

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management : **Dolok Ilir Palm Oil Mill subsidiary of PT PERKEBUNAN NUSANTARA IV**
 Organisation
 Plantation Name : PT Perkebunan Nusantara IV ; Dolok Ilir Estate & Laras Estate
 Location : Village of Bah Bolon, Sub District of Dolok Batunanggar, District of Simalungun, Province of Sumatera Utara, Indonesia
 Certificate Code : **MUTU-RSPO/075**
 Date of Certificate Issue : 29 September 2015 Date of License Issue : 29 December 2019
 Date of Certificate Expiry : 28 September 2020 Date of License Expiry : 28 September 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	02 to 06 September 2019	Trismadi Nurbayuto, Haikal Ramadhan Kharismansyah, Brigitta Prita, Satria Adi Putra	Octo HPN Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	16 December 2019

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TABLE OF CONTENT
FIGURE

Figure 1. Location Map of PT Perkebunan Nusantara IV – Unit Dolok Ilir	01
Figure 2. Operational Map of PT Perkebunan Nusantara IV – Unit Dolok Ilir	02
Figure 3. Operational Map of PT Perkebunan Nusantara IV – Unit Laras	03

Abbreviations Used	04
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1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1 Assessment Standard Used	06
1.2 Organisation Information	06
1.3 Type of Assessment	06
1.4 Location of Mill and Plantations	06
1.5 Description of Area Statement	07
1.6 Planting Year and Cycles	07
1.7 Description of Mill and Supply Base	09
1.8 Estimate Tonnage of Certified Product	09
1.9 Other Certifications	09
1.10 Time-Bound Plan	11

2.0 ASSESSMENT PROCESS

2.1 Assessment Team	12
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	12
2.3 Stakeholder Consultation and Stakeholders Contacted	14
2.4 Determining Next Assessment	15

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification	16
3.2 Summary of Assessment Report of Supply Chain Requirement	52
3.3 Conformity Checklist of Certificate and Logo Use	66
3.4 Summary of RSPO Partial Certification	67
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	70
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	95

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings	99
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APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process	100
2. Assessment Program	102

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

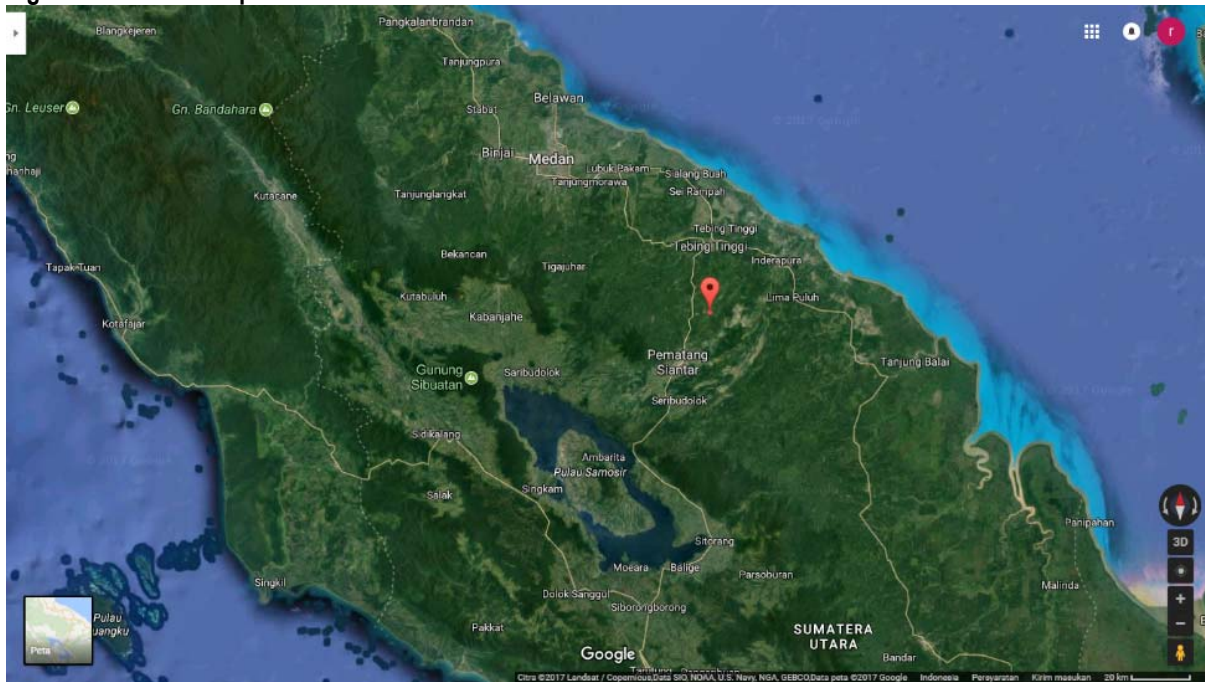


Figure 2. Operational Map of PT Perkebunan Nusantara IV – Unit Dolok Ilir

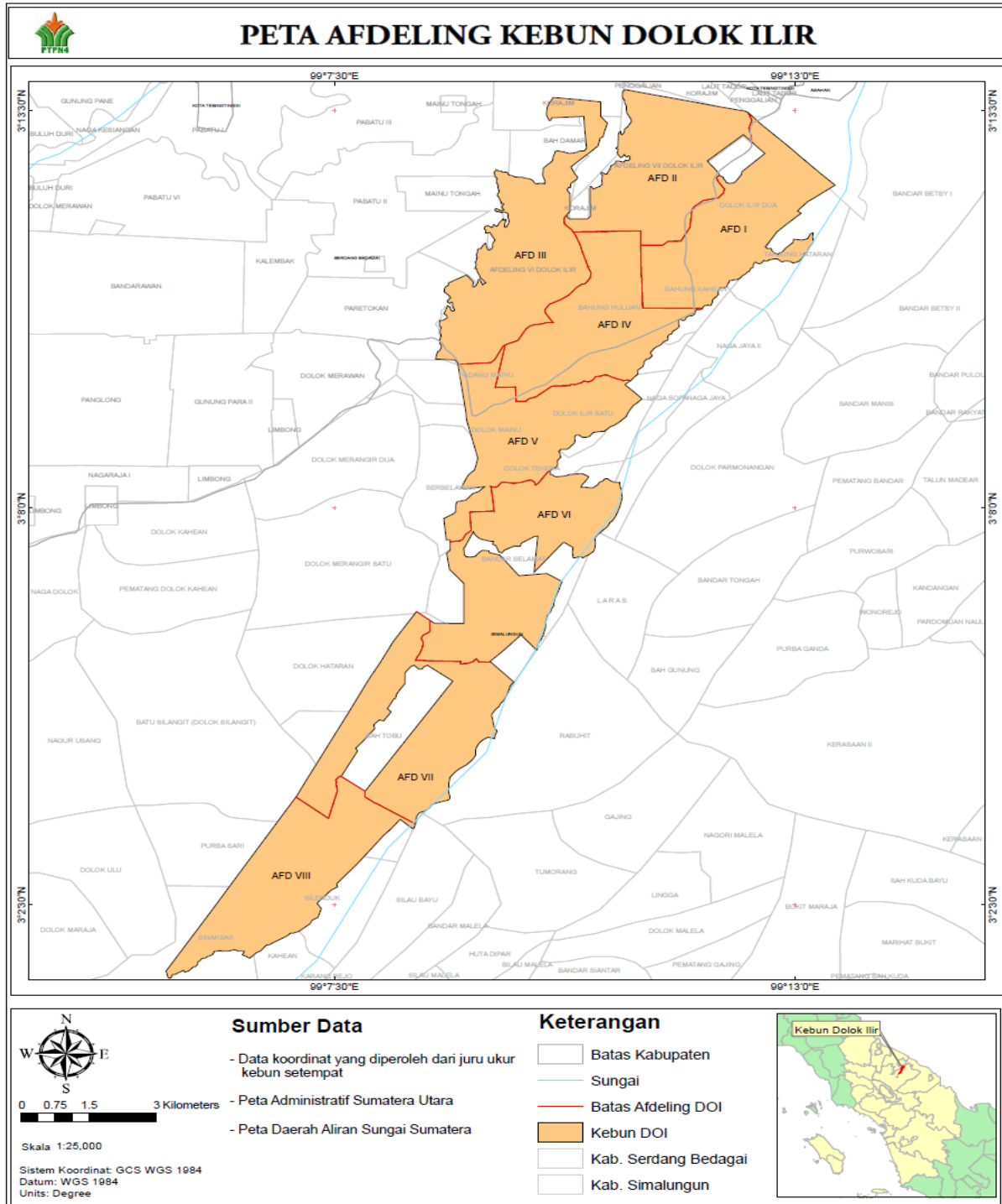
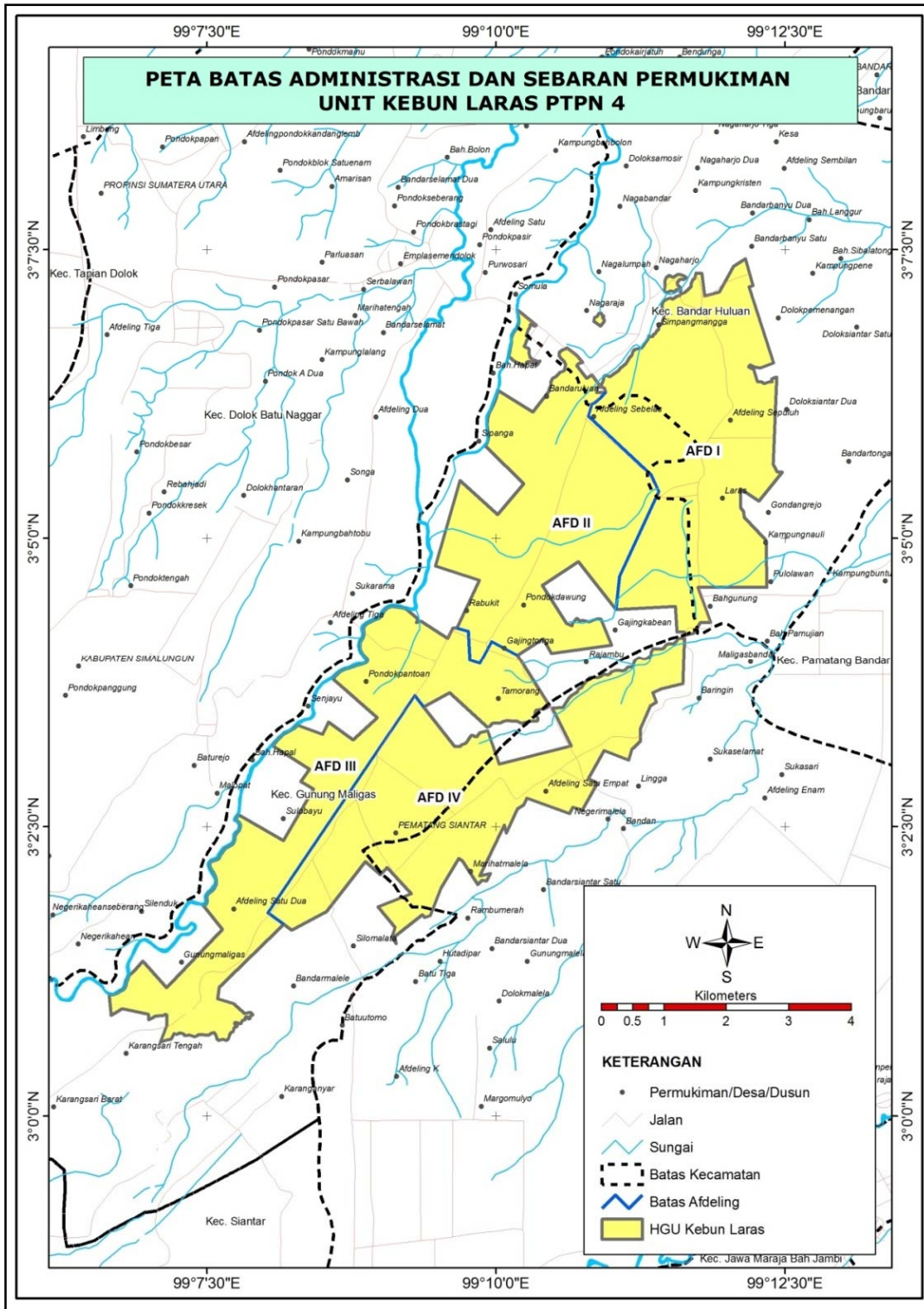


Figure 3. Operational Map of PT Perkebunan Nusantara IV - Unit Laras



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
BKM	:	<i>Buku Kerja Mandor</i>
BPJS TK	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja</i> (Manpower Social Security Administrator)
BPJS Kesehatan	:	<i>Badan Penyelenggara Jaminan Sosial Kesehatan</i> (Health Social Security Administrator)
BPN	:	<i>Badan Pertanahan Nasional</i>
BUMN	:	<i>Badan Usaha Milik Negara</i>
CEC	:	Capacity Exchange Cation
CH	:	Certificate Holder
CSR	:	Corporate Social Responsibility
CITES	:	Critical Threatened Endangered species
COC	:	Code of Conduct
CPO	:	Crude Palm Oil
CSPO	:	Certified Sustainable Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CV	:	<i>Commanditaire Vennootschap</i>
DOI	:	Dolok 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
FR	:	Frequency Rate
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
HVA	:	<i>Haandels Vereeniging Amsterdam</i>
IKBI	:	Gender Committee (<i>Ikatan Keluarga Besar Istri</i>)
IUP	:	Izin Usaha Perkebunan (Plantation Business Permit)
ISO	:	International Organization for Standardization
ISCC	:	International Sustainable Carbon and Certificate
IPM	:	Integrated Pest Management
K3	:	<i>Kesehatan dan Kesela</i>
KAI	:	<i>Kereta Api Indonesia</i> (Indonesian Rail Train)
KER	:	Kernel Extraction Rate
LA	:	Land Application
LKS Bipartit	:	<i>Lembaga Kerja Sama Bipartit</i> (Collaborative Institution Bipartite)
LB3	:	<i>Limbah Bahan Bahaya dan Beracun</i> (Hazardous Waste)
MCU	:	<i>Medical Check Up</i>
MSDS	:	Material Safety Data Sheet
NIHL	:	Noise Induced Hearing Loss
NGO	:	Non Government Organisation

OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHSAS	:	Occupational Health and Safety Assessment Series
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
PMILL	:	<i>Pusat Penelitian Kelapa Sawit</i> (Indonesian Palm Oil Research Center Medan)
PT	:	<i>Perseroan Terbatas</i>
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
SAP	:	System Application in Data Processing
SE	:	Surat Edaran (Circular Letter)
SEIA	:	Social Environmental Impact Assessment
SI	:	<i>Satuan Inspeksi</i> (Inspection)
SIO	:	<i>Surat Izin Operator</i> (Operator License)
SMK3	:	<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja</i> (OHS System Management)
SPBUN	:	<i>Serikat Pekerja Perkebunan</i> (Worker Union of Plantations)
SPI	:	<i>Satuan Pengawas Internal</i> (Internal Control Unit)
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</i> (Work Order Letter)
SR	:	<i>Severity Rate</i>
TB	:	Tuberculosis
TBS	:	<i>Tandan Buah Segar</i> /Fresh Fruit Bunch
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit</i> (Oil Palm Tree Leaf Caterpillar)
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"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed by RSPO Board of Governors 30 September 2016.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill)</i> 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Perkebunan Nusantara IV	
1.2.2	Contact person	Khayamudin P.	
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	Khayamudin P.	
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 two (2) estate <ul style="list-style-type: none"> • Dolok Ilir Mill; Dolok Ilir Estate and Laras Estate 	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Dolok Ilir Mill	Village of Bah Bolon, Sub District of Dolok Batunanggar, District of Simalungun, Province of Sumatera Utara, Indonesia	N 03° 07' 20" E 99° 09' 42"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Dolok Ilir Estate	Village of Bah Bolon, Sub District of Dolok Batunanggar, District of Simalungun,	N 03° 13' 44" E 99° 10' 59"

		Province of Sumatera Utara, Indonesia			
	Laras Estate	Village of Laras, Sub District of Bandar Hulan, District of Simalungun, Province of Sumatera Utara, Indonesia		N 03° 07' 30"	E 99° 12' 30'
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State			11,411.47	Ha
	• Community				Ha
1.5.2	Area Statement				
		Dolok Ilir	Laras	Total	
	• Total area	7,348.81	4,062.66	11,411.47	Ha
	• Mature area	2,857.00	2,856.00	5,713.00	Ha
	• Immature area	3,743.00	930.00	4,673.00	Ha
	• Unplanted Area (Areal HYATEN)	162.00	121.00	283.00	Ha
	• Housing	100.42	33.47	133.89	Ha
	• Mill	4.71	-	4.71	Ha
	• Golf Court	5.60	-	5.60	Ha
	• Government Electricity Line	10.81	-	10.81	Ha
	• Public Road	137.00	-	137.00	Ha
	• Infrastructure (roads and bridges)	214.25	105.00	319.25	Ha
	• Canal	19.16	-	19.16	Ha
	• Symbolic Plant	8.79	-	8.79	Ha
	• Cemetery	1.72	-	1.72	Ha
	• **Conservation Area (Inclusive in planted area/not as HCV area)	84.35	12.08	96.43	Ha
	• Ravine / cliff area		3.47	3.47	Ha
	• Ex Mill		1.64	1.64	Ha
** Total HCV is 251.97 Ha; where 155.54 Ha included to Planted Area and other HCV is 96.43 Ha					
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Dolok Ilir Estate	Laras Estate	Total	
	1995	-	63	63	
	1996	-	118	118	
	1997	590	855	1966	
	1998	743	571	1314	
	1999	573	216	789	
	2000	90	--	90	
	2004	8		8	
	2005	-	14	14	
	2008	14	-	14	

	2010	19	7	26			
	2011	263	174	437			
	2012	106	440	546			
	2013	451	-	451			
	2014	-	398	398			
	2016	2,898	616	3,514			
	2017	274	-	274			
	2018	314	-	314			
	Replanting 2019	257	314	571			
	TOTAL	6,600	3,786	10,386			
1.6.2	New Planting area after January 2010		Ha				
1.6.3	Planting Cycle		1 st Cycle or 2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Dolok Ilir Mill	60	140,140.01	32,561.88	23.24	4,923.26	3.51
	*Production data source from September 2018 to August 2019						
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	7,348.81	6,600.00	56,592.46	19.81	56,592.46	100
	Laras	4,062.66	3,786.00	60,385.64	21.14	60,385.64	100
	TOTAL	11,411.47	10,386.00	116,978.10	20.48	116,978.10	100
	*Production data source from September 2018 to August 2019						
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)		
	Marihat Estate (RSPO Certified)	Subsidiary of PTPN IV	-	3,970	2,778.84		
	Balimbingan Estate (RSPO Certified)	Subsidiary of PTPN IV	-	2,933	3,456.22		
	Bah Birung Ulu Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	2,194	7,261.53		
	Marjandi Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	1,802	5,956.30		
	Tanah Itam Ulu Estate	Subsidiary of PTPN IV	-	2,415	2,829.98		

	(RSPO Non Certified)							
	Bukit Lima Estate (RSPO Non Certified)	Subsidiary of PTPN IV	-	4,936	879.04			
	TOTAL				23,161.91			
	<i>*Production data source from September 2018 to August 2019</i>							
1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim for last year (tonnes/year)	Actual certified product for last year (tonnes/year)				
	• FFB Production		118,938	123,215.25				
	• CPO Production		26,761	26,408.28				
	• Palm Kernel (PK) Production		5,947	4,371.56				
	<i>There is opening stock on 1 September 2018, CSPO: 500 MT and CSPK: 180 MT</i>							
1.8.2	Product selling							
	Tonnage of selling product		Period of actual selling product for last year					
	• CSPO sold as RSPO certified product		4,000					
	• CSPK sold as RSPO certified product		4,185.15					
	• CSPO sold under other scheme		0					
	• CSPK sold under other scheme		0					
	• CSPO sold as conventional		22,400.13					
	• CSPK sold as conventional		34.91					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Dolok Ilir	7,348.81	6,600.00	59,400	20.80			
	Laras	4,062.66	3,786.00	63,400	22.20			
	TOTAL	11,411.47	10,386.00	122,800	21.50			
	<i>*Projected FFB production for 29 September 2019 to 28 September 2020</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Dolok Ilir Mill	60	122,800	29,500	24.00	6,200	5.00	MB
	<i>*Projected CSPO and CSPK production for 29 September 2019 to 28 September 2020</i>							
1.9	Other Certifications							
	ISO 9001:2008		-					
	ISO 14001: 2004		-					
	OHSAS 18001:2007		-					
	ISCC		-					
	Others		-					

1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound	Location	Status
	POM	Time Bound				
	Pabatu	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015
	Dolok Ilir	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015
			Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
	Pulu Raja	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
	Adolina	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
	Bah Jambi	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
			Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
			Bah Birung Ulu	2021	Simalungun, Sumatera Utara	Stage-1 Audit
			Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
				2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (30.0 Ha)
	Dolok Sinumbah	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
				2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
			Balimbangan	2018	Simalungun, Sumatera Utara	Certified on April 2018
	Mayang	2018	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
			Bukit Lima	2019	Simalungun, Sumatera Utara	Preparation
	Gunung Bayu	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Stage-2 Audit
			Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Stage-2 Audit
	Tinjowan	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
			Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019
			Padang Matinggi	2019	Simalungun, Sumatera Utara	Certified on March 2019
Air Batu	2018	Air Batu	2019	Asahan, Sumatera Utara	Stage-2 Audit (6,770.0 Ha)	

		Air Batu	2021	Asahan, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (459.02 Ha)
Berangir	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2021	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (10.0 Ha)
Sawit Langkat	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2021	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 Ha)
Pasir Mandoge	2018	Pasir Mandoge	2021	Asahan, Sumatera Utara	Stage-1 Audit
		Sei Kopas	2021	Asahan, Sumatera Utara	Stage-1 Audit
		Tonduhan	2021	Simalungun, 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	Stage-2 Audit
		Meranti Paham	2021	Labuhan Batu Utara, Sumatera Utara	Stage-2 Audit
		Panai Jaya	2021	Labuhan Batu Utara, Sumatera Utara	Preparation
Sosa	2021	Sosa	2021	Padang Lawas, Sumatera Utara	Preparation
PT Agro Sinergi Nusantara		PT Agro Sinergi Nusantara	2021	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara		PT Sinergi Perkebunan Nusantara	2021	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 Ilir POM are include to other scope in accordance with the time bound plan.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. Trismadi Nurbayuto (Lead Auditor). Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; RSPO Next, and SA 8000. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. During this assesment verified Legal, Social, and Partial Certification aspect..</p> <p>2. Brigitta Prita (Auditor). Citizen of Indonesia. Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism. She had attended Training ISPO by Commission ISPO on June 2013, Training ISO 9001:2008 Quality Management System on January 2014, In House Training 17021 and 17065 management system and Product Quality, Training High Conservation Value by IPB on September 2015, In House Training HCV on August 2016, In House Training Roundtable Sustainable Palm Oil on January 2014; In House Training ISO 14000:2004 Environmental Management System. She has been audit experience ISPO & RSPO since April 2013 in the environmental, conservation, waste management and worker welfare aspects.During this assment verified environment, HCV, GHG & SCCS aspect.</p> <p>3. Satria Adi Putra (Auditor). Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO Awareness, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, SA 8000, RSPO Lead Training, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011, ISO 22000. During this assesment verified Best Management Practices and Long Term Business Plan and transparency,.</p> <p>4. Haikal Ramadhan Kharismansyah (Auditor). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Auditor ISPO, RSPO awareness, ISO 22000 awareness. Did some audit ISPO scheme with aspects Best management practices. During this audit, he support to verify OHS and Worker Welfare.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-4	<p>Number of auditors : 4 auditor</p> <p>Number of days for ASA-4 at site : 5 days</p> <p>Number of working days for ASA-4 at site : 20 Working days.</p>
2.2.2	Assessment Process
ASA-4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PTPN IV– Dolok Ilir Mill to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (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 of Governors on 21 November 2014 revised on 14 June 2017 (Module for CPO Mill).</p>

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Some opportunities for improvement of the results surveillance-4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase.

Improvement of findings from surveillance assesment findings were observed by auditors at this surveillance 4. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of surveillance 4.

The assessment program please find Appendix 2.

2.2.3	Locations of Assessment
ASA-4	<p>Laras Estate</p> <ul style="list-style-type: none"> • Manuring, Block 94, Afdeling I. Observation and interviews regarding implementation of fertilization procedures, health checks, and handling of fertilizer waste. • Replanting Area Block 94, Afdeling I. Observation related replanting program, contractor replanting insurance, OHS, environment management and HCV area • Pest and Disease Census/Global Telling, Block 97AW, Afdeling II. Interviews on census mechanism, medical examination, PPE, and labor aspect. • Harvesting, Block 98AW, Afdeling II. Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE. • Road Maintenance, Block 98L, Afdeling II. Observation related road maintenance • Spray Circle & Path, Block 12AC, Afdeling IV. Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment. • Boundary pole number 189, 185, 186 & 190. Field observation related conditions of boundary pole in land use title area and the pole in the good condition. • Spring of Sweembad Naga Soppa Afdeling II (HCV 1.1; 4,1 & 5). Observation related management of HCV. • Housing in afdeling II. Observation and interview related conditions, infrastructure, domestic waste and others. • House rinse. Observation related management of pesticide. • PPE storage for pesticide. Observation related PPE storage. • Hazardous waste storage. Observation and interview related management of hazardous waste. • Fire fighters. Observation and simulation related fire fighters. • Chemical storage. Observation related management of chemical material. • Workshop. Observation and interview related activity in workshop, OHS and others. • Lubricants storage. Observation related management of lubricants. • Generator house. Observation related activity in generator house and OHS. • Daycare in Afdeling II. Observation and interview related conditions of daycare and others. • Cooperative of workers in Afdeling II. Observation and interview related activity in workers cooperative. <p>Dolok Ilir Estate</p> <ul style="list-style-type: none"> • Spray Circle & Path, Block 98V, Afdeling V. Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment. • EFB application, Block 17B, Afdeling III. Observation related implementation of EFB application to increase the organic matter. • Harvesting, Block 97AV, Afdeling III. Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE. • Fruit Castration, Block 17G, Afdeling V. Observation related implementation of plant maintenance before harvesting. • Beneficial Plant, Block 16 DU, Afdeling VII. Observation related Integrated Pest Management. • Spray Circle & Path, Block 17 G, Afdeling V. Interviews of spraying mechanism, work tools, chemicals used,

	<p>doses used, medical examinations, extra fooding, PPE, labor aspect and environment.</p> <ul style="list-style-type: none"> • Housing of Afdeling 2 and Afdeling 5. observations and interviews about workers welfare facilities and domestic waste management • Afdeling 7, Block DX16. Observation on BPN poles No 053 condition and its conformance with the Legal map. • Afdeling 7, Block DM16. Observation on BPN poles No 104 condition and its conformance with the Legal map. • Afdeling 7, Block DM16. Observation on BPN poles No 105 condition and its conformance with the Legal map. • Afdeling 7, Block EL16. Observation on BPN poles No 133 condition and its conformance with the Legal map. • Afdeling 8, Block 97F. Observation on BPN poles No 155 condition and its conformance with the Legal map. • Afdeling 7, Block DX16. Observation on Bahapal River Riparian, riparian on good condition and there are spraying limit signboard. • Afdeling 8, Block EM16. Observation on Spring Water, vegetation on good condition and there are spraying limit signboard. <p>Dolok Ilir POM</p> <ul style="list-style-type: none"> • Land Application & Well Monitoring , Blok 00A, Afdeling V. Observation and interview related land application, PPE of worker and environment protection. • Effluent pond. Observation for palm oil mill effluent management and OHS • Water treatment plant. Observation for water usage monitoring and OHS, and worker welfare • Sortation and Grading. Observations and interviews regarding procedures, PPE used, and employee status • Sterilizer. Observations and interviews regarding procedures, PPE used, Medical checkup, and operator license • Boiler. Observations and interviews regarding procedures, PPE used, Medical checkup, and operator license • Kernel. Observations and interviews regarding procedures, PPE used, medical checkup, and operator license • Security Post. Observation and interview with two security regarding salary, safety aspect, and others. • Weighbridge No 02 (CPO, PK and EFB/out). Observation and interview with operator regarding SCCS, job description and salary. • Weighbridge No 01 (FFB/in). Observation and interview with operator regarding SCCS, job description and salary. • Storage Tank. Based on field observation result sighted that there are four storage tank with capacity: 2 unit 1000 MT and 2 unit 1500 MT. • PK Bunker. Based on field observation result sighted that there are three bunker with capacity @ 70 MT. <p>Consulted Stakeholder</p> <ul style="list-style-type: none"> - Sub-district office - Local Contractor - Gender Committee - <i>Labor Union</i> - Environmental Agency of Simalungun Regency - Village Official of Naga Sopa, Nagori Jaya and Bah Tobu - Manpower and Transmigration Agency, District of Simalungun - Plantation Agency, District of Simalungun - Wahana Lingkungan Hidup - Sawit Watch - World Wide Fund - Aliansi Masyarakat Adat Nusantara
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Perkebunan Nusantara IV- Unit Business of Dolok Ilir & Laras was held by:</p> <ol style="list-style-type: none"> 1. Public Notification website MUTU (https://mutucertification.com/wp-content/uploads/2019/08/Notification-of-RSPO-Surveillance-4-Dolok-Ilir-POM-subsidiary-of-PT-Perkebunan-Nusantara-IV.pdf) on 19 August 2019.

	<ol style="list-style-type: none"> 2. Public consultation meeting with related agencies on 03 September 2019. 3. Public consultation meeting with Villages Surrounding Company Area on 03 September 2019. 4. Public consultation meeting with Local Contractor and Worker Union on 04 September 2019. 5. Public consultation to NGO by email has been sent on 26 August 2019. <p>Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara IV Unit Business of Dolok Ilir & Laras.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The Recertification planned to be conducted one to four months before the certificate expiry date (June – September 2020).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Dolok Ilir POM – PT Perkebunan Nusantara IV operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were six (6) Nonconformities were assigned against Major Compliance Indicator; four (4) nonconformities were assigned against Minor Compliance Indicators and one (1) nonconformance against supply chain requirement for CPO mill and six (6) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that **Dolok Ilir POM – PT Perkebunan Nusantara IV** complied with the requirements of **Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (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 of Governors on 21 November 2014 revised on 14 June 2017 (Module D and Module E for CPO Mill).**

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

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 The CH has the list of stakeholder updated on 29 July 2019, consist of government, community leader, contractors, worker organizations, NGOs, etc. Based on interview with company's management, the list of stakeholders have been updated every time there is a revision or will be updated every year. The company has a list of 22 information that can be accessed by relevant stakeholders, namely: <ul style="list-style-type: none"> • Company profile • Document of Plantation Business Permit, SEIA, and Land Use Tittle, • OHS Document • HCV Document • Pollution Prevention and Reduction Plans • Details of Complaints and Complaints, Negotiation Procedures, Sustainable Improvement Plans • Public Summary of Certification Assessment • Human Rights Policy • Etc. In addition to the 22 information listed above, the CH also has 27 types of information that are confidential and cannot be publicly published such as the company's balance sheet, the company's basic budget and others. <p>Based on interviews with village officials, agencies and contractors it was found that the company was open to every request for information sent by the community and they had a good understanding of the mechanism for sending requests for information to the company.</p>		
1.1.2 Procedure of information request and response in presented in document No. SPO 06 dated August 1 st 2017 (Rev. 3). Person in charge towards information request and response was conducted by Assistant of Human Resources and General, in coordination with Assistant Afdeling. Time of response was maximum for 30 days of work while time of documents saving was at least for 2 to 15 years, depends on request category.		

The CH was documented all of incoming and outgoing letter from stakeholder. Based on document verification of incoming letter and the respond by the company, until August 2019 for example there was incoming information requests, proposals, and invitation to attend meeting held by stakeholders. The CH was respond these requested and the documentation was showed.

Status: Comply

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

Information which available for public by request is presented in document of Managing Director Decree No. 04.03/Kpts/02/II/2018 dated February 5th 2018 about document publication of PTPN IV and Letter of Managing Director No. 04.01/SE/02/II/2018 February 27th 2018 about company data, document and information management. The document informed that there were 22 information which could be accessed by public such as land ownership certificate, environment impact assessment, company policies, annual report, social impact assessment, all permits, high conservation value report, RSPO assessment report, periodic compulsory report to Government Agencies, etc. Meanwhile, information which limited to be accessed by public were consist of 27 items, for example production report, audit report, workers database records, working agreement, etc. The company maintain the list of stakeholder. The last update was made on July 29, 2019.

Based on interviews with agency and communities in Nagasopa Village, Nagori Jaya Village and Bah Tobu Village, it was found that there were no complaints related to requests for information from PTPN IV (Dolok Ilir Unit) and were always responded quickly. The CH maintains records of request for information and responses under "*Buku surat masuk dan surat keluar*" on each unit management. Based on document verification, there are information requests, proposals, and invitation to attend meeting held by stakeholders. The company was respond these requested and the documentation of aid was showed.

Status: Comply

1.3

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

1.3.1

Company policy towards integrity and ethical code is presented in document of "*Pedoman Perilaku*" or Code of Conduct (COC) Guidance No. 04.03/Kpts/06/XI/2013 which issued by the Managing Director and Commisioner of PT Perkebunan Nusantara IV in November 15th 2013. The policy has covers ethical behavior related to conflict of interest, transparency information and fair business activities, as well as prohibition of workers towards corruption, nepotism, collusion, bribery, gratification, political maneuver activities, drugs and gambling. Policy was available in Bahasa.

PTPN IV committed to Prosperous Life without Corruption is a commitment of the Clean "BUMN" (state-owned company) Program, PTPN IV personnel committed not to accept gratuities in carrying out their duties and authority and free of conflict of interest. Based on interview with workers, labor union, representatives of gender committees and local contractors, they know about code of integrity and ethical behavior.

The results of interviews with local contractors, harvest employees, fertilizer employees are known that there has been a socialization of a code of ethics policy.

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

Manpower

Based on evidence observed such as:

- Based on the document review and interviews, it is known that the company cooperates with several contractors, for example for plant maintenance activities (CV Wira Mandiri), security activities (PT Jaya Wira Manggala), (UD

Merbau) FFB transport activities, and others

- Based on public consultations with the Section Head of Work Requirements for the Simalungun District Manpower Office, it is known that in June 2018 the Simalungun District Manpower Office once gave an appeal to record every third party cooperating with the company. Evidence has not yet been shown of the response and progress of record keeping as a result of public consultation.
- Referring to Permenaker Number 19 of 2012 concerning Terms of Submission of Partial Job Execution to Other Companies, article 10 states that the contract of employment must be recorded with the agency responsible for manpower in the Regency / City where the employment is done.

Thus it can be concluded that the Company has not been fully consistent in fulfilling relevant laws and regulations, for example Permenaker No. 19 of 2012.

Plantation Aspect

The CH has Plantation Business Permit as follows:

- Dolok Ilir Business Unit has Simalungun Regent Decree Letter Number 183.45/503/113/BPPT-PM//2014 dated 14 December 2014 for PTPN IV-Dolok Ilir for Oil Palm Plantation with area 7,348.81 Ha and Palm Oil Mill with capacity 60 MT/hours.
- Laras Business Unit has Simalungun Regent Decree Letter Number 183.45/2767/K-PTT/2012 dated 8 August 2012 for PTPN IV-Laras Estate for Oil Palm Plantation with area 4,062.66 Ha

2.1.2; 2.1.3; 2.1.4

Officers who are responsible for evaluating the regulations are Assistant Human Resources and General Affair. The results of the identification of regulations relevant to the company's business activities for the period 2019 consist of 55 Laws, 44 Government Regulations, 1 Presidential Instruction, 7 Presidential Decrees, 3 Presidential Regulations, 58 Ministerial Regulations, 10 Ministerial Decrees, 6 Decrees of the Director General and 11 Regional Regulations.

In the 2019 list of regulations some of the latest regulations were updated between Ministry of Agriculture Regulation 5 of 2018 concerning the opening and / or processing of plantation land without burning and Decree of the Governor of North Sumatra Number 188.44 / 1495 / KPTS 2018 dated December 14, 2018 concerning the determination of the minimum wage in Simalungun Regency in 2019.

Based on the interviews and document review, it is known that the statutory regulations, Operational Policies and Procedures (SOP) are available in each business unit. Internal compliance audit of law is carried out by PTPN4's strategic planning department which evaluates compliance to all business units under PTPN4 and is carried out once a year with the person in charge being HR and General Officers

2.1.1	Status: Non Conformity with Major Category No. 2019.01	
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2.2

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

2.2.1

The history of Laras Estate and Dolok Ilir Estate comes from concession rights owned by Handleless Vereniging Amsterdam (HVA) which managed *Agave* and was taken over and nationalized by the Indonesian Government on 1959. PT PN IV Unit Laras and Unit Dolok Ilir has had the document of land use right and ownership. The documents of land use right are

- HGU Certificate No 6 Year of 2008 dated 08 December 2008 related to Extension Period of Granting the Land Use Title until 21 September 2033 with covering 4,062.66 Ha for Unit Laras
- HGU Certificate NO 1 Year 2006 dated September 11, 2006 related to Extension Period of Granting the Land Use Title until 31 December 2030 with covering an area of 7,348.81 Ha.

Based on explanation above the total area that managed by certificate holder are 11,411.47 Ha. Result if interview with managements, field observations and interview with the community surrounding the company there is no indication a planting outside the permit.

2.2.2.

The CH has a boundary stones monitoring with a period of monitoring every semester. The latest monitoring was conducted on July 2019. There are 253 poles on Dolok Ilir Estate and 246 poles on Laras Estate. Based on field observations to several poles such as: BPN 053, BPN 103, BPN 104 (Dolok Ilir Estate), BPN 185, BPN 186, BPN 189 and BPN 190 (Laras Estate) sighted that all poles well maintenance. There are no indication of over planted on the outside of HGU.

2.2.3; 2.2.4 and 2.2.5

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.

Based on interviews with surrounding villages and plantation agencies, currently there is a land dispute / land claim between PTPN IV Unit Laras and Unit Dolok Ilir with the parties around the plantation area. In Dolok Ilir the land dispute are 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, but in 2017 Jumadi through Cooperative of Tani Karya Mandiri reclaimed again to that's area. Based on interview with General and Security Assistant sighted that company still waiting execution letter from the court. While In Laras Estate there is a land claim from people form Nagori Jaya Village (Cooperative Mekar Jaya) in Laras Estate Covering 131 Ha and has been resolved by field review involving the parties including the government agency.

2.2.6.

The CH has Code of Conduct Policy with included do not using paramilitary in resolving conflict escalations. Therefore based on interview with head of village and public figure on Dolok Mainu Village, Kahean Village and Silau Bayu Village sighted that there are no palamitary used by the company.

Status: Comply	
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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 and 2.3.5

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.

Based on documents verification of Government Regulation no. 19 of 1959, it is explained that the CH area comes from the land of the Dutch company Handless Vereniging Amsterdam (HVA). Result on public consultation with Head of Village, Public Figures on Kahean Village, Dolok Mainu Village, and Silau Bayu Village were obtain information if there is no customary land/right in the company area and the company (Unit Dolok Ilir) has been settle up since dutch colonial era. For land disputes in the form of community land claims have been settled by involving the government (verification 2.2.3).

Status: Comply	
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PRINCIPLE #3 Commitment to long-term economic and financial viability
3.1

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

3.1.1; 3.1.2

The company has shown a long-term plan for the period 2020-2024 for PTPN IV – Laras Estate, Dolok Ilir Estate and Dolok Ilir Mill which includes among others FFB Production, OER, Production Cost, Price of CPO / PK, replanting, CPO Production, PK Production, TM area , TBM, land clearing, reserve area, road, drainage, housing and others. Beside that, the Certificate Holder has shown a review/evaluation document for the Long Term Plan (Budget 2018) of PTPN IV – Dolok Ilir Estate and Laras Estate which reviews the evaluation of achievement compared to the predetermined budget. The discussion includes a review of plant maintenance activities, harvesting, production and so on.

The company has documented the results of replanting including the results of planting area, planting blocks, number of seeds planted and number of stands/ha of plants. The company has also periodically reviewed replanting programs that are carried out in conjunction with annual evaluations. Based on the soil type map it can be concluded that there is no peat soil in the PTPN IV area (Dolok Ilir Estate and Laras Estate).

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

The company already has SOP procedures regarding Mill and Plantations contained in Standard Operating Procedures (SPO) in the Fields of Oil Palm Plant, Plant/Tea Factory, PPIS and Organic Compost Plant issued by PT. Perkebunan Nusantara IV in July 2007. The SOP was written in Indonesian and stored as well as in the Dolok Ilir Estate, Laras Estate and Dolok Ilir POM. A copy of the SOP is available at each Estate and Mill and is available in Indonesian. Based on the results of the interview, if there is a revision in the company's SOP, then the company (leadership employee) will make the revised SOP in the latest document and can be shown by the auditor. Management explained, that the revision of documents (SOP / IK Quality) was carried out in accordance with the Circular of the Board of Directors of PT. Nusantara Plantation IV. A circular from the Head Office of PT Perkebunan Nusantara IV is available.

Based on field visits and interviews with spray workers in Block 12AC Afdeling 4 Laras Estate it is known that workers have understood procedures related to spraying activities such as not spraying near water bodies and not spraying downwind.

4.1.2

The company has personnel assigned to internal supervision to monitor the consistency of the application of procedures in the field, including the Internal Supervisory Unit which is carried out once a year. The company has also routinely carried out plantation and factory operational inspection activities. The audit has been carried out periodically and regularly including all procedures owned by the company, including an internal audit on July 16-19, 2019

However, based on the results of the document review it is known that:

- It is known that there is a collaboration between PT Perkebunan Nusantara IV with several contractors including UD Merbau (Transport of TBS), CV Ardhan Sirait Jaya (Transport & EFB Application), CV Wira Mandiri (Maintenance of Immature Area), CV Era Cipta Karya (Transport & EFB Application), CV Karya Teknik (Maintenance of Immature Area), PT Jaya Wira Manggala (Security), PT Risa Agina Sara (replanting), etc.
- Work Order No. 04.14 / SPMK / 003 / IV / 2019, dated 5 April 2019 which contains orders to start security work as well as proof of payment of BPJS labor in June 2019.
- The company has presented the document Agreement Letter No.0404 / S.PERJ / 011 / VII / 2018 dated July 12, 2018 regarding the Work on Land Processing and Advanced Maintenance of Oil Palm Plantations in 2018 to Contractor PT Risa Agina Sara. The document provides evidence on the evaluation of replanting such as the assessment of the quality of chipping, the quality of tillage, the quality of planting seeds and so on.

The company has not been able to show that the inspection or monitoring activities are available to all contractors/third parties. **This is a nonconformity No.2019.02.**

4.1.3

The company has personnel assigned to internal supervision to monitor the consistency of the application of procedures in the field, including the Internal Supervisory Unit which is conducted annually. The company has also routinely carried

out inspections of plantation and mill operations.

The audit has been conducted periodically and regularly covering all procedures owned by the company, including internal audits on 16 to 19 July 2019. Examples of findings include:

- The operational performance of the Laras Plantation in the aspect of production up to June 2019 was 31.64% (FFB) and Palm Oil 29.12%; Criteria: Cost Realization is pursued under the Corporate Budget Activity Plan of 10%; Because: Input costs in accordance with the SAP system have not been implemented according to the cost center; Consequences: Poor oversight of resource use results in cost losses; Suggestion: Management of the Laras plantation in order to maintain consistency in the transition of existing potential; Plantation response: Management of the Laras Estate continues to strive to achieve production above the target and still maintain the quality of the harvest according to the SOP.

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. Documents and field observation in weightbridge its known if Dolok Ilir Mill Received FFB from own Estate and sister company from PT Perkebunan Nusantara IV. The list of all supplier has been keep properly by the company.

4.1.2	Status: Non Conformity with Minor Category No. 2019.02.
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4.2

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

4.2.1; 4.2.2

The company has shown a procedure for managing soil fertility, among others (SPO 05.4) on Analysis of Leaves and Soil Samples, for soil analysis carried out 3-5 years or once a year if needed while leaf analysis is carried out once a year and for young plants if needed can be taken leaf samples twice a year by weighing changes in nutrients in the leaves of young plants change very quickly. In addition, the Company (Laras Estate and Dolok Ilir Estate) has SOP for Palm Oil Mill Effluent documents - RSPO and ISPO documents No. SPO 17, dated January 2, 2015 which explained the procedure for using PK waste.

The company (Laras Estate and Dolok Ilir Estate) has shown of the fertilization realization program. The fertilizer recordings such as:

- Fertilizing is carried out in the 2016N and 2016P Blocks, Afdeling V, Laras Estate using Borate fertilizer in Semester I of 2019 covering an area of 2 hectares and using 14.40 kg of material with a realization of 100% compared to the recommendations that have been set.
- Fertilizing was carried out in Blocks 1999M and 1999N, Afdeling II, Laras Estate using NPK fertilizer 4.7.25 + 1TE in Semester I 2019 (April 2019) covering 27 hectares and using 6591 kg of material with a realization of 100% compared to the recommendations that have been set.

The company has shown Data on the Use of Fertilizers Per Ton of FFB in 2018 for Laras Estate and Dolok Ilir Estate. Based on field observations in Block 94 Afdeling I Laras Estate, it is known that workers understand fertilizer-related procedures such as not fertilizing close to a water body and fertilizing according to the recommended dosage.

4.2.3

The company has shown that it has a Basic Work Guidelines document, namely Fertilization Management (No. Doc. 22.10 dated January 1, 2013) in which there is a Work Instruction (IK) Analysis of Leaves and Soil Examples. For the management of soil fertility, the company carries out plant fertilization according to fertilizer recommendations based on the results of leaf and soil analysis. The results of leaf and soil analysis were used as material for monitoring changes in nutrient status.

In addition, the company has demonstrated SPO 05.4 concerning Analysis of Leaves and Soil Samples, for soil analysis carried out 3-5 years or once a year if needed while leaf analysis is done once a year and in young plants if needed can be done sampling leaves twice a year weighing changes in nutrients in the leaves of young plants is very fast changing.

The company conducts soil analysis listed in the Report on the Results of Analysis of Palm Oil Plant Land with a Scope of PTPN IV in 2018. The realization of the evaluation of soil fertility status at PTPN IV – Dolok Ilir Estate and Laras Estate was carried out by observing the determination of pH, organic C content, total N (in%), available total P and P content, K content, Mg content, Na content, Ca content and Cation Exchange Capacity Value (CEC).

Beside that, the CH conducts leaf analysis conducted by the Pusat Penelitian Kelapa Sawit (PMILL) based on memo No. 04.04/Facs/GMJ-Kebun/265/VI/2018 dated June 25, 2018 at Dolok Ilir Estate and Laras Estate. The indicators that were observed were the levels of N, P, K, Mg, Ca and B and supporting data in the form of visual observations.

Based on the results of the document review, PTPN IV Fertilization Recommendations (Dolok Ilir Estate and Laras Estate) are known that leaf sampling, soil and visual monitoring activities are intended to be the basis for determining future recommendations and based on fertilizer requirements for each block.

4.2.4

The company has shown the use of EFB, fibers and shells used as a nutrient recycling strategy. The usage records for the 2019 period are 5005 tons of shells, 21103 tons of fiber and 25848 tons of EFB.

Based on a field visit to the replanting area in Block 94 Afdeling I, Laras Estate found that the company had implemented nutrient recycling by utilizing the results of chipping oil palm plants to increase organic content in the soil. In addition, based on the results of a field visit in Block 17B Afdeling III, Dolok Ilir Estate found that the company had applied EFB at a dose of 100kg /staple.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.4 & 4.3.5

The company already had a soil maps that explain related marginal soil and critical soil such as:

Dolok Ilir Estate

Estate management has topography, slope and soil map with scale 1:25,000. The map was prepared by IOPRI in 1999. The map informed that in general slope condition in Dolok Ilir Estate were dominantly flat to undulating and there was no presence of hilly to steep area (>40%). Furthermore, soil type was fully mineral, consist of six type, e.g: Typic Tropopsamment (brown alluvial), Typic Dystropept (yellowish brown podzolic), Typic Hapludult (yellowish red podzolic), Typic Hapludult (yellowish red podzolic), Typic Tropaquent (alluvial) and Typic Dystropept (yellowish brown podzolic) which covers about 1,132 ha; 2,135 ha; 407 ha; 2,080 ha; 673 ha; and 138 ha, respectively. Thus, main limitation of soil properties in Dolok Ilir was mainly due to low fertility soil.

Laras Estate

Information on topography and soil type in Laras Estate is presented in soil survey report which conducted by IOPRI in 1999. Furthermore, it also informed in HCV report which conducted by PT Surveyor Indonesia in 2011. Based on document review, it could be concluded that slope condition in Laras Estate were mainly flat to undulating (0-8 %), followed by rolling. Furthermore, soil type was fully mineral, consist of Typic Hapludult, Fluventic Dystropept, Typic Dystropept and Typic Dystropept. Same as Dolok Ilir Estate, main limitation of soil properties in Dolok Ilir was mainly due to low fertility soil.

The company has shown the Dolok Ilir Estate and Laras Estate Soil Type Maps which illustrate that the Estate area distribution covers a flat to undulating area without indicating the existence of steep areas. Based on the above documents it is known that there is no peatland contained in Dolok Ilir Estate and Laras Estate.

4.3.2; 4.3.6

The company has demonstrated a management strategy for planting slope areas listed in SPO 01.4 concerning Land Preparation and Preservation with effective date of August 1, 2007. In terms of land preparation and preservation, it is also regulated regarding the construction of horse contour/footprints, rurets and sloping land preservation standards.

Based on the results of field visits to Dolok Ilir Estate and Laras Estate, it is known that in general the area is dominated by flat-sloping to flat-choppy with no indication of steep terrain. In addition, based on the results of a field visit to Block

19D, Afdeling I Laras Estate, it is known that in general the area is dominated by flat areas. The company has also planted Legume Cover Crop which is useful as a deterrent to soil erosion and to increase nitrogen levels in the soil.

Beside that, the company has applied EFB with Dolok Ilir Estate up to August 2019 with 5.557.470 kg (equal with 55,574 plant).

4.3.3

The Dolok Ilir Estate and Laras Estate Business Unit has a Road Maintenance Work Instructions (No. Doc. 4.3-13-IK-36) that explains how to take care of the road (for example, connecting roads are buried in the form of a convex shape, damaged blocks or potholes are buried in order to not inundated when it rains) and instructions that must be considered (for example, using PPE, and using appropriate tools).

The company has shown the Road Maintenance Program document in 2018. The data includes the following such as road maintenance program in Block 16B, Afdeling IV Laras Estate in July 2019 is 1376 meters long, the realization was carried out in July with 1376 meters (100% realization of the budget). Beside that, the road maintenance program in Block 16I, Afdeling I Dolok Ilir Estate in August 2019 is 1075 meters long, the realization was carried out in August along 900 meters (achieving under 18.36% of the budget).

Status: Comply

4.4

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

4.4.1.

In the HCV identification document for the period 2019/2020 it is informed related the water management plan for example:

- Monitoring the rehabilitation of riparian area.
- Monitoring the area of springs used for the public.

Then the company has also made efficient use of water for processing and domestic once every 6 months; clean water testing every 1 year, and ground water testing every 1 year.

Monitoring of bamboo planting for the period January - June 2019 is located in Afdeling IV blocks 12 R, 12 T, 12 AA, 12 AE, 12 AD, 14P & 14 R. The number of plants planted is 293 trees. The number of life is 82 and 15 are dead. The number of trees ending in 67 trees with a percentage growth of 27.99%.

4.4.2.

Management for water courses, and riparian was done based on riparian management procedure (SPO-05) and HCV management procedures (SPO-08). Dolok ilir estate and Laras estate have been identified water courses and wetland based on HCV Assessment.

Field observations in Naga Soppa Sweembad Spring Afdeling II (HCV 1.1; 4.1 & 5), the spring is used as a public bath there has been an agreement between the company and the Naga Soppa community to protect the area. There is an information board about the HCV area. Ensuring that the river border is not applied by chemicals (OFI).

4.4.3.

Utilization of liquid waste to be applied to land already has a permit in accordance with the Decree of Simalungun Regent Number; 188.45 / 3439 / LINGHUP-2015 dated October 23, 2015 and is valid for 5 years.

Based on the petition number DOI / BLH / 44 / VI / 2010 dated June 9, 2010 it is known that land application is an area of 91 ha, located in block 97A covering an area of 23 ha, block 97b covering an area of 17 ha, block 97C covering an area of 23 ha, block 99AK covering an area of 4 ha, block 04A covering an area of 8 ha, block 00A covering an area of 16 ha located in Afdeling V.

Field observations in the Land Application area block 97A, 97B & 97C its known there is no runoff of liquid wastewater. The area of utilization and application is in accordance with the permit issued by the Simalungun Regent Number; 188.45 / 3439 / LINGHUP-2015. Ensuring that the liquid waste water flowmeter is functioning properly (OFI).

The company was conducted liquid waste testin PT MAL (LP 00-IDN). Based on test results the parameter didn't exceed the threshold set by Minister of Environment number 29 year 2003.

4.4.4.

Document for process water usage for Mill in period January to August 2019, its known water using is 15,755.88 m³ and efficiency average for water process is 1.35 m³/ton FFB. The company has been showed tax payment for water in July period on August 9, 2019 with later number 973/772-8/UPT/OS/2019 to North Sumatera Regional Tax and Retribution Management Agency. Ensure that the flowrate water flow meter for the treatment process is functioning properly (OFI).

Status: Comply

4.5

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

4.5.1; 4.5.2

The company has an Integrated Pest Control Program document contained in the SPO Observation and Pest Control documents, namely:

- Pests and Diseases at Immature Area (Doc. No. SPO 04.3, August 1, 2007), which explains, among others, the symptoms of attacks, census methods, prevention and eradication/pest control of *Oryctes sp*, rat, wild boar, and *Apogonia expeditioris*.
- Palm Oil Pests at Mature Area (Doc. SPO No. 05.11, August 1, 2007) which describes: nettle caterpillar pests (*Thosea asigna*, *Setora nitens*, *Darna trima*, *Thosea bisura*, *Ploneta diducta*, *Sucica pellide*, *Mahasena corbetti*, *Metisa plana*, and *Cremastopsyche pendula*), early warning systems (EWS), eradication of pests (physical / mechanical, biological, plant breeding, and chemistry).

The company has shown plans for integrated pest control. The integrated pest control plan at PTPN IV (Dolok Ilir Estate and Laras Estate) includes planting *Turnera subulata* and *Antigonon leptopus*. But, the company has the opportunity to increase the planting of Beneficial Plant (OFI).

The company has shown integrated pest training documents for PTPN IV (Dolok Ilir Estate and Laras Estate). The realization of the training included Integrated Pest Control Training at the Bah Jambi Estate, Marihat Estate and Marjandi Estate on August 13, 2018 to 20 people working on pest control, training was attended by 20 workers. In addition, training was also conducted on Integrated Pest Control on March 13, 2019 to 5 people working on pest control.

The company (Dolok Ilir Estate and Laras Estate) has shown chemical use documents. Based on the document it is known that the use of chemicals of type 1A / IB has been reduced. However, based on the results of a field visit to the Laras Chemical Warehouse, it is known that there is still a stock of pesticides with active ingredients paraquat dichloride (Top Zone 276 SL) of 5.5 liters. In this regard, the company has presented a justification letter dated July 2, 2019 (No. LAR / SE / Intrn // VII / 2019) stating that the Laras Estate leadership requested to minimize and eliminate class 1a and 1b pesticides and only be used in conditions extraordinary and more secure manual control and biological control in controlling oil palm plant pests.

Status: Comply

4.6

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

4.6.1; 4.6.2

The company has policies related to the use of pesticides, including:

- Hazardous Waste Management SPO (RSPO Document and ISPO No. SPO 02 January 2015) explained, that mixing and washing pesticide spraying equipment.
- The policy of using herbicides with active ingredients is paraquat. This is in accordance with the circular letter from the Head of Plant Section of PT. Perkebunan Nusantara IV No.04.03 dated August 4, 2006 to Business Unit Group Managers I, II, III, IV and V regarding Supervision and Socialization of Provisions on the Use of Herbicides Paraquat.
- Circular from PTP Nusantara IV Director No. 04.04 / SE / 18 / X / 2016 dated October 14, 2016 regarding the use of active ingredients of prohibited pesticides to Business Unit Group Managers I to V and Oil Palm and Tea Unit Managers. In the circular, it was explained that the use of pesticides with brodifakum 0.005% active ingredients and other pesticides according to WHO calisification is prohibited from being used

The Certificate Holder also has made efforts to avoid the development of resistance to weeds such as the use of different types of pesticides, regulation of spray rotation (3 rotations) and spraying according to selective weeding. Beside that, the company (Dolok Ilir Estate and Laras Estate) has shown a Pesticide List Document which includes identification of the type of material used, registration number, control target, WHO list and LD50.

The company (Dolok Ilir Estate and Laras Estate) has demonstrated the pesticide application program listed in the Barchart Afdeling document, as for the planned application of pesticides, among others, the Circle Spraying activity at Laras Estate in June 2019 in Block Z, Afdeling 4 has the program is 15 Ha with the realization of 15 Ha (realization of 100%).

Based on observation and interviews with spraying workers in Blok 12AC Afdeling 4 Laras Estate, it is known that workers have been spraying according to procedures such as not spraying near water bodies, having knowledge of the types of pesticides used, understanding the dosages used and able to identify the target weeds. Based on this, it can be concluded that the company can demonstrate procedures and implementation related to safety in the use of chemicals.

4.6.3; 4.6.4

The company has procedures related to integrated pest control in Plant Pest and Disease Control (No. Doc. A.08). The SOP explains the plans for handling IPM, such as implementing an Early Warning System (EWS) by observing (global telling and effective telling) and controlling by combining a variety of compatible control techniques, such as manual, mechanical, biological (biological), and chemical.

The company has shown Census Data on Pest and Disease Attacks at PTPN IV (Dolok Ilir Estate and Laras Estate) in which it contains the realization of the implementation of detection and census of disease pests.

The company has documented the Use of Herbicides and Insecticides (Laras Estate and Dolok Ilir Estate) for the past one year and compared them to previous year's use. Based on data, it is known that there is an increase in the use of pesticides used to eradicate nettles caterpillar. Based on management justification, it is known that the increase was due to replanting activities, where pest attacks in general also increased. The integrated pest control plan carried out by the company includes the planting of a beneficial plant in each estate.

Based on the results of a field visit to 97AW, Afdeling II, Laras Estate it was found that visually there were caterpillar nettle attacks and *Ganoderma boninense*. Related to this, the company has carried out chemical and biological control. The pest control program includes Trichoderma application at the time of replanting with a dose of 400 gr/planting hole and planting beneficial plants on each side of the block.

Based on interviews with the census pest worker (Global Telling) in block 97AW Afdeling II Laras Estate, it is known that workers have carried out training activities related to pests and diseases, besides that workers can also explain the procedures of global telling activities in accordance with the procedures owned such as determining principal sampling, how to calculate the number of caterpillars and determine the type of caterpillar. In addition, it was explained that the potential pests in Laras Estate are caterpillar / caterpillar nettle types.

4.6.5

The company has a pesticide application procedure in the Circle Spraying/Harvesting Path Quality Work Instructions (No. Doc. IK / TA / 07, effective date June 1, 2010). This procedure covers all chemical spraying activities from spray calibration, use of PPE, mixing & dosing of pesticides.

Based on observations and interviews on spraying activities in Block 12AC (Laras Estate) and in Block 17G (Dolok Ilir Estate). Workers have understood the spray dosage used as spraying with the use of isopropyl amine glyphosate active ingredients using a concentration of 5% chemicals for every 5 liters of water.

Based on the results of field visits and document verification, it is known that:

- Based on the Afdeling Daily Work Plan document 1-8, Dolok Ilir Estate is known that there is no spraying activity.
- Limited pesticide training documents and the name list of chemical officers of Dolok Ilir Estate employees stated

that there were 7 spray workers for Afdeling II (including the foreman) and 6 Afdeling 5 for 6 people (including the foreman)

- Based on field visits to the Spray Rinse House in Afdeling 2 Dolok Ilir, it was found that the PPE available were 6 spray clothes, 6 aprons and 3 masks.
- Based on field visits to the Spray Rinse House in Afdeling 5 Dolok Ilir, it was found that the PPE available were 4 spray suits, 5 aprons, 3 helmets and 2 masks.
- Chemis Work Instruction No. FM.4.3.13-05 March 3, 2012 explains about:
- Instructions that must be considered: workers must use, glasses, shoes, helmets, masks, rubber gloves, official work clothes; after finishing the work, trim the tools / materials to be taken to the office warehouse.

As the evidences observed, auditor found that there are insufficient evidence that the work tools used by pesticide applicators are stored in a special place that has been provided by the company. It is become **nonconformity No. 2019.03**.

4.6.6

The business unit has SPO documents on Hazardous and Toxic and Waste Management - RSPO and ISPO document No. SPO 02 dated January 2, 2015 which explains that including Hazardous Waste include used jerry can packaging chemicals. Procedures include Hazardous waste temporary storage sites, identification of hazardous waste, hazardous data collection, packaging of hazardous waste, placement of hazardous waste, time to store hazardous waste, delivery of hazardous waste to licensed collectors, and procedures for washing of chemical spraying equipment.

Meanwhile, based on observation and field observation, it is know that:

- Based on the results of field observations to the Hazardous Temporary Collection Site in Dolok Ilir POM (September 5, 2019), it is known that there are 25 actual pesticide records (in the Logbook) of ex-pesticide packages. However, based on the auditor's observation it is known that there are 31 pieces of ex-pesticide packaging (there is a difference of 6 packages).
- Based on the results of a field visit to Hazardous Temporary Collection Site in Laras Estate (September 3, 2019), it is known that the number of ex-pesticide packages is 1 piece.
- Logbook of Daily Hazardous Waste Processing for Laras Estate in the January-June 2019 period is 81 pieces of ex-pesticide packages.
- Manifest No. WY0003244 on 5 August 2019 at Laras Estate stated that 71.8 kg of contamination packaging was taken.
- Manifest No. WY0003248 on 6 August 2019 at Dolok Ilir POM stated that 591 kg of contamination (208 packages) had been taken.
- Based on the results of the study of Pesticide Use in Dolok Ilir Estate and Laras Estate (January-August 2019), the following data are known the number of packages is 8,792.97 in Dolok Ilir Estate and 3,200.89 in Laras Estate.

Not enough evidence is available that all used packaging used by the company has been managed and delivered in accordance with applicable regulations. It is become **non conformity No. 2019.04**.

4.6.7

The company has a pesticide application procedure in the Work Instructions (IK) of *Piringan Khemis/ Pasar Pikul dan Gawangan* (No. Doc. IK / TA / 07, effective date June 1, 2010). The procedure covers all the activities of spraying from the calibration of the sprayer, the use of PPE, mixing & dosing of pesticides.

The company has shown documentation related to pesticide application training. The documentation included a limited training on pesticides handling on 24-25 October 2016 for 47 Dolok Ilir Estate workers. In addition, limited pesticide handling training was conducted on 2-5 October 2018 for 8 Laras Estate workers.

Based on observations and interviews on spraying activities in Block 17G, Afdeling V, Dolok Ilir Estate, and Block 12AC, Afdeling IV (Laras Estate). It is known that the company has provided a means to clean hands using soap and clean water brought by the foreman to the field. In addition the company has also provided PPE storage facilities and wash rooms in each of the afdeling offices.

4.6.8

Based on field observation and information from estate management, it was informed that there were no pesticide application by plane through the air. All pesticides has applied through mist blower spraying and trunk injection.

4.6.9

Estate has conducting several continual training of pesticide handling and application, which aims to maintain workers knowledge and skills, for example as follows:

- Training of integrated pest management for leaf eating caterpillar has conducted in May 15 2019, attended by 4 IPM workers in Dolok Ilir Estate and 5 IPM worker in Laras Estate
- Socialization on chemist works (pesticide application has conducted in April 11th 2018. Attended by 19 Pesticide Applicators of Dolok Ilir Estate. In Laras Estate it conducted in 12th February and attended by 8 Pesticide applicator
- Training of safe working practices on pesticide mixing and application has conducted on July 3rd 2018 in Afdeling 2 Laras Estate, attended by pesticide Applicators from Afdeling 1 to Afdeling 4.

The company has no smallholders' scheme. Hence, training has only available for internal workers.

Based on interview with with Foreman, 2 Pesticide Applicators and 1 Mixer it was known that the workers were able to explain and demonstrate pesticide handling technique such as storage of used containers on the Scheduled Waste Store, can't be reused for domestical purposes, PPE to be used and emergency action of pesticide incidence.

4.6.10.

Unit management have established procedures for agrchemical waste management and agrochemical handling, respectively listed on procedures SPO No 02 2017 and procedures SPO No 23 2017.

Laras Estate.

A warrant for collection of goods on August 5, 2019 to PT Jaguar Prima Nusantara vehicle number BP 9149 DU includes: Contaminated packaging of 71.8 kg (Manifest number WY0003244).

Dolok Ilir Estate.

There is hazardous waste manifests were sent on August 6, 2019 to PT Jaguar Prima Nusantara with vehicle number BP 9149 DU with the following details: contaminated packaging of 591 kg (Manifest number WY 0003248).

The company has presented evidence of the socialization of hazardous waste management, PPE replacement mechanism and the implementation of the Chemis officers' IK on September 11, 2019 to the Estate Unit Manager, Head of Plant Service, Plant Assistant, Assistant Human Resources and Security, Supervisor, Clerk, Workers and Document Control Officers. The socialization was attended by 49 people.

4.6.11

The company has shown the results of periodic medical check-up for the pesticide applicator of the Dolok Ilir Business Unit and the Laras Business Unit. Based on the document, the following information is obtained:

- Reports on the medical checkup results of the Dolok Ilir Business Unit on January 2, 2019 carried out by PT Prima Medica Nusantara stated that 8 people were mildly poisoned and were advised to avoid contact with pesticide and conduct a repeat medical checkup. However, there has not been any follow up on the results of the medical Checkup
- Report on the results of the Laras Business Unit Medical Checkup dated January 9, 2019 from PT Prima Medica Nusantara stated the following results:
 - One person is moderate poisoned and recommended Take a break from insecticide and re-check cholinesterase
 - One person is severely poisoned and recommended Rest from insecticide and double-check cholinesterase
 - One person suspects TB and is recommended to consult a doctor
- Based on the list of pesticide applicator in July 2019, it is known that the names of the applicators are still registered as pesticide handlers
- It has been shown the results of the follow-up of the MCU dated September 3, 2019 which was signed by a doctor of PT Prima Medica Nusantara with the results of all being healthy and fit to work as usual - **The follow-up of the MCU was conducted ± 9 months after the results of the first MCU**

The medical checkup has involved all pesticide applicators but evidence of follow-up on the results of the examination cannot yet be demonstrated. Nonconformities have been accommodated in indicator 4.7.1.

4.6.12

Policies for not employ pregnant and breastfeeding women in handling pesticides include written in Circular Letter of Dolok Ilir and Laras Business Unit Managers. For example, SE No DOI / SE / 50 / X / 2012 dated October 4, 2012 which states not to employ employees who are pregnant / breastfeeding because it is dangerous to the health and safety of their fetus

Based on bazetting data on pesticide handlers, it is known that the number of female pesticide applicators updated in May 2019 is 25 people for the Dolok Ilir business unit and 15 people for Laras Business Unit. results of monitoring of pregnant and breastfeeding employees carried out every month with the urine test method and H-1 leave monitoring. In this document, it is known that during the 2019 period no female pesticide applicators were detected in pregnancy

Status:	
4.6.5	Non Conformity with Major Category No. 2019.03
4.6.6	Non Conformity with Major Category No. 2019.04

4.7

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

4.7.1

The company has an OHS policy signed by management on March 14, 2018. In addition there is a joint commitment between employers and workers signed on June 2, 2018 with the contents "Management with Employees of PT Perkebunan Nusantara IV is committed to implementing occupational safety and health for the creation of a safe, healthy and productive workplace. "However, based on observed evidence such as:

- One of the work safety and health plans carried out by the company is to conduct periodic medical checkup for high-risk workers
- The company has shown the results of periodic medical checkup for the Dolok Ilir Business Unit (Mill and Estate) and the Laras Business Unit for the period 2018
- Reports on the medical checkup results of the Dolok Ilir Business Unit on January 2, 2019 carried out by PT Prima Medica Nusantara stated that 8 people were mildly poisoned and were advised to avoid contact with pesticide and conduct a repeat medical checkup. However, there has not been any follow up on the results of the medical Checkup
- Results of Audiometry checkup at Dolok Ilir POM on July 31, 2019 conducted by the Medan Occupational Health and Safety Office revealed that there were 5 workers with NIHL (Noise-induced hearing loss) status. Based on the recommendations of the examination results stated that employees with NIHL status are upholding the doctor's recommendations and rotating to places that are not exposed to noise - **However, there has not been any follow up on the results of the health checks**
- Report on the results of the Laras Business Unit Medical Checkup dated January 9, 2019 from PT Prima Medica Nusantara stated the following results:
 - One person is moderate poisoned and recommended Take a break from insecticide and re-check cholinesterase
 - One person is severely poisoned and recommended Rest from insecticide and double-check cholinesterase
 - One person suspects TB and is recommended to consult a doctor
- Based on the list of pesticide applicator in July 2019, it is known that the names of the applicators are still registered as pesticide handlers
- It has been shown the results of the follow-up of the MCU dated September 3, 2019 which was signed by a doctor of PT Prima Medica Nusantara with the results of all being healthy and fit to work as usual - **The follow-up of the MCU was conducted ± 9 months after the results of the first MCU**

Thus it can be concluded that the company has not been fully consistent in implementing and monitoring the effectiveness of the established occupational safety and health plan. **This is become nonconformity No.2019.05.**

4.7.2

The company shows the document HIRAC Form (Hazard Identification, Risk Assessment & Risk Control) which was made by the PTPN IV Team of the Dolok Ilir and Laras Business Unit dated January 1, 2019. The document contains hazard identification, risk analysis, and risk control in each estate upkeep activity (Replanting, spraying, manuring, empty fruit bunchl application, pruning, etc.), harvesting activities, FFB transportation, all FFB processing activities (weighbridge , Press stations, sampling, boiler stations, etc.), and General Activities (office administration, material warehouse).

In the period January - December 2018 according to work accident reports there were 18 cases of accidents in the laras business unit and 8 work accidents in the dolok ilir business unit. Every work accident will be taken into consideration in

the annual HIRAC evaluation. HIRAC evaluation results for the 2018 period include

Harvesting with sickle	Using PPE (Boot, Helmet, and gloves), Implementation of work instruction	Before Evaluation
Harvesting with sickle	Using PPE (Boot, Helmet, Safety Glass, and gloves), PPE Monitoring, and quarterly training	After Evaluation

4.7.3

The company has completed the competence of OHS operators, for example for steam aircraft operators, welding operators, lift carriers and aircraft operators and production personnel. Besides PPE has also been given to all workers in accordance with the results of the risk analysis. However, based on observed evidence such as:

1. Based on the results of field observations found the following facts:
 - Block 17G, Afdeling V. Dolok Ilir Business Unit: The castration team boot have been damaged so the boot used are personal procurement.
 - The chemical warehouse of the Laras Business Unit. The warehouse officer using boots and the boots used are personal procurement
 - Sterilizer, kernel, and clarification operators in Dolok Ilir POM do not use ear protectors (interview results explained that earplugs / earmuffs have been provided)
 - The clarification station operator used personal procurement boots and states that the company has provided safety shoes
 - Unloading, loading and transporting FFB contractor workers carrying out FFB unloading activities on loading ramp not equipped with PPE (Only using sandals)
 - The engine room operator uses boots with personal procurement (shoes provided by the company are safety shoes)
- There is evidence of the handover of PPE shoes in Afdeling III, Dolok Ilir Business Unit which was last carried out in 2018.
- There is a letter of request for replacement of shoes type PPE from the Afdeling Harvest foreman III and afdeling plant assistant III, Kebun Dolok Ilir regarding the replacement of the PPE shoe type by one pair in a month - But there is no information on the distribution date.
- Results of interviews with workers at the sterilizer, kernel, boiler, and clarification stations at Dolok Ilir POM revealed that the average age of safety shoes is 6 months. While the period of routine replacement is once a year, so that if the safety shoes are damaged before the replacement period, it will be sought personally.
- There is evidence of handover of employee shoes for the MILL Dolok Ilir for the year 2018, but there is no information on the date / month of distribution of the shoes.
- Based on the results of the noise intensity test conducted by the Medan Occupational Health and Safety Center on 31 August 2018, it was 80.1 dB for a sterilizer; 89.1 dB for clarification, and 85.8 dB for kernel stations
- Medan Health and Safety Center Recommendation states use earplug for noise <100dB and earmuff for noise > 100dB
- Mill and Estate risk management forms have identified PPE that must be used in every activities.
2. Internal Memo from Dolok Ilir Business Unit Manager Number: DOI / M-01-A / I / 2019 states that the PPE of the chemist team is placed in the rinse room, the Work Equipment and the PPE of fertilization are placed in the Afdeling warehouse
- Based on the results of a field visit to the Afdeling 2 and Afdeling 5 rinse houses of the Dolok Ilir Business Unit and the results of interviews with fertilizer workers the Laras Business Unit found that there was no special place for storing PPE fertilizer team
- The results of the visit to the afdeling 5 warehouse did not have PPE and fertilizer team work tools stored in the warehouse whereas on the day of the visit there were no fertilizing activities.

Thus it can be concluded

1. The company has not been fully consistent in ensuring the Personal Protective Equipment (PPE) used by employees is in accordance with the results of hazard identification and risk analysis that have been determined and are available for all workers
2. The company has not been fully consistent in implementing the specified occupational health and safety program.

Nonconformity No.2019.06.**4.7.4**

The company has an OHS Committee team whose management has been ratified by the North Sumatra Provincial Manpower Office with the composition of the management of the Dolok Ilir Business Unit (No. : KEP.120-7 / DTK / SU / 2018) on 29 June 2018) and the Laras Business Unit (Number : Kep.84-7 / DTK / SU / WIL.III / 2019 dated March 22, 2019). The management structure consists of the Chairperson, Chairperson I and Chairperson II, the Secretary, and members

Regular meetings are held once a month to prepare OHS Committee quarterly reports. Examples of meeting records include the following:

- Dolok Ilir
- The OHS Committee monthly meeting on August 10, 2019 was attended by 15 OHS Committee team representatives taking place in the Dolok Ilir POM meeting room. Issues discussed included evaluating the results of OHS inspections and the cleanliness of emplacement
- Laras
- The OHS Committee monthly meeting on August 6, 2019 was attended by 8 OHS Committee team representatives taking place in the Dolok Ilir POM meeting room. Issues discussed included evaluating the results of inspections of Fire and Safety Facilities and OHS inspections

Based on the interviews with union representatives and residents of Afdeling 2 and Afdeling 5 housing, it is known that OHS inspection especially on the completeness of OHS facilities and infrastructure such as Fire Extinguisher, First Aid Box, and Hydrant has been routinely carried out.

4.7.5

Accident and emergency response procedures are explained in:

- Accident Handling Procedures and Health Checks on April 23, 2013
- Emergency Management Procedure No. document 4.3.16 revised 02 April 23, 2013.

Procedures include stating: If the accident is serious / serious, it is delivered to the company's clinic for first aid, report it to the company and *BPJS TK*, report on labor and police (if needed), hold a OHS Committee meeting and take precautions according to recommendations

There are examples of Work Accident Investigation Reports named Yudi Wandana Harvester Afdeling III Laras Business Unit on March 9, 2019. Workers hit by palm fronds during harvesting so that there are 5 day work lost. Furthermore, there are reports of work accident phase I, 11 March 2019 and Phase II, 2 May 2019, to *BPJS TK*.

The company shows the justification of the contents of the first-aid bag for field work in accordance with the doctor's note of PT Prima Medica Nusantara (Laras Hospital) dated February 12, 2019, which is 12 items. Based on the results of the field visit it was known that each foreman had been given a first-aid bag while for the first-aid kit was available at the afdeling office, large office, and process station. The contents of the first aid bag have been referred to the doctor's regulation letter while the first aid kit refers to Permenaker no 15 of 2008 (contents of 21 items).

4.7.6

The company has included employees in the *BPJS TK* and *BPJS Kesehatan* programs. Payment records that are shown as part of the evidence of participation in the BPJS program include:

- *BPJS Ketenagakerjaan*
Honorar (July 2019) : Deposit through Bank Mandiri on August 15, 2019 with the contribution code 190802339118
Laras (July 2019) : Payment contribution code 190805341705
Dolok Ilir (Juli 2019) : Payment Contribution Code 190805339512
- *BPJS Kesehatan* :
Honorar (July and August 2019) : Paid on August 29, 2019

Laras and Dolok Ilir (July and August 2019) : Paid on August 29, 2019
Retired : (July and August 2019) : Paid on August 29, 2019

Information regarding medical services and work accident insurance for contractor workers cannot yet be clearly demonstrated. Nonconformities have been accommodated in indicator 4.1.2 regarding contractor evaluations in terms of compliance with RSPO requirement

There are examples of Work Accident Investigation Reports named Yudi Wandana Harvester Afdeling III Laras Business Unit on March 9, 2019. Workers hit by palm fronds during harvesting so that there are 5 day work lost. Furthermore, there are reports of work accident phase I, 11 March 2019 and Phase II, 2 May 2019, to *BPJS TK*. Claim handling has been carried out and is still in the process of disbursement. Based on the employee's wage slip, it is known that when the worker is sick, the wages of permanent workers are paid in full by the company.

4.7.7

January - December 2018

Laras Business Unit

- Number of hours worked 1 year: 2080 hours
- Number of accidents: 18 times
- Number of days lost due to workplace accidents: 58 days
- Number of employees: 450 people
- FR (Frequency Rate): 16.02
- SR (Severity Rate): 61.96

Dolok Ilir Business Unit

- Number of hours worked 1 year 2080
- Number of accidents: 8 times
- Number of days lost due to workplace accidents: 32 days
- Number of employees 750 people
- FR (Frequency Rate): 5.34
- SR (Severity Rate): 21.36

Status:	
4.7.1	Non Conformity with Major Category No. 2019.05
4.7.3	Non Conformity with Major Category No. 2019.06

4.8

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

4.8.1

Training Need Analysis

Section	Isu TNA	Position
Plant	IPM	
	Castration	
	Manuring	
	Oilpalm investaritation	Operational Team
	Trosen Telling	according to the
	Ganoderma handling	field, clerk,
	Leaf Sampling	Foreman
	Pesticide	Coordinator, and
	Plant Management	Foreman
	Plant Technical culture	according to the
	Harvesting	field
	Improvement of Plant Cultivation Techniques	
	SAP / BKM Module capability	

Engineering	Welder Electrician Generator SAP / BKM Module capability	Operator, clerk, foreman
Administration	Handling on Hazardous Waste Verification clerk Tax accounting Finance SAP	Clerk, Operator
HRGA & Security	Priest Industrial Relations HR Policy CSR SAP AMDAL SMK3 ISPO, RSPO, ISO Internal Auditor	Officers in accordance with the field

Based on the document review and interviews, it is known that the company cooperates with several contractors, for example for plant maintenance activities, security activities, and FFB transport activities. An example of a record of socialization can be shown to the contractor, such as the socialization principle of the Implementation of the Plantation Management System on April 22, 2019 to approximately 5 contractors, including the introduction of HCV and company policy. However, the company does not yet have a "Training Need Analysis" plan (especially relating to RSPO aspects) for contractor workers as "Training Need Analysis" is prepared for employees themselves.

Thus the company has the opportunity to be able to ensure that the "Training Need Analysis" plan to be made subsequently has included training plans for contractor workers (OFI).

4.8.2
The realization of the training records shown are as follows:

- Simulation report for K3 activities in 2019, which was followed by the P2K3 team, was discussed on August 8, 2019. In the minutes, the material discussed and simulated included:
 - Fire Handling Simulation
 - Natural Disaster Simulation (Earthquake) and First Aid
 - Riot Control Simulation
 - Simulations for handling chemical spills

The socialization of the principles of the Implementation of the Plantation Management System on April 22, 2019, was followed by internal and external stakeholders (eg sub-district staff, contractor representatives, employees, and labour unions) with a total number of participants of 20 people. In its minutes the socialization included a discussion on HCV within PTPN4 Dolok Ilir; Human rights, sexual harassment, human rights policies and prohibitions for underage workers; Code of conduct; and whistle blowing system. Besides that, the information list that can be accessed by stakeholders such as AMDAL, OHS Program Documentation, PTPN4 Management System Policy, Workforce Obligation, Land Application Permit Document, Temporary Hazardous Waste shelter License Document, Production Achievement Report.

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 and Laras estate) 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.

Dolak Ilir estate and dolok Ilir palm oil mill possess revised Environmental Impact Assessment (EIA) document on 2010 covered 7,348.81 ha operational areas, mill capacity for 60 mt FFB process/hour, and composting plant. Meanwhile Laras estate also possess Environmental Impact Assessment (EIA) document on 2011 covered 4.062,66 ha operational areas.

5.1.2.

Observed evidence:

Based on document review, field visits and interviews with management it's known that there were replanting activities in Dolok Ilir estate. The company has a study of replanting impacts and *RKL / RPL* implementation reports per semester that have been reported to relevant agencies, for example semester 1 of 2018. Based on document review it is known that this *RKL / RPL* implementation report has not included and explained related environmental management and monitoring actions the replanting aspect.

Non-Conformance Description:

There are no reports on the implementation of environmental management and monitoring, particularly replanting impacts.

Verification, September 2, 2019.

The company shows training in reporting & procedures for the making of environmental management and monitoring report of PTPN IV Dolok Ilir unit for the PIC (Process Administration) held on 16-17 October 2018 in accordance with Decision of Environment Minister Number 45 of 2005 which explains environmental impacts, parameters which is managed and monitored, test results, quality standards, evaluations, conclusions and others.

Based on the implementation documents of the *RKL / RPL* Semester II of 2018, it was explained that the company had conducted socialization to the community around the plantation regarding the impacts of replanting. Impacts that should be known include: mobilization of heavy equipment and trucks to transport plantation materials during replanting activities, loss of income sources of the community around the plantations utilizing palm oil waste, temperature changes due to fallen palm oil, pest attack of beetle horns, and landslides in isolation trenches adjacent to housing areas. But in the report has not been explained about the evidence of interviews or questionnaires and the conclusion related the questioners. Reports for the second semester of 2018 were sent to the Environmental Agency of Simalungun District on February 8, 2019. Based on the explanation above, this has been non-conformance and raised to Major Category.

5.1.3.

Observed evidence:

- Environmental Impacts Assessment Revised for Dolok Ilir Mill and Plantation in accordance with the recommendations of the Pematang Raya Environmental Agency in Simalungun District number 213 / LINGHUP-2010 dated October 27, 2010. Types of monitored include:
 - Ambient air quality is located in Mill and Nagari Village Housing every 6 months.
 - Odor monitoring is located in Mill, Nagari Village Housing & Land Application Locations every 6 months.
 - Noise level monitoring is located in the steam boiler in accordance with environmental regulation No. 7 of 2007 every 6 months.
 - Surface water quality every 6 months is located in the Bah Apal River, Bah Apal River near the hydropower, and the Babolon River Dam before the hydropower tunnel.
- Environmental Evaluation Document (DELH) established by the Decree of the Environment Agency Simalungun No. 188.45 / 759 / Linghup / 2011 for *PT Perkebunan Nusantara IV* (Persero) - Laras Estate. The types monitored include:
 - Ambient air quality is located on the road around Laras Estate every 6 months.
 - Noise testing is located on the road from the Laras Estate to DOI MILL every 6 months,
 - Groundwater pollution is located in the plantation area and workshops every 6 months.
 - Surface water pollution is located in the estate area and workshops every 6 months.
- In the 2019 *RKL / RPL* implementation report, Mill & Dolok Ilir Estate and Laras Estate have not been listed on air quality testing (emissions and ambient), immovable source disturbance (Noise, Odor and Vibration), surface water quality, groundwater and surface water.
- Based on interviews with management representatives test results for the first semester of 2019 encountered problems due to parameters that have not been owned by the Laboratory so the test was postponed in August 2019. The results sampling was carried out on August 13, 2019 and received by the Laboratory on August 19, 2019 with an estimated testing of 20 work days (from 20 August to 13 September 2019).

Non-Conformance Description:

Based on the explanation above, the company has not been able to show evidence that all parameters of environmental impacts have been monitored in accordance with the Company *RKL / RPL* matrix (Dolok Ilir Mill, Dolok Ilir Estate and Laras Estate). This is a non-conformance No.2019.07 with the Minor category.

5.1.3 Status:
Non Conformity with Minor Category No. 2019.07

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.

HCV identifying process conducted by using HCV identification guides in Indonesia 2007. The identification results indicate that there are HCV 1,4 and 6 covered 51.45 ha areas on Dolok Ilir estate and HCV 1,4,5,6 on Laras estate covered 200.52 ha areas.

Unit management have monitoring of wildlife has been sent to Natural Resource Conservation Center of North Sumatera, such as:

Local name	Latin name	Conservation status
<i>Burung Tengkek</i>	<i>Halcyon pileata</i>	IUCN & APP II
<i>Burung kacer</i>	<i>Pycnonotus melanoleucus</i>	IUCN & APP II
<i>Elang Bondol</i>	<i>Haliastur indus</i>	IUCN & APP II
<i>Burung Balam</i>	<i>Streptopelia bitorquata</i>	IUCN & APP II
<i>Gagak</i>	<i>Corvus enca</i>	IUCN & APP II
<i>Alap-alap</i>	<i>Accipiter trivirgatus</i>	IUCN & APP II
<i>Murai Batu</i>	<i>Copsichus soularis</i>	IUCN & APP II
<i>Ayam hutan</i>		IUCN & APP II
<i>Musang</i>	<i>Paradoxurus hermaphroditus</i>	IUCN & APP II
<i>Macan akar</i>	<i>Felis bengalensis</i>	IUCN & APP II
<i>Kalong</i>	<i>Pteropus vampires</i>	IUCN & APP II
<i>Tokek</i>	<i>Gecko gecko</i>	IUCN & APP II

Field observations in Naga Soppa Sweembad Spring Afdeling II (HCV 1.1; 4.1 & 5), the spring is used as a public bath there has been an agreement between the company and the Naga Soppa community to protect the area. There is an information board about the HCV area.

5.2.2 & 5.2.4.

The company showed the maintenance monitoring HCV information boards that inform Dolok Ilir Department, HCV condition, the number of plank, and Block. For example: HCV information boards (1 & 6) in Afdeling II Block 16 AJ & 16 BE there are 2 information boards in good condition. Such as:

HCV 4.1 Springs and riparian area:

- Rehabilitation and enrichment in riparian areas and springs.
- Maintenance of boundary marks
- Making HCV Signboard
- Planting mindi trees around the pennant to maintain water cleanliness.

Evaluation of program management and monitoring of HCV inform the program that will be evaluated, evaluation methods, evaluation targets, evaluation indicators and evaluation of results. For example: observations on HCV 1 & 4 HCV conditions are in good condition and still preserved.

5.2.3.

The results of interviews with harvesters, pesticide applicators, fertilizer applicators and DOI mill workers are known to

have been socialized about HCV areas and prohibitions on hunting wildlife protected by applicable regulations. HCV socialization was carried out on August 20, 2019 to Pangulu Nagori, community leaders and workers of the Laras Estate unit and 93 workers. Evidence of photo documentation and attendance list.

In addition, it is known that workers have explained that there are restrictions regarding to keeping and capture of protected animals. This is also consistent with auditors visit in housing sighted that there are no keeping and capture activities for protected animals.

5.2.5.

The agreement between the Company and Pangulu Nagori Naga Soppa, Bandar Huluan Sub-district and Bandar Huluan Sub-District on June 28, 2019. In point 1 it is explained that the company gave the right to the Nagori Karang Anyar to manage the springs owned by PT Perkebunan Nusantara IV. This agreement was made and agreed by both parties and signed with stamp.

Status: Comply

5.3

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

5.3.1.

The company indicated emission and pollution reduction program period 2019 to inform the type of emission / pollution, producer, identification, reduction and program information for example:

Emission type	Sources	Identification	Reduction program
CO2	Workshop	Exhaust vehicle	Regular vehicle maintenance schedule Vehicle inspection checklist
CO, NO ₂ , NH ₃ & SO ₂	Generator	Generator exhaust gas	Maintenance and inspection schedule generator
CO, NO ₂ , NH ₃ & SO ₂	Incinerator	Smoke from burning EFB	Doing EFB application as fertilizer
NO ₂	Fertilizer storage	Fertilizer packaging leaks	Fertilizer packaging inspection & housekeeping program
Dust (TSP)	Vehicle of FFB	Dry dirt road	Road watering program.

The company shows the identification of hazardous waste and its management in 2019 with details:

Waste type	Waste source	Management
Glyphosate packaging	Afdeling storage	Waste is collected at the Central Warehouse and then given to the hazardous waste transporter.
Bottles ally 20 WDG	Afdeling storage	
Used water washing equipment for Hand Sprayer	Shower house rinse	Waste dumped into temporary shelters, re-use as liquid diluent to the activity of pesticides.
Used fertilizer	Afdeling storage	Collecting used fertilizer at Afdeling warehouse periodically sends to the central warehouse.

5.3.2.

The company shows hazardous waste storage, consist of:

Dolok Ilir.

Hazardous waste management permit for temporary storage activities of *PTPN IV Dolok Ilir Unit* according to number 188.45 / 439 / Sekrt-2016 by the Environment Agency of Simalungun Regency, North Sumatra Province. From May 19th, 2016 valid from 5 years.

The company shows the hazardous waste logbook in 2019 period of the Dolok Ilir unit with details:

- 1000 pieces of used fertilizer sack (August 22, 2019).
- 25 packs of used packaging pesticides (August 15, 2019).
- 2 packs of used drums (August 14, 2019).

There are hazardous waste manifests were sent on August 6, 2019 to PT Jagar Prima Nusantara with vehicle number BP 9149 DU with the following details:

- Contaminated packaging as much as 591 kg (WY 0003248)
- Used oil as much as 85 kg (WY 0003250)
- Used rags as much as 833 kg (WY 0003249)

Laras Estate

Unit management has a hazardous waste management permit for temporary storage activities based on the decision of the environmental agency No. 188.45 / 178 / Sekrt-2015 in April 2015 which is valid for 5 years.

A warrant for collection of goods on 5 August 2019 to PT Jagar Prima Nusantara vehicle number BP 9149 DU includes:

- Contaminated packaging of 71.8 kg (Manifest number WY0003244)
- Used rags of 2500 kg (Manifest number WY 0003243)
- Cartridge of 0.50 kg (Manifest number WY 0003245)
- Used oil of 175 kg (Manifest number WY0003242)
- Used batteries of 40 kg (Manifest number WY0003246)

Agreement letter between the PTPN IV and PT Jagar Prima Nusantara IV Medan regarding the transportation and collection of hazardous and toxic waste from the PTPN IV Medan business unit number 04.05 / S.Perj / 21 / VIII / 2018 effective date from August 6, 2018 – August 6, 2019.

5.3.3.

Liquid waste

The resulting liquid waste is all utilized to the application land area in accordance with the liquid waste utilization permit.

Solid waste

Fibers and shell is used a fuel for boiler. EFB is used for organic fertilizer to the plantation.

Domestic waste.

Domestic waste in housing is collected and separated between organic and inorganic.

Observed evidence:

Dolok Ilir Estate.

- Field observations at landfill block AU 97 Afdeling III Dolok Ilir Estate, it is known that the location of landfill is 50 meters from Housing area.
- Procedure for managing domestic household waste number SPO 20 Revision 03 dated January 2, 2018 explained the distance of the landfill from the nearest workers / community housing at least 300 meters.
- Republic of Indonesia Government Regulation Number 81 of 2012 concerning management of household. The letter (e) is explained the distance from the settlement is more than 1 km. Considering leachate pollution, odor, the spread of disease vectors and social aspects.

Dolor Ilir Mill

- Field observations at schedule waste contained Nalco packs of 5 pieces.
- The company shows the hazardous waste logbook for the 2019 period of the Dolok Ilir unit with details:
 - 1000 pieces of used sacks (August 22, 2019).
 - 25 packs of used pesticide (August 15, 2019).
 - 2 packs of used drums (August 14, 2019).

Non-Conformance Description (filled by auditor):

Based on the explanation above, it is known that:

1. The company has not been able to show that the distance of the landfill is in accordance with applicable regulations.
2. Nalco's packaging has not been recorded in the latest hazardous waste logbook.

This is a non-conformity No.2019.08 with the Minor category.

5.3.3	Status: Non Conformity with Minor Category No. 2019.08	
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5.4 **Efficiency of fossil fuel use and the use of renewable energy is optimised.**

5.4.1.

The company has a Standard Operating Procedure for the Utilization of Oil Palm Liquid Waste (SPO No. 17, Rev 2 dated January 2, 2015) which describes such as:

- The purpose of utilizing factory waste is to reduce the use of fossil fuels so as to reduce greenhouse gas emissions. The intended waste is the Utilization of Empty, Shell, Solid, Fiber and Liquid Waste from the remaining palm oil processing production.
- All solid wastes in the form of shells and fibers are used as fuel for boilers.

Based on data efficiency average for period January – July 2019; the average efficiency of using shells is 1.76 tons / ton CPO, the efficiency of fiber usage is 1.08 tons / ton CPO and the efficiency of using EFB is 1.30 tons / ton EFB. Efficient use of diesel fuel is 0.802 liters / kWh.

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

5.5.1; 5.5.2

Based on the SPO of Oil Palm Plants with the title Land Development section of land clearing with number 01.3 dated August 1, 2007, explains that by explaining the land clearing with a manual, mechanical and beggar system (for shrub areas), the work is carried out by means of pounding and piling.

Consistent with the assessment during surveillance-3, the replanting activity was last carried out in 2016 and the company has been able to show work contracts related to replating carried out in 2016, for example, as follows: Agreement number number 04.03 / S.PERJ / 86 / VII / 2016 date July 25, 2018 related to the 2016 land management work for AFD IV covering an area of 148 ha between the barrel unit and PT Ambya Mozza Indo.

Based on the results of a field visit in Block 94 Afdeling 1 Laras Estate, it was found that there was no indication of replanting activity using the combustion/burning method.

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

5.6.1 & 5.6.2.

The company indicated emission and pollution reduction program period 2019 to inform the type of emission / pollution, producer, identification, reduction and program information for example:

Emission type	Sources	Identification	Reduction program
CO2	Workshop	Exhaust vehicle	Regular vehicle maintenance schedule Vehicle inspection checklist
CO, NO ₂ , NH ₃ & SO ₂	Generator	Generator exhaust gas	Maintenance and inspection schedule generator
CO, NO ₂ , NH ₃ & SO ₂	Incinerator	Smoke from burning EFB	Doing EFB application as fertilizer
NO ₂	Fertilizer storage	Fertilizer packaging	Fertilizer packaging inspection &

		leaks	housekeeping program
Dust (TSP)	Vehicle of FFB	Dry dirt road	Road watering program.

5.6.3

The company shows the GHG calculation for 2018 period using the Palm GHG Calculator Version 3.0.1 with details:

Summary of Net GHG Emissions periode januari-desember 2018

Emissions per Product	tCO2e/t Product
CPO	11.13
PK	11.13

Production	ton/year
FFB processed	11,8072.78
CPO produced	30,630
PK Produced	5,443

Land Use	Ha
OP planted area	9,468
OP planted on peat	0
Conservation	251.97

Extraction	%
OER	25.94
KER	4.61

Summary of Field Emissions and Sinks

Description	Own Crop			Group		
	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e
Land Conversion	93,383.53	9.86	0.79	0	0	0
*CO2 Emissions from Fertilizer	388,635.82	41.05	3.29	0	0	0
**N2O Emissions	4,178.98	0.44	0.04	0	0	0
Fuel Consumption	994.38	0.11	0.11	0	0	0
Peat Oxidation	0	0	0	0	0	0
Sinks						
Crop Sequestration	-88515.18	-9.35	-0.75	0	0	0
Conservation Sequestration	0	0	0	0	0	0
Total	398677.53	42.11	3.38	0	0	0

Summary Oil Mill Emissions and Credits

Description	tCO2e	tCO2e/ha	tCO2e/t FFB
Emissions sources			
Land conversion	93,383.53	9.86	0.79
CO2 emissions from fertilizer	388,635.82	41.05	3.29
N2O Emissions	4178.98	0.44	0.04
Fuel consumption	994.38	0.11	0.01
Peat oxidation	0	0	0
Sinks	-	-	-
Crop sequestration	-88515.18	-9.35	-0.75

Sequestration in Conservation area	0	0	0
Total	398,677.53	42.11	3.38

Palm Oil Mill Effluent (POME) Treatment

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion

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

Emissions from Palm Kernel Crusher.

This mill has no kernel crusher operation.

PK from own mill 60,603.44 tCO₂e.

Noise quality testing for the second semester of 2018 was carried out by the Medan Industrial Research and Standardization Agency which was accredited by KAN on November 21, 2018 with details:

Parameter	Unit	Results			Threshold
		Mill area	Land application	Bandar Selamat Village	
Noise	dBA	81.1	37.7	46.6	85 & 55

- The noise quality standard Decision of Environment Minister No.48 of 1996.

Based on that explanation, the parameter didn't exceed the threshold based on decision of Environment Minister No.48 of 1996. Beside that, the company already make a RSPO PalmGHG Calculator Version 3.0.1 and all the data input was accurate according to the document. However, it does not include the LUC Emission calculation option.

Status: Comply

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

The CH has had document of Social Impact Analysis Report compiled in collaboration with PT Surveyor Indonesia, Foundation for Sustainable Palm Oil Indonesia in 2009. In this document is described positive and negative effects as a result of a credible form of plantations in both operational and social impact management recommendations 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 mapping the stakeholders of PTPN IV Unit Dolok Ilir & Laras Estates in more depth.

In the document the social impact analysis has been supplemented with a follow-up recommendation that needs to be done by the company. The Social Impact Assessment has been conducted with the involvement of the parties, among others: employees and the surrounding community (community representatives, community leaders and village government). . There is evidence of documentary footage of the Social Impact Assessment team from PT Surveyor

Indonesia during interviews and Focus Group Discussion in the villages around the plantation. Based on the stakeholder consultations in the villages surrounding, there is no indication of any significant issues from surrounding communities.

6.1.2

In the process of preparing the Social Impact Assessment of PTPN IV (Unit Dolok Ilir and Laras) 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. 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.

6.1.3.

Dolok Ilir & Laras Estates Business Unit showing RKL-RPL realization report period of Semester II year of 2018, on this report has explained about:

- Public facilities and social facilities
- Employment opportunities
- Business opportunities
- Conflict with cattle ranchers

The Business Unit considers implementing negative impact management from replanting activities in accordance with the program that has been prepared (OFI).

6.1.4.

The management unit has evaluated each of the Social Impact Management Plans as follows:

Dolok Ilir Estate

- Evaluation was carried out on November 22, 2018. Involving external stakeholders from 16 surrounding villages. There are several social impacts that should be managed by company, for example: Public facilities and social facilities, Employment opportunities, Business opportunities, Conflict with cattle ranchers, Scholarships for children, and replanting activities.

Laras Estate

- Evaluation was carried out on July 8, 2019. Involving external stakeholders from 17 surrounding villages. There are several social impacts that should be managed by company, for example: Public facilities and social facilities, Employment opportunities, Business opportunities, Conflict with cattle ranchers, Scholarships for children, and replanting activities.

Based on above explanation it becomes as nonconformities **No 2019.09. Such as:**

1. Evaluation of the Social Impact Management and Monitoring Plan doesn't yet involve internal stakeholders such as employees, workers union, and gender committees.
2. The evaluation of the Social Impact Management and Monitoring Plan has not yet explained the issues in the mill.

6.1.5.

Until now PTPN IV Unit Dolok Ilir and Laras does not have smallholder schemes.

6.1.4	Status: Non Conformity with Minor Category No. 2019.09	
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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; 6.2.2 & 6.2.3

Procedure of communication and consultation with surrounding communities is presented in document No. SPO 03 dated May 23rd 2016. Socialization of this procedure has had conducted in May 23rd 2016. In SOP No. 03 Rev 2 dated January 2, 2015 regarding communication and consultation with the public, stated that the communication officer was the Assistant of Human Resources and General as a representative of the manager and Group Unit.

Based on interviews with representatives of the Simalungun Regency Government Office (Environment Agency, Plantation Agency, and Manpower Agency) as well as community representatives from Nagasopa, Nagaori Jaya and Bah Tolu villages, it is known that communication with stakeholders was considered satisfactory and there were no negative issues regarding communication and transparency information.

List of stakeholder for Dolok Ilir Unit is presented in document List of Stakeholder on January 2019. Update of the list was conducted annually, based on dynamic situation. According to the document, stakeholder of PTPN IV Unit Dolok Ilir were consist of, as the following:

- FFB suppliers: UD Mitra Bersama, UD Dicky S, UD Riana. CV Citra Sewangi, CV Putra Ambarita and PT Hot Abadi Lestari
- Government: Sub-Regent Head, Pangulu (Customary Head) of Nagori Kahean Village, Dolok Ilir I Village, Padang Mainu Village, Dolok Kataran Village, Bah Bolon Village, Aman Sari Village, Dolok Mainu Village, Bandar Selamat Village, Serbelawan Village and Bah Tobu Village.
- NGO: Gari, Mingguan Jejak Kasus, Kupas Tuntas, Reportase Tipicor Media, Teropong Hukum Nusantara Media and Topan.
- Maintenance company: CV Era Cipta Karya, CV Karya teknik, CV Anugerah Putra Mandiri and PT Duta Putri Ayu.
- Partner: CV Rizky Jaya, UD Kharisma, CV Timo Raya, CV Putra Simbodur maju, etc.
- FFB Contractor: PT Bintang Harapan Utaman and PT Risa Agina Sara.
- Contractor FFB Transportation: UD Merbau.
- Contractor technique for Processing: CV Karya Mandiri, CV Ulina, CV Makmur Jaya Perkasa and CV Dumatama.
- Police Office: Police Resort Office of Tebing Tinggi.
- Youth Organization: Pemuda Pancasila.
- Governemtn Institution: Environment Agency, National Land Agency, Plantation Agency and Manpower Agency of Simalungun Regency.

List of stakeholder for Laras Estate is presented in document List of Stakeholder on January 2019. Update of the list was conducted annually, based on dynamic situation. According to the document, stakeholder of PTPN IV Unit Dolok Ilir were consist of, as the following:

- Police and Military Office: Korem, Polsek bangun, Polsek Perdagangan, Koramil Bangun, Koramil Perdagangan and Polpos Laras.
- Government Institutions: Manpower Agency, Plantation Agency, Environment Agency, Statistics Agency of Simalungun Regency, BPJS Ketenagakerjaan and Kesehatan of Pematang Siantar, PT Asuransi Jiwasraya (Persero), PT PLN Perdagangan Branch, Sub-Regency Head (Camat) bandar Haluan, Camat Gunung Malela and Camat Gunung Maligas.
- Villages: Pangulu Nagori Naga Jaya I, Naga Soppa, Dolok Parmonangan, Bandar Tongah, Laras, Bah Gunung, Silau Bayu, Bandar Malela, Tumorang, Rabuhit, Gajing Jaya, Huta Dipar and Lingga.
- Mass media: Gebrak, Aktual, Metro 24, Harapan Rakyat Newspaper, Media Nasional, Madani (online media), Mitra Simalungun and Mitra Poldasu.

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 & 6.3.2

Affected parties that were visited during ASA-4 were implemented, for example Nagasopa Village, Desa Jaya Village, and Bah Tolu Village. There are Standard Operating Procedures for Handling Customer and Environmental Complaints (No. SPO 13. Rev 01, effective date 02 January 2015) which aims that PT Perkebunan Nusantara IV places the handling of customer and environmental complaints as a process for resolving problems that arise

Protection for whistleblowers is regulated in the 2013 PT Perkebunan Nusantara IV (PERSERO) Whistle Blowing Complaints Management System document in Article 10: Protection of Reporters. If the problem cannot be resolved at the unit level, it will proceed to the level of the board of directors and subsequently in accordance with the agreement of

the parties, including the legal route or other settlement path.

Based on the recording of the complaint book, the Laras Business Unit and Dolok Ilir Business Unit there were no complaints from external parties. Some complaints that were recorded were more to complaints from internal parties, especially regarding facilities. Every complaint has been handled and responded according to the time frame. An example is as follows:

- Complaints from residents of afdeling housing 2 Laras Business Unit dated December 5, 2018 regarding the amount of dust in the housing because FFB trucks can freely enter the afdeling housing. Complaints were responded to on December 10, 2018 by installing a portal at the entrance of the afdeling 2 housing

Complaints from residents of afdeling housing 5 Dolok Ilir Business Unit dated February 25, 2019 regarding the inconsistent schedule for transporting housing waste. The assistant has responded by mail March 3 stating that the garbage transport schedule is every Friday. There was a delay in transportation in February due to the garbage transport unit under repair.

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 and 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 documents verification of Government Regulation no. 19 of 1959, it is explained that the CH area comes from the land of the HVA on 1957. Result on public consultation with Head of Village and public figure on Kahean, Dolok Mainu and Silau Bayu Villages obtain information if there is no customary land/right in the company area and the company (Unit Pabatu) has been settle up since dutch colonial era. For land disputes in the form of community land claims have been settled by involving the government (verification 2.2.3).

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

The company shows the Governor of North Sumatra Decree Number 188.44 / 1495 / KPTS 2018 dated December 14, 2018 regarding Simalungun Regency Wage in 2019. In this decision it was stated that the *UMK* (District Minimum Wage) Simalungun in 2019 was Rp 2,402,626.02. The minimum wage applies to workers who have a work period of 0 to 1 year. For workers with a work period of 1 year or more are required to apply the structure and scale of wages. The minimum wage referred to by the company as the result of an agreement with the plantation workers union and is known by the relevant offices to continue to use the North Sumatra UMP (Province Minimum Wage) are Rp 2,303,403.00

In accordance with letter number 04.11 / SE / 10 / IV / 2019 from the Director of Human Resources and General PTPN4 which refers to the Decree of the Directors of PTPN4 number: 04.11 / KPTS / 59 / IV / 2019) regarding adjustments to basic salary and special allowances for employees of IA s / d IVD in 2019 the wage structure imposed by the company is as follows:

- The lowest IA group is Rp 1,842,722, the highest is Rp 1,842,999
- IB Group: The lowest is Rp 1,843,539, the highest is Rp 1,843,407
- IC Group: The lowest is Rp 1,843,549, the highest is Rp 1,851,202
- ID Group: The lowest is IDR 1,852,241 the highest is IDR 2,034,568
- Group IIA: Lowest: Lowest Rp. 2,088,349 highest Rp. 2,254,985
- Group IIB: The lowest is IDR 2,280,426 the highest is IDR 2,549,597
- Group IIC: Lowest Rp.2,596,142 highest Rp.2,776,02
- Group IID: Lowest Rp 2,806,351 highest Rp 2,954,709

In addition there are also special employee benefits with the lowest value range of Rp. 303,181 for class 1A and the highest Rp. 598,567 for group IID. There is information about the value of the rice supply (Fixed Allowance Component) with a Value of 10,500 / Kg;

Examples of payment of wages are as follows:

Afdeling II Doi

NIK 4023616: IA / 00 TK0 / KT 0 Principal salary: 1,842,722 Special Benefits: 303,181 Rice Supply: 157,500; total: IDR 2,303,403

NIK 4003132: IC / 02 TK0 / KT0 Principal salary 1,844,844 Special Allowances 305,056 Rice supply 157,500; total: IDR 2,307,400

However, based on observed evidence such as:

1. Based on the list of employees of PTPN4 Dolok Ilir POM, it is known that the composition of workers contained in the company's operations are employee and honorarium
 - In the Decree of the Board of Directors of PTPN4 Number 4.11 / kpts / 14 / I / 2019, states that temporary workers are given income equivalent to the income of employees of the IA / 0 group (basic salary + special allowance + value of workers' supply)
 - According to the Decree of the Board of Directors, the basic salary of IA / 0 is IDR 1,842,722 with a special allowance of IDR 303,181 and a 15Kg rice supply (if cashed into IDR 142,500)
 - *UMK* Simalungun Regency as stipulated by Decree of the Governor of North Sumatra Number 188.44 / 1495 / KPTS 2018 dated December 14, 2018 is Rp2,402,626.02
 - The minimum wage referred to by the company as a result of an agreement with the plantation workers union and is known by the relevant offices to continue to use the North Sumatra *UMP* of Rp 2,303,403.00
 - Sampling of honorary wages for July 2019 shows the following results :
 NIK 4022432: Basic Salary Rp 1,842,722 + Special Allowance Rp 303,181 + Rice supply Rp 142,500 so the total amount is Rp 2,288,403 Net wages Rp 2,242,635 after deducting *BPJS TK* deductions from personal contribution
 NIK 4022435: Basic Salary Rp 1,842,722 + Special Allowance Rp 303,181 + Rice supply Rp 142,500 so the total amount is Rp 2,288,403 Net wages Rp 2,242,635 after deducting *BPJS TK* deductions from personal contributions
 So that the wages received by honorarium employees are still below the stipulated *UMP*
2. Based on the results of interviews with Dolok Ilir security guards it is known that the security team's working hours are divided into two shifts (6am - 6pm and 6pm - 6am)
 - Attachment to letter No.PAM-DOI / SPRINT / 78 / VIII / 2019 regarding the assignment schedule per week informs 7 working days with 2 shifts (06.00 - 18.00 and 18.00 - 06.00)
 - There is a list of attendees at work in the security team for the period of July 2019 with the information that there is one day off every Sunday - The attendance list is contrary to the established schedule which states 7 working days with two shifts
 - Calculation of overtime shown by the company

NIK : 038401010

Date	Number of Hours			Weekday		
	From	To	Amount	First Hour	After Hour	First
1	1	3	2	1		1
2	1	3	2	1		1
3	1	3	2	1		1
4	1	3	2	1		1

5	1	3	2	1	1
6	1	3	2	1	1
7					
8	1	4	3	1	2
9	1	4	3	1	2
10	1	4	3	1	2
11	1	4	3	1	2
12	1	4	3	1	2
13	1	4	3	1	2
14					
15	1	2	1	1	0
16	1	2	1	1	0
17	1	2	1	1	0
18	1	2	1	1	0
			34	24	36
			Paid (Hour)		60

- Calculation of overtime that should refer to the schedule

NIK : 038401010

Date	Schedule	Overtime	First Hour Overtime	Overtime to the Next Hour
			150%	200%
1	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
2	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
3	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
4	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
5	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
6	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
7				
8	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
9	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
10	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
11	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
12	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
13	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
14				
15	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
16	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
17	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
18	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
		Sub total	24	96
		Total	Paid (Hour)	120

Thus it can be concluded that the wages paid by companies have not been fully in accordance with the work requirements

and applicable labor provisions.

6.5.2

The company has a Collective Labor Agreement for the period 2018 - 2019 agreed by employers and labour union representatives and is known by the North Sumatra Province Manpower Office with registration number 3 // DFT / PKB / g / SU / II / 2018. The period of validity of a Collective Labor Agreement is from January 1, 2018 to December 31, 2019. If the time expires, it is considered to be extended for the following year and as long as the new Collective Labor Agreement has not yet been reached, the old Collective Labor Agreement provisions will remain in force.

Until the ASA4 assessment was conducted there was no change in the employment system. The employment system still refers to PKB. For wages, in addition to being listed in the Collective Labor Agreement is also explained in the Decree of the Board of Directors No. 04.11 / KPTS / 59 / IV / 2019 dated April 30, 2019 concerning adjustments to basic salaries and special benefits of employees of groups 1A through IVD.

6.5.3

Based on the List of Fixed Assets of PTPN4 Dolok Ilir and Laras Business Unit per July 2019, Public facilities available at the company include:

- Home building (residence): Staff house and Employee's house
- Educational Facilities: Kindergarten, Elementary School, Middle School, Madrasah Aliyah, Madrasah Tsanawiyah
- Clean water facilities: wells, public baths,
- Health facilities: Laras hospital
- Religious service: mosque, mosque, church
- Sports facilities: volley ball court, soccer field, badminton hall, table tennis court, mini golf course, tennis court
- General facilities: baby / child care

Based on the results of the field visit to Afdeling 2 Laras Business Unit and Afdeling 5 Dolok Ilir Business Unit in general there were no complaints regarding workers welfare facilities and infrastructure.

6.5.4

PTPN IV Dolok Ilir business unit and the laras business unit are located in Tanjung Prapat Village, located in a neighborhood not far from Serbelawan City, so that workers have easy access to get decent, adequate food and affordable prices. Besides that, based on the results of interviews and observations to the housing area of Afdeling 2 and Afdeling 5, Dolok Ilir Business Unit and Afdeling 5 laras there are known market days once a week. In the housing area there are also stalls that sell daily needs, making it easier for employees to access their daily needs.

6.5.1	Status: Non Conformity with Major Category No. 2019.10	
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6.6

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

6.6.1

The company's recognition of freedom of association for employees is stated in the collective labor agreement 2018 - 2019, especially in articles 5 - 9. At the time of the ASA4 assessment, there were two active workers' organizations namely the *Bipartite LKS* and *SP-Bun*. The management structure is as follows:

- Bipartite LKS (Dolok Ilir) Structure
 - Chairperson: JA (inisial)
 - Deputy Chairperson: JS
 - Secretary: LB
 - Deputy Secretary: KSN
 - Members: 6 people

The company also showed proof of registration number 014 / LKS Bipartite-HIJ / 2019 dated April 22, 2019 signed by the Acting Head of the Simalungun Regency Manpower Office

- SP Bun Laras
- Chairperson: TGM (inisial)
- Deputy: Ad, Shd, Ilh
- Secretary: Rd
- Treasurer: Imp
- Organization Section
- Workers Protection and Welfare Section
- Education and Training Section
- Relationship between institutions
- Women's Empowerment Section
- Business Development Section

6.6.2

Records of union meetings in the 2019 period include the following:

- Socialization of the Optimization of the Role and Function of the Bipartite LKS on March 21, 2019, attended by representatives of employees, employers, and the Simalungun District Manpower Office. In the minutes it was mentioned that one of the functions of forming a Bipartite LKS is the creation of good communication and a more harmonious relationship between the entrepreneur and workers. The total number of participants was 19 people.
- A labour union meeting with its members on August 1, 2019 on the socialization of SP-Bun activities, which was attended by 31 people from the management representatives and union members.

Each meeting produced a minutes containing a discussion of the results of the meeting. The minutes are freely accessible to each member and kept by each organization.

Status: Comply	
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6.7

Children are not employed or exploited.

6.7.1

Company policies regarding the minimum age requirements for workers can be seen in the following documents:

- The labor recruitment procedure states that the minimum age for workers entitled to participate in the recruitment selection is 18 years.
- There is a point prohibiting the employment of minors in any Work Agreement with a third party.
- SOP with document number 03.02 dated 1 August 2012 concerning the policy of child labor which states that the minimum age to be able to work in a company is a minimum of 18 years.

Based on PTPN4 employee registration documents Dolok Ilir POM, Dolok Ilir Estate and Laras Estate, there are no workers under the age of 18 known. The results of field visits to blocks 98V Afdeling I, 98AW Afdeling II, and Block 12 AC Afdeling 4 Dolok Ilir and block 94 Afdeling I Laras also did not find any workers who violated the minimum age requirement.

Status: Comply	
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6.8

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

6.8.1

The company policy on equal opportunities and treatment in employment opportunities is contained in SOP number 04.02 regarding the equality policy which states that PT Perkebunan Nusantara IV provides equal opportunities and opportunities without discrimination for all employees to carry out their work in order to achieve the vision and mission company

Based on interviews with representatives of plantation and mill workers, gender committees, and labour unions, it is known that each employee gets the same opportunities and treatment in job opportunities. Employee assessments are carried out annually based on performance.

6.8.2

From interviews with workers in Dolok Ilir and Laras it was found out that workers received the same treatment and there

were no issues related to discrimination. The results of public consultations with the Simalungun Regency manpower office also stated there were no issues related to SARA (Ethnic, Religious, Racial and Anatomical) and discrimination in the company's operational area

In addition, based on the results of a field visit to block 94 Afdeling I of the Laras Business Unit and 97AV Afdeling II Block of the Dolok Ilir Business Unit it is known that the composition of the workers comes from surrounding villages such as Bah Bolon Village, Bah Tolu Village, and Nagasopa Village.

6.8.3

Examples of employee work records include the following:

- Memo from the Human Resources Section of PTPN4 Medan Head Office on February 14, 2019 regarding the appointment of honorarium employees. In accordance with the Decree of the Board of Directors number 04.11 / kpts / 14 / I / 2019 on behalf of Ibrahim Lubis; Boimin; and Forward Butar - Butar with a term of office from 1 February 2019 to 31 January 2020
- Letter Number: LAR / 04.11 / 118 / XII / 2018 dated 28 December 2018 from the Acting Manager of the Laras Business Unit regarding the application for the appointment of Ibrahim Lubis, Boimin, and Maju Butar - Butar as honorary staff. The requirements for applying for jobs have been attached such as the original Application Letter, Copy of Family Card, Photocopy of KTP, and Copy of recent diploma

Recruitment is always based on the needs of the company, announced publicly and does not question SARA issues, especially gender. Based on interviews with representatives of trade unions and representatives of surrounding villages such as Nagasopa Village and Bah Tolu Village, it was found that there were never any restrictions when residents wanted to submit job applications to the company. However, the formation of work positions becomes the full authority of the employers.

Status: Comply

6.9

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

6.9.1

Company policy on the prevention of sexual harassment and violence contained in SOP with document number 06.02 dated 1 August 2012 regarding sexual harassment policy which states that PT Perkebunan Nusantara IV is responsible for preventing sexual harassment at work and taking corrective action to prevent sexual harassment related to Occupation.

6.9.2

Policies to protect all reproductive rights especially for women can be seen in the Collective Labor Agreement between the company and PT PN IV Plantation SP 2018-2019 article 27 and article 28. Based on the results of interviews with women workers both working in the field for example in block 94 Afdeling I Laras and Blok17G Afdeling V Dolok Ilir known information about reproductive rights has been understood and these rights have also been given to women workers for example in the form of leave H-1 and leave H-2.

6.9.3

PTPN IV has a whistleblowing system document which regulates the mechanism for submitting and handling reports :

- The company provides a channel for reporting violations in writing or e-mail: complaint@ptpn4.co.id or through the electronic room portal that is managed by the violation complaints management unit (UP3).
- Each reporter will receive a receipt of reporting that includes the registration registration number.
- Upon the report received, the next process will be reported to the Board of Directors, the Board of Commissioners.
- In conducting Verification, if needed Up3 can communicate with the reporter.
- Up3 verifies the report and decides whether or not further investigation of the report is needed within 30 days and can be extended by 14 working days.
- If based on verification results indicate an indication of the report, Up3 (Violation Complaint Management Unit) does not follow up on the report, if there is indication of further violation to the investigation.

Protection of whistleblowers is contained in article X of the document.

Status: Comply	
6.10	
Growers and mills deal fairly and transparently with smallholders and other local businesses.	
6.10.1; 6.10.2; 6.10.3; 6.10.4.	
Dolok Ilir Mill are not purchased any FFB from outsiders (third party) since May 2018. Besides certified unit, all FFB received during 2018 were supply by other estate under PTPN IV such as: Dolok Ilir Estate, Laras Estate, Balimbingan Estate, Marihat Estate (RSPO Certified), Bah Birong Ulu Estate (Non RSPO), Marjandi Estate (Non RSPO), Tanah Itam Ulu Estate (Non RSPO), and Bukit Lima Estate (Non RSPO).	
Status: Comply	
6.11	
Growers and millers contribute to local sustainable development wherever appropriate.	
6.11.1	
To ensure CD/CSR plan for local development and local communities needs right on target, Dolok Ilir unit and Laras Estate unit has conducted interview with related stakeholders and results of interview are listed on annual questionnaire on 2018.	
Local contribution record keeping are listed on " <i>Program kerja bina lingkungan 2018-2019</i> " realization document. During 2018-2019 company has some realization for local community development such as infrastructure development, mosque renovation, and ramadhan event road show on surrounding affected parties.	
Based on interview with affected parties i.e Kahean, Dolok Mainu, Silau Bayu villages acquired information that local communities are involved by company to determining CSR needs and company have a lot of contribution for local community development.	
6.11.2	
Based on FFB receives document verification found there is no smallholder scheme on PTPN IV Dolok Ilir unit and Laras unit.	
Status: Comply	
6.12	
No forms of forced or trafficked labour are used.	
6.12.1	
With the definition of forced labor issued by the ILO which states that "all work or service which is exacted from any person under the menace of any penalty and for whom said has not offered himself voluntarily" where each worker is classified as forced labor if in a situation :	
<ul style="list-style-type: none"> - Against their will, or - Without informed consent, and - Cannot leave that job without a penalty or a threat of penalty of any kind. 	
So based on verification of labor documents and the results of interviews with workers there are no indications of forced labor practices in PTPN IV (Dolok Ilir Unit and Laras Unit). Every worker has a work agreement agreed by the employer and the recipient of the work. In addition, based on the results of interviews and employee lists in August 2019, it was known that all employees had the citizenship of the Republic of Indonesia. There are no migrant workers in the company's business unit.	
6.12.2 & 6.12.3	
Based on the interviews and a list of employees of PTPN4 Dolok Ilir and Laras in August 2019, it was known that all employees had citizenship of the Republic of Indonesia. There are no migrant workers in the company's business unit. Similar results were also conveyed by the Simalungun District Manpower Office during a public consultation which stated that there were no migrant workers working in the company.	
Status: Comply	
6.13	
Growers and millers respect human rights	
6.13.1	
The human rights policy is stated in Document No. 07 Rev. 02 January 02, 2015 which explains that the Company respects the rights of people in the communities affected by the company's activities. The company seeks to identify detrimental	

impacts on human rights and take steps to avoid, minimize and / or reduce them.

As part of the socialization there are warnings around the company's operational areas (afdeling offices, factory offices) that can be easily read by all employees. In addition, the principle of the Implementation of the Plantation Management System was held on April 22, 2019, which was attended by internal and external stakeholders (eg sub-district staff, contractor representatives, employees, and trade unions) with a total number of participants of 20 people. In its minutes the socialization included a discussion on HCV within PTPN4 Dolok Ilir; Human rights policy, sexual harassment, prohibition of underage workers; Code of conduct; and whistle blowing system.

Based on interviews with workers' representatives, community representatives of Nagasopa Village, Bah Tolu Village, Nagaori Jaya Village and contractor representatives found out that the human rights policy had been submitted 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.

7.1.1; 7.1.2; & 7.1.3.

Based on documents review, interview, and field visits, shown that company did not expand any operational area and there is no more land clearing for new development activity since January 2010, but there is replanting area for 2019 period.

In accordance with the RSPO Secretariat Email (Dillon Sarim) on July 21, 2017 CH stated that PTPN IV had sent to continue the certification process "This unit has been disclosed as zero non-compliant land clearance. It may proceed with the RSPO Certification Process".

Status: Comply

7.2

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

7.2.1; 7.2.2

There was no new land clearing after November 2005, but only replanting activities. Since the beginning of the operational activities of PTPN IV Dolok Ilir unit, three replanting activities have been carried out and no new land development has been carried out. The estate management unit states that PTPN IV Dolok Ilir business unit has no plans to carry out new land development activities. Then, the results of an interview with the Simalungun District Plantation Office, stated that the company had never applied for a new land development permit.

Based on interviews with management representatives, it was found that the company did not clear new land. The company only replanted this time and there are no plans to add or open new areas for oil palm.

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.

7.3.1; 7.3.2; 7.3.3; 7.3.4 & 7.3.5.

PTPN IV unit has been managed as plantation land (Cocoa, Rubber and Oil Palm) since the Dutch colonial government and has become a National company since 1959. Based on document verification shows planting after November 2005 is replanting activity from the previous rotation oil palm plantations. The youngest crop in the previous rotation was the 1990 plant. So Principle 7 is not applicable to PTPN IV (Dolok Ilir & Laras estate Unit).

Status: Comply

7.4

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

7.4.1; 7.4.2

There was no new land clearing after November 2005, but only replanting activities. Since the beginning of the operational activities of PTPN IV Dolok Ilir unit, three replanting activities have been carried out and no new land development has been carried out. The estate management unit states that PTPN IV Dolok Ilir business unit has no plans to carry out new land development activities. Then, the results of an interview with the Simalungun District Plantation Office, stated that the company had never applied for a new land development permit.

Based on interviews with management representatives, it was found that the company did not clear new land. The company only replanted this time and there are no plans to add or open new areas for oil palm.

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.

7.5.1.

From the previous assessment until ASA-4, the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities.

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.

7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5 & 7.6.6.

From the previous assessment until ASA-4, the business unit of Dolok Ilir has not expanded or opened new land. The business unit only performs replanting activities.

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.

7.7.1; 7.7.2

There was no new land clearing after November 2005, but only replanting activities. Since the beginning of the operational activities of PTPN IV Dolok Ilir unit, three replanting activities have been carried out and no new land development has been carried out. The estate management unit states that PTPN IV Dolok Ilir business unit has no plans to carry out new land development activities. Then, the results of an interview with the Simalungun District Plantation Office, stated that the company had never applied for a new land development permit.

Based on interviews with management representatives, it was found that the company did not clear new land. The company only replanted this time and there are no plans to add or open new areas for oil

Status: Comply

7.8

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

7.8.1 & 7.8.2

Based on documents review, interview, and field visits, shown that company did not expand any operational area and there is no more land clearing for new development activity since January 2015. Existing GHG emission calculations result are able to seen on Indicator 5.6.

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.

Internal Audit RSPO & SCCS

The audit has been carried out periodically and regularly including all procedures owned by the company (including RSPO Principles and Criteria), including an internal audit on July 16-19, 2019.

Internal audit SCCS conducted on 29 to 31 July 2019 by strategic planning department. The results of internal audit there was one Noncompliance found in SCCS. All corrective action has been submitted and some are in progress.

The CH has conducted continuous improvement on the environment aspect, as follows:

- Regularly environment parameter monitoring every semester by accredited laboratory.
- Regularly GHG emission calculation every years.
- Regularly HCV socialization to th stakeholders, etc.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirement

3.2.1. General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>Organization that conduct physically handled of RSPO product is Certificate Holder of Dolok Ilir POM and transporter.</p> <p>Dolok Ilir Mill is used RSPO supply chain of Mass Balance module and still received FFB from the estate which has not been certified with RSPO.</p>
	Status: Comply
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Dolok Ilir POM has been registered and met the requirement for reporting supply chain through RSPO IT Platform. Dolok Ilir POM only processed their own FFB from own manage plantation and FFB from the estate which has not been certified with RSPO.</p>
	Status: Comply
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>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</p>
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>There is no processing aids in Dolok Ilir POM.</p>
	Status: Comply
5.2	Supply chain model
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>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</p>
	Status: Comply
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>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</p>

	Status: Comply
5.3	Documented procedures
5.3.1	<p>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.</p> <p>Documents verifications its known if 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"> 1. SOP No 07A Rev 03 dated 02 January 2017 about <i>"Penanganan TBS Bersertifikasi (Certified FFB Handling)</i> This procedure is intended as a guide in handling certified FFB from the Estate to reception in Mill 2. SOP No 07B Rev 03 dated 02 January 2017 about <i>"Penanganan CPO / Bersertifikasi (Certified CPO/PK Handling)</i> This procedure is intended as a guide in handling certified CPO /PK in Mill, in the procedure mentioned if Mill uses the Mass Balance (MB) model with the Fixed system Inventory Periods which means RSPO stock may be negative in period 3 month, must be balanced <p>In that's procedure mentioned if</p> <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 • There is a flow diagram of the palm oil supply chain. <p>The people in charge of the supply chain system are:</p> <ul style="list-style-type: none"> - Head of mill Assistants registers Mill certified to RSPO Palm-Trace and informs them through memo to the Marketing Department of the Directors' Office. - Head of Plant Assistants are responsible for handling in estate certified FFB - Head of Mill Assistants is responsible for handling certified FFB in POM.
	Status: Comply
5.3.2	<p>The site shall have a written procedure to conduct annual internal audit</p> <p>The CH has procedures regarding to conduct annual internal audit SOP No 21 dated 02 January 2015 about Implementation Of Internal Audit RSPO that's mentioned if the Annual Audit Program is carried out at least once a year by considering the status and importance of the process and fields to be audited. If necessary, the audit program can be changed. It is recommended that an internal audit be carried out before an audit from the Certification Body. Internal audit Conducted on 29 to 31 July 2019 by strategic planning department. The results of internal audit there was one Noncompliance found in SCCS. All corrective action has been submitted and some are in progress.</p>
	Status: Comply
5.4	Purchasing and goods in
5.4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier</p> <p>All the FFB received and process information are recorded in the transport receipt and weigh-bridge ticket, such as : estate origin, division, departure time, vehicle number, driver name, block, number of bunches, number of loose fruit, stamp of certified / non certified and sign of field assistant.</p> <p>FFB certified received and processed in Dolok Ilir POM is only from its own estate, the mill not purchased RSPO certified product from outsourcess.</p>
	Status: Comply

5.4.2
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

The CH has procedures regarding to ensure the implementation of all the elements mentioned in the terms of SCCS for Mill, which listed in:

1. SOP No 07A Rev 03 dated 02 January 2017 about *"Penanganan TBS Bersertifikasi (Certified FFB Handling)* This procedure is intended as a guide in handling certified FFB from the Estate to reception in Mill
2. SOP No 07B Rev 03 dated 02 January 2017 about *"Penanganan CPO/Bersertifikasi (Certified CPO/PK Handling)* This procedure is intended as a guide in handling certified CPO /PK in Mill, in the procedure mentioned if Mill uses the Mass Balance (MB) model with the Fixed system Inventory Periods which means RSPO stock may be negative in period 3 month, must be balanced

5.5
Outsourcing activities
5.5.1

In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.

Document verification results and interviews with the management obtained information that there are contractors involved in the process of transporting CSPO ie CV Pelita Jaya with agreement number 04.09/S.Perj/04/I/2019 dated 2 January 2019 till 31 December 2019. While the CSPK transport are using CV Karya Mandiri with agreement number 04.05/S.Perj/13/III/2019 dated 20 March 2019 for CSPK transport to the KCP Pabatu valid to 31 December 2019.

In the contract document stated that all product is legally owned, the transporter only responsible for transporting to the destination in stated in delivery document. Meanwhile In the work agreement, it was explained that CV Pelita Jaya & CV Karya Mandiri runs an international system in the transportation of palm oil and palm kernel oil and complies with all the requirements of the RSPO Supply Chain and Palm Kernel Oil and is willing to be audited by a Certification Body appointed by the first party

Status: Comply

5.5.2

Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:

- a. The site has legal ownership of all input material to be included in outsourced processes;
- b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

The mill has legal ownership of al input material to be included in outsources processed, including transporting of CSPO & CSPK ie CV Pelita Jaya with agreement number 04.09/S.Perj/04/I/2019 dated 2 January 2019 till 31 December 2019 and also CV Karya Mandiri with agreement number 04.05/S.Perj/13/III/2019 dated 20 March 2019 for CSPK transport to the KCP Pabatu valid to 31 December 2019.

In the contract document stated that all product is legally owned, the transporter only responsible for transporting to the destination in stated in delivery document. Meanwhile In the work agreement, it was explained that CV Pelita Jaya runs an international system in the transportation of palm oil and palm kernel oil and complies with all the requirements of the RSPO Supply Chain and Palm Kernel Oil and is willing to be audited by a Certification Body appointed by the first party.

Status: Comply

5.5.3

The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	
Document verification results and interviews with the management obtained information that there are contractors involved in the process of transporting CPO & PK ie CV Pelita Jaya for the process of transporting CSPO & CSPK ie CV Pelita Jaya (Brigjend Katamso Dalam No 45S Kel. Aur Kec. Medan Maimun, Medan) with agreement number 04.09/S.Perj/04/I/2019 dated 2 January 2019 till 31 December 2019. And also CSPK transport by CV Karya Mandiri with agreement number 04.05/S.Perj/13/III/2019 dated 20 March 2019 for CSPK transport to the KCP Pabatu valid to 31 December 2019.	
	Status: Comply
5.5.4	
The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products	
Based on document verification and interview with management unit sighted that there are new contractor for CSPK transport from Dolok Ilir POM to KCP Pabatu by CV Karya Mandiri, all the contact details was available on the mill office.	
	Status: Comply
5.6	Sales and goods out
5.6.1	
The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer	
Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consist of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, CPO (RSPO/ISCC) sale record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.	
Documentation for the Sustainable Palm Kernel (Sustainable PK), consist of: FFB dispatch record, which further will be counted the daily production of the Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record, which has been reconciled with the FFB acceptance record, monthly sale production and annual recapitulation.	
	Status: Comply
5.7	Registration of transactions
5.7.1	
Supply chain actors who:	
<ul style="list-style-type: none"> are mills, traders, crushers and refineries; and take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable 	
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	
	Status: Comply
5.7.2	
The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:	
<ul style="list-style-type: none"> Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. 	

- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consist of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, CPO (RSPO) sales record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Dolok Ilir POM showing transaction record on the palm trace with period of 1 September 2018 until 31 August 2019 as follows:

Product	Shipping Announcement (MT)	Remove (MT)	Credit Allocations (MT)
CSPO	3,000	-	7,000
CSPK	4,185.15	-	-

However, based on recapitulation of sales data CSPO & CSPK on the mill with the same period as follows:

Product	Sales as RSPO Product (MT)	Sales as Conventional (MT)
CSPO	4,000	22,400.13
CSPK	4,145.09	34.91

Based on above explanation sighted that not all CSPO & CSPK sold as conventional were registered as remove/credit allocation on the palm trace. **It was raised as nonconformity number 2019.11.**

Status: Non Conformity number 2019.11.

5.8 Training

5.8.1

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

Based documents review and interview with the managements representative its known if the training plan on RSPO SCC requirements conducted annually once a year. The last training has been conducted on 15 July 2019 with the number of participants are seven persons including all persons who responsible with SCCS aspect. Based on interviews with security guards, weighbridge officers and managers, it is known that key persons in SCCS activities have understood the procedures and can demonstrate how documented FFB, CPO, PK are certified and not certified.

Status: Comply

5.8.2

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

Based documents review and interview with the managements representative its known if the training plan on RSPO SCC requirements conducted annually once a year. The last training has been conducted on 15 July 2019 with the number of participants are seven persons including all persons who responsible with SCCS aspect. Based on interviews with security guards, weighbridge officers and managers, it is known that key persons in SCCS activities have understood the procedures and can demonstrate how documented FFB, CPO, PK are certified and not certified.

Status: Comply

5.9 Record keeping

5.9.1

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

In the procedure (No 05 rev 02 dated 02 January 2015) about Document s Retention Policy is mentioned that PT PN IV has carried out and ensure that all documents regarding the company's activities must be recorded, documented, maintained and stored properly

Month	FFB Received (Kg)	Certified (Kg)	Un Certified (Kg)
Sep 18	13,969,91	9,789,95	4,170,96
Oct 18	11,253,220	10,170,560	1,082,660
Nov 18	7,825,340	7,825,340	-
Dec 18	9,385,260	9,028,530	356,730
Jan 19	15,041,100	9,459,420	5,581,680
Feb 19	8,716,620	6,692,910	2,023,710
Mar 19	9,168,470	9,168,470	-
Apr 19	12,024,170	11,309,390	714,780
May 19	15,389,690	15,146,730	242,960
Jun 19	13,548,610	12,577,140	971,470
Jul 19	10,881,560	10,719,710	161,850
Aug 19	12,936,060	11,318,100	1,617,960
Total	140,140,010	123,215,250	16,924,726

Furthermore, CH has record and balance of all RSPO CSPO and CSPK, non-certified products produced, on a monthly basis

CPO

Month	CPO Production (Kg)	Certified (Kg)	Un Certified (Kg)
Sep 18	3,230,938	2,289,815	941,123
Oct 18	2,666,152	2,390,041	276,101
Nov 18	1,615,186	1,615,186	-
Dec 18	2,308,674	2,224,842	83,832
Jan 19	3,437,589	2,159,049	1,278,540
Feb 19	2,081,733	1,548,341	533,392
Mar 19	2,304,233	2,304,233	-
Apr 19	2,940,384	2,770,172	170,212
May 19	3,560,081	3,462,341	97,740
Jun 19	2,954,846	2,738,414	216,432
Jul 19	2,569,597	2,532,371	37,226
Aug 19	2,892,327	2,521,631	370,696
Total	29,576,655	26,408,276	3,168,379

PK

Month	PK Production (Kg)	Certified (Kg)	Un Certified (Kg)
Sep 18	516,152	394,763	121,389
Oct 18	457,482	421,263	36,219
Nov 18	267,875	267,875	-
Dec 18	361,005	349,566	11,439
Jan 19	582,650	379,726	202,924
Feb 19	254,577	193,731	60,846
Mar 19	344,023	344,023	
Apr 19	460,955	434,643	26,312
May 19	438,752	427,325	11,427

Jun 19	390,310	361,947	28,363
Jul 19	454,471	448,806	5,665
Aug 19	395,139	347,893	47,246
Total	4,923,391	4,371,561	551,830

	Status: Comply
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5.9.2

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

In the procedure (No 05 rev 02 dated 02 January 2015) about Document s Retention Policy mentioned if mill processing data is keeping for 2 – 5 years.

Facility showed the procedure regarding to retention time for all records and reports of supply chain. The 2017 documents can be showed during the audit conducted.

	Status: Comply
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5.9.3

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

Has been set the estimated certified products that will be produced by Dolok Ilir POM, for one year license period are

Product	Previous Certificate Claim 29 September 2018 to 28 September 2019 (tonnes/year)	Estimated tonnage of CSPO and CSPK 29 September 2019 to 28 September 2020 (tonnes/year)
FFB	118,938	122,800
CSPO	26,761	29,500
CSPK	5,947	6,200

	Status: Comply
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5.10

Conversion factors

5.10.1

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

During assestment conducted Dolok Ilir POM only received and processed of FFB's as material input form estate under scope of certification. This mill did not purchase FFB, CPO and/or PK from others. Therefore, this mill did not using conversion factors.

	Status: Comply
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5.10.2

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

Dolok Ilir POM did not using conversion rate.

During assesstment conducted Dolok Ilir POM only received and processed of FFB's as material input form estate under

scope of certification. This mill did not purchase FFB, CPO and/or PK from others. Therefore, this mill did not using conversion factors.	
	Status: Comply
5.11	Claims
5.11.1 The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	
Dolok Ilir POM did not using logo during communication with stakeholder / customer. The CH never using RSPO symbol or logos. A unique identification number, certificate number and supply chain model are available on relevant documents. Also, the CH using RSPO Palm Trace for communication, transaction, confirmation status and shipping announcement.	
	Status: Comply
5.12	Complaints
5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Dolok Ilir POM has a complaint mechanism contained in the document: <ul style="list-style-type: none"> • Standard Operating Procedures for Handling Customer and Environmental Complaint (No. SPO 13. Rev 01, effective date 02 January 2015) relating to complaints from stakeholders • PT Perkebunan Nusantara IV Wholesale Blowing System (PERSERO) in 2013 on Article 10: Protection of Reporters. 	
	Status: Comply
5.13	Management review
5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
The managements review planned annually one time a year. Document verification results of the company have conducted a Management Review Meeting on July 4, 2019.	
	Status: Comply
5.13.2 The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	
Document verification results of the company have conducted a Management Review Meeting on July 4, 2019. Such as: <ol style="list-style-type: none"> a. The management unit has RSPO SCCS procedure, however there is no PIC who responsible to implement the RSPO SCCS system implementation. b. Based on customer feedback survey, there are no complaint from the customers. Follow up actions from management reviews: <ul style="list-style-type: none"> - Implementing all processing procedure for achieve the OER and KER in accordance to the target. - Control and maintain CPO & PK qualities in accordance to standard. - Optimizing preventive maintenance of mill installations. 	
	Status: Comply

5.13.3

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

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

The Mill has conducted follow up actions from the management reviews:

- Implementing all processing procedure for achieve the OER and KER in accordance to the target.
- Control and maintain CPO & PK qualities in accordance to standard.
- Optimizing preventive maintenance of mill installations.

Status: Comply

3.2.2. Module E – CPO Mills: Mass Balance Requirements

Clause	Requirement																								
E.1	Definition																								
E.1.1																									
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.																									
Dolok Ilir Mill is used RSPO supply chain of Mass Balance module due to still received FFB from the estate which has been certified with RSPO that is Marihat Estate, and Balimbangan Estate and from the non certified RSPO as follows: Bah Birong Ulu Estate, Marjandi Estate, Tanah Itam Ulu Estate and Bukit Lima Estate (Subsidiary of PTPN IV).																									
	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.																									
Estimated tonnage of CPO and PK products Dolok Ilir POM as follows:																									
<table><tr><th>Product</th><th>Previous Certificate Claim 29 September 2018 to 28 September 2019 (tonnes/year)</th><th>Actual certified product 1 September 2018 to 31 August 2019 (tonnes/year)</th><th>Estimated tonnage of CPO and PK 29 September 2019 to 28 September 2020 (tonnes/year)</th></tr><tr><td>FFB</td><td>118,938</td><td>123,215.25</td><td>122,800</td></tr><tr><td>CSPO</td><td>26,761</td><td>26,408.28</td><td>29,500</td></tr><tr><td>CSPK</td><td>5,947</td><td>4,371.56</td><td>6,200</td></tr></table>		Product	Previous Certificate Claim 29 September 2018 to 28 September 2019 (tonnes/year)	Actual certified product 1 September 2018 to 31 August 2019 (tonnes/year)	Estimated tonnage of CPO and PK 29 September 2019 to 28 September 2020 (tonnes/year)	FFB	118,938	123,215.25	122,800	CSPO	26,761	26,408.28	29,500	CSPK	5,947	4,371.56	6,200								
Product	Previous Certificate Claim 29 September 2018 to 28 September 2019 (tonnes/year)	Actual certified product 1 September 2018 to 31 August 2019 (tonnes/year)	Estimated tonnage of CPO and PK 29 September 2019 to 28 September 2020 (tonnes/year)																						
FFB	118,938	123,215.25	122,800																						
CSPO	26,761	26,408.28	29,500																						
CSPK	5,947	4,371.56	6,200																						
	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																									
Period of actual selling product for CSPO are 1 September 2018 to 31 August 2019																									
<table><tr><th>NO</th><th>Dated</th><th>Buyer</th><th>MT</th></tr><tr><td>1</td><td>29 December 2018</td><td>PT Unilever Oleochemical Indonesia</td><td>500</td></tr><tr><td>2</td><td>20 March 2019</td><td>PT Permata Hijau Palm Oleo</td><td>500</td></tr><tr><td>3</td><td>25 April 2019</td><td>PT Musim Mas – Belawan</td><td>500</td></tr><tr><td>4</td><td>25 March 2019</td><td>PT Unilever Oleochemical Indonesia</td><td>500</td></tr><tr><td>5</td><td>6 July 2019</td><td>PT Musim Mas – Belawan</td><td>500</td></tr></table>		NO	Dated	Buyer	MT	1	29 December 2018	PT Unilever Oleochemical Indonesia	500	2	20 March 2019	PT Permata Hijau Palm Oleo	500	3	25 April 2019	PT Musim Mas – Belawan	500	4	25 March 2019	PT Unilever Oleochemical Indonesia	500	5	6 July 2019	PT Musim Mas – Belawan	500
NO	Dated	Buyer	MT																						
1	29 December 2018	PT Unilever Oleochemical Indonesia	500																						
2	20 March 2019	PT Permata Hijau Palm Oleo	500																						
3	25 April 2019	PT Musim Mas – Belawan	500																						
4	25 March 2019	PT Unilever Oleochemical Indonesia	500																						
5	6 July 2019	PT Musim Mas – Belawan	500																						

6	8 August 2019	PT Musim Mas – Belawan	500
7	2 August 2019	PT Musim Mas – Belawan	500
Total			4,000

Credit Allocations: 7,000 MT

Period of actual selling product for CSPK are 1 September 2018 to 31 August 2019

NO	Dated	Buyer	MT
1	31 January 2019	KCP PTPN IV Pabatu	237.22
2	31 January 2019	KCP PTPN IV Pabatu	444.44
3	31 January 2019	KCP PTPN IV Pabatu	666.67
4	31 January 2019	KCP PTPN IV Pabatu	666.67
5	30 March 2019	KCP PTPN IV Pabatu	366.00
6	25 April 2019	KCP PTPN IV Pabatu	162.06
7	25 April 2019	KCP PTPN IV Pabatu	594.94
8	30 June 2019	KCP PTPN IV Pabatu	332.61
9	30 June 2019	KCP PTPN IV Pabatu	37.39
10	30 June 2019	KCP PTPN IV Pabatu	677.15
Total			4,185.15

	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:

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

b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.

Documents verifications its known if The CH has procedures regarding to ensure the implementation of all the elements mentioned in the terms of SCCS for Mill, which listed in:

1. SOP No 07A Rev 03 dated 02 January 2018 about “Penanganan TBS Bersertifikasi (Certified FFB Handling) This procedure is intended as a guide in handling certified FFB from the Estate to reception in Mill

2. SOP No 07B Rev 03 dated 02 January 2018 about “Penanganan CPO / Bersertifikasi (Certified CPO/PK Handling) This procedure is intended as a guide in handling certified CPO /PK in Mill, in the procedure mentioned if Mill uses the Mass Balance (MB) model with the Fixed system Inventory Periods which means RSPO stock may be negative in period 3 month, must be balanced

In that’s procedure mentioned if

- 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).
- There is a flow diagram of the palm oil supply chain.

The people in charge of the supply chain system are:

- Head of mill Assistants registers Mill certified to RSPO Palm-Trace and informs them through memos to the Marketing

Department of the Directors' Office.

- Head of Plant Assistants are responsible for handling in estate certified FFB
- Head of Mill Assistants is responsible for handling certified TBS in POM.

Based on interview with operator of weighbridge, explained that weighbridge ticket for FFB from own estate has been marked with stamp "SCCS Model Mass Balance" and for FFB from third parties has been given with Stamp "Non SCCS".

Status: Comply

E.3.2

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

SOP No 07A Rev 03 dated 02 January 2018 about *"Penanganan TBS Bersertifikasi (Certified FFB Handling)* This procedure is intended as a guide in handling certified FFB from the Estate to reception in Mill. FFB derived from their own plantation, one holding company and FFB of 3rd party certified by RSPO marked with stamps of CSPO (Certified Sustainable Palm Oil).

Dolok Ilir POM has been able to demonstrate the mechanism of separation of certified and non-certified products in the records model made starting from incoming FFB until processed FFB in the documents of **monitoring monthly physical inventory of CPO and PK Certified** which describe recording mechanism of the separation of certified and non-certified products, such as incoming FFB data, processed FFB data, CPO and Kernel production data, CPO and kernel extraction data.

Status: Comply

E.4 Purchasing and goods in

E.4.1

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

Dolok Ilir POM has been able to demonstrate the mechanism of separation of certified and non-certified products in the records model made starting from incoming FFB until processed FFB in the documents of **Production Monthly Report of Incoming & Processed FFB** which describe recording mechanism of the separation of certified and non-certified products, such as incoming FFB data, processed FFB data, CPO and Kernel production data, CPO and kernel extraction data, which were verified daily by Head of Mill Assistant are

Month	FFB Received (Kg)	Certified (Kg)	Un Certified (Kg)
Sep 18	13,969.91	9,789.95	4,170.96
Oct 18	11,253,220	10,170,560	1,082,660
Nov 18	7,825,340	7,825,340	-
Dec 18	9,385,260	9,028,530	356,730
Jan 19	15,041,100	9,459,420	5,581,680
Feb 19	8,716,620	6,692,910	2,023,710
Mar 19	9,168,470	9,168,470	-
Apr 19	12,024,170	11,309,390	714,780
May 19	15,389,690	15,146,730	242,960
Jun 19	13,548,610	12,577,140	971,470
Jul 19	10,881,560	10,719,710	161,850
Aug 19	12,936,060	11,318,100	1,617,960
Total	140,140,010	123,215,250	16,924,726

Status: Comply

E.4.2

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

Dolok Ilir POM will inform the CB immediately if there is a projected overproduction of certified tonnage. This statement is available within the procedure applied. According to below data record, there is no overproduction from Dolok Ilir POM

Status: Comply

E.5 Record keeping
E.5.1

- a. 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.**
- b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.**
- c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(i.e product can be sold before it is in stock.)**

Documents verifications its known if The CH has procedures regarding to ensure the implementation of all the elements mentioned in the terms of SCCS for Mill, which listed in:

- SOP No 07A Rev 03 dated 02 January 2017 about *"Penanganan TBS Bersertifikasi (Certified FFB Handling)* This procedure is intended as a guide in handling certified FFB from the Estate to reception in Mill
- SOP No 07B Rev 03 dated 02 January 2017 about *"Penanganan CPO / Bersertifikasi (Certified CPO/PK Handling)* This procedure is intended as a guide in handling certified CPO /PK in Mill, in the procedure mentioned if Mill uses the Mass Balance (MB) model with the Fixed system Inventory Periods which means RSPO stock may be negative in period 3 month, must be balanced.

CH has record and balance of all RSPO CSPO and CSPK, non-certified products produced, on a monthly basis

Month	CPO Production (Kg)	Certified (Kg)	Un Certified (Kg)
Sep 18	3,230,938	2,289,815	941,123
Oct 18	2,666,152	2,390,041	276,101
Nov 18	1,615,186	1,615,186	-
Dec 18	2,308,674	2,224,842	83,832
Jan 19	3,437,589	2,159,049	1,278,540
Feb 19	2,081,733	1,548,341	533,392
Mar 19	2,304,233	2,304,233	-
Apr 19	2,940,384	2,770,172	170,212
May 19	3,560,081	3,462,341	97,740
Jun 19	2,954,846	2,738,414	216,432
Jul 19	2,569,597	2,532,371	37,226
Aug 19	2,892,327	2,521,631	370,696
Total	29,576,655	26,408,276	3,168,379

PK

Month	PK Production (ton)	Certified (ton)	Un Certified (ton)
Sep 18	516,152	394,763	121,389
Oct 18	457,482	421,263	36,219
Nov 18	267,875	267,875	-
Dec 18	361,005	349,566	11,439
Jan 19	582,650	379,726	202,924

Feb 19	254,577	193,731	60,846
Mar 19	344,023	344,023	
Apr 19	460,955	434,643	26,312
May 19	438,752	427,325	11,427
Jun 19	390,310	361,947	28,363
Jul 19	454,471	448,806	5,665
Aug 19	395,139	347,893	47,246
Total	4,923,391	4,371,561	551,830
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.			
There is no outsources activities.			
Status: Comply			

3.3 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-4	The company didn't use trademark on the product.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or√
ASA-4	The company didn't use trademark on the product.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-4	The company didn't use trademark on the product.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or√
ASA-4	The company didn't use trademark on the 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.

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</p> <p>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.</p> <p>All management units of PTPN IV, based on company disclosure has no liability.</p> <p>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> <p>Auditor verification</p> <p>Auditor has verified the supporting evidence of</p>

		above the company statement. The above statement in accordance with the supporting evidence provided.
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1st January 2010. All planting in PTPN IV management units are 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	Yes, there is no legal non-compliance is being processed.

	reference to RSPO criteria 2.1 and 2.2.	<p>Auditor verification</p> <p>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 and Human Resources. The company has kept a list of rules and regulations in 1nd semester of 2016 at the Head of General Affairs and Human Resources Departement and has distributed to each division office in hardcopy and softcopy.</p>
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1. Identification of Findings, Corrective Actions and Observations at ASA-3 Assessment

<i>NCR No.</i>	: 2018.04	<i>Issued by</i>	: Steve Mualim
<i>Date Issued</i>	: 31 August 2018	<i>Time Limit</i>	: 05 December 2019
<i>NC Grade</i>	: Minor raised to Major	<i>Date of Closing</i>	: 12 November 2019
<i>Standard Ref. & Requirement</i>	: 5.1.2 Environmental management plan documents must be available to prevent negative impacts and reports on their implementation and revision, if an impact is identified that must change the company's ongoing activities. The company's management must appoint the person responsible for carrying out the environmental management plan activities.		
Evidence observed (filled by auditor): The results of the document review, field visits and interviews with management revealed that there were replanting activities at Dolok Ilir Estate. The company has a study of replanting impacts and RKL / RPL implementation reports per semester that have been reported to relevant agencies, for example semester 1 of 2018. Based on the results of the document review it is known that this RKL / RPL implementation report has not included and explained related environmental management and monitoring actions the replanting aspect carried out by Dolok Ilir Estate.			
Non-Conformance Description (filled by auditor): There are no reports on the implementation of environmental management and monitoring, particularly replanting impacts.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">• There has not been an evaluation of the officers who have participated in training/outreach making RKL and RPL reports that have been conducted• There has not been an evaluation of the RKL and RPL reports that have been made whether they are in conformity or not with the Minister of Environment Decree No 45 of 2005.			
Correction (filled by organization audited): <ul style="list-style-type: none">• Revise the RKL RPL report by including interview evidence or questionnaire to the public and the results of the questionnaire about the impact of replanting and the results of ambient air tests, air emissions and ABT / APU semester I 2019• Evaluating officers who have participated in training / outreach for the preparation of RKL and RPL reports that have been carried out• Evaluate the RKL and RPL reports that have been made whether they are in conformity or not with the Minister of Environment Decree No 45 of 2005			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">• Evaluate PPDs who have participated in RKL / RPL Report Preparation Training• Evaluate the RKL / RPL report whether it is in accordance with the Ministry of Environment Decree Number 45 of 2005 concerning Guidelines for the Preparation of RKL and RPL Implementation Reports• Evaluate PPDs who have participated in RKL / RPL Report Preparation Training• Evaluate the RKL / RPL report whether it is in accordance with the Ministry of Environment Decree Number 45 of 2005 concerning Guidelines for the Preparation of RKL and RPL Implementation Reports			

Assessor Evaluation and Conclusion (filled by auditor):**Verification, September 2, 2019.**

The company shows training in reporting & procedures for making environmental management and monitoring reports of PTPN IV Dolok Ilir unit for the person in charge (Krani Processing) held on 16-17 October 2018 in accordance with KepmenLH No.45 of 2005 which explains the environmental impacts, parameters which is managed and monitored, test results, quality standards, evaluations, conclusions and so forth.

Based on the implementation documents of RKL / RPL Semester II of 2018, it was explained that the company had conducted socialization to the community around the plantation regarding the impacts of replanting. Impacts that must be known include: mobilization of heavy equipment and trucks for transporting plantation materials during replanting activities, loss of income sources of communities around the plantations utilizing palm oil waste, temperature changes due to fallen stands, pest attack of beetle horns, and landslides in isolation ditches adjacent to residential areas. However, the report has not yet explained the evidence of interviews or questionnaires to the public and the results of the questionnaire.

Reports for the second semester of 2018 have been sent to the Simalungun District Environmental Agency on February 8, 2019. Whereas for the first semester of 2019 the report has not been completed because the test results have not yet come out.

Based on the explanation above, this has been declared unfulfilled and appointed as Major.

Verification, October 4, 2019.

The document shown is a report on the implementation of the Laras Estate RKL / RPL, please show the documents for the implementation of RKL / RPL Semester I 2019 Dolok Ilir Estate.

Verification, October 23, 2019.

The company showed the questionnaire PTPN IV business unit Dolok Ilir Plantation which was carried out on September 9, 2019 to a total of 29 respondents consisting of Christian Communities in Dolok Ilir, Pangulu Dolok Mainu, Afdeling VI DOI instructors, clerics / community leaders, Head of Kelurahan, tanjung parapet community leaders, To Dolok Ilir Village, Religious Leaders, Acting Pangulu / Padang Mainu, Nagori Padang Mainu and others but in the questionnaire did not explain the question of impacts due to replanting such as how to mobilize heavy equipment and truck vehicles to transport plantation materials during replanting activities, the impact of the loss of income sources of the community around the plantation that utilizes palm oil waste, temperature changes due to fallen stands, pest beetle pest attacks, and landslides isolation trenches adjacent to residential areas. After the activity is carried out so that the conclusion is included in the implementation report of RKL / RPL owned by the company. This was stated as not yet fulfilled.

Verification, 12 November 2019.

The company showed a notification letter for replanting in 2019 to Panguluh/Lurah/Head of Aman Sari Village, Dolok Batu Nanggar District on January 21, 2019. With an area of \pm 257 ha. This activity will be carried out at the end of April 2019 until finished. Impacts that need to be known include:

1. Mobilization of heavy equipment and truck vehicles to transport plantation materials during replanting activities,
2. Loss of income from the community around the plantation that utilizes palm oil waste,
3. Changes in temperature due to fallen stands,
4. Attack of the horn beetle pest, and

5. Landslides of isolation ditches close to residential areas.

A letter is available from Dolok Batu Nanggar Subdistrict Kellurahan Aman Sari with letter number 42/23 / KAS / II / 2019 dated 11 February 2019. The villagers responded well to this information. Based on the explanation above, this indicator is stated as being fulfilled.

Verified by : **Brigitta Prita**

3.5.2. Identification of Findings, Corrective Actions and Observations ASA-4 Assessment

<i>NCR No.</i>	: 2019.01	<i>Issued by</i>	: Haikal R Kharismansyah
<i>Date Issued</i>	: 06 September 2019	<i>Time Limit</i>	: 05 December 2019
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 24 September 2019
<i>Standard Ref. & Requirement</i>	: 2.1.1 Evidence of compliance with relevant legal requirements shall be available.		
Evidence observed (filled by auditor): <ul style="list-style-type: none">- Based on the results of document review and interviews, it is known that the company cooperates with several contractors, for example for upkeep activities (CV Wira Mandiri), security (PT Jaya Wira Manggala), FFB transport (UD Merbau), and others- Based on the public consultations with the Section Head of Work Requirements for the Simalungun District Manpower Office, it is known that in June 2018 the Simalungun District Manpower Office once gave an appeal to record every third party cooperating with the company. Evidence has not yet been shown of the response and progress of record keeping as a result of public consultation.- Referring to Minister of Manpower regulation Number 19 of 2012 concerning Conditions for Submission of Partial Job Execution to Other Companies, article 10 states that the contract of employment must be recorded with the agency responsible for the Regency / City employment where the contract is done.			
Non-Conformance Description (filled by auditor): The company has not been fully consistent in fulfilling relevant laws and regulations, for example Minister of Manpower regulation Number 19 of 2012.			
Root Cause Analysis (filled by organization audited): The absence of special officers who monitor the fulfillment of the RSPO Principles and Criteria including evaluation of regulatory compliance			
Correction (filled by organization audited): <ol style="list-style-type: none">1. Resocialization information regarding document fulfillment in accordance with RSPO principles and criteria2. Recording work contract agreement in the Laras business unit and reporting it to the Simalungun District Manpower Office3. Evaluate staff who have received information about fulfilling documents in accordance with the application of RSPO principles and criteria			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">• Monitor document requirements that are consistent with the application of RSPO principles and criteria.			

- Establish a PIC that monitors the requirements of documents in accordance with the application of the RSPO principles and criteria.

Assessor Evaluation and Conclusion *(filled by auditor):*

Verification on September 23, 2019

The company shows evidence of improvements in the form of:

1. Information dissemination on the monitoring of ISPO and RSPO documents on 18 September 2019 which was attended by 13 people representing representatives of Dolok Ilir (Estate and Mill). The minutes include the general HR and Security section monitoring the laws and regulations.
2. Registration of Dolok Ilir partners in the Simalungun Regency Social and Labor Office. Monitoring pemenuhan dokumen yang terkait dengan RSPO dan ISPO kebun dolok ilir
3. Decree of Dolok Ilir Estate Unit Manager Number: DOI / SK / / IX / 2019 dated September 13, 2019 regarding the establishment of special officers monitoring the application of the principles and criteria of the RSPO Dolok Ilir unit (13 people)
4. The monitoring officer of the RSPO Principles and Criteria documents including the obligation to monitor the document and coordinate with the HR & General if the document is not available in the unit so that it can be traced where the document is located.

However, it hasn't shown:

1. Proof of improvement for the Laras business unit and Dolok Ilir POM
2. Decree of Manager of Dolok Ilir Estate Unit is incomplete (No number)

In addition, additional information is still needed in the root cause analysis, correction, and corrective actions. Thus the nonconformity was declared not yet fulfilled

Verification on September 24, 2019

There is additional evidence of improvement in the form of:

1. Registration of third-party partner of the Laras Estate to the Simalungun Regency Manpower Office on September 20, 2019
2. Letter Number: LAR / SE / Intrn / 11 / IX / 2019 dated September 9, 2019 from the Laras unit manager regarding the appointment of the PIC responsible for monitoring the application of the RSPO principles and criteria is the General Human Resources Assistant and the PPD Team
3. Recording of third party partners of PKS Dolok Ilir to the Simalungun Regency Manpower Office on September 19, 2019

Based on the root causes analysis, corrections, and corrective actions the nonconformity are stated to have been fulfilled.

Verified by : **Haikal Ramadhan Kharismansyah**

NCR No.	: 2019.02	Issued by	: Satria Adi Putra
Date Issued	: 06 September 2019	Time Limit	: Before Recertification
NC Grade	: Minor	Date of Closing	:
Standard Ref. &	: 4.1.2 Examination or monitoring activities are carried out according to operating		

Requirement	procedures at least once a year.
Evidence observed (filled by auditor): <ul style="list-style-type: none"> - Based on the document review, it is known that there is a collaboration between PT Perkebunan Nusantara IV and several contractors including UD Merbau (Transport of FFB), CV Ardhan Sirait Jaya (Transport & EFB Application), CV Wira Mandiri (Maintenance of Immature), CV Era Cipta Karya (Transport & EFB Application), CV Karya Teknik (Maintenance of Immature), PT Jaya Wira Manggala (Security), PT Risa Agina Sara (replanting), etc. - Work Order No. 04.14 / SPMK / 003 / IV / 2019, dated 5 April 2019 which contains orders to start security work as well as proof of payment of BPJS labor in June 2019. - The company has presented the document Agreement Letter No.0404 / S.PERJ / 011 / VII / 2018 dated July 12, 2018 regarding the Work on Land Processing and Advanced Maintenance of Oil Palm Plantations in 2018 to Contractor PT Risa Agina Sara. The document provides evidence on the evaluation of replanting such as the assessment of the quality of chipping, the quality of tillage, the quality of planting seeds and so on. 	
Non-Conformance Description (filled by auditor): The company has not been able to demonstrate that inspection or monitoring activities are available to all contractors / third parties.	
Root Cause Analysis (filled by organization audited): Lack of understanding of the unit in evaluating vendor performance.	
Correction (filled by organization audited): Socializing vendor performance evaluation procedures and completeness, namely Memo Number 04.01 / Kol / M-702 / VII / 2017 dated July 10, 2017 concerning Track Records of Goods and Services Providers, Circular Letter Number 04.Dir HR and General / SE / 16 / VI / 2015 June 19, 2015 concerning BPJS Employment Partner Contributions, Memo Number 04.03 / Kol / M-15 / II / 2019 Date February 14, 2019 Concerning BPJS Employment Partners.	
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Make a list of vendors in the unit. 2. Conduct vendor evaluations shown through work supervision report documents, track records, payment of workers' salaries, BPJS Employment contributions from workers, and so on. 	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

<i>NCR No.</i>	:	2019.03	<i>Issued by</i>	:	Satria Adi Putra
<i>Date Issued</i>	:	06 September 2019	<i>Time Limit</i>	:	05 December 2019
<i>NC Grade</i>	:	Major (Re-Curring)	<i>Date of Closing</i>	:	26 September 2019
<i>Standard Ref. &</i>	:	4.6.5 Evidence of pesticide application must be available by trained personnel and in			

Requirement	accordance with the instructions for use on the product label and storage instructions. Adequate work safety equipment must be provided and used. Warnings about products must be observed, understood and applied correctly by workers (see Criterion 4.7).
Evidence observed (filled by auditor): <ul style="list-style-type: none"> - Based on the Afdeling Daily Work Plan document 1-8, Dolok Ilir Estate is known that there is no spraying activity. - Limited pesticide training documents and the name list of chemical officers of Dolok Ilir Estate employees stated that there were 7 spray workers for Afdeling II (including the foreman) and Afdeling 5 for 6 worker (including the foreman) - Based on field visits to the Spray Rinse House in Afdeling 2 Dolok Ilir, it was found that the PPE available were 6 spray clothes, 6 aprons and 3 masks. - Based on field visits to the Spray Rinse House in Afdeling 5 Dolok Ilir, it was found that the PPE available were 4 spray suits, 5 aprons, 3 helmets and 2 masks. - Chemis Work Instruction No. FM.4.3.13-05 March 3, 2012 explains about: Instructions that must be considered: workers must use, glasses, shoes, helmets, masks, rubber gloves, work clothes; after finishing the work, trim the tools / materials to be taken to the office warehouse. 	
Non-Conformance Description (filled by auditor): Not enough evidence is available that all work tools used by the pesticide applicator are stored in a special place that has been provided by the company.	
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> The dissemination of chemistry work instructions that have been conducted has not been effective An evaluation of workers who have received chemistry work instructions has not yet been evaluated Monitoring the completeness of the PPE chemist officer at the rinse house has not run optimally The absence of a mechanism that regulates the supervision of PPE storage chemist officers 	
Correction (filled by organization audited): <ol style="list-style-type: none"> Give a letter of reprimand to the Assistant in each afdeling for negligence in carrying out supervision/monitoring of the completeness of PPE that is in the rinse Re-socializing chemistry work instructions to chemists in each department Monitoring the completeness of the PPE of the chemist at the rinse house to the maximum Evaluating officers who have received socialization 	
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> Evaluate officers who have received PPE placement / storage socialization to measure the level of understanding of workers Establish PIC who is responsible for monitoring PPE management within the plantation operational area. Applying the provisions contained in Chapter X (Rules of Work) Article 63 concerning the Development of Work Discipline and Article 64 concerning the Type of Work Discipline in the Joint Work Agreement (PKB) between PTPN 4 and PTPN 4 SPBUN 2018-2019. Make and ensure the mechanism that regulates the supervision of PPE storage by chemists (attached files point 8-10). 	
Assessor Evaluation and Conclusion (filled by auditor): Verification 23 September 2019 Based on the results of field visits and interviews at Dolok Ilir POM, it is known that: <ul style="list-style-type: none"> • Documentation of a reprimand to the Assistant Plant Afdeling II and V Dolok Ilir Estate dated September 11, 2019 regarding negligence in supervision of the Chemis Work Instruction. 	

- Daily PPE monitoring per type of operational activity (harvesting, hulling, road maintenance, chemical workers and pests) in September 2019 at Afdeling II Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (harvesting, sliding, road maintenance, chemical workers and pests) September 2019 at Afdeling V Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (fertilizer, harvesting, hulling, road maintenance, chemical workers and pests) September 2019 at Afdeling VI Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (fertilizer, harvesting, hulling, road maintenance, chemical workers and pests) September 2019 at Afdeling VII Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (fertilizer, harvesting, hulling, road maintenance, chemical workers and pests) September 2019 at Afdeling VIII Dolok Ilir Estate
- Evidence of socialization of hazardous waste management, PPE replacement mechanism and IK implementation of Chemis officers on September 11, 2019 to the Estate Unit Manager, Head of Plant Service, Plant Assistant, Assistant Human Resources and Security, Supervisor, Krani, Workers and Document Control Officer. The socialization was attended by 49 people.
- Decree of the Manager of the Dolok Ilir Estate Unit No. DOI / SK / IX / 2019 dated September 13, 2019 concerning Special PPE Monitoring Officers on the use of Dolok Ilir Estate Unit Workers.
- Recapitulation Form for the Evaluation of Waste Management Socialization, PPE Mechanisms and the implementation of the Dolok Ilir homeless chemist officer on September 10, 2019 to 33 maintenance workers, maintenance foremen and foreman 1.

Verification 24 September 2019

Based on the results of field visits and interviews at Laras Estate it is known that:

- APD Warehouse and Afdeling Rinse House 1-4 Laras Estate is known that there are PPE for spray work such as spray clothes, helmets, masks, rubber gloves, goggles, aprons and shoes with a total of 6 each (according to the number of spray employees) . Whereas for fertilizing workers there are aprons, gloves, cloth masks and helmets with a total of 6 each (according to the number of fertilizer employees).
- Based on interviews with spray workers at Afdeling 1 Laras Estate it is known that the workforce has been carried out socialization related to the management of PPE, workers also know the mechanism for storing PPE in the PPE storage warehouse and explained that damaged PPE can be replaced through reporting mechanisms to the chief executive work and foreman.

Based on the results of the field visit to Dolok Ilir Estate, the following facts were discovered:

- There were no agrochemical application activities at the time of the field visit
- PPE warehouse and Afdeling III Rinse House, Afdeling IV, Afdeling VI and Afdeling VIII Dolok Ilir Estate, it is known that there are PPE for spray work such as spray clothes, helmets, masks, rubber gloves, glasses, aprons and shoes with the number of each following number of spray employees, for example in Afdeling III: The number of spray workers updated on September 24 is 9 worker (5 contractors and 4 employees). PPE has been stored in a rinse house and complete with 9 items.
- Whereas for fertilizing workers there are aprons, gloves, cloth masks and helmets with the number of each following the number of fertilizing employees.

Based on the evidence of the improvements provided and the results of the field visit, the non-conformity No.2019.03 was declared to have been fulfilled.

Panel Results 26 September 2019

Please review the root of the problem and the Corrective Action, so that there is a discrepancy in indicator 4.6.5 (System / Policy that causes the system field to change and run according to the RSPO P&C). The panel committee decided that the discrepancies had not yet been fulfilled.

Verification September 26, 2019

The company has revised and added corrective actions, including:

- Applying the provisions contained in Chapter X (Work Rules) Article 63 concerning Work Discipline Development and Article 64 concerning Types of Work Discipline Development in the Joint Work Agreement (PKB) between PTPN 4 and PTPN 4 SPBUN 2018-2019 period.
- Create and ascertain the mechanism governing the supervision of PPE storage by chemists (file attached points 8-10)

Related to this, **the nonconformity No. 2019.03 has been declared fulfilled.**

Verified by : **Satria Adi Putra**

NCR No.	: 2019.04	Issued by	: Satria Adi Putra
Date Issued	: 06 September 2019	Time Limit	: 05 December 2019
NC Grade	: Major	Date of Closing	: 24 September 2019
Standard Ref. & Requirement	4.6.6 Pesticides are stored using recognized best practices. All pesticide containers must be managed appropriately according to applicable regulations and or instructions on the packaging (See Criterion 5.3).		

Evidence observed (filled by auditor):

- Based on the results of field observations to Temporary Hazardous Waste Dolok Ilir POM (September 5, 2019) it is known that there are actual records of pesticides (in the Logbook) of 25 ex-pesticide packages. However, based on the auditor's observation it is known that there are 31 pieces of ex-pesticide packaging (there is a difference of 6 packages).
- Based on the results of a field visit to Temporary Hazardous Waste Laras Estate (September 3, 2019), it is known that the number of ex-pesticide packages is 1 piece.
- Logbook of Daily Hazardous Waste Processing for Laras Estate in the January-June 2019 period is 81 pieces of ex-pesticide packages.
- Manifest No. WY0003244 on 5 August 2019 at Laras Estate stated that 71.8 kg of contamination packaging was taken.
- Manifest No. WY0003248 dated August 6, 2019 at Dolok Ilir POM stated that a contamination package of 591 kg (208 packages) had been taken.
- Based on the results of the study of Pesticide Use in Dolok Ilir Estate and Laras Estate (January-August 2019), the following data are known:

Dolok Ilir Estate

Type of Pesticide	Total Usage (a)	Packing Size (b)	Number of Hazardous Waste Ex Packaging (a:b)
Metsulindo	107.52	0.25 Kg	430.08
Santafuron	384.63	0.25 Kg	1538.52
Sun Up 480 SL	7724.28	20 Liter	386.21
Elang 480 SL	279.85	20 Liter	13.99
Topzone	242	20 Liter	12.10
Starane	946.64	0.5 Liter	1893.28
Capture	4518.78	0.5 Liter	4518.78

Total Packaging	8,792.97
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Laras Estate

Type of Pesticide	Total Usage (a)	Packing Size (b)	Number of Hazardous Waste Ex Packaging (a:b)
Decis	31.50	0.25 Liter	126.00
Elang 480 SL	1469.35	20 Liter	73.47
Topzone	583.83	20 Liter	29.19
Gempur	1066.31	20 Liter	53.32
Starane	128.55	0.5 Liter	257.10
Capture	46.21	0.5 Liter	92.42
Metsulindo	490.87	0.25 Kg	1963.48
Rally	132.24	0.25 Kg	528.96
Ally	19.24	0.25 Kg	76.96
Total Kemasan			3,200.89

Non-Conformance Description *(filled by auditor):*
 Not enough evidence is available that all former packaging used by the company has been stored and managed according to applicable regulations.

Root Cause Analysis *(filled by organization audited):*

- a. Lack of understanding of the unit about the management or treatment of Hazardous Waste, so there is Hazardous Waste that is not directly delivered to the Temporary Hazardous Waste.
- b. There is no PIC yet responsible for monitoring hazardous waste management generated by plantation/mill operations
- c. There is no inspection/monitoring of hazardous waste stock contained in afdeling/mill and in LB3 TPS

Correction *(filled by organization audited):*

- a. Returning hazardous waste from plantation/mill operational activities to the temporary hazardous waste
- b. Disseminating the management of hazardous waste to employees who deal directly with hazardous waste
- c. Conduct inspection/monitoring of hazardous waste stock contained in afdeling/mill and at temporary hazardous waste
- d. Conduct evaluations to officers who have participated in the socialization of Hazardous Waste Management to measure the level of employee understanding

Corrective Action *(filled by organization audited):*

- a. Conduct an evaluation to officers who have socialized Hazardous Waste management to measure the level of employee understanding
- b. Monitor the implementation of Hazardous waste management in afdeling/mill and temporary hazardous waste
- c. Establish PIC who is responsible for monitoring temporary hazardous waste management generated by plantation operations
- d. Issued SE as a form of commitment to the management of hazardous packaging produced by the plantation/mill

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification 24 September 2019
 The company has shown evidence of improvements including:

- Evidence of Hazardous Management Dissemination, PPE Replacement Mechanism and Implementation of Khemis Officer Work Instructions on September 9, 2019 attended by the Estate Unit Manager, Head of Plant Service, Plant Assistant, Assistant for general human resources and security, supervisor, krani, worker and Document Control Officer. The socialization was attended by 49 people.
- Recapitulation Form for the Evaluation of Waste Management Socialization, PPE Mechanisms and the implementation of the Dolok Ilir Chemical officer on September 10, 2019 to 33 maintenance workers, maintenance foremen and foreman 1.
- Decree of Manager of Dolok Ilir Estate Unit No DOI/SK/IX/2019 dated September 13, 2019 concerning the Appointment of Special Officer Monitoring Management of Hazardous at Dolok Ilir Estate to 9 worker.
- Letter No. KBN DOI / SE / 58A / IX / 2019 dated 10 September 2019 concerning Return of Used Chemical Packaging with the contents as follows:
 - Using AU58 signed by the Local Assistant
 - Packaging of used chemicals must be returned to temporary hazardous waste warehouse
 - If hazardous packaging is not returned to temporary hazardous waste warehouse then Afdeling cannot take it back with chemicals needed such as fertilizers, pesticides etc.
 - Afdeling must make hazardous monitoring at least once a month.
- Minutes of the Dissemination of hazardous Management and Domestic Waste on September 11, 2019 which contained among others:
 - a) Used hazardous packaging that has been used up may not be stored or disposed of anywhere
 - b) Used hazardous packages that have been used up must be immediately returned to the temporary hazardous waste warehouse with permission no later than 1 week after use
 - c) hazardous packaging may not be used for other purposes
 - d) Management of hazardous waste is a necessity that must be done in the Dolok Ilir Estate/Mill
 - e) hazardous management is a series of activities including the reduction, storage, collection, transportation, utilization, processing and stockpiling of hazardous
 - f) Warehouse Officer must ensure the completeness of supporting facilities and infrastructure for temporary hazardous waste warehouse such as PPE, hazardous Waste Label, danger symbol and Light Fire Extinguisher (APAR).
 - g) hazardous waste must be packaged in a container containing symbols and labels that indicate the characteristics and type of hazardous waste in accordance with the laws and regulations regarding hazardous waste packaging and labeling procedures.
 - h) Domestic waste must be separated between organic and inorganic waste.
Organic and inorganic waste is collected separately in each container
Do not burn domestic waste
 - Photo Documentation of socialization of hazardous waste and domestic waste
 - Based on the results of the field visit to temporary hazardous waste warehouse Dolok Ilir Estate and Laras Estate, the actual recording of pesticides was carried out in the Logbook / Waste Balance Book and monitoring was carried out by the relevant PIC. The amount of hazardous waste is in accordance with the recording and use of chemicals.

Based on the results of the field visit and verification of the improvement documents that have been given, the non-conformity No. 2019.04 has been declared fulfilled.

Verified by : **Satria Adi Putra**

NCR No.	:	2019.05	Issued by	:	Haikal R Kharismansyah
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<i>Date Issued</i>	:	06 September 2019	<i>Time Limit</i>	:	05 December 2019
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	24 September 2019
<i>Standard Ref. & Requirement</i>	:	4.7.1 A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.			
Evidence observed (filled by auditor): <ul style="list-style-type: none">- One of the work safety and health plans carried out by the company is to conduct periodic medical checkup for high-risk workers- The company has shown the results of periodic medical checkup for the Dolok Ilir Business Unit (Mill and Estate) and the Laras Business Unit for the period 2018- The results of the Audiometry test at Dolok Ilir POM on July 31, 2019 conducted by the Medan Occupational Health and Safety Office revealed that there were 5 workers with NIHL (Noise-induced hearing loss) status. Based on the recommendations of the examination results stated that employees with NIHL status are upholding the doctor recommendations and rotating to places that are not exposed to noise - However, there has not been any follow up on the results of the medical checkup- A report on the health examination results of the Dolok Ilir Business Unit on January 2, 2019 carried out by PT Prima Medica Nusantara stated 7 people were slightly poisoned and were advised to avoid contact and re-examine. However, there has not been any follow up on the results of the medical checkup.- Report on the results of the Laras Business Unit Medical Checkup dated January 9, 2019 from PT Prima Medica Nusantara stated the following results:<ul style="list-style-type: none">• One person is moderate poisoning and recommended. Take a break from pesticide and re-check cholinesterase• One person is severely poisoned and recommended Rest from insecticide and double-check cholinesterase• One person suspects TB and is recommended to consult a doctor• Based on the list of pesticide handlers in July 2019, it is known that the names of the applicators are still registered as pesticide applicator• Has been shown the results of the MCU follow-up dated September 3, 2019 which was signed by a doctor PT Prima Medica Nusantara with the results of all healthy and fit to work as usual - Follow-up MCU conducted ± 9 months after the results of the first MCU					
Non-Conformance Description (filled by auditor): The company has not been fully consistent in implementing and monitoring the effectiveness of the established occupational safety and health plans					
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">a. Lack of understanding in following up the results of workers medical checkupb. The company does not yet have a mechanism / procedure for a complete health check that regulates starting from the identification of high risk workers, the type of health examination in accordance with the risk of work, the period of health inspection, the time to follow up on the results of the examination, the determination of the officer responsible starting from the implementation of the MCU, monitoring up to following up on the results of examinations or recommendations from company doctors.					
Correction (filled by organization audited): <ul style="list-style-type: none">a. Completing and shows Medical Checkup Procedures					

- b. Show evidence of follow-up from the doctor recommendation in the estate and mill business unit (Dolok Ilir and Laras)
- c. Show proof of follow-up doctor recommendations and rotate Dolok Ilir POM workers to a place that is not exposed to noise
- d. Appoint special officers responsible for monitoring medical checkup result

Corrective Action (filled by organization audited):

- a. Conduct socialization to HR officers about the medical checkup procedures and follow-up after the results of the medical checkup are released
- b. Conduct an evaluation of officers who have received health information dissemination procedures and follow-up after the results of the health examination are released
- c. Monitoring the implementation of health inspection procedures starting from the plan for the implementation of health checks to follow up the results / recommendations of doctors for further examination of employees

Assessor Evaluation and Conclusion (filled by auditor):

Verification on September 23, 2019

The company shows evidence of improvements in the form of:

- 1. Medical Checkup procedure of Dolok Ilir Business Unit No. DOI-SDMK-01 RSPO-ISPO document dated 10 September 2019
- 2. Monitoring the implementation of the health inspection for the Dolok Ilir business units in 2019 which includes the stages of the health examination, plans and realization, as well as evaluation and follow-up of the examination.
- 3. Letter Number DOI / RS. Lar / 04 / IX / 2019 dated September 6, 2019 regarding follow-up of general medical check-ups for 7 workers.
- 4. Results of medical check-up re-examination of Dolok Ilir Estate on 23 September 2019 for 7 people registered names with healthy results. Re-examination of cholinesterase has been carried out

However, there is no information regarding the evidence of improvement for the Laras Estate and Dolok Ilir POM. Based on the the root causes analysis, corrections, and corrective actions as well as evidence of corrections sent to the nonconformity stated as not yet fulfilled

Verification on September 24, 2019

The company provides additional evidence of improvements in the form of :

- 1. Medical Checkup Procedure of Laras Business Unit No. RSPO-ISPO LAR-SDMK-01 document dated 10 September 2019
- 2. Monitoring the implementation of the medical checkup for the Laras and Dolok Ilir business unit in 2019 which includes the stages of the health inspection, plans and realization, as well as evaluation and follow-up of the inspection
- 3. There is a decree number LAR / MU / Kpts / 07 / VII / 2019 about special officers responsible for monitoring the health inspection of the Laras Estate are the Assistant of General HR and Security, General HR Clerk, and Document Control
- 4. Memo Number: PKS DOI / 06 / IX / 2019 from the chief engineer about task shifts for 4 workers identified as having NIHL transferred to new stations with lower noise levels such as loading ramp operators, thresher operators and analysis officers.

Based on root cause analysis, the correction and corrective actions nonconformity are stated to have been fulfilled.

Verified by : **Haikal Ramadhan Kharismansyah**

<i>NCR No.</i>	: 2019.06	<i>Issued by</i>	: Haikal R Kharismansyah
<i>Date Issued</i>	: 06 September 2019	<i>Time Limit</i>	: 05 December 2019
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 24 September 2019
<i>Standard Ref. & Requirement</i>	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.		
Evidence observed (filled by auditor): 1. Based on the field observations found the following facts: <ul style="list-style-type: none"> • Blok 17G, Afdeling V Dolok Ilir Business Unit: The castration team shoes have been broken so the shoes used are personal procurement. • Chemical warehouse Laras Business Unit. Warehouse clerk shoes of the type of rubber boot and is a personal procurement • Sterilizer, kernel, and clarification operators in Dolok Ilir POM do not use ear protectors (interview results explained that earplugs / earmuffs have been provided by the company) • The clarification station operator uses personal procurement rubber boots and states that the company has provided safety shoes • Unloading, loading and transporting FFB contractor workers unload FFB on loading ramp not equipped with PPE (Only using sandals) • The engine room operator uses rubber boots with personal procurement (shoes that the company provides are safety shoes) <ul style="list-style-type: none"> - There is evidence of the handover of PPE shoes in Afdeling III, Dolok Ilir Business Unit which was last carried out in 2018. - There is a letter of request for replacement of shoes type PPE from the Afdeling III Harvesting foreman to the assistant division III Dolok Ilir Business Unit regarding the replacement of the Shoes - But there is no information on the distribution date. - Based on interviews with workers at the sterilizer, kernel, boiler, and clarification stations at Dolok Ilir POM revealed that the average age of safety shoes is 6 months. While the period of routine replacement is once a year, so that if the safety shoes are damaged before the replacement period, it will be bought personally. - There is evidence of handover of employee shoes for the Dolok Ilir POM for the year 2018, but there is no information on the date / month of distribution of the shoes. - Based on the results of the noise intensity test conducted by the Medan Occupational Health and Safety Center on 31 August 2018, it was 80.1 dB for a sterilizer; 89.1 dB for clarification, and 85.8 dB for kernel stations - Medan Health and Safety Center Recommendation states use earplug for noise <100dB and earmuff for noise> 100dB - Mill and Estate risk management forms have identified PPE that must be used in every job activities 2. Memo from Dolok Ilir Business Unit Manager Number: DOI / M-01-A / I / 2019 states that the PPE of the beggar is placed in the rinse room, the Work Equipment and the PPE of fertilization are placed in the Afdeling warehouse <ul style="list-style-type: none"> - Based on the field observation to the Afdeling 2 and Afdeling 5 rinse houses of the Dolok Ilir Business Unit and the results of interviews with the Laras Business Unit fertilizer workers, it was found that there was no special place for storing PPE fertilizer team 			

- Based on field observation to the afdeling 5 warehouse known there is no PPE of fertilizer team and the work tools stored in the warehouse whereas on the day of the visit there were no manuring activities.

Non-Conformance Description (filled by auditor):

1. The company has not been fully consistent in ensuring the Personal Protective Equipment (PPE) used by employees is in accordance with the results of hazard identification and risk analysis that have been determined and are available for all workers
2. The company has not been fully consistent in implementing the specified occupational health and safety program.

Root Cause Analysis (filled by organization audited):

- a. There is no monitoring of the use and condition of PPE in accordance with the identification of risks that have been made that are carried out on a scheduled basis each month
- b. There is no official assigned to monitor the use and condition of PPE and the implementation of OHS in the company's operational area

Correction (filled by organization audited):

- a. Providing PPE boots to the Afd 5 castration team in the dolok ilir business unit, Laras warehouse staff shoes, ear plugs for sterilizer workers, kernels and clarifications, safety shoes for clarification station workers and for engine room station workers
- b. Show proof of socialization to contractor workers who work in the loading ramp
- c. Show evidence of providing PPE shoes to workers in afd 3 dolok ilir business unit
- d. Show proof of the handover of APD in the Laras and Dolok Ilir Estate
- e. Completing the storage area of PPE chemis and fertilizing in the Laras and Dolok Ilir Estate
- f. Provide information on the use of PPE and PPE replacement mechanisms to workers in each section

Corrective Action (filled by organization audited):

- a. Conduct an evaluation of workers who have received socialization to determine the level of understanding of employees about PPE
- b. Monitor the use of PPE in accordance with the identification of risks set by the company on a weekly basis and evaluated every month
- c. Establish PIC which is responsible for monitoring the use and condition of workers PPE
- d. Make a Prohibition Memo to work and provide sanctions for employees who do not use PPE when working

Assessor Evaluation and Conclusion (filled by auditor):

Verification on September 23, 2019

The company shows evidence of improvements in the form of:

1. Daily monitoring of the completeness of PPE for the Laras Business Unit, Dolok Ilir Business Unit and Dolok Ilir POM
2. The socialization of PPE replacement mechanism and PPE storage instructions especially for chemical and fertilizer workers on September 9, 2019 which was attended by 36 people
3. Letter of appointment of the officer responsible for monitoring PPE Number: LAR / MU / KPTS / 06/2019 from the manager of the Laras Business Unit. The officer in charge is the selection team and all the foremen for each afdeling
4. Letter of appointment of the officer responsible for monitoring PPE Number: DOI / SK / 15 / IX / 2019 from the Dolok Ilir POM manager. The officers in charge are the General Human Resources and Security Clerks and the Central Warehouse Clerks

5. Recap of PPE granting for all workers given in August 2019
6. The results of field visits in Dolok Ilir POM especially in the part of the process from sorting and grading to processing workers have used the appropriate PPE. Likewise with contractor workers
7. There are examples of letters of reprimand to workers who are not disciplined in using PPE
8. There are examples of letters of submission for workers whose PPE are found to be damaged

Verification on September 24, 2019

Based on the field observation to the afdeling VIII, VI, IV, and III Dolok Ilir Business Unit and afdeling I-IV Laras Business unit were found to be a special place for storing work tools and PPE as well as the fertilizer team and spray team uniforms. The number of PPE has matched the number of workers registered as chemical applicators

Based on the root causes analysis, corrections, and corrective actions nonconformity are stated to have been fulfilled. The consistency of corrective actions and improvements that have been made will be observed again in the next assessment

Verified by : **Haikal Ramadhan Kharismansyah**

NCR No.	: 2019.07	Issued by	: Brigitta Prita
Date Issued	: 6 September 2019	Time Limit	: Recertification
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	5.1.3. Environmental monitoring plan documents and implementation reports are available as well as plans for improvement of the monitoring results if a discrepancy is found. This plan is reviewed at least every two years.		

Observed evidence:

- Environmental Impacts Assessment Revised for Dolok Ilir Mill and Plantation in accordance with the recommendations of the Pematang Raya Environmental Agency in Simalungun District number 213 / LINGHUP-2010 dated October 27, 2010. Types of monitored include:
 - Ambient air quality is located in Mill and Nagari Village Housing every 6 months.
 - Odor monitoring is located in Mill, Nagari Village Housing & Land Application Locations every 6 months.
 - Noise level monitoring is located in the steak boiler in accordance with environmental regulation No. 7 of 2007 every 6 months.
 - Surface water quality every 6 months is located in the Bah Apal River, Bah Apal River near the hydropower, and the Babolon River Dam before the hydropower tunnel.
- Environmental Evaluation Document (DELH) established by the Decree of the Environment Agency Simalungun No. 188.45 / 759 / Linghup / 2011 for *PT Perkebunan Nusantara IV* (Persero) - Laras Estate. The types monitored include:
 - Ambient air quality is located on the road around Laras Estate every 6 months.
 - Noise testing is located on the road from the Laras Estate to DOI MILL every 6 months,
 - Groundwater pollution is located in the plantation area and workshops every 6 months.
 - Surface water pollution is located in the estate area and workshops every 6 months.
- In the 2019 *RKL / RPL* implementation report, Mill & Dolok Ilir Estate and Laras Estate have not been listed on air quality testing (emissions and ambient), immovable source disturbance (Noise, Odor and Vibration), surface water quality, groundwater and surface water.
- Based on interviews with management representatives test results for the first semester of 2019 encountered problems due to parameters that have not been owned by the Laboratory so the test was postponed in August 2019. The results sampling was carried out on August 13, 2019 and received by the Laboratory on August 19,

2019 with an estimated testing of 20 work days (from 20 August to 13 September 2019).

Non-Conformance Description:

Based on the explanation above, the company has not been able to show evidence that all parameters of environmental impacts have been monitored in accordance with the Company *RKL / RPL* matrix (Dolok Ilir Mill, Dolok Ilir Estate and Laras Estate). This is a non-conformance No.2019.07 with the Minor category.

Root Cause Analysis (filled by organization audited):

There are administrative constraints for sampling Semester I of 2019.

Correction (filled by organization audited):

Testing of samples based on parameters for inclusion in the *RKL/RPL* Semester I of 2019.

Corrective Action (filled by organization audited):

Monitoring and coordinating with the Laboratory so that sample testing can be carried out on schedule.

Assessor Evaluation and Conclusion (filled by auditor):
Verification, October 4th, 2019.

The company shows a report on the implementation of *RKL / RPL* Semester I of 2019 Laras plantation units that have included the results of testing environmental parameters. However, the company has not yet shown *RKL/RPL* report for DOI unit.

Verified by

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<i>NCR No.</i>	: 2019.08	<i>Issued by</i>	: Brigitta Prita
<i>Date Issued</i>	: 5 September 2019	<i>Time Limit</i>	: Recertification
<i>NC Grade</i>	: Minor	<i>Date of Closing</i>	:
<i>Standard Ref. & Requirement</i>	: 5.3.3. A documented waste management plan to avoid or reduce pollution and its implementation shall be available.		
Observed evidence: Dolok Ilir Estate. <ul style="list-style-type: none">Field observations at landfill block AU 97 Afdeling III Dolok Ilir Estate, it is known that the location of landfill is 50 meters from Housing area.Procedure for managing domestic household waste number SPO 20 Revision 03 dated January 2, 2018 explained the distance of the landfill from the nearest workers / community housing at least 300 meters.Republic of Indonesia Government Regulation Number 81 of 2012 concerning management of household. The letter (e) is explained the distance from the settlement is more than 1 km. Considering leachate pollution, odor, the spread of disease vectors and social aspects.			
Dolor Ilir Mill <ul style="list-style-type: none">Field observations at schedule waste contained Nalco packs of 5 pieces.The company shows the hazardous waste logbook for the 2019 period of the Dolok Ilir unit with details:<ul style="list-style-type: none">1000 pieces of used sacks (August 22, 2019).25 packs of used pesticide (August 15, 2019).			

- 2 packs of used drums (August 14, 2019).

Non-Conformance Description (filled by auditor):

Based on the explanation above, it is known that:

3. The company has not been able to show that the distance of the landfill is in accordance with applicable regulations.
4. Nalco's packaging has not been recorded in the latest hazardous waste logbook.

Root Cause Analysis:

1. Lack of workers understanding of procedures for managing domestic or household waste
2. The warehouse clerk's negligence in recording the schedule waste logbook.

Correction:

1. Re-socialize to workers related the procedure for managing domestic or household waste
2. Making landfill in accordance with applicable procedures or regulations
3. To socialize the management of schedule waste to store keeper.
4. Record all schedule waste entered at the schedule waste storage.

Corrective Action (filled by organization audited):

1. Conduct an evaluation of the socialization of domestic waste management procedures to measure the understanding of workers participating.
2. Monitoring the implementation of domestic waste management on a scheduled basis.
3. Establish PIC who is responsible for monitoring domestic waste management.
4. Monitor the implementation of schedule waste management starting from inspection of the presence of schedule waste.
5. Establish the PIC responsible for monitoring schedule waste management.

Assessor Evaluation and Conclusion :

Verification September 24, 2019

The company has shown evidence of improvements including:

- Decree of the Manager of the Dolok Ilir Estate Unit No. DOI / SK / 79 / IX / 2019 dated 13 September 2019 concerning the Special Officer for Monitoring the Domestic Waste Management of the Dolok Ilir Estate Unit which stated that the appointment of 8 monitoring officers was foreman 1.
- Proof of Socialization on Domestic Waste Management on 11 September 2019 attended by 22 participants including the Assistant Head, Assistant Afdeling, Maintenance Foreman, maintenance workers and the wife of workers at Dolok Ilir Estate.
- Minutes of the Dissemination of Hazardous Waste Management and Domestic Waste on September 11, 2019 which contained among others:
 - a) Used hazardous packaging that has been used up may not be stored or disposed of anywhere
 - b) Used hazardous packages that have been used up must be immediately returned to the Temporary Hazardous Waste with permission no later than 1 week after use
 - c) hazardous packaging may not be used for other purposes
 - d) Management of hazardous waste is a necessity that must be done in the Dolok Ilir Estate/Mill
 - e) Hazardous waste management is a series of activities including the reduction, storage, collection, transportation, utilization, processing and stockpiling of hazardous waste
 - f) Warehouse Officer or Temporary Hazardous Waste must ensure the completeness of supporting facilities and infrastructure for Temporary Hazardous Waste such as PPE, hazardous waste Label, danger symbol and Light Fire Extinguisher (APAR).
 - g) Hazardous waste must be packaged in a container containing symbols and labels that indicate the

characteristics and type of hazardous waste in accordance with the laws and regulations regarding hazardous waste packaging and labeling procedures.

h) Domestic waste must be separated between organic and inorganic waste.

Organic and inorganic waste is collected separately in each container

Do not burn domestic waste

- Photo Documentation of socialization of hazardous waste and domestic waste
- Monitoring of Garbage Disposal Sites in Dolok Ilir Unit Housing for Final Waste Disposal Site in Afdeling 1-8. The condition monitoring elements such as the presence of the signboard, the position / distance from the nearest housing, the volume of the Final Waste Disposal Site and the description of the condition of the Final Waste Disposal Site.

Related to the above, there are still auditors' questions related to nonconformities, including:

- Is there a revision related to Household Domestic Waste Management Procedure number SPO 20 Revision 03 dated January 2, 2018 which explains the distance of the Final Waste Disposal Site from the nearest employee / community housing at least 300 meters? Has it referred to the Republic of Indonesia Government Regulation Number 81 of 2012 regarding the management of household and household-like waste?
- In the Monitoring Document identified that the distance of the Final Waste Disposal Site to the nearest housing is > 300 meters? How does the company ensure that the distances are in accordance with the Republic of Indonesia Government Regulation Number 81 of 2012?
- Has hazardous waste (example /: Nalco) been recorded?

Based on the corrected documents that have been given, **the non-conformity No.2019.08 has not been fulfilled.**

Verified by	:	Satria Adi Putra
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NCR No.	:	2019.09	Issued by	:	Trismadi N
Date Issued	:	06 September 2019	Time Limit	:	Re-certification
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.			
Evidence observed (filled by auditor): The CH has evaluated each of the Social Impact Management Plans as follows: Evaluation was carried out on November 22, 2018 in Dolok Ilir Estate. Involving external stakeholders from 16 surrounding villages and also in Laras Estate dated 8 July 2019 with involving stakeholders from 17 surrounding villages. There are several social impact that must be managed, for example: public facilities and social facilities; employment opportunities; business opportunities, scholarship for student; conflict with cattle ranchers, and replanting activities.					
Non-Conformance Description (filled by auditor):					

1. Evaluation of Social Impact Management and Monitoring Plan doesn't yet involve internal stakeholders such as employees, worker union, and gender committees. 2. Evaluation of Social Impact Management and Monitoring Plan has not been explained the issues on the mill.	
Root Cause Analysis (filled by organization audited):	
Correction (filled by organization audited):	
Corrective Action (filled by organization audited):	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

<i>NCR No.</i>	:	2019.10	<i>Issued by</i>	:	Haikal R Kharismansyah
<i>Date Issued</i>	:	06 September 2019	<i>Time Limit</i>	:	05 December 2019
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	20 November 2019
<i>Standard Ref. & Requirement</i>	:	6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.			
Evidence observed (filled by auditor):					
1. Based on the list of employees of PTPN4 Dolok Ilir POM, it is known that the composition of workers is permanent employees and honorary employee - In PTPN4 Board of Directors Decree Number 4.11 / kpts / 14 / I / 2019 states that temporary workers are given income equivalent to the income of employees of the IA / 0 group (basic salary + special allowance + value of worker supply) - According to the Decree of the Board of Directors, the basic salary of IA / 0 is IDR 1,842,722 with a special allowance of IDR 303,181 and a 15Kg rice supply (if cashed into IDR 142,500) - The Minimum Wage for Simalungun Regency as Decree of the Governor of North Sumatra Number 188.44 / 1495 / KPTS 2018 dated December 14, 2018 is Rp2,402,626.02 - The minimum wage referred to by the company as a result of an agreement with the plantation workers union and is known by the relevant offices to continue to use the North Sumatra Province Minimum Wage of 2,303,403.00 IDR - <i>Sampling of honorary wages for July 2019 shows the following results:</i> NIK 4022432 : Basic Salary 1,842,722 ldr + Special Allowance 303,181 ldr + Rice supply 142,500 ldr so the total amount is 2,288,403 ldr and the Net wages is 2,242,635 ldr after deducting BPJS TK from personal contributions So that the wages received by honorary employees are still below the stipulated Provincial Minimum Wages 2. - Based on the interviews with security guards Dolok Ilir it is known that the security team's working hours are divided into two shifts (6am - 6pm and 6pm - 6am) - Attachment to letter No.PAM-DOI / SPRINT / 78 / VIII / 2019 about the weekly assignment schedule informs 7 working days with 2 shifts (06.00 - 18.00 and 18.00 - 06.00)					

- There is a list of attendees at work in the security team for the period of July 2019 with the information that there is one day off every Sunday - The attendance list is contrary to the established schedule which states 7 working days with two shifts

Overtime calculations shown by the company

NIK : 038401010

Dated	Hour			Weekday	
	From	to	Sum	Firts Hour	After First Hour
1	1	3	2	1	1
2	1	3	2	1	1
3	1	3	2	1	1
4	1	3	2	1	1
5	1	3	2	1	1
6	1	3	2	1	1
7					
8	1	4	3	1	2
9	1	4	3	1	2
10	1	4	3	1	2
11	1	4	3	1	2
12	1	4	3	1	2
13	1	4	3	1	2
14					
15	1	2	1	1	0
16	1	2	1	1	0
17	1	2	1	1	0
18	1	2	1	1	0
			34	24	36
				Overtime paid	60

NIK : 038401010

Date	Working Hour	Overtime Hour	Overtime the First Hour	Overtime the Next Hour
			150%	200%
1	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
2	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
3	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
4	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
5	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
6	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
7				
8	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
9	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
10	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
11	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
12	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)

13	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
14				
15	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
16	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
17	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
18	18.00 – 06.00	02.00 - 06.00	1.5 (1 x 1.5)	6 (3 x 2)
		Sub total	24	96
		Total		120

Non-Conformance Description (filled by auditor):

Wages paid by companies have not been fully in accordance with work requirements and applicable labor conditions

Root Cause Analysis (filled by organization audited):

lack of understanding of the procedure for calculating and awarding Salaries, Overtime and Performance Incentives

Correction (filled by organization audited):

1. Resocialization the procedures for calculating and awarding Salaries, Overtime and Performance Incentives to the first clerk throughout the entire Section
2. Show evidence that wages provided by companies are in accordance with the terms and conditions of labor regulations

Corrective Action (filled by organization audited):

- a. Evaluate workers who have received information about the calculation and procedures for giving Salaries, Overtime and Performance Incentives a maximum of 1 month after the socialization to measure the understanding of participants' socialization
- b. Monitor salary, overtime and performance incentives by HR, General Affair and Security

Assessor Evaluation and Conclusion (filled by auditor):
Verification on September 23, 2019

- Based on the interview with the Head of Security and 3 security guards is known that the work schedule is 2 shifts with one day off (sunday) plus a national holiday. Officers who carry out guard on these days are from third parties
- The working hours for each shift are 06.00 - 18.00 for the first shift and 18.00 - 06.00 for the second shift
- There is a revision of the security schedule made by the Chief of Security. Work schedules and hours are in accordance with the results of the interview.
- There is a letter No. KBN / DOI / SE / Intr / 58B / IX / 2019 dated September 10, 2019 regarding security picket arrangements issued by the Dolok Ilir Unit Manager
- In the safeguard socialization schedule on September 12, 2019, it was stated that security overtime was given at least 60 hours a month and added with a level 1 incentive equivalent to 180 hours in accordance with the Directors Circular Number: 04.15 / SE / 07A / III / 2014 regarding the application of attendance incentives for employees IA-IID Business Unit group
- The company showed a memorandum of understanding regarding the increase in salaries for employees of the IA-Ild group and the PTPNIV Corporate Honorary Company unit of the dolok ilir plantation unit was 2,403,573 Idr The decision takes effect on January 1, 2019

Verification on September 24, 2019

The company reiterated a memorandum of understanding on September 24 regarding the increase in salaries for employees of the IA - Ild and Honorary Group of PTPNIV. In addition there is no evidence of payment of wages for:

1. Honorary workers for the September 2019 payment period

2. Security Guard Team for the payment period September 2019

- Please confirm the wage component for honorary workers.
- Please indicate the SE again on incentive number: 04.15 / SE / 07A / III / 2014
- Please ensure that the wages referred to by the UMP or UMK; the validity period of the stipulation; and for which workers the wage is determined
- Please indicate the determination of the rupiah value of the rice supply for temporary workers

Based on the corrected documents that have been provided, the non-conformity No.2019.10 has not been fulfilled.

Verification on November 12, 2019

The company shows additional evidence of improvements in the form of:

- Letter No: DOI / 04.11 / 107A / X / 2019 dated October 3, 2019 from the Dolok Ilir Estate Manager regarding the salary component of honorary staff by adjusting the value of the rice supply from 9,500 ldr / Kg to 10,500 ldr / Kg.
- Memo Number 04.11 / KOL / M / 2271 / X / 2019 concerning the supply of honorarium dated October 1, 2019 to 10,500 ldr. The letter was made by the Head of Human Resources
- October salary payroll of Honorary employees whose rice supply value has been adjusted to 157,500 ldr / employee salaries or 10,500 ldr / Kg
- Thus the wages of temporary workers who previously had a difference with the Provincial Minimum Wage had become in accordance with the Provincial Minimum wage

Proof of improvement regarding the difference in payment of honorary employees has been accepted. But the discrepancy could not be declared fulfilled because there was no additional information for the security team's wages.

- As verified on September 24th, please show the payment of the security team's wages for the September or October period (complete with picket schedule / work shift) and details of the number of overtime hours concerned. As a sample to show work schedules and overtime hours for NIK employees: 038401010 for this period
- Please show the Board of Directors Circular number: 04.15 / SE / 07A / III / 2014 regarding the application of attendance incentives for IA-IID employees

Verification on November 19, 2019

The company has provided additional evidence of improvements in the form of:

1. List of security team present for the period October 2019
2. Schedule of security guards weekly which is known in the schedule of division of security work team is 3 shifts (06.30 - 14.30; 14.30 - 22.30; and 22.30 - 06.30)
3. The schedule is known to have 1 day off in 1 working week
4. There is a simulation of overtime security for example NIK 4003179 IB / 4 group. In the period of October 2019, overtime 24 times with total overtime paid was 70 hours. Indeed, the overtime list does not take into account short days but has been accommodated in the provision of additional attendance incentives according to the group whose value is approximately equivalent to 115 hours of overtime
5. Board of Directors Circular number: 04.15 / SE / 07A / III / 2014 regarding the application of attendance incentives for IA-IID employees including stating that for IB / 4 groups the incentive value is 1,531,288 ldr
6. The company attaches a security payroll payroll period for October 2019. Details of employee wages with NIK 4003179. Overtime wages received are 926,238 ldr (in accordance with overtime details). While the other wage components are in accordance with the wage system and are not lower when compared to the North Sumatera Provincial Minimum Wage

Based on the description above the non-conformity is stated to have been fulfilled.

Verified by	: Haikal Ramadhan Kharismansyah
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NCR No.	: 2019.11	Issued by	: Trismadi N
Date Issued	: 06 September 2019	Time Limit	: 05 December 2019
NC Grade	: Major	Date of Closing	: 01 October 2019
Standard Ref. & Requirement	General chain of custody requirements for the supply chain 5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. • Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. • Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. • Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 		

Evidence observed (filled by auditor):

Dolak Ilir POM was show some tansaction record on the palm trace period of September 2018 till August 2019 as follows:

Product	Shipping Announcement (MT)	Remove (MT)	Credit Allocations (MT)
CSPO	3,000	-	7,000
CSPK	4,185.15	-	-

While based on CSPO and CSPK recapitulation data on the Dolok Ilir POM, as follows:

Product	Sales as RSPO Product (MT)	Sales as Conventional (MT)
CSPO	4,000	22,400.13
CSPK	4,145.09	34.91

Non-Conformance Description (filled by auditor):

Based on above data sighted that the all CSPO and CSPK sales as conventional has not been register as remove or credit allocation on the palm trace.

Root Cause Analysis (filled by organization audited):

There is no coordination between the PIC who responsible for monitoring in Dolok Ilir POM with strategic planning, and marketing of PT Kantor Pemasaran Bersama Nusantara in the updated transaction process in the Palm Trace

(removed stock).

Correction (filled by organization audited):

- Removing the CSPO and CSPK quotas in the Palm Trace in accordance to the certified products that have been sold.
- Demonstrate basic guidelines and work instructions number 04.03/KS/SUS/P/001 dated 1 August 2018 concerning handling of certified products.

Corrective Action (filled by organization audited):

- Socializing SCCS standards to the related parties about RSPO IT Platform/Palm Trace.
- Chief Engineer Dolok Ilir POM will coordinated with the strategic planning, marketing of PT Kantor Pemasaran Bersama Nusantara to carry out Announcement and Remove. If there were shipments of Certified product in accordance to guidelines and work instructions number 04.03/KS/SUS/P/001.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on 1 October 2019

The Dolok Ilir POM was shown several evidence, such as:

1. Work instructions number 04.03/KS/SUS/P/001 dated 1 August 2018 (Rev 1 May 2019) concerning handling of certified products, point 7.3. discuss of CSPO and CSPK handling in the form of stock monitoring, shipping announcement, recording and reporting.
2. Minute of meeting socialization of work instructions number 04.03/KS/SUS/P/001 dated 1 August 2018 concerning handling of certified products by Head of Processing Division and Strategic Planning Division staff were attended by nine participants.
3. Volume Sold/Removed Stock CSPO: 19,761 MT and Volume Sold/Removed Stock CSPK 5,947 MT (remaining volume: 0).
4. SCCS monitoring period of 1 September 2018 to 31 August 2019, as follows:

Product	Certified	Non Certified
FFB	123,215.25	16,924.76
CPO	26,408.28	3,168.38
PK	4,371.56	551.83

5. CSPO and CSPK sales monitoring period of 1 September 2018 to 31 August 2019, as follows:

Product	Sales as RSPO Product (MT)	Sold as conventional/removed (MT)
CSPO	4,000	22,400.13
CSPK	4,185.15	34.91

Conclusions:

Based on above explanations, this nonconformity has been closed.

Verified by : **Trismadi N**

3.5.3. Opportunity for Improvement

No	Ref. Std.	Description Deskripsi
1	4.4.2.	Ensuring that the river border is not applied by chemicals.
2	4.4.3.	Ensuring that the liquid waste water flowmeter is functioning properly.
3	4.4.4.	Ensure that the flowrate water flow meter for the treatment process is functioning properly.
4	4.8.1	<p>Based on the results of document review and interviews, it is known that the company cooperates with several contractors, for example for plant maintenance activities, security activities, and FFB transport activities. An example of a record of socialization can be shown to the contractor, such as the socialization of the principles of the Implementation of the Plantation Management System on April 22, 2019 to approximately 5 contractors, including the introduction of HCV and company policies. However, the company does not yet have a "Training Need Analysis" plan (especially related to the RSPO aspect) for contractor workers as "Training Need Analysis" is prepared for employees themselves.</p> <p>Thus the company has the opportunity to be able to ensure that the "Training Need Analysis" plan that will be made next has included training plans for contractor workers</p>
5	4.5.1.	The company has the opportunity to increase the planting of useful plants (Beneficial Plant).
6	6.1.3.	The Business Unit considers implementing negative impact management from replanting activities in accordance with the program that has been prepared.

3.5.4. Noteworthy Positive Components

No	Ref. Std.	Description Deskripsi
1	-	Cooperation and communication during the audit

3.6 Summary of Arising Issues from Public and Auditor Verification

Issues stakeholders	Auditor responses
<p>CV Indo Karya (FFB transport vehicle for Afdeling III & IV).</p> <p>Cooperation between the company and the contractor has been established since 2005 until now. Cooperation contract for 3 months. The contractor is from Pematang Siantar, 5 units of vehicle with 5 drivers. CLA is held by the contractor and PTPN IV - Laras Estate and the contractor. Payments to contractors are made every month on the 25th of each month.</p> <p>Workers have registered Employment insurance by the Contractor, PPE is given free of charge by the contractor and given once a year. Payments to workers are based on daily tonnage. The company has carried out information on PPE, OSH and code of ethics policies.</p>	<p>The company empowers local communities.</p>
<p>CV Ardan Sirait Jaya (FFB Transport vehicle for EFB in Dolok Ilir Estate).</p> <p>Cooperation between the company and the contractor since March 2019. A work agreement for 6 months. The work done is the lease of dump trucks for EFB. The number of vehicles is 8 units with 8 drivers. The company has made regular payments to the contractor every month. There is a letter of agreement between the contractor and the workers kept by the contractor. Payment is made by transfer to workers there are 3 days and there are 7 working days in accordance with workers request.</p> <p>Payments are made in tonnage of work for each workers. For 4-5 trips of 7 tonnages. Business hours are from 7.30-17.00 WIB. Last month the employee worked for 26 working days. Payment is made by transfer to the employee (Evidence of documentation via What's up). PPE is provided by the contractor.</p> <p>The company has carried out information on PPE, OSH and code of ethics policies.</p>	<p>The company empowers local communities.</p> <p>The company has been paid payment for contractors routinely.</p>
<p>Gender committee of Dolor Ilir and Laras Estate.</p> <p>The socialization of the policy on handling sexual harassment has been conveyed to workers during recess or if there is a study activity. Reproductive policy socialization has been conveyed to workers on H1 leave obtained for female workers in both the field and office units. H₂ leave is obtained 1½ before and after give birth. Gender committee activities programs are available such as <i>posyandu</i> activities, environmental hygiene and others.</p> <p>The anonymity reporting mechanism is conveyed to the gender committee representative or chairperson then resolved internally. During the period 2018/2019 the DOI unit had never been reported related to sexual harassment. As for the Laras unit, there have been</p>	<p>The company has implemented criterion 6.9 regarding handling sexual harassment.</p>

reports related to household problems, this matter was resolved to the court level.	
Labor union of Dolok Ilir and Laras Estate. Structure of labor union for 2019-2024, the total membership of Laras estate is 650 workers with 12 management. CLA is still valid for 2018-2019. The election of labor union chairperson is done by voting by the members. All workers have been registered as members of labor union both in the Laras and Dolok Ilir estate. So far there has never been a complaint report from <i>SP BUN</i> members related to a cooperative relationship with the company. Contributions are paid every month as much as IDR 3000. All workers have registered insurance Health and Labor. PPE has been provided by the Company.	There is no issues related labor union. The company has been implemented criterion 6.6.
Manpower Agency, Simalungun Regent <ul style="list-style-type: none"> • Compulsory report have been submitted for regular basis • Company has implemented local workers utilization for operational activities • There is no issues regarding under age workers, financial penalties and unfair contracts. • Workers wages has been paid based on minimum wage standard • There is no issues related to discrimination and force labor. 	There is no negative issues from the government agency. CH has demonstrated compliance with the RSPO criteria 2.1, 4.7, 6.3, 6.5, 6.6, 6.7, 6.11 and 6.12
Plantation Agency, Simalungun Regent <ul style="list-style-type: none"> • Compulsory report have been submitted for regular basis • During 2017-2018 there is no landfire incident • There is no issues for land conflict with commEstateies • There's no smallholder scheme on the company operational area. • Company use registered pesticide. 	This is in accordance with the explanation in indicators 2.1, 2.2, 6.11
National Land Agency, Simalungun Regent <ul style="list-style-type: none"> • The relevant staff is not in office during public consultation 	-
Environmental Agency, Simalungun Regent <ul style="list-style-type: none"> • Company has permit regarding environmental for examples : toxic & hazardous waste storage permit, environmental permit, mill effluent disposal permit, and etc • Compulsory report has been submitted for regular basis • There is no issues regarding landfires during 2017-2018 • There is no issues regarding pollution caused by company 	There is no negative issues from the government agency. CH has demonstrated compliance with the RSPO criteria 2.1, 4.4, 4.6, 5.1, 5.3 and 5.5
Gender Committee member <ul style="list-style-type: none"> • Routine Gender Committe meetings are conducted regularly • There has never been harassment for women in the company's area • Pregnancy checks are carried out every month at the estate clinic 	Has been verified on indicators 6.9.1.

<ul style="list-style-type: none"> • Female workers get full rights in the form of menstruation leave and maternity leave • Female workers have received socialization related to halrides • All spray team workers are permanent employees • Employee complaints convey to direct superiors or through Gender Committee members 	
<p>Chairperson of SP-BUN)</p> <ul style="list-style-type: none"> • There is only one labor union for all PT PN IV • Regular union meetings are held regularly • Up to now there have been no work relationship disputes between employees and companies • The mechanism for submitting complaints is submitted periodically to the company • The business code of ethics has been socialized to the level of workers • Assessment of the increase in working class is carried out transparently • The company has a joint labor agreement that has just been approved by the relevant agency 	<p>Has been verified on indicators 6.5, .6.6, .6.7, 6.8, 6.9, 6.12 and 6.13 (related to worker welfare)</p>
<p>Village Of Dolok Mainu, Kahean and Silau Bayu</p> <ul style="list-style-type: none"> • There were no reports from the community related to land / land disputes but based on information from the Mainu Village officers stating that there was still a land dispute between Kedai damar Village Community and PTPN IV (Unit Pabatu). • The community has understood the boundaries of PTPN IV (Pabatu) land ownership With the boundary of a trench and boundaries pole. • There are no reports from communities related to environmental pollution caused by plantation and POM including the impact of replanting. • Request information/complaints always responded by the company well and quickly. • There are no reports of community members related to the practice of intimidation by the company to the public. • The Company has undertaken social activities in the form of providing health facilities, improving public facilities but not yet knowing the overall social program that will be conducted by CH every year. Social activities on request (Proposal) of local residents. • there is a land dispute / land claim between PTPN IV Unit Laras and Unit Dolok Ilir wit the parties around the plantation area. In Dolok Ilir the land dispute are 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, but in 2017 Jumadi through Cooperative of Tani Karya Mandiri reclaimed again to that's area. The settlement process about this claim currently in court. 	<p>There is no negative issues from villager CH has demonstrated compliance with the RSPO criteria 2.1, 2.2; 2.3 and 2.3</p>

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|--|--|
| <ul style="list-style-type: none">• In laras Estate there is a land claim from people from Nagori Jaya Village (Cooperative Mekar Jaya) in Laras Estate Covering 131 Ha and has been resolved by field review involving the parties including the government agency. | |
|--|--|

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>PT Perkebunan Nusantara IV, Dolok Ilir Vice President Strategic Planning</p>  <p><u>Khayamudi Panjaitan</u> Wednesday, 20 November 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Trismadi Nurbayuto</u> Wednesday, 20 November 2019</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	Manpower Agency	Simalungun District	-	Consultation Public	3 September 2019	√	-
2	Plantation Agency	Simalungun District	-	Consultation Public	3 September 2019	√	-
3	National Land Agency	Simalungun District	-	Consultation Public	3 September 2019	√	-
4	Environmental Agency	Simalungun District	-	Consultation Public	3 September 2019	√	-
5	Aliansi Masyarakat Adat Nusantara	Indonesia	rumahaman@cbn.net.id	Questionnaire by Email	26 August 2019	-	√
6	Sawit Watch Indonesia	Indonesia	info@sawitwatch.or.id	Questionnaire by Email	26 August 2019	-	√
7	Wahana Lingkungan Hidup Indonesia	Indonesia	informasi@walhi.or.id ; info@walhi.or.id	Questionnaire by Email	26 August 2019	-	√
8	WWF	Indonesia	wwf-indonesia@wwf.or.id	Questionnaire by Email	26 August 2019	-	√
9	Gender Commite	Simalungun District	-	Interview	September 4, 2019	√	-
10	Labour union	Simalungun District	-	Interview	September 4, 2019	√	-
11	CV Indo Karya	Simalungun District	-	Interview	4 September 2019	√	-
12	CV Ardan Sirait Jaya	Simalungun District	-	Interview	4 September 2019	√	-
13	Labour union	Simalungun District	-	Interview	4 September 2019	√	-
14	Dolok Mainu Village, Kahean Village and Silau Bayu Village	Simalungun District	-	Interview	3 September 2019	√	-
15	Internal Stakeholