dolok Ilir with the Estate manager on March 30, 2017. In the minutes of the meeting there is information as follows:

1. The meeting was attended by 40 SPBUN board members and management representatives (estate managers)
2. The meeting discussed about payment of natura rice paid through employee's account.
3. Giving of rice will be given on every date 15-20 every month.

Documentation of the completeness of the report has also been available in the form of attendance lists and invitation letter of the meeting.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

The Company has presented evidence of company policy documentation related to child labor policy in the following documents:

1. The labor recruitment process where it has been mentioned that the minimum age of workers eligible for admission selection is 18 years.
2. There is a prohibition point on employing minors in each Letter of Work Agreement (SPK) with third parties.
3. SOP with document number 03.02 dated August 1, 2012 regarding child labor policy stating that minimum age to be allowed to work in company is minimum 18 years and this is in accordance with Labor Law no 13 year 2003.

Based on the employee list until May 2017, it is known that no employee is <18 years of age.

During interview with stakeholder (worker union, gender commiittee / IKBI and man power agency) there are no identified or issue about underage worker.

Status: Comply

6.8

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

6.8.1

The company policy on equal opportunity and treatment in employment is contained in SOP Number 04.02 Regarding the working equation policy stating that PT Perkebunan Nusantara IV Provide equal opportunities and chance without discrimination for all employees to do its work in order to achieve the vision and mission of the company. The policy is available in each Division and can be accessed by the public.

Bezzeting employee / Employee Management Information System in May 2017 is known there are 784 employees with details of Islam: 667 people, Catholics: 9 people, Protestant: 108 people. With the origin of Java: 578, Batak Toba: 93, Batak Angkola: 1, Simalungun: 42 people, Mandailing: 41 people, Karo: 19, Pakpak: 3 persons Minangkabau: 2 persons and Melayu: 1 person, Aceh: 2 , Banjar 1 person and Banten: 1 person.

Based on interviews with workers in the field, the company accepts employees based on competence not based on certain ethnic / class / religion or race.

6.8.2

The Company can show the Bezzeting employees / Management Information Systems Employees in May 2017, known there are 784 employees consisting of three religions with a majority of Muslims as much as 667, with a high diversity of local origin and dominated by employees from the origin of Java island. Based on interviews with workers' representatives (harvests, census officials, spray workers, local contractors, IKBI representatives and union heads (SPBUN)) Dolok Ilir

basis, informed that there were no issues related to discrimination.

6.8.3

The Company has an employee receipt archive consisting of appointment decree, appointment as a prospective employee on probation, cover letter, result of health examination of prospective harvesting employees, diploma, Identity Card, Curriculum Vitae, and Family Card.

The policy is written in the Joint Working Agreement. Which is evaluated every 2 years. There is a document showing the selection of employees, for example the report on the implementation of the selection of IOR (No DOI / GMD-II / R / 01 / IV / 2017) on April 1, 2016. Where in the document it appears that employee selection is done through written test stages, Interviews, and medical examinations.

Based on interviews with foremen and census workers of Afdeling I, it is known that recruitment and promotion are performed on the basis of performance and competence. Then, based on interviews with union representatives it is known that the company does not discriminate workers. Companies do not see origin, religion, tribe, gender and so on. The company is open in accepting all workers and there is no worker differentiation in terms of its activities in the work area.

Status: Comply

6.9

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

6.9.1

The management has a commitment related to transparency and confidentiality of information, environment, policies related to child labor, employment opportunity, document shelf life, sexual harassment, land fire, B3 waste management and so on contained in the Policy and SPO documents. In addition, management has a policy on Sexual Harassment in the RSPO Documents and ISPO numbers: 06 and 02 revisions. Effective date is 02 January 2015. contains:

1. Commit to allow all employees to work in an environment free of sexual harassment.
2. Sexual harassment is a form of violation that damages the employment relationship, there should be no employees, both men and women being subjected to sexual acts.
3. Sexual harassment behavior may result in indispliner until termination of employment.

The company shows table / chart Mechanism for Handling Sexual Harassment Actions (Signed by unit manager dated November 7, 2016). Contains the reporting mechanism, responses and actions and sanctions. The work program of 2017 is: monitoring of sexual harassment, human rights and social activities.

The form of gender committees according to the law of PTPN IV is the existence Family Association of Wives (IKBI). Based on the IKBI work program of 2016-2017, there are known programs and realizations related to the socialization of human rights and women's rights to all employees' wives.

Based on interview with stakeholder (i.e worker union, gender committee / IKBI, man power agency), all personnel informed that there are no issue about sexual harrassement occur in the company.

Based on interviews with spray officers, the worker has not been able to explain clearly the activities of *IKBI*. Company to re-socialize the existence of *IKBI* and its functions to all levels of employees. **OFI**

6.9.2

CLA Clause 27 concerning Maternity Leave:

1. Female employee entitled to maternity leave for 1.5 months before delivery according to doctor's or midwife's information and 1.5 months after delivery.
2. Extension of maternity leave may be justified only on the basis of certificate of doctor or midwife for reasons of circumstance that may harm the health / safety of employees.
3. Permit for maternity leave abortion is justified to female employees who experience miscarriage of the content, ie for 1.5 months from the time of miscarriage accompanied by certificate of doctor or midwife company.

CLA Clause 28 on Menstruation Leave;

- 1) Female employees who during menstruation feel pain, not obliged to work on the first day and second during menstruation.

- 2) The work entry permit due to such obstacle shall be granted if required / notified by the employee to his / her employer directly by obtaining full salary supported by certificate from the company health officer.

From the book review of assistant's book (AU-29) Afdeling IV June 2017 it is known that there are examples of realization of this menstrual leave for workers on behalf of tikem, martinah and samsinah who take menstruation leave in June 2017. The policy is documented in the CLA and one of them is communicated by letter to all sections in afdeling. Based on field visits and interviews with spray workers in afdeling I it is known that workers are aware of this policy. Based on interviews with IKBI board, that policy has been socialized through meetings between workers and administrators. Based on interviews with workers in the field, already know the H1 reporting mechanism and know that pregnant and lactating women are prohibited from spraying.

6.9.3

PTPN IV has a whistleblowing system document governing the report submission and handling mechanism. A reporting channel of violation is written or electronic, every reporter receives receipt. Reports of violations are periodically reported to the Board of Directors, the Board of Commissioners. Complaint and violation organizer party as the officer can communicate with the complainant to perform verification or next stage until the investigation stage.

Protection against whistleblower contained in article X in the complaint system document, Based on the document of complaints system complaint, the grievance channel manager is UP3 (Complaints Complaint Control unit) In addition, there are also internal communication SOPs and complaints handling of employees contained in the RSPO Document and ISPO SPO 19 with the effective date of January 2, 2015.

The Company shows the document distribution document code of conduct containing one of the whistleblowing systems containing the UP3 team (Complaint Handling Management Unit) on 12 August 2016. The document has been distributed to all levels of management from the plant manager to the Driver of the vehicle.

Based on the results of the interview management and document review, until the audit took place there were no complaints related to harassment or acts of violence, while interviews with the head of SPBUN bases dolok ilir, known that no complaints from the workers. Complaints that there is a late receipt of rice natura, however according to the head of SPBun this matter has been followed up and have no more complaints.

Status: Comply

6.10

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

6.10.1 & 6.10.2

Based on the Letter of FFB Purchase Agreement, described in Article 4 concerning payment that the price of FFB is set by PTPN IV every day or every time there is a change of CPO and PK price.

CH shows the description of FFB price calculation in document of Third Party FFB Purchase Price Estimation which explains CPO & PK price, operational cost, yield of CPO & PK and FFB price. Based on the data it is known that the pricing is based on the price of CPO and PK.

CH also shows the price list that has been set in the document of Third Party FFB Purchase Price Estimation. For example, on June 15, 2017 amounting to Rp. 1,435 and from 23 June to 03 July 2017 the set price is Rp. 1,410.

Based on interviews of FFB Purchasing Division and FFB suppliers, it is explained that prices are communicated by attaching price announcements on weighbridge stations and providing information through short messages (SMS) by phone

6.10.3

CH shows the contract agreement with 3 suppliers of FFB, among others: UD Dicky, UD Riana and PT. Hot Abadi Lestari. For example Letters of Purchase Agreement of FFB with UD. Dicky with No. Pemb-TBS/SP/01/XI/2016 dated 2 November

2016. The letter of agreement has been mutually agreed. Based on the interview with the supplier of FFB (UD Dicky), it is known that the making of the agreement was done together. CH has the opportunity to reassure that the contractor has obey the prevailing regulations. **OFI**

6.10.4

CH shows the recapitulation of FFB purchases as the basis for calculating FFB payments. Recapitulation is performed for 1 week period for example for UD. Dicky transaction dated 09-15 June 2017 with total FFB as much as 54.65 tons and the price is between Rp. 1,435-1,495 (according to daily price). Based on the interview with the supplier of FFB (UD.Dicky), it is explained that until now the payment goes according to the agreement and there is no problem.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

According to interviews with local communities, the needs of the community priorities are employment, improvement of facilities and funding through CSR. CSR programs based on proposals (proposals) from the community. The workforce of PTPN IV Dolok Ilir comes from local communities (Local) and outside the region. The company has also empowered local contractors. The company has also helped repair roads and mosques through CSR programs, etc. The results of consultation with the surrounding community, recognized that the company is very helpful in providing employment and business opportunities.

6.11.2

Based on the documents list of suppliers and partners of the company it is known that there is no identification of self-supporting farmers who supply the fruit to the company. Based on interviews with the Management Unit and document review (FFB report) there is no scheme for smallholders (plasma, PIR / TRNAS, KKPA, partnership) in the company.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1.

In general, the policy on the prohibition of forced labor and labor trade is regulated in the Policy of Respect for Human Rights (Document No. 07 Rev. 02) in 02 January 2015, in which it outlines that the Company respects the rights of communities in communities affected by corporate activities. Companies seek to identify adverse impacts on Human Rights and take appropriate measures to avoid, minimize and/or mitigate them.

With the devolution of forced labor issued by the ILO stating that "all work or service which is exacted from any person under the penalty of which every worker is classified as forced labor if in a situation;

- Against their will, or
- Without informed consent, and
- Cannot leave that job without penalty of any kind.

Based on the verification of employment documents and interviews with workers showed no indication of forced labor in PTPN IV (Unit Dolok Ilir).

Based on the verification of employment documents as well as the results of interviews with the management of the Workers' Union stated that no migrant / foreign workers working in PTPN IV (Unit Dolok Ilir).

Based on the verification of documents and interviews with Human Resources and assistant as well as employees in the Estate and Mill stated that there is no prohibition for employees to leave the Mill or Estate/residential facility employees outside of working hours, even some of the workers live in surrounding villages.

Based on the verification of employment documents as well as the results of interviews with the management of the

Workers' Union stated that no migrant/foreign workers work in PTPN IV (Unit Dolok Ilir). Based on the results of interviews with management, worker union officials and workers stated that there is no practice of detaining personal documents of workers as a guarantee to the company within a certain time such as diploma guarantee etc.

6.12.2.

Based on the results of interviews with HR, General Assistants and employees in the Estate and Mill stated that the acceptance of employees by PTPN IV has certain rules in accordance with the Collective Labor Agreement (PKB). Most employee levels start from Harvest workers before being appointed as permanent workers of the company. Based on the verification of employment documents indicates that there is no indication of the practice of contract replacement or the use of labor trafficked. Based on the verification of employment documents as well as the results of interviews with the management of the Workers' Union stated that no migrant/foreign workers in PTPN IV (Unit Dolok Ilir)

6.12.3.

Based on the verification of employment documents as well as the results of interviews with the management of the Workers' Union stated that no migrant / foreign worker working in PTPN IV (Dolok Ilir Unit) nevertheless CH has had an Employment Equalization Policy as outlined in Policy No. 04 (Rev. 02) in 02 January 2015 stating that PTPN IV eliminates all forms of discriminatory practice of Ethnic, Religious, Racial, Gender, Age, Working Disability, controlling the ages and among classes in all business processes of the company.

Based on the results of interviews with housing residents stated that CH has completed housing facilities for employees as well as; Water supply, electricity subsidies, health facilities (BPJS), religious facilities, sports facilities, school facilities etc. CH also implements rice allowances as part of the salary component.

Based on the verification of employment data document per June 2017 shows that there is no indication of discrimination practices to workers.

Status: Comply

6.13
Growers and millers respect human rights
6.13.1.

CH has a human rights policy in respect of Human Rights (Document No. 07 Rev. 02) in 02 January 2015, in which it outlines that the Company respects the rights of communities is affected by the company's activities. The Company seeks to identify adverse impacts on Human Rights and take appropriate measures to avoid, minimize and/or mitigate them.

The Human Rights Policy has been communicated to the worker level on 28 January 2015. There is also a Memo from Unit Manager of PTPN IV Dolok Ilir on 17 August 2015 in order to socialize the Company Policy to new employee of 2014/2015 including Human Rights policy. The Company has also distributed the Human Rights Aid pocketbook to all employees.

Based on SOP No. 06 (Rev 2) in 02 January 2015 regarding the Request for Information and Response states that the officer responsible for delivering internal and external policies is the Assistant of Human Resources and General.

Based on document verification, the results of interviews with employees in Estate and Mill, the Management of Worker Unions and Company Management did not indicate that there has been no practice of human rights violations committed by the company.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings
7.1

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

From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).

	Status: Comply	
7.2 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).		
	Status: Comply	
7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
As described in indicator 5.1.1 which states that the Estate area of PTPN IV (Unit Dolok Ilir) is area that has been managed as plantation land (Cocoa, Rubber and Palm) since the Dutch colonial government and became a national company since 1959. Based on Verification of planting year shows that planting after November 2005 is a replanting activity of prior rotation palm crops. The youngest plant on the previous rotation was the crop 1990. So Principle 7 is not applicable to PTPN IV (Unit Dolok Ilir).		
In accordance with the RSPO Secretariat's Email (Dillon Sarim) as of 21 July 2017, CH declared that PTPN IV (the Dolok Ilir Unit) has dispatched Disclosure No New Land Opening after November 2005 and can continue the certification process "This unit has been disclosed as zero non- Compliant land clearance. It may proceed with RSPO Certification Process ".		
	Status: Comply	
7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).		
	Status: Comply	
7.5 No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).		
	Status: Comply	
7.6 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).		
	Status: Comply	
7.7 Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.		
From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).		
	Status: Comply	

7.8	New plantation developments are designed to minimise net greenhouse gas emissions.
From the previous assessment until now (ASA-2), the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities. This is proofed by the absence of changes in operational area and extent in the area statement (7,348.81 Ha).	
	Status: Comply
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity	
8.1	Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.
8.1.1	The certificate holder has not been able to show evidence of improvement related to continuous improvement. In connection with this there is a systematic failure (systematic failure) in the application of standards, due to the repetition Non-conformity of the previous assessment, such as: Regulatory updating (Indicator Minor 2.1.4), Environmental Monitoring Report (Indicator Minor 5.1.3). Non-conformity No.2017.15 with Major Category
8.1.1	Status: Non-conformity No.2017.15 with Major Category

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module E) CPO Mills - Mass Balance Requirements																																				
E.1	Definition																																				
E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.																																					
Dolok Ilir Mill is used RSPO supply chain of Mass Balance module because they still received FFB from the estate which has not been certified with RSPO that is Marjandi Estate, Marihat Estate, Bah Birong Ulu Estate, Laras Estate (subsidiary of PTPN IV) and from other resources.																																					
	Status: Comply																																				
E.2	Explanation																																				
E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.																																					
Estimates of CPO and PK produced by Dolok Ilir Mill obtained from the budget data of 12 months (Juli 2017-Juni 2018)afterthe audit activities and have been described in this ASA-2 report, consist of: FFB:67,814 ton CPO: 15,258 ton (OER: 22.5%) PK: 3,052 ton (KER: 4.5%)																																					
	Status: Comply																																				
E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).																																					
Dolok Ilir Palm Oil Mill - PTPN IV has registered RSPO-certified products are CSPO and CSPK through IT Platform RSPO with registration number: ID RSPO P01000002539																																					
<ul style="list-style-type: none">Certified CPO sold to each buyer period of 29 September 2016 to 21 July 2017																																					
<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>22 Nov 2016</td><td>Musim Mas</td><td>500</td></tr><tr><td>24 Nov 2016</td><td>Musim Mas</td><td>500</td></tr><tr><td>01 Des 2016</td><td>Multimas Nabati A</td><td>750</td></tr><tr><td>12 Jan 2017</td><td>Musim Mas</td><td>500</td></tr><tr><td>20 Mar 2017</td><td>Multimas Nabati A</td><td>500</td></tr><tr><td>31 Mar 2017</td><td>Multimas Nabati A</td><td>500</td></tr><tr><td>20 Apr 2017</td><td>Multimas Nabati A</td><td>500</td></tr><tr><td>25 Apr 2017</td><td>Multimas Nabati A</td><td>750</td></tr><tr><td>05 May 2017</td><td>Musim Mas</td><td>500</td></tr><tr><td>18 May 2017</td><td>Musim Mas</td><td>500</td></tr><tr><td colspan="2">Total</td><td>5,500</td></tr></table>		Date	Buyer	Volume	22 Nov 2016	Musim Mas	500	24 Nov 2016	Musim Mas	500	01 Des 2016	Multimas Nabati A	750	12 Jan 2017	Musim Mas	500	20 Mar 2017	Multimas Nabati A	500	31 Mar 2017	Multimas Nabati A	500	20 Apr 2017	Multimas Nabati A	500	25 Apr 2017	Multimas Nabati A	750	05 May 2017	Musim Mas	500	18 May 2017	Musim Mas	500	Total		5,500
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05 May 2017	Musim Mas	500																																			
18 May 2017	Musim Mas	500																																			
Total		5,500																																			
<ul style="list-style-type: none">There is no sell of certified Palm Kernel																																					

	Status: Comply
E.3	Documented procedures
E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements; The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. 	
<p>The CH has procedures regarding to ensure the implementation of all the elements mentioned in the terms of SCCS for Mill, which listed in:</p> <ol style="list-style-type: none"> SOP of Palm Oil Supply Chain No. SPO 07 dated January 2, 2015 (revision 2) which explains: <ul style="list-style-type: none"> Supply Chain Model is Mass Balance FFB derived from their own plantation, one parental plantation and FFB of 3rd party certified by RSPO marked with stamps of CSPO (Certified Sustainable Palm Oil). The factory reports the shipments of CPO, PK, PKO and PKM to marketing and headquarters processing sections The marketing reports to the Supervisory Board and the Giver of Claim of RSPO (Greepalm, UTZ/E-trace) and include contract number and the name of the buyer, the type of crude palm oil and its derivatives, detailed information on the transport document. There is a flow diagram of the palm oil supply chain that informed person in charge in every supply chain step. SOP of Provision of Information and Claims of Production No. SPO 18 dated January 2, 2015 (revision 2) which explains: <ul style="list-style-type: none"> The mill make a recapitulation production records of mass balance CPO, PK, PKO and PKM Managers should set a limit on the number of units of CPO, PK, PKO and PKM that can be sold or marketed in accordance with the number of certified (RSPO SCCS) by the certification body. Unit Manager is responsible for ensuring that the production of CPO, PK, PKO and PKM are not exceed the amount that can be claimed If there is any production number of CPO, PK, PKO and PKM sold greater than the certified amount, then the manager of the unit as the representative of the company must immediately notify the relevant sections in the main office in Medan to officially inform the certification body through written or electronic mail Reporting must inform in detail: <ul style="list-style-type: none"> Sources of CPO, PK, PKO and PKM The implementation period The number of CPO, PK, PKO and PKM generated Party who buy CPO, PK, PKO and PKM. Available Flowchart of control, Registration, Revenue and Product Delivery <p>Based on interview with operator of weighbridge, explained that the stamp of RSPO certified has been marked from division on the document of FFB Delivery Letters.</p>	
	Status: Comply
E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	
<p>The CH has procedures for Registration Control Acceptance and Delivery Product No. SPO 16 dated January 2, 2015 (revision 2) which explains:</p> <ol style="list-style-type: none"> Identification of the recording. <ul style="list-style-type: none"> Recording must have a clear title or name, it can be written in the form (hard copy) and can be in the form of electronic data (soft file) either on the computer system Recording for FFB reception and delivery activities of CPO, PK, PKO and PKM certified must be documented by using data of monthly, quarterly, semester and yearly Storage recording. 	

3. Protection of recordings
4. Making of recording
5. The shelf life.
 - consider the norm of laws and regulations existed
 - wisdom of the leader as person in charge of records in the responsibility area
 - The shelf life of all records and reports shall be at least 5 years.

Based on interview with operator of weighbridge, explained that the stamp of RSPO certified has been marked from division on the document of FFB Delivery Letters.

Based on verification document of FFB Delivery Letters, it is known that the documentation of receiving the FFB certified and non-certified does not well demonstrated. For example: **Non-conformity No. 2017.16 with Major Category**

- FFB Delivery Letters on 21 July 2017 from Division 3, 4, 7 and 8 Dolok Ilir Estate does not marked with stamp of RSPO certified
- FFB Delivery Letters from non-certified Estate (Laras Estate) marked with stamp of RSPO Certified for example on 21 July 2017

Status: Non- conformity No. 2017.16 with Major Category

E.4 Purchasing and goods in

E.4.1

The site shall verify and document the volumes of certified and non-certified FFBs received.

Certified and non-certified FFB received period of 29 September 2016 to 21 July 2017

Period	FFB Recieve (Ton)		
	Certified	Non-Certified	Total
29-30 Sep 2016	429.64	257.62	687.26
Okt 16	5,642.45	5,788.37	11,430.82
Nov 16	5,078.37	9,358.81	14,437.18
Des 16	5,502.54	7,625.10	13,127.64
Jan 17	4,293.11	3,901.94	8,195.05
Feb 17	3,368.77	1,589.08	4,957.85
Mar 17	4,975.89	3,793.48	8,769.37
Apr 17	5,456.84	5,839.16	11,296.00
Mei 17	6,246.82	8,962.76	15,209.58
Jun 17	5,130.16	10,269.14	15,399.30
1 - 21 Jul 17	3,935.95	8,062.92	11,998.87
Total	50,060.54	65,448.38	115,508.92

Status: Comply

E.4.2

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

In the previous certified (initial assessment) period 29 September 2015 till 28 September 2016, production of FFB, CSPO and CSPK does not exceed the RSPO certificate issued.

- Received FFB: 82,082.91 Ton → Total estimate in certificate is 101,451 Ton
- CPO: 18,377.97 Ton → Total estimate in certificate is 22,826 ton
- PK: 3,392.16 Ton → Total estimate in certificate is 4,880Ton

For this period (ASA-1) from 29 September 2016 till 21 July 2017, Dolok Ilir Mill production of FFB, CSPO and CSPK has exceed the RSPO certificate issued.

- Received FFB: 50,060.54 Ton → Total estimate in certificate is 50,000 Ton
- CPO: 10,937.33 Ton → Total estimate in certificate is 11,000Ton
- PK: 2,162.61 Ton → Total estimate in certificate is 2,500 Ton

The CH has not informed the certification body of the over-production of FFB from the estimated certificate (the realization of FFB production is 50,060.54 ton while the estimated certificate is 50,000 Ton). **Non- conformity No. 2017.17 with Major Category**

Status: Non- conformity No. 2017.17 with Major Category

E.5 Record keeping

E.5.1

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)

The Dolok Ilir Mill has a monitoring report with monthly basis for RSPO certified product (CPO & PK)

Month	CPO		PK	
	Production	Sold	Production	Sold
29-30 Sep 2016	137.60	-	24.92	-
Okt 16	1,283.20	-	230.59	-
Nov 16	1,141.75	1,000	202.83	-
Des 16	1,132.06	750	222.58	-
Jan 17	837.34	500	171.24	-
Feb 17	703.92	-	161.35	-
Mar 17	1,086.26	1,000	241.01	-
Apr 17	1,209.74	1,250	245.85	-
Mei 17	1,351.97	1,000	244.19	-
Jun 17	1,158.96		223.94	-
1 - 21 Jul 17	894.55	-	194.12	-
Total	10,937.34	5,500	2,162.61	-

Status: Comply

E.5.2

In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.

The Dolok Ilir POM does not perform the processing by themselves nor outsource to independent palm kernel crusher. Dolok Ilir POM only performs sales.

Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-2	PTPN IV Dolok Ilir has been RSPO Certified with registered Number MUTU-RSPO/075	✓
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-2	PTPN IV Dolok Ilir did not use Logo both on and off product	✓
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-2	PTPN IV Dolok Ilir did not use Logo both on and off product	✓
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-2	PTPN IV Dolok Ilir did not use Logo both on and off product	✓
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT Perkebunan Nusantara (PTPN) IV against the rules for partial certification was determined through external assessment conducted by RSPO Accredited Certification Body in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

PT Perkebunan Nusantara (PTPN) IV Time Bound Plan (TBP) is explained in point 1.10. PT Perkebunan Nusantara (PTPN) IV has informed the TBP progress, MUTU has considered that PTPN IV is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PTPN IV on October 2017.

MUTU has verified partial certification for un-certified unit's subsidiary of PTPN IV based on their Time Bound Plan. There is one (14) uncertified mills and twenty six (26) uncertified estates of PTPN IV, MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification There are external audit that has been conducted for management units of Adolina, Bah Jambi, Dolok Sinumbah, Air Batu, Berangir, Sawit Langkat, Pasir Mandoge and Timur</p> <p>And internal audit conducted for management units of Sosa, Ajamu, Timur, Mayang, Gunung Bayu and Tinjowan</p> <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>PTPN IV has submitted liability disclosure to RSPO. All management units of PTPN IV, based on company disclosure has no liability.</p> <p>PTPN IV has sent their liability disclosure and LUCAt to the RSPO Compensation Panel (rspocompensation@rspo.org) in 2016. All the units are free from non-compliant land clearance.</p> <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	No new planting/land clearing after 1 st January 2010. All planting in PTPN IV management units are

		<p>old plantation that was planted before November 2005.</p> <p>Auditor verification PTPN IV has sent their liability disclosure and LUCA to the RSPO Compensation Panel (rspocompensation@rspo.org) in 2016. All the units are free from non-compliant land clearance.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p>Auditor verification The company has SPO of conflict area management No.4 (revise 2) January 2, 2015 has explain that problem solving of conflict area is conducted by negotiation which involves leader of dispute area and determine the compensation done by negotiation until they reach agreement</p> <p>There is evidence of documented land dispute resolution for the uncertified units.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes.</p> <p>Auditor verification There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has a mechanism for dealing with complaints and dissatisfaction in the SOP of Internal Communication and Employee Grievance Handling (internal) (No. 19 (Revision 1) effective from January 2, 2015), SOP Handling Customer Complaints and Environment (external) (No. 13 (Revision 1) effective from January 2, 2015) and there are SOP of Communication and Public Consultation (No. SPO 03, revision 02, the effective date of January 2, 2015).</p> <p>The Company has a policy to protect the identity of the Whistle Blowing that stated in the documents of Infringement Complaint Management System (Whistle Blowing System) PT Perkebunan Nusantara IV (Persero) on 2013 in Article 10: Protection For Reporter.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is no legal non-compliance is being processed.</p> <p>Auditor verification The company has a complete list of regulations in 1st semester of 2016 that includes local regulations, national regulation and international regulation.</p> <p>The procedure explains that the person responsible for the management of legal documents are the Head of General Affairs and Human</p>

		Resources. The company has kept a list of rules and regulations in 1st semester of 2016 at the Head of General Affairs and Human Resources Departement and has distributed to each division office in hardcopy and softcopy.
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2016.1	2.1.1	Compliance over the regulation According to the field observation, the mobile fire extinguisher at workshop and boiler station do not have any pressure (empty).	Major	Estate & Mill	27 Sept 2016	The management unit must be able to show the evidence of the compliance over the applied regulation.	Root cause: Mobile fire extinguisher is not placed in its' position (Workshop) due to the use of it. Hydrant is not well pressured due to the leakage. Corrective action: Replacing it with the filled mobile fire extinguisher and place it where it should be and replace the leaking hydrant hose. Preventive action: Inspecting/monitoring mobile fire extinguisher and hydrant hose once a month. Auditor conclusion: Verification on September 13th 2016 According to the field observation at estate and mill, the mobile fire extinguisher in all pom have been refilled. It is shown with the label of mobile fire extinguisher filling from Simalungun District Bakortiba (valid period till March 15th 2017). According to the shown corrective action, the nonconformity over first aid kit and mobile fire extinguishers have been closed.	Closed	12 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2016.2	2.1.4	Adjustment over the change of regulation The management unit is not able to show the adjustment over the change of regulation like: government regulation No. 101 year 2014, Agricultural Ministry Regulation No. 11 year 2015.	Minor	Estate& Mill	ASA 02	The company must be able to show the adjustment over the change of regulation	Root cause: The management unit does not get the latest regulations from division of law and agraria. Corrective action: The management unit form task force in unit to update the latest regulation every years. Coordinating with the division of law and agraria at the HQ by sending the letter to the division every end of the year in terms of PTPN IV. Conducting evaluation/monitoring every year over the regulation. Preventive action: Updating the latest regulation over the palm oil plantation. Auditor conclusion: 13 September 2016 The company attached the evidence of corrective action in terms of the list of the updated regulation dated August 12th 2016. There are 3 updated regulation (government regulation No. 101 year 2014, Agricultural Ministry Regulation No. 11 year 2015, Agricultural Ministry Regulation 39/2015). The company is not able to show the documented evidence over the	Closed with observation	31 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>corrective action (form of communication) and preventive action which correlates with the root cause. The company is not able to identify all regulations (International, national, regional, local) that have to do with estate aspects in RSPO (legal, best practice estate, social, manpower, environment, etc.) yet.</p> <p>31 October 2016: The company has shown the evidence of corrective action like:</p> <ol style="list-style-type: none"> Decree of Unit Manager No: DOI/SK/07/X/2017 dated October 29th 2016 in terms of appointment for task force for consulting and communicating the regulations in business aspect in Dolok Ilir. Description of the appointed task force for consultation and communication over the regulation where the update of regulation should be conducted annually. <p>According to the evidence, the nonconformity is close with observation.</p>		
2016.3	4.4.2	Riparian Protection According to the field observation on the riparian area of Bah Bolon Blok 12 G Afd	Major	Estate	Sept 27th 2016	Management of riparian area must follows the applied procedure.	Root cause: the riparian area management is not completely conducted based on SOP No. 5	Closed with observation	12 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		VI, the riparian area management is not completely conducted based on SOP No. 5					<p>Corrective action: Melakukan pengelolaan dengan melakukan memasang patok dan plank areal bebas bahan kimia di sempadan sungai, serta menanam pohon bambu dan tidak menumbang pohon – pohon yang ada dipinggiran sungai.</p> <p>Preventive action: Keeping and monitoring the riparian area away from chemicals.</p> <p>Auditor conclusion: Verification 13 September 2016 The company attached the evidence of corrective action in form of:</p> <ul style="list-style-type: none"> • Photographs of riparian area management. • Letter of authorization for conservation and HCV area on August 2nd 2016 signed by unit manager of dolok Ilir. • Document of bamboo checking in July – Agustus 2016 <p>According to the field visit to Blok 12 G Afd VI, the company only give boundary poles (red mark) so there will be no activity using chemicals there. The company does not follow the system</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>written in SOP-5 (the 50m left and right of the riparian area is not yet marked) yet.</p> <p>The company is not able to show the realization of riparian area management based on SOP-5.</p> <p>The nonconformity is still opened until the company able to show the riparian area management based onSOP-5.</p> <p>26 September 2016 The company is able to show the verified corrective action documents during the field visit. The company is not able to attach the latest corrective action evidence to change the existed nonconformity.</p> <p>3 October 2016 The company has shown the riparian area enrichment. However, the company is not able to show the evidence of chemical application boundary based on the procedure (50 off the riparian). During the field visit, there is no marking along the riparian (only 2 poles).</p> <p>12 October 2016 The company is able to show the photographs of the red marked palm oil tree 50 meter off the riparian (5 palm oil</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>trees).</p> <p>According to that thing, the nonconformity is closed with additional note. Effectiveness and consistency over the SOP implementation in terms of riparian management shall be observed by the auditor in the next audit program.</p>		
2016.4	4.4.3	Effluent Test The company is not able to show the evaluation of the BOD test result in February 2016 which reached over the quality threshold.	Minor	Mill	ASA 02	The company must be able to show the evaluation of the BOD test result in 2016 which reached the quality threshold.	<p>Root cause: The evaluation over the BOD test result in February 2016 is not yet conducted due to the late test of the external laboratory test result.</p> <p>Corrective action: Creating the evaluation of the BOD test in February 2016</p> <p>Preventive action: Giving instruction to PPD to report the results of the test to the authorized agency. Giving memo to the pump operator to operated the effluent circulation pump.</p> <p>Auditor conclusion: Verification 13 September 2016 The company attached the corrective action evidence in terms of:</p> <ul style="list-style-type: none"> Result of evaluation over the BOD test result which reached over the 	Closed	13 Sept 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>quality threshold in February 2016, according to the evaluation, the cause of the high BOD is the maintenance in the circulation pump so the circulation in primary and secondary pond is stopped.</p> <ul style="list-style-type: none"> • Result of the effluence test on April – May when all the testing parameter (KEPMENLH 29/2003) are below the quality threshold. • Memo from the head of technical authorized agency on August 1st to the PPD (document handler) to report the result of dolok ilir POM to the authorized agency for the evaluation (letter on August 1st 2016). • Memo to the effluent pump operator (letter on August 1st 2016) from the head of technical of authorized agency in terms of the instruction to check the pump condition everytime the company wants to operate the circulation pump (Additional evidence in terms of the socialization of circulation pump to the operators in August 1st 2016 and the maintenance of pump condition at operator's book in August) 		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							According to the evidence, the company has conducted adequate corrective action and there is a policy which ensure that it won't happen again. Nonconformity is now closed.		
2016.5	4.6.2	Record of Pesticide usage <ul style="list-style-type: none"> The company is not able to show the evidence of pesticide usage monitoring conducted by the replanting contractor in 2016. For example, in Division VII for <i>Amfuron</i> 20 WG and <i>Sun Up</i> 480 SL. The company is not able to show the applied active substance monitoring per hectare and toxicity test (LD-50) for all type of pesticide used in the company's area. 	Major	Estate	27 Sept 2016	The company must be able to show the evidence of pesticide use monitoring in 2016, the applied active substance per hectare and the used LD-50 in the operational area.	<p>Root cause: The amfuron 20WG and Sun Up 480 SL at the Afd 7 storage are not yet applied at replanting area</p> <p>Corrective action: Composing letter to the contractor to monitor the use of amfuron 20 wg and sun up 480 SL.</p> <p>Preventive action: Every application of amfuron 20WG and Sun Up 480 SL must be attached with the evidence of pesticide use monitoring from the contractor.</p> <p>Auditor conclusion: Verification 21 September 2016 The company shows corrective action documents in terms of:</p> <ul style="list-style-type: none"> Memo of Head of Park Agency / Head of RSPO to the Head of Park Agency of R. Selatan dan utara to calculate the pesticide toxicity. 	Closed with observation	3 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> Report of chemical use in 1st semester of 2016 (January to June 2016) for afdeling I to VII for dolok ilir estate. According to the report, there have been information in terms of pesticide toxicity of gempur and Ally per ton FFB per Ha. <p>According to the given documentation, the company is not able to show the letter to the contractor to monitor ampuron dan sun up.</p> <p>27 September 2016 The company has sent the evidence of corrective action which has been verified in September 21st 2016. The company is not able to answer the auditor's comment (blue mark). The company is not able to send the evidence of letter to the contractor in terms of pesticide use monitoring yet. Hence, the nonconformity is not yet closed.</p> <p>3 October 2016 The company has shown the document of pesticide toxicity used by the company as well as the amount of pesticide. Moreover, the company has shown the letter from the company to the contractor to monitor the pesticide usage.</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							According to the corrective action evidence, the nonconformity is now closed. The effectiveness of the program shall be observed in the next audit visit.		
2016.6	4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training <ul style="list-style-type: none"> Not to be shown evidence that the Paraquat applicator has limited pesticide training certificate is still valid as required in the Regulation of 39 2015 concerning the registration of pesticides Based on field observations and interviews with employees spraying in Block 2013G (Afd II) 2011M (Afd VII) and the Office of Afd V is known that employees do not use the apron to prevent of chemicals exposure into the body. Based on field observations to the warehouse of chemicals in Division II, V, and VII, it is known that it has not provided a storage area of clothing and PPE spraying team. Not yet available of MSDS according to the type of chemicals contained in storage Washing spray equipment is still done at the nearest water source No tank mixing pesticides spill activities in the field Found mixing tool pesticides in residential areas Division VII 	Major	Estate	27 Sept 2016	<ul style="list-style-type: none"> Management Unit should be able to show proof of Paraquat applicators had limited pesticide training certificate is still valid The management unit should be able to address evidence that PPE of spraying teams in accordance with the MSDS. Workwear and PPE are not brought into the house Must be available MSDS according to the type of chemicals in the warehouse Washing Mechanism syringes and mixing of pesticides in the field must not pollute the environment Tools mixing pesticides should be kept in a special place 	Root cause: <ul style="list-style-type: none"> Pesticide applicator training has been carried out in 2010, but specific training on applicator paraquat has not been executed For the needs of PPE such as apron yet available MSDS not entirely available in Indonesian according to the type of chemicals in the warehouse. Pesticide operator was not obedient to prohibition of wash spray equipment in water resources There is no container of mixing pesticide spill Spray operator has not complied with the prohibition on carrying the atomizer in the housing Corrective action: <ul style="list-style-type: none"> Provide PPE (Apron) for pesticide operator Provide MSDS chemicals in Indonesian language Socialization of prohibition of laundering syringe in water resources Provide a container board to accommodate the mixing pesticide spill 	Closed with observation	17 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> • Socialization to spray clerk about the prohibition of store mixing tool pesticides in housing area <p>Preventive action:</p> <ul style="list-style-type: none"> • Send a letter to the head office Medan in related to training needs to paraquat applicator • Monitoring of PPE use of pesticide sprayers • Make MSDS monitoring of chemicals in Indonesian language form • Make laundering monitoring tools at place of laundering pesticide spray that has been provided • Monitoring of pesticide mixing storage to the place that has been provided <p>Auditor conclusion: The company has been showed evidence of improvement consist of:</p> <ul style="list-style-type: none"> • Attend list of the socialization of prohibition to washing equipment sprayers in spring area (August 9, 2016), submitted by the plant. assistant Attended by 8 people • Minutes of socialization. • Photos • Receipt provision of PPE (rubber gloves, masks, goggles, rubber boots, a hat helmet). <p>21 September 2016 When the field visit in September 2016, the auditor team has been get information:</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> Interviews with the workers in the block 13q afdeling VI, the company was provided apron for the workers conduct spraying. The Company has submitted the procurement documents PPE including the provision of additional apron for spraying officers in 2016. Field trips in the office afdeling V iwas showed that shower for spray operator was available Have available of tank for chemical spill in the office section V There were no mixing tool pesticides in residential areas. <p>However the company not yet to follow up the findings related to MSDs according to the type of chemicals found in the warehouse. The company only shows two MSDS (documents), and during field visits to the chemicals stored throughout the MSDS are not in pairs in a chemical warehouse.</p> <p>The companies must be able to show a list of all chemicals stored in the warehouse (section) along with mounting evidence MSDS documentation, especially for chemicals available.</p> <p>12 October 2016 It has been shown evidence of improvements :</p> <ul style="list-style-type: none"> Analysis of training needs in 2017. 		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> • Training needs analysis form 2017 (note: limited pesticide training will be implemented in 2017) • Photos of the installation of MSDS chemicals in the warehouse. However, not enough evidence that MSDs are mounted has been adapted to all chemicals in the warehouse (fertilizers and pesticides). <p>17 October 2016 The Company was showed evidence of improvements of a list of chemicals that stored in warehouse and installation of MSDS documentation on each chemical. Based on the evidence was showed, the non conformance in this indicator was Closed with Observation. The effectiveness of corrective actions will check in the next audit</p>		
2016.7	4.6.6	Management of Agrochemical Container Based on the field visit at chemical warehouse Afdeling VII was found the agrochemical containers. It was not comply with the storage permit of hasardous waste	Major	Estate	27 Sept. 2016	Agrochemical containers must be managed in accordance with applicable regulations	<p>Root cause: Agrochemical containers was not delivered to hasardous waste storage</p> <p>Corrective action: Send the agrochemical containers to hasardous waste storage</p> <p>Preventive action: Monitoring of agrochemical container</p> <p>Auditor conclusion: 13 September 2016 The company was shows corrective eidence :</p>	Closed	27 Sept 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> • Consignment note of used items (several containers of sulfuric acid, etc.) • Official letter of hazardous waste, dated on 27 July 2016 by PT Amidy Barokah <p>Based on the field at major verification in September 2016, it is known there are agrochemical containers in the warehouse of chemicals.</p> <p>The Companies must be able to address the evidence that all the agrochemical containers are not stored in the warehouse of chemicals (proof of delivery of the agrochemical of the warehouse section to hazardous waste storage, and shall show the other supporting documents)</p> <p>27 September 2016</p> <p>The company was showed the evidence :</p> <ul style="list-style-type: none"> • Delivery note of chemical containers on 17 September 2016, signed by the manager unit. • Material consignment note on 17 September 2016 for the carriage of agrochemical waste <p>Based on the evidence was showed, the non conformance was Closed</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2016.8	4.7.3	PPE using Based on field observations that shows: a. Workers of FFB loading in POM area does not use PPE such as safety shoes and helmets. b. Workers of FFB loadingat Block 97AZ Afdeling II do not use PPE such as: boots and helmets.	Major	Kebun&Pabrik	27 Sept 2016	The management unit should to show proof that all employees had been wearing appropriate PPE according to HIRAC document.	Root cause: The workers not yet aware the requirement PPE using Corrective action a. Provide the PPE for the workers of FFB loading b. Socialization of requirement of PPE using to all workers of FFB loading Preventive action: Provide of PPE for all workers in entry pos of FFB loading in POM area Auditor conclusion: Verification on 13 September 2016 The company was showed : a. Letter to the FFB carrier (dated on 12 August 2016) which contains an appeal to put safety nets, PPE, does not employ children under the age of 18 years.) b. Minutes meeting of PPE Socialization, dated on 2 August 2016 c. Attendant list d. Photo of socialization Based on field visits in the area of FFB loading in the POM was showed that the workers not wearing appropriate PPE especially safety shoes. Based on thiscondition, the non conformance was still Open.	Closed	17 Oct 2016.

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>3 October 2016 The company was showed : a. Official Letter of PPE provide for workers of FFB laoding at POM area b. Picture of PPE delivery</p> <p>For non-conformities found in the POM was Closed Out. But the non conformities in plantation area not yet shown the evidence of improvement, the non conformance in this area still Open.</p> <p>17 October 2016 The company was showed : c. Documentation of PPD delivery d. Official Letter of PPE delivery e. Sample of PPE delivery note</p> <p>Based on the evidence was showed, the non conformance is Closed with observation. The effectiveness and implementation will check for next audit.</p>		
2016.9	4.7.5	<p>First Aid Box The content of first aid box in engine room, workshop and bring by foremen in plantation area was not completed</p>	Minor	Estate	ASA-2	The management unit shall completed the first aid kit box in engine room, workshop and bring by foremen in plantation area	<p>Root cause: Procurement first aid box contents not follow up by the Office Medan</p> <p>Corrective action: Completing of contents the first aid box at the engine room, workshop and at the plantation area.</p> <p>Preventive Action:</p>	Closed	13 Sept 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>Send the letter to the head office Medan related to first aid kit box</p> <p>Auditor Observation: 13 September 2016</p> <p>The content of first aid box at the engine room, workshop and at the plantation area was completed.</p> <p>Auditor Conclusion: Based on evidence was showed, the non conformance was Close Out</p>		
2016.10	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. The management unit not yet showed the recorded of Lost Time Accident at Estate and Mill.	Minor	Estate & Mill	ASA-2	The management unit shall shows the recorded of Lost Time Accident at Estate and Mill.	<p>Root cause: The recorded of Lost Time Accident not yet put in the worker insurance (jamsostek).</p> <p>Corrective Action : Provide the recorded of Lost Time Accident in every work incident</p> <p>Preventive Action: Completed the jamsostek reportwith calculation of Lost Time Accident</p> <p>Auditor conclusion: Verification 13 September 2016 The company was showed documents of work accidents, absent and medical record. The company was calculated the lost time due to accidents .</p> <p>Based on the evidence was showed, the non conformance was Close Out</p>	Closed	13 Sept 2016
2016.11	5.2.5	Evidence of a negotiated agreement that optimally safeguards both the HCVs and	Minor	Estate	ASA-2	The management unit shall show an evidence of	<p>Root cause : The company not yet follow up the</p>	Closed	21 Sept

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		<p>these rights. Based on HCV identification, in the area of PTPN IV was found HCV 1, 4 and 6. However not yet shown the evidence that there is any agreement to protect the HCV and local communities rights optimally</p>				agreement to protect the HCV and local communities rights optimally	<p>recommendation by HCV identification results</p> <p>Corrective Action : f. Determine the HCV area g. Agreement with the other party related to HCV area</p> <p>Preventive Action: <ul style="list-style-type: none"> • Installed the HCV sign board • Socialization to community in relation to HCV protection </p> <p>Based on field visit was known that the company has set HCV areas, for instance the river border. The company also has to disseminate to stakeholders on August 10, 2016. In addition there was any documentation of the determination letter of conservation areas and HCV dated 2 August 2016 from Manager Unit of Dolok Ilir. The was also available documentation of socialization, consist of minutes of meeting, attendance list of participants and photos. Based on evidence was showed, the non conformance was Closed out.</p>		2016
2016.12	5.6.3	<p>Reported of GHG emission to RSPO Secretariat The company not yet reported the GHG emission to RSPO Secretariat</p>	Minor	Estate & Mill	ASA-2	Te company shall reported the GHG emission to RSPO Secretariat	<p>Root cause : There was no personnel in charge to arrange the report</p> <p>Corrective Action : Submit the GHG emission report to RSPO Secretariat</p>	Closed	13 Sept 20 16

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>Preventive Action: Pointed the personnel in charge related to GHG emission report</p> <p>Auditor Verification : The Company has showed proof of email delivery to the RSPO GHG report dated 7 September 2016 (email address rspo@rspo.org). Based on interviews with relevant staff was inform that there has been no reply from RSPO in this regard</p>		
2016.13	6.1.3	<p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones</p> <p>There was available of RKL /RPL report of first semester year 2015. However there was not enough evidence that these plans have been developed in consultation with affected parties.</p>	Major	Estate& Mill	27 Sept. 2016	The company shall shows the evidence of Plans for avoidance or mitigation of negative impacts and promotion of the positive ones	<p>Root cause : The company not yet consultation with related party</p> <p>Corrective Action: Consulatation with related party</p> <p>Preventive Action: Consulatation with related party in every year</p> <p>Auditor Verification: 13 September 2016 The company has been showed the evidence :</p> <ul style="list-style-type: none"> • The attendant list of socialization to protect the HCV areas (11 Dolok Ilir staff, Local Contractors, Community Leaders, and others) • Minutes of meeting of socialization to protect of HCV (10 Agustus 2016) signed by the team leader of RSPO Secretariat Dolok Ilir Unit . 	Closed with observation	03 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> Pictures of socialization. <p>The Company was showed documentation of matrix RKL/RPL, however there was not enough evidence that the document has been consultation with relevant stakeholders.</p> <p>3 October 2016 The company has shown evidence of corrective action in the form of a questionnaire to the community / village representatives around the plantation area.</p> <p>Based on the evidence was showed by the management unit, the non conformance was Closed with observation.</p>		
2016.14	8.1.1.	Continuous improvement <ol style="list-style-type: none"> Based on the field visit in Afdeling VI for sampling check the boundary poles, for instance others in Block L11 and N 11 is not found the boundary pole as stated in the map of boundary poles Conditions of hose hydrant Number 3 in Mill area was broken, the water pressure can not reach the highest point of the building. Based on field visit in mill area that shows unclean conditions at Clarification Station. 	Major	Mill	27 Sept 2016	<ol style="list-style-type: none"> The management unit shall demonstrated that the boundary poles was installed and maintained The mill management shall demonstrated that emergency equipment in mill area was maintained The mill management shall demonstrated that Mill area always in clean condition 	<p>Root cause:</p> <ol style="list-style-type: none"> The latest data boundaries have not been included in all maps existing blocks in Afdeling Routine monitoring has not been done There was not yet cleaning in Clarification Station <p>Corrective action</p> <ol style="list-style-type: none"> Data new boundaries have been adjusted on all the maps in Afdeling Replace the broken hose in hydrant 3 Cleanup up the area in Clarification Station and surround of processing station <p>Preventive action:</p>	Closed with observation	31 Oct 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>a. Monitoring the border every four month and will be according on all map blocks</p> <p>b. Monitoring the condition of the hose hydrants once a month</p> <p>c. Cleaning the area in Clarification Station and surround of processing station for everyday</p> <p>Major Verification 3 October 2016 The company was showed the evidence :</p> <p>a.Documentation:</p> <ul style="list-style-type: none"> • Pointed via GPS the coordinates of Dolok Ilir bondary poles "Section (Afdeling) VII dated 19 August 2016 • Map of Dolok Ilir plantation, scale of 1: 20,000, made on 26 September 2013 <p>b. Memo of material procurement</p> <p>c. Document of procurement of hydrant hose and pump machine</p> <p>Based on the evidence that have been showed, the company has not been able to show maps before and after adjustment. There was not yet attached also evidence of monitoring schedule and tool to monitor the border.</p> <p>Point a still Open and b dan c was Closed</p> <p>31 October 2016 The company has been shown the</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>evidenece consist of:</p> <ol style="list-style-type: none"> 1. Decree of Manager Unit (DOI/SK/06/X/2017 dated 29 October 2016 regarding the appointment of monitors to maintenance of boundary markers in Dolok Ilir unit with clear job description for related staf. 2. Decree of Manager Unit (DOI/SK/06/X/2017 dated 29 October 2016 concerning the appointment of a for special officer maintenance of boundary markers in Dolok Ilir unit with clear job description. 3. Matrix of plan for inspection the boundary markers in Dolok Ilir 2016 (conducted regularly 4 for every months). 4. Sample of document monitoring results of bondary poles that was conducted in August 2016. <p>Based on the evidence was showed by the company, the non conformance was Close with Observation and will check the consistency of implementation in the next audit visit.</p>		

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

NCR No.	: 2017.01	Issued by	: Nanang Mualib
Date Issued	: 26 July 2017	Time Limit	: 25 September 2017
NC Grade	: Major	Date of Closing	: 23 September 2017
Standard Ref. & Requirement	: 1.1.2 Records of requests for information and responses to the information requested shall be available		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has had a mechanism for submitting requests for information and responses slisted in the SOP of the period of save of information and response request No. SPO 06 (rev. 02) dated January 2, 2015. Based on the verification the document indicates that it has not been described the period of response to information request			
Root Cause Analysis <i>(filled by organization audited):</i> Management considers it less necessary to create a response period for 30 days, because the management has provided website facilities to obtain information for the public contained in www.ptpn4.co.id			
Correction <i>(filled by organization audited):</i> Make a description of the time period for responding to an information request.			
Corrective Action <i>(filled by organization audited):</i> Socialization to the workers and the public regarding SOP of Save Time Period for Information Request and Response			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on 20 September 2017. The Company has presented evidence of improvements in the form of revision SOP of Save Time Period for Information Request and Response No. SOP 06 Revision 03 effective date of 01 August 2017. At the request and response information mechanism has added the period of giving information to stakeholders that is maximum 30 working days. Based on the above explanation, this conformity is still OPEN please respond to questions related to root causes and preventive measures.			
22 September 2017 The company shows evidence socialization of SOP Information Request on 19 September 2017 to 9 workers but has not been able to show evidence of the SOP has been socialized to the surrounding community. Based on the above explanation, this Non-Conformity is still OPEN			
23 September 2017 The Company shows the evidence of socialization of SOP Information Request to the surrounding community with 9 attendance consisting of village officials and community leaders conducted on 20 September 2017. Based on this explanation, this Non-Conformity is stated Closed but will be observed the application in the next assessment.			
Verified by	: Muhammad Rinaldi		

NCR No.	:	2017.02	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	22 September 2017
Standard Ref. & Requirement	:	2.1.1 Evidence of compliance with relevant legal requirements shall be available.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has not been able to show proof of reporting of Plantation Business Progress Report to Plantation Agency in accordance with Regulation of agriculture minister Number 98 of 2013.					
Root Cause Analysis <i>(filled by organization audited):</i> The management has reported the plantation business activities in accordance with the letter deliver from the Plantation Agency.					
Correction <i>(filled by organization audited):</i> Immediately make a report on the development of plantation business activities to the Plantation Agency of Simalungun District.					
Corrective Action <i>(filled by organization audited):</i> Reporting activities of plantation business development in accordance with Ministerial Regulation No. 98 in 2013 with responsibilities is the Human Resources & Security Division and create a routine reporting to the relevant Agency.					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 02 August 2017 The Company shows evidence progress of plantation business reported on 24 August 2017. However, the company needs to identify corrective actions so that Non-Conformity is not repeated. Based on the explanation, the Non-Conformity No. 2017.02 is still OPEN. 16 September 2017 The Company shows the Appointment Letter of the Reporting Officer from the Business Unit Manager of Dolok Ilir with No. DOI/SK/39/IX/2017 in 09 July 2016 explaining that the reporting team is the Human Resources & Security Division. In addition, there are Official Reporting Offices Duties and Schedule of Routine Report Activities to the Agency in which to explain the timing of reporting and related service objectives such as Plantation Business Data Report reported twice a year to the Plantation Agency, UKL-UPL Report is reported twice a year to the Environmental Agency. However, it has not been able to show the evidence that the officer has been given socialization related to the regulation which is regulates routine reporting. Based on the explanation, the Non-Conformity No. 2017.02 is still OPEN 22 September 2017 The company showed evidence of socialization on 19 September 2017 related Socialization of Agriculture Ministry Regulation No. 98 of 2013 to 7 workers from the HR department, PPD, and unit leaders. It describes the timing of reporting in accordance with the rules and how to write RKL-RPL report. Based on the explanation, this Non-Conformity is Closed					

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.03	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	03 October 2017
Standard Ref. & Requirement	:	2.1.4 A system for tracking any changes in the law shall be available and implemented.			
Acuan Standar&Persyaratan					
Non-Conformance Description & Evidence observed (filled by auditor): Based on the verification of the Evaluation Result Documents against the Regulations in October 2016 shows that: <ol style="list-style-type: none"> CH has not been able to show the addition of types of regulations that are local such as Regional Regulations, Governor Regulations, etc. For example Regional Regulations related to Provincial Land Use Plan, Regulation related to Province Minimum Wage and District, etc. CH has not fully updated the type of regulation as requested in Appendix I of the RSPO 2013 National Principles and Criteria for Indonesia. CH has not updated the regulation, such as regulations on hazardous waste management, wages, and etc. 					
Root Cause Analysis (filled by organization audited): For updating regulation of legislation, etc. The unit coordinates to the Head Office of PTPN IV in Legal & Land Section but has not been informed to the Dolok Ilir Estate.					
Correction (filled by organization audited): Coordinate to the Legal & Land Section for updating the list of regulations					
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Coordinate to Legal & Land Section every year Appoint a special officer to update regulation of legislation on a regular basis ensuring the update is done in accordance with PDK No. 04.01.28 on legal opinion on the publication of new regulations or amendment of points 1.2 					
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification 20 September 2017: The company shows a list of rules but does not include: <ol style="list-style-type: none"> CH has not been able to show the addition of types of regulations that are local such as Regional Regulations, Governor Regulations etc eg Regional Regulations related to Provincial Land Use Plan, Regulation associated with Province Minimum Wage and District etc. CH has not fully updated the type of legislation as requested in Appendix I of the RSPO 2013 National Principles and Criteria for Indonesia. CH has not updated the rules, such as regulations on wages, and so on. <p>Based on the explanation, the Non-Conformity is still OPEN</p> <p>23 September 2017 The Company shows the appointment letter of the consultation officer, communication and updating of regulation & regulation of Dolok Ilir Estate on 11 September 2017 with PIC is part of Human Resources and Security Division.</p>					

In addition, the company shows a List of Regulations Updated on 17 January 2017 which describes the types of regulations with a total of 38 Laws; 7 Presidential Decree; 3 Presidential Instruction; 6 Presidential Regulation; 39 Presidential Regulation; 57 Ministerial Regulation (Agriculture, Labor, Environment up to Agrarian); 33 Ministerial Decree; 3 Regional Regulations and 3 Indonesian National Standards.

However, based on these documents, it is known there are some non-update rules such as regulations on wages and there are irrelevant rules such as regulations on fixed income and state government allowances. In addition, the update does not fully refer to the type of legislation as requested in Appendix I of the RSPO 2013 National Principles and Criteria for Indonesia.

Based on the explanation, the Non-Conformity is still OPEN

25 September 2017

Based on the List of Regulations updated on 25 September 2017, it is known:

- The type of regulation does not refer to attachment I of the RSPO 2013 National Principles and Criteria Implementation for Indonesia for example for the number of laws contained in the list of regulations of companies amounted to 39 while in Appendix 1 there are 50 type.
- There are still non-updating rules, such as social guarantee regulations.

Based on the explanation, the Non-Conformity is still OPEN

03 October 2017

The Company shows the updated Regulation Document in 02 October 2017 in which there are 55 Laws, 54 Government Regulations, 3 Presidential Instructions, 7 Presidential Decrees, 7 Presidential Regulations, 88 Ministerial Regulations, 46 Ministerial Decrees, 3 Bapedal Decrees, 3 National Standards and 2 Local Regulations.

Based on these documents it is known that the company has updated the list of regulations in accordance with Annex I of the RSPO 2013 National Principles and Criteria for Indonesia.

Based on this explanation, this **Non-Conformity is stated Closed but will be re-observed its evaluation for regulation in the next assessment.**

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.04	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	2.2.2 Legal boundaries are demonstrated clearly and maintained.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has shown evidence of boundary poles monitoring but has not been implemented every 6 months in accordance with Standard Operating Procedures Maintenance of boundary poles with No.SPO 12.0, for example on division 1 last monitoring was conducted on February 26, 2015 and in division 3 conducted on 22-23 November 2016.					
Root Cause Analysis <i>(filled by organization audited):</i> 					
Correction <i>(filled by organization audited):</i> 					
Corrective Action <i>(filled by organization audited):</i> 					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 					
Verified by	:				

NCR No.	:	2017.05	Issued by	:	Mahmud Firdaus
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	12 October 2017
Standard Ref. & Requirement	:	4.5.1 Monitoring of Integrated Pest Management (IPM) plan implementation shall be available.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has not been able to show follow-up and evaluation of the results of the census (effective telling) that exceeds the threshold. Examples the result census of caterpillar for periods 1-10 June 2017 in blocks 2013A and 2013B afdeling I, blocks 2013N - 2013L, 1998R and 1998Q, 1997CN and 1997CO, as set out in SOP SPO 05.11 (plant yielding) plant pests and diseases.					
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • Insecticide materials are not available during a pest infestation • There is no mechanism to regulate interval of census time and pest control 					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • Requesting goods to the plantation in 1 group and doing the control • Establish mechanisms related to interval of census time and pest control 					
Corrective Action <i>(filled by organization audited):</i> Socialize and implement mechanisms related to interval of census time and pest control					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 12 October 2017 CH shows the Manthene Warehouse Card explaining that the entry and exit of goods. Based on the document, it is known that the insecticide is available on 31 July 2017 and has been requested in every Division from 02-28 August 2017. In addition, CH shows receipt Demand and Spending Goods such as receipt on 03 August 2017 for Division 1 with description used for control on block 13A & 13B with an area of 26 Ha with total Manthene as much 57.28 Kg. CH also showed evidence of UPDKS control in document of UPDKS Infestation Weekly Reports and Monitoring period 07 to 12 August 2017 which explains there is UPDKS control on block 13A Division 1 with an area of 9 Ha with the amount of insecticide 19.9 kg. In addition, the company shows a Circular Letter from the Manager of Dolok Ilir on 29 September 2017 which explains that chemical pest control is carried out if there is a census that exceeds the threshold and is done up to 3 days after the census activity. The Company also showed evidence of socialization related to the circular letter on 30 September 2017 to 14 workers. Based on the above notes, this Non-conformity is stated Fulfilled .					
Verified by	:	Mahmud Firdaus			

NCR No.	:	2017.06	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	10 October 2017
Standard Ref. & Requirement	:	4.6.11 Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>					
Based on the Health Check Report on March 17, 2017, it is known:					
<ul style="list-style-type: none">• No medical examination has been performed for all spray workers (from 49 workers, only 20 people under medical examination)• The health check only checks the lung capacity (Spirometry). It is not enough to know the toxic contents caused by exposure to pesticides in spray workers.					
Root Cause Analysis <i>(filled by organization audited):</i>					
<ul style="list-style-type: none">• Medical examination conducted in accordance with instructions from the Head Office of PTPN IV• In accordance with the report of the inspection work by Medan Health Center					
Correction <i>(filled by organization audited):</i> Conduct health checks for year 2017					
<ul style="list-style-type: none">• Conduct examination for all employees of pesticide handlers• Create health inspection programs and methods					
Corrective Action <i>(filled by organization audited):</i> Conduct medical examination in accordance with the program and health inspection methods in accordance with SOP related General Medical Checkup for Employee Leaders and Implementing Employees					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>					
02 September 2017					
The Company shows the List of Participants of Medical Checkup for Employee of Pesticide & Hazardous handling on 24 February 2017 with the total number of 98 workers with a total of 72 spray workers. But the company has not shown the Medical Checkup has been done and there is no explanation about how the examination method is done.					
Based on the explanation, the Non-Conformity No. 2017.06 is still OPEN					
23 September 2017					
The company shows a list of medical checklists for all spray employees with a total of 69 sprayers and 2 warehouse workers and the results of a medical examination conducted in January 2016. In the document all workers have undergone a medical examination in January 2016.					
In addition, the company shows a schedule of health checks to be performed by PT. Prima Medica Nusantara which will be held on 25-27 September 2017 for pesticide handlers and factory workers. But not yet explain the method of Medical Checkup used.					
Based on the above explanation, the company needs to identify corrective action and additional explanation of the					

Medical Checkup method to be used on examination in September 2017

Based on the explanation, the Non-Conformity No. 2017.06 is still OPEN

25 September 2017

The company shows the Medical Checkup method of PT Prima Medica which will be conducted in September 2017. The document explains that Medical Checkup for pesticide handling staff will be performed routine blood, routine urine, blood chemistry (SGOT, SGPT, Cholinestrase), Rotgen Thorax, examination by doctor Hiperkes.

However, the company must respond to corrective action and corrective action.

Based on the explanation, the Non-Conformity No. 2017.06 is still OPEN

02 October 2017

The company showed evidence of Medical Checkup to exposed pesticides employee in the form of Laboratory Test Results on 25 September 2017 at Laras Hospital for example on behalf of Temu. In the document it is known that the examination is done by checking cholinesterase.

However, the company must respond to corrective action and corrective action in question on 23 September 2017

Based on the explanation, the Non-Conformity No. 2017.06 is still OPEN

10 October 2017

Company shows SOP related General Medical Checkup for Employee Leaders and Implementing Employees of PT. Prima Medica Nusantara (hospital Group PTPN IV). In the document explains that sprayers should perform health checks Spirometry and Cholinestrase every 6 months.

Based on the explanation, **the Non-Conformity No. 2017.06 is Closed**

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.07	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	25 September 2017
Standard Ref. & Requirement	:	4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.			
Non-Conformance Description & Evidence observed (filled by auditor): Based on field visits, there are activities and areas where risk identification is not identified in the Risk Management document, among others: <ul style="list-style-type: none"> • Railway crossing area on division area • There is a spinning machine that has not been equipped with safety cover at the factory and water machine in division 1 					
Root Cause Analysis (filled by organization audited): Because all this time Risk Management is made on the work process					
Correction (filled by organization audited): <ul style="list-style-type: none"> • Create risk management for railway location locations that carry CPO and rotary engines • Has been carried out the installation of signs and socialization on motorcyclists in the field and closed the engine spin with the cover 					
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> • Conduct risk management activities in coordination with the existing foreman in Section/Afdeling by Health and Safety experts • Conducting Risk Management Evaluation Activities every year 					
Assessor Evaluation and Conclusion (filled by auditor): 02 September 2017 The Company demonstrated Risk Management related to the train railways in division 6 made on 12 August 2017 which explains that risk controls include the provision of signs and signals that the train is passing. However, the company has not been able to show evidence that risk control has been implemented in the field and has not been able to show any evidence of improvement of Non-Conformity to the area in the rotating engine. Based on the explanation, the Non-Conformity No. 2017.07 is still OPEN 20 September 2017 There is no risk identification for the Rotating Engine 23 September 2017 The Company showed HIRAC evaluation in the Minutes of Meeting of P2K3 document held on 15 August 2017. The meeting explains the problem of risk identification at Railway and Rotating Engine. The Company identifies the results of risk identification for activities on a rotating engine made on 15 August 2017.					

The document explains that controls on the engine rotate by means of signaling, PPE delivery to workers and installation of safety covers for Rotating Engine.

Based on the explanation, **then this Non-Conformity is Closed**

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.08	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	23 September 2017
Standard Ref. & Requirement	:	4.7.3 Records of Occupational Health and Safety(OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.			
Non-Conformance Description & Evidence observed (filled by auditor): During field visits at the factory, there are unsafe working practices, including: <ul style="list-style-type: none"> • There are workers who smoke in the engine room, in the back of processing office and there are cigarette stump in the workshop area • In fertilizer warehouse division 1 there is no hazardous material symbol • In the factory area there is no sign such as slippery and hot area 					
Root Cause Analysis(filled by organization audited): <ul style="list-style-type: none"> • The absence of hazardous symbol in fertilizer because it is caused by the new warehouse • Floor slippery and hot sign already in the factory location but, the signs have been damaged/missing there is no replacement for that signs • Workers are less aware of the potential hazards of smoking in POM locations 					
Correction(filled by organization audited): <ul style="list-style-type: none"> • Make a proposal to the Engineering Department to make/install hazardous signs as required • Installing signs according to the location considered to cause an accident on the job site • Socialization to workers 					
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> • Investigate signs that are conducted once a year by inspection officers • Make a Circular letter on the smoking ban in the factory location • Monitoring the compliance of workers is prohibited to smoke in the work area and carried out the signing of smoking banned in the area of POM 					
Assessor Evaluation and Conclusion (filled by auditor): 02 September 2017 The company showed proof of photo of the installation of sign in the afdeling 1 fertilizer warehouse but the installation is only done for signs of PPE and there are no hazardous signs/symbols. There is no evidence of improvements in the factory's signs and actions of preventing workers who smoke in hazardous areas. Based on the explanation, then Non-Conformity No. 2017.08 is still OPEN 18 September 2017 The Company shows the Appointment Letter of Inspection & Testing Officers (No. DOI/SK/19/VIII/2016 in 24 August					

2016) and evidence of the 2016 Inspection of sign conducted on 19 December 2016 at the factory site.

The company also showed evidence of socialization of smoking on the dangerous area to factory employees on 02 August 2017 and there was no Circular Letter No. DOI/SE/73/IX/2017 in 02 September 2017 related to control the clothing of the Department of Public Works, PPE and Vehicle Parking which explains the area of POM is a non-smoking area and will be redefined "smoking area".

However, the company has not shown any evidence of the installation of signs in accordance with the corrective actions identified.

Based on the explanation, then Non-Conformity No. 2017.08 is still OPEN

23 September 2017

The Company showed evidence of a Workplace Inspection in August 2017 in which it explains checking of signs, the use of PPE of workers, the attitude of workers (including supervision of workers who smoke), and the work environment.

In addition, the company showed documentation on the installation of PPE usage sign, electrical hazards and the smoking ban in the factory area.

Based on the explanation, **then this Non-Conformity is Closed**

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.09	Issued by	:	Nanang Mualib
Date Issued	:	26 July 2017	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	02 October 2017
Standard Ref. & Requirement	:	5.1.3 Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arised from the monitoring result) shall be available. This plan is reviewed on two-yearly basis.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has compiled RKL-RPL implementation report consistently every semester as stipulated in AMDAL Document year 2010 but management can not prove yet: <ul style="list-style-type: none">a. Prepare Environmental management plans and Environmental Monitoring document implementation report with format referring to Attachment of environment Ministerial Decree No. 45 of 2005 on Guidelines for Preparation of Environmental management plans and Environmental Monitoring Implementation Reports where Manajemen shall conduct 3 types of evaluation of environmental monitoring results including Trend Evaluation, Critical Level Evaluation and Compliance Evaluation.b. Incorporating environmental impacts felt by surrounding communities related to the implementation of replanting such as increased pest beetle attack in coconut / oil palm plantation owned by residents adjacent to replanting area, estimate of landslide impact due to isolation trench during replanting especially land adjacent to settlement local people.c. Conducting monitoring of surface water quality in Bah Bolon river as required in Environmental Monitoring Plan Document on 2010					
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">a. RKL-RPL report has been done but not in accordance with the format attachment of Environment and Forestry Ministry Decree No. 45 in 2005 because officers have not been given training related to the regulationb. Identification Impact replanting has been done, but has not been recorded thoroughly and has not been conducted in a participatory mannerc. Sample delivery has been done, but the water test results have not been received entirely					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none">a. Making improvements to the RKL-RPL report and socialization attachment of Environment and Forestry Ministry Decree No. 45 in 2005b. Identify replanting impactc. Coordinate with Headquarters of Planning Division to be able to immediately send the results of testing APU (water sample of Bah Bolon river)					
Corrective Action <i>(filled by organization audited)</i> <ul style="list-style-type: none">a. Preparation of RKL-RPL Report is adjusted to attachment of Environment and Forestry Ministry Decree No. 45 in 2005 conducted by special officer responsible for making RKL-RPL reportingb. The identification is more specific by giving the questionnaire according to the RKL-RPL matrix schedulec. Train special officers in the monitoring implementation according to RKL-RPL matrix					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 02 September 2017 <ul style="list-style-type: none">a. The company shows the RKL / RPL CHAPTER V related test results but has not shown Trend Evaluation, Critical Level Evaluation and Compliance Evaluation.					

- b. The Company showed notice to the surrounding community on 17 August 2017 which contained notice that the company was doing replanting activities and caused several things. However, the company has not demonstrated that it has conducted a partially-based environmental impact assessment for replanting activities
- c. The Company shows the Testing Order document for the Behapal River but has not shown any evidence of the Bah Apal investigation. But there is no evidence that the Bah Bolon River has been tested.

Based on the above explanation, the Non-Conformity No. 2017.09 is still OPEN.

25 September 2017

- a. The Company shows the RKL/RPL report CHAPTER V related to the test results in which it has explained the Evaluation based on the quality standard of the related regulation as well as comparing the previous test result. In addition, the Company showed evidence of socialization on 19 September 2017 related Socialization of Environment and Forestry Ministry Decree No. 45 in 2005 to 7 workers from the human resources, PPD, and unit leaders. It describes the timing of reporting in accordance with the rules and how to write RKL-RPL report.
- b. The Company shows the Evaluation of Social Identification of Dolok Ilir Estate created on 22 September 2017. It describes the impact of activities that the public perceives to corrective action. The impact of the activities evaluated one of them is re-cultivation activities. In addition, the company showed questionnaires to community leaders around the plantation as a basis for the assessment of social and environmental impacts, for example a questionnaire filled by Head of Village Parapat explaining that there are complaints due to replanting activities in the form of disruption of pests and landslide impacts due to trenches. This will be further verified as to the implementation of the field in the next assessment.
- c. The improvements shown are the results of the Behapal River test while the discrepancy related to the Bah Bolon River test. This is stated in the company's RKL-RPL Matrix

Based on the above explanation, the Non-Conformity No. 2017.09 is still OPEN.

02 October 2017

The Company shows the results of Bah Bolon River test conducted on 15 June 2017. Based on these results it is known that all parameters are still under quality standard in accordance with Health Ministry Regulation No. 416 in 1990 Attachment II.

Based on the above explanation, **the Non-conformity is Closed and will be observed related to the implementation of the field in the next assessment.**

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.10	Issued by	:	Nanang Mualib
Date Issued	:	26 July 2017	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	5.2.4. Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has not been able to demonstrate a. The overall of Management and Monitoring Plan for the HCV area that has been identified by considering the recommendation of HCV Assessment on 2010 b. the results of HCV Management and Monitoring periodically to be used as consideration for evaluation of the implementation of management and monitoring of the next period.					
Root Cause Analysis <i>(filled by organization audited):</i> 					
Correction <i>(filled by organization audited):</i> 					
Corrective Action <i>(filled by organization audited):</i> 					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 					
Verified by	:				

NCR No.	:	2017.11	Issued by	:	Nanang Mualib
Date Issued Tanggal diterbitkan	:	26 July 2017	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	5.4.1. A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy shall be in place and monitored.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on the results of field visit at Dolok Ilir POM shows that CH utilize Shell and Fiber as boiler fuel but CH cannot show: <ul style="list-style-type: none"> a. Records of Shell and Fiber utilization for the period of 2016 and 2017 as boiler fuel. b. Calculation of the efficiency of the use of Shell and Fiber fuels as a replacement for Fossil Fuels in 2016 and 2017. 					
Root Cause Analysis <i>(filled by organization audited):</i>					
Correction <i>(filled by organization audited):</i>					
Corrective Action <i>(filled by organization audited):</i>					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>					
Verified by	:				

NCR No.	:	2017.12	Issued by	:	Nanang Mualib
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	23 September 2017
Standard Ref. & Requirement	:	5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plan to reduce or minimize them implemented			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has undertaken Inventaritation and calculation of Greenhouse Gas in 2014 cooperation with external parties (Kompasia). The document has been described on the types and sources of emissions generated by plantation and mill activities including the Greenhouse Gas Mitigation Action Plan. However, CH cannot be able to demonstrate the operational plans and realizations in the context of GHG mitigation by considering GHG identification results in 2014.					
Root Cause Analysis <i>(filled by organization audited):</i> Green House Gas mitigation plans are not made every year					
Correction <i>(filled by organization audited):</i> Create Green House Gas mitigation plans					
Corrective Action <i>(filled by organization audited):</i> Evaluate each year					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 23 September 2017 The Company demonstrated a mitigation program for activities in boilers, fertilizers and spraying made in August 2017. Among others: <ol style="list-style-type: none"> 1. Boiler and Power House Activities; sources of fuel use emissions; mitigation programs by maintaining biomass fuels such as shells and fiber; time will be done regularly 2. Fertilization Activities; sources of use of fertilizers; mitigation program with optimum use of fertilizer in accordance with SOP and improved monitoring of fertilizer application; regular time. 3. Spraying activities; sources of emissions of pesticides and herbicides; mitigation program with optimization of herbicide and pesticide use according to SOP and improvement of supervision of spray application; regular time. 4. In addition, the company shows a comparison of the use of fuel, fertilizer and the use of paraquat herbicides 2015 and 2016. <p>Based on these data, it is known that the use of fuel decreased by 3.455 L, the use of parquet decreased as much as 814 L, and the use of fertilizers decreased by 825,680 kg.</p> <p>Based on the above explanation, the Non-Conformity is Closed.</p>					
Verified by	:	Muhammad Rinaldi			

NCR No.	:	2017.13	Issued by	:	Nanang Mualib
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	23 September 2017
Standard Ref. & Requirement	:	6.1.3. Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> In general social management PTPN IV already has a CSR program for all Units within PTPN IV in the document of "RKAP Social Responsibility and Environmental Responsibility" but cannot yet show that CH has a comprehensive social management program considering the Social Impact Assessment (SIA) in 2009, EIA Documents as well as the social dynamics of monitoring results of the Environmental Monitoring Plan conducted annually					
Root Cause Analysis <i>(filled by organization audited):</i> Do not yet have a special officer responsible for creating a social environmental management program.					
Correction <i>(filled by organization audited):</i> create a comprehensive environmental social management program					
Corrective Action <i>(filled by organization audited):</i> Establish a special officer responsible for creating a social environmental management program					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 20 September 2017 To be totally identified from the root cause, corrective actions and corrections. Non-Conformity is not related to CSR but is related to the overall social management program taking into account the Social Impact Assessment (SIA) results that have been conducted in 2010, AMDAL documents or social dynamics resulting from monitoring of the Environmental Monitoring Plan conducted annually. 23 September 2017 The Company shows the Decree of Estate Manager in 23 September 2017 which explains that the officer who conducts Social Environment management is the Human Resources and Security Division. The Company has demonstrated the identification of positive impacts and negative impacts to the social impacts of oil palm plantation companies. In addition, there are plans for the management and monitoring of PTPN IV - Dolok Ilir for 2017-2018, among others: 1. Public and Social Facilities <ul style="list-style-type: none">Improve communication with stakeholders in the village to discuss village development programs in a participatory manner based on priority scales from the villagers' point of view. 2. Employment Opportunity <ul style="list-style-type: none">Socialize if there is acceptance of labor to the community, equal opportunity for labor.Recommend that contractors/third parties prioritize local people around the plantation if they meet the required qualifications. 3. Business Opportunity <ul style="list-style-type: none">Encourage the realization of partnership programs and community development in accordance with village needs.					

4. Disputes with Breeders

- Socialization to villages about the impact of raising cattle on plantations
- Establish a zone that can be entered by breeders

Location and time of monitoring in the villages around the plantation and monitoring is carried out during the operation of the plantation.

Based on the above explanation, this discrepancy is stated Closed, but will be observed further during the next assessment

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.14	Issued by	:	Nanang Mualib
Date Issued	:	26 Juli 2017	Time Limit	:	ASA 3
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	6.1.4. The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> CH has compiled RKL-RPL implementation report consistently every semester as regulated in AMDAL Document 2010 but according to the verification of the document CH has not been able to prove that it has evaluated the results of environmental monitoring including social impact at least 2 years.					
Root Cause Analysis <i>(filled by organization audited):</i> 					
Correction <i>(filled by organization audited):</i> 					
Corrective Action <i>(filled by organization audited):</i> 					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 					
Verified by	:				

NCR No.	: 2017.15	Issued by	: Muhammad Rinaldi
Date Issued	: 26 July 2017	Time Limit	: 19 September 2017
NC Grade	: Major	Date of Closing	: 02 October 2017
Standard Ref. & Requirement	: Principle 8 Commitment to continual improvement in key areas of activity		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The certificate holder has not been able to show evidence of improvement related to continuous improvement. In connection with this there is a systematic failure (systematic failure) in the application of standards, due to the repetition Non-conformity of the previous assessment, such as: Regulatory updating (Indicator Minor2.1.4), Environmental Monitoring Report (Indicator Minor 5.1.3).			
Root Cause Analysis <i>(filled by organization audited):</i> Lack of unit commitment in implementing obligations that must be done related to RSPO			
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> - Fixed non-conformities arising from audit surveillance 2 - Increase Commitment by conducting socialization related to recurring findings on RSPO implementation 			
Corrective Action <i>(filled by organization audited):</i> Perform internal audit periodically in accordance with Quality Procedures No Doc: PM-04.11-03 on Internal Audit which explains the internal audit activities carried out at least once a year.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor verification 20 September 2017: In order to re-identify the root cause, its corrective actions and its corrections. Because of the incompatibility of this indicator is related to repeated Non-Conformities (systematic failure) Auditor verification 25 September 2017: The Company shows Quality Document Procedure No Doc: PM-04.11-03 on Internal Audit which explains the internal audit activities conducted at least once a year. This will verify its application in the next assessment The Company showed the Socialization to 13 Employees of Dolok Ilir Estate on 15 August 2017 related to the commitment of implementing the 8 RSPO & SCCS Principles in order to avoid repetition of Non-Conformities. However, the company has not shown that indicators found in recurring Non-Conformities have been improved (indicators 2.1.4 and 5.1.3) Based on the explanation, this Non-Conformity is still OPEN. 02 October 2017 The Company has demonstrated evidence of improvement and has met repeated Non-Conformities in indicators 2.1.4 and 5.1.3. Based on the explanation, this Non-Conformity is Closed.			
Verified by	: Muhammad Rinaldi		

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NCR No.	:	2017.16	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	23 September 2017
Standard Ref. & Requirement	:	SCCS E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on verification document of FFB Delivery Letters, it is known that the documentation of receiving the FFB certified and non-certified does not well demonstrated. For example: <ul style="list-style-type: none"> • FFB Delivery Letters on 21 July 2017 from Division 3, 4, 7 and 8 Dolok Ilir Estate does not marked with stamp of RSPO certified • FFB Delivery Letters from non-certified Estate (Laras Estate) marked with stamp of RSPO Certified for example on 21 July 2017 					
Root Cause Analysis <i>(filled by organization audited):</i> Have not conducted any socialization related to RSPO stamp/seal related to FFB certified and not certified					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> - Conducting socialization and assigning special officers related to RSPO stamp/seal related to FFB certified and not certified - Creating a letter to the RSPO certified label-related plantation harvest accompanied by proof of letter has been received by Laras Estate 					
Corrective Action <i>(filled by organization audited):</i> Conducting socialization related to RSPO stamp/stamp related to FFB certified and not certified and set weigher if there is FFB in stamp/cap CSPO other than that certified hence can not be weighed					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 20 September 2017 The Company shows the Circular Letter from Chief Engineer to Assistant Chief of Dolok Ilir Estate on 04 September 2017 which explains that all the Dolok Ilir Estate afdeling should be required to provide the CSPO stamp on the FFB delivery Letter, if there is no such stamp then the factory will not serve the admissions process until processing. In addition there is a Circular Letter from Estate Manager Dolok Ilir on 02 August 2017 which explains that the delivery of FFB from Laras Estate (Letter of Introduction FFB) should not be given CSPO stamp because Laras Estate does not have RSPO certificate. 23 September 2017 The Company shows delivery proof of Letter to Laras Estate on 23 September 2017. Based on the above explanation, the Non-Conformity is stated Closed, but will be observed further in the next assessment					
Verified by	:	Muhammad Rinaldi			

NCR No.	:	2017.17	Issued by	:	Muhammad Rinaldi
Date Issued	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	02 October 2017
Standard Ref. & Requirement	:	SCCS E.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The CH has not informed the certification body of the over-production of FFB from the estimated certificate (the realization of FFB production is 50,060.54 ton while the estimated certificate is 50,000 Ton).					
Root Cause Analysis <i>(filled by organization audited):</i> The lack of understanding of the responsible Estate about the quota set by the Certification Board					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none">- Coordinate with certification bodies to increase production quotas- Socialize and create memos from Head Office Planning Division Units to Dolok Ilir Estate concerning SOP No.18 on Information Granting and Production Claim					
Corrective Action <i>(filled by organization audited):</i> Create a Monitoring Form per month about the production result					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor Verification on 20 September 2017: Company can show evidence of Letter No. 04.03/X/27/IX/2017 in 07 September 2017 relating to Report of FFB Production exceeds from RSPO certification estimate and Appendix of quota addition application with FFB amount of 62.000 ton; CPO 14,000 tons; PKO 3,000 tons. In addition, there is evidence of email delivery to PT.MAL on 18 September 2017. Companies need to re-identify the root cause analysis and corrective Action.					
Auditor Verification on 23 September 2017: It has not shown corrective action against the incompetence of the responsible person and re-identified preventive measures					
Auditor Verification on 25 September 2017: The Company has demonstrated the Monitoring Form of Achievement of FFB, MS and IS to RSPO Certification explaining the number of certificate quotas and realization up to the current month. In addition, the company showed Facsimile No. 04.03/KOL/Facs/89.1/IX/2017 on 22 September 2017 from Head of Strategic Planning Section to Pabatu Estate manager, Dolok Ilir and Pulu Raja who explained that the manager is responsible for ensuring the production amount according to the number of quotas and notices related to SOP No. 18 regarding the provision of information and claims related to production that exceeds the quota. It has not yet been shown that the memo has been received by the relevant manager. Based on the explanation, this Non-Conformity is still OPEN					

Auditor Verification on 02 October 2017:

The Company shows evidence that the memos are related to the number of quota certificates and the realization has been received by the Estate Manager and has been disposed to Head of Administration, Head of Service to Assistant at Dolok Ilir Estate on 27 September 2017

Based on the above explanation, the Non-Conformity is Closed, and will be re-observed in the next assessment of the implementation of the field.

Verified by	:	Muhammad Rinaldi
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NCR No.	:	2017.18	Issued by	:	Muhammad Rinaldi
Date Issued Tanggal diterbitkan	:	26 July 2017	Time Limit	:	25 September 2017
NC Grade	:	Major	Date of Closing	:	05 October 2017
Standard Ref. & Requirement	:	RSPO Certification System 4.2.4 Time Bound Plan			
Non-Conformance Description & Evidence observed (filled by auditor): <p>Based on the verification of Time Bound Plan documents, it is known that there are 4 factories and 11 plantations that have passed the Time Bound Plan such as Laras (2015), Berangir (2015), Marihat (2016) etc. and there are 2 subsidiaries that have not been targeted for the time of RSPO certification is PT Agro Sinergi Nusantara located in Aceh Barat, Aceh and PT Sinergi Perkebunan Nusantara located in North Morowali, Sulawesi, but RSPO member PTPN IV has not been able to show any justification and renewal of the time bound plan.</p>					
Root Cause Analysis (filled by organization audited): <p>Unavailability of Time Bound Plan creation and reporting mechanism</p>					
Correction (filled by organization audited): <p>Revision of Time Bound Plan and create mechanism (SPO No.22 About Making and Reporting Time Bound Plan)</p>					
Corrective Action (filled by organization audited): <p>Periodically Evaluate the Time Bound Plan</p>					
Assessor Evaluation and Conclusion (filled by auditor): 25 September 2017 <p>The Company shows the Time Bound Plan update in September 2017 but has not been shown any justification for any units that have been changed at the time of its specification.</p>					
Auditor Verification on 03 October 2017 <p>The Company shows the SOP of Time Bound Plan (SOP No. 22 in 02 October 2017) describing the time bound plan made by the SMPN Head of Sub-division and reporting it to the Certification Board and evaluating each year.</p> <p>The company shows the Time Bound Plan update for all units of PTPN IV, but there are still Estate that have not updated their Time Bound Plan (Mayang, Gunung Bayu, Tinjowan) and the document has not been legalized.</p> <p>Based on the explanation, this Non-conformity is still OPEN</p>					
Auditor Verification 05 October 2017 <p>The company shows an update time bound plan that has been endorsed by the Head of Strategic Planning Section. Based on the document, it is known that all PTPN 4 Estate have been covered in time bound plan and for business units that have been revised and there is a justification for the change of time, for example the Estate of Air Batu (Plantation and Mill) from 2015 to 2021 due to legality-related issues.</p> <p>Based on the explanation, then this Nonconformity is Closed.</p>					
Verified by	:	Muhammad Rinaldi			

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	1.3.1	Understanding of existing policies in company especially to third party (contractor)
2	2.2.4 & 2.3.1	Opportunities to improve the quality of conflict resolution procedures by considering the document of Free, Prior and Informed Consent Guide for RSPO Members 2015.
3	4.4.2	Improve monitoring of boundary markings of riparian river border especially in areas to be replanted
4	4.7.5	Opportunities to reassure the completeness and readiness of emergency response devices. (Observation)
5	5.3.3	Reassure the distance of the final waste disposal site of domestic waste in accordance with the SOP.
6	6.5.1	Socialization on the calculation of premium wages
7	6.5.3	Reassure the creating of drainage inworker complex area..
8	6.9.1	Understanding of the meaning and function of the Gender Committee (IKBI)
9	6.10	CH has the opportunity to reassure that the contractor has obey the prevailing regulations(Observation)
10	-	Re-ensuring the use of the RSPO logo (Observation)

3.5.4 Noteworthy Positive Components

No	Description
1	Has obtained ISO 9001: 2008 certificate with No. 16 00 J 14185
2	Has obtained ISO 14001: 2004 certificate with No. 08 04 J 14061
3	Has obtained certificate of OHS Managament System No. 201 year 2017 rank "Bendera Emas"



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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<u>Environmental Agency of Simalungun District</u> <ul style="list-style-type: none"> Mandatory reports such as RKL-RPL, LB3 reports and liquid waste have been conducted regularly according to the regulations All permit such as temporary hazardous waste storage and Land Application permit are still in period There is no environmental pollution, fire that happened for 1 year backward <p>There are no public complaints regarding replanting activities</p>	<p>It has been complied with criteria 2.1; 5.3 and 6.3</p>
<u>Labor Agency of Simalungun District</u> <ul style="list-style-type: none"> Employment Reports and P2K3 report are reported regularly according to the regulations The minimum wage used is adjusted to the worker union agreement Accidents Reports always reported but there is no fatal workplace accidents occur The company must monitor all contractors to comply with the regulations <p>There are no employment issues</p>	<p>It has been complied with criteria 2.1; 4.7; 6.5 and 6.10</p>
<u>Local Contractor (supplier FFB and Upkeep)</u> <ul style="list-style-type: none"> Letter of agreement has made jointly and mutually agreed For the price of FFB is determined from the company and communicated via phone. During this time payment is made every week and there is no delay The company has socialized and monitored related to OSH and regulatory compliance such as wage and assurance application. Has been socialized related to company policies including related to corruption 	<p>It has been comply with criteria 6.10. and will observe about Regulatory compliance. OFI</p>
<u>Labor Union (SPBun) PTPN IV Unit Dolok Ilir (Chairman)</u> <ul style="list-style-type: none"> Collective labor agreements Has been ratified and is still valid The structure of the SPBUN board has been approved and is still valid until 2019 The last meeting was held in April 2017, related to the rice allowance. The meeting was attended by management and trade unions The company has set a minimum salary No complaints from union members to the company 	<p>requirements It has been verified in indicators 6.6.1 and 6.6.2. Implementation of the company and information from stakeholders still in accordance with the.</p>
<u>CV Kharisma and CV Merbau (Local Contractor hauling empty fruit bunches)</u> <ul style="list-style-type: none"> CV charisma Has worked long time with the company Terms in cooperation with PTPN IV, consisting of: <ul style="list-style-type: none"> The used truck car is a yellow license plate 	<p>It has been comply with criteria 6.10. and will observe about Regulatory compliance. OFI</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> - All operators (drivers) must have Driver License - All trucks must have a net for the top cover of the truck • Working documents are available with companies that have been approved by both parties • Contractors provide personal protective equipment in the form of helmets and boots • In case of a complaint, the contractor will report to the personnel at the company • Until the audit activities are conducted, there are no complaints from contractors 	
Gender Committee - IKBI PTPN IV Dolok Ilir unit <ul style="list-style-type: none"> • IKBI already has an annual work program • IKBI work program in general, such as: <ul style="list-style-type: none"> - Environment / cleanliness - Religious - HAM - Discrimination • The existence of IKBI used female workers to convey aspirations and other things • Until the audit was conducted, there were no complaints from female workers in terms of employment, human rights and discrimination. • The rights of women workers have been granted and paid attention by the company (the right to maternity leave and menstruation leave, the right to career path, annual leave rights, etc.) 	<p>It has been verified in indicators 6.9.1 to 6.9.3. Implementation of the company and information from stakeholders still in accordance with the requirements.</p>
Dolok Ilir I Village <ul style="list-style-type: none"> • There's no report from community related to land dispute. • Community know about PTPN IV (Dolok Ilir Unit) land borders is ditch boundary and boundaries pole • there's no report from community related to environmental pollution which caused by POM and Estate operations including replanting activity. • The communication with PTPN IV running smoothly and good • Requests for information / support / complaints are always been responded very quickly and well • most of Dolok Ilir Villagers is a PTPN IV workers. • there's no report from community related to intimidation activity done by company. • Community know about company regulation related to flora and fauna protection in company operations area. • company already done social activity in form of providing health facility and improvement public facilities. 	<p>It has been comply with criteria 1.1, 2.2, 5.1, 5.2, 6.5, 6.8 and 6.11.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> Company already provide workers welfare In form of workers emplacement, clean water supply, electricity subsidies, improvement housing facility, sport centre, worship place, etc. access to the basic needs of workers available on Belawan market with distance approximately 12 km. Education facility available outside estate with close proximity. domestic waste managed from housing by providing garbage can in every house and landfill system. The type of house company provided are: 2 Bedroom, 1 living room, 1 bathroom. The house is permanent with cement wall. 	
Dolok Ilir II Village <ul style="list-style-type: none"> There's no report from community related to land dispute. Community know about PTPN IV (Dolok Ilir Unit) land borders is ditch boundary and boundaries pole there's no report from community related to environmental pollution which caused by POM and Estate operations but recently there's a complaint from community (Dolok Ilir II villagers related to replanting activity impact. The impact is increased attack of Oryctes Sp. pest in community plantation close to replanting area. community not yet delivered the complaint to company. The communication with PTPN IV running smoothly and good Requests for information / support / complaints are always been responded very quickly and well most of Dolok Ilir II Villagers is a PTPN IV workers. there's no report from community related to intimidation activity done by company. Community know about company regulation related to flora and fauna protection in company operations area including Prohibition of herding, especially on young plants area. company already done social activity in form of providing health facility and improvement public facilities. 	<p>It has been comply with criteria 1.1, 2.2, 5.2, 6.5, 6.8 and 6.11.</p> <p>For envireomental pollution impacn of repalnting has become an non-compliance in indicators 5.1.3</p>
Bahung Kahean Village <ul style="list-style-type: none"> There's no report from community related to land dispute. Community know about PTPN IV (Dolok Ilir Unit) land borders is ditch boundary and boundaries pole there's no report from community related to environmental pollution which caused by POM and Estate operations but recently there's a complaint from community of Bah Bolon river sense income from fish cultivation decreased sharply since company utilize liquid waste to applicate on plantation land and no longer discared into river. this happens because 	<p>It has been comply with criteria 1.1, 2.2, 5.1, 5.2, 6.5, 6.8 and 6.11.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>the community of fish farmers switch feed sources (switch from red worms they got in Bah Bolon river to pellets). this complaint already delivered to local government and company but until now not getting the right solution.</p> <ul style="list-style-type: none"> • The communication with PTPN IV running smoothly and good • Requests for information / support / complaints are always been responded very quickly and well • most of Bahung Kahean Villagers is a PTPN IV workers. • there's no report from community related to intimidation activity done by company. • Community know about company regulation related to flora and fauna protection in company operations area including Prohibition of herding, especially on young plants area. • company already done social activity in form of providing health facility and improvement public facilities. • company already done social activity in form of providing health facility, food packages and improvement public facilities. • PTPN IV already given information to village official if there's Job vacancy. 	
<p>Local NGO (PWR)</p> <ul style="list-style-type: none"> • There's no report from community related to land dispute. • there's no report from community related to environmental pollution which caused by POM and Estate operations however company need to care negative impact from ditch boundary, especially those bordering to community area. • The communication with PTPN IV running smoothly and good • Requests for information / support / complaints are always been responded very quickly and well • there's no report from community related to intimidation activity done by company. • Community know about company regulation related to flora and fauna protection in company operations area. 	<p>It has been comply with criteria 1.1, 2.2, 5.1, 5.2, and 6.11.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;">  <p>PTPN IV – Dolok Ilir POM Management Representative</p> <p><u>Ir. Biduri Marahimin</u> Tuesday, 10 October 2017</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Muhammad Rinaldi</u> Tuesday, 10 October 2017</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	National Land Agency	District of Simalungun	-	Interview	21 July 2017		√
2.	Labor Agency	District of Simalungun	-	Interview	21 July 2017	√	
3.	Plantation Agency	District of Simalungun	-	Interview	21 July 2017		√
4.	Environmental Agency	District of Simalungun	-	Interview	21 July 2017	√	
5.	Dolok Ilir I Village	District of Simalungun	-	Interview	21 July 2017	√	
6.	Dolok Ilir II Village	District of Simalungun	-	Interview	21 July 2017	√	
7.	Bahung Kahean	District of Simalungun	-	Interview	21 July 2017	√	
8.	Local NGO (PWRI)	District of Simalungun	-	Interview	21 July 2017	√	
9.	Pematang Kerasaan Rejo Village	Subdistrict of Hutabayu Raja District of Simalungun	-	Interview	23 March 2017	√	
10.	Labor Union (SPBun) PTPN IV Unit Dolok Ilir	District of Simalungun	-	Interview	25 July 2017	√	
11.	Local Contractor (empty bunch transporter)	District of Simalungun	-	Interview	25 July 2017	√	
12.	Gender Committee - IKBI PTPN IV Dolok Ilir unit	District of Simalungun	-	Interview	25 July 2017	√	
13.	Local Contractor (supplier FFB and Upkeep)	District of Simalungun	-	Interview	25 July 2017	√	
14.	WWF	-	wwf-indonesia@wwf.or.id	Email	03 July 2017		√
15.	Wahana Lingkungan Hidup	-	informasi@walhi.or.id	Email	03 July 2017		√
16.	Sawit Watch	-	info@sawitwatch.or.id	Email	03 July 2017		√
17.	6 spray worker	District of Simalungun	-	Interview	22 July 2017	√	
18.	3 census officer	District of Simalungun	-	Interview	22 July 2017	√	
19.	2 harvester	District of Simalungun	-	Interview	22 July 2017	√	
20.	10 mill worker	District of Simalungun	-	Interview	24 July 2017	√	

Appendix 2. Assessment Program

DATE		21-26 July 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Thursday, 20 July 2017			
15.00 -	18.00 – 20.00	Business Unit Pabatu → Business Unit Dolok Ilir	RNL/NNG
12.00 -	12.00 – 20.00	Jakarta → Business Unit Dolok Ilir	MMF
Friday, 21 July 2017			
08.00 – 08.30	08.00 – 08.30	Opening Meeting	• All Team
08.30 – 12.00	08.30 – 12.00	<ul style="list-style-type: none"> Public Consultation with Government in Simalungun Stakeholders consultation to Nearest village and community leader Stakeholders consultation to Labour Union, Committee Gender, Local Contractor 	<ul style="list-style-type: none"> RNL NNG MMF
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Document Review & Clarification of Public Consultation and Field Observation: <ul style="list-style-type: none"> Review of Previous Visit Non-conformance (ASA-1) Collect Basic Information (Mill and Estates) Review of Partial Certification and Time Bound Plan 	• ALL Team
Saturday, 22 July 2017			
08.00 – 12.00	08.00 – 12.00	Field Observation Dolok Ilir POM <ul style="list-style-type: none"> Supply Chain, Loading Ramp (Grading) Operational activities, Workshop WWTP (IPAL), Land Application (LA), WTP, Hazardous Waste Material (LB3) management, Chemical Storage, waste management 	<ul style="list-style-type: none"> RNL MMF NNG
12.00 –	12.00 –	BREAK	• ALL Team
Sunday, 23 July 2017			
Day Off			
Monday, 24 July 2017			
08.00 – 12.00	08.00 – 12.00	Field Observation Dolok Ilir ESTATE <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Empty Fruit Bunch Application, Fragile Soil Management and Worker Welfare (payments, complaint mechanism) Legal operational and High Conservation Value Area Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect. 	<ul style="list-style-type: none"> MMF RNL NNG
12.00 – 14.00	12.00 – 14.00	BREAK	• ALL Team
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Document Review and Clarification of Public Consultation and Field Observation 	• ALL Team

DATE		21-26 July 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Tuesday, 25 July 2017			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> Continue Field Observation Dolok Ilir Estate & Dolok Ilir POM Document Review and Clarification of Public Consultation and Field Observation 	• ALL Team
12.00 – 14.00	12.00 – 14.00	BREAK	• ALL Team
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Completing of Checklist Audit finding discussion and preparation 	• ALL Team
Wednesday, 26 July 2017			
08.00 – 10.00	08.00 – 10.00	CLOSING MEETING	• ALL Team
11.00 -	11.00 -	Dolok Ilir → Jakarta	• ALL Team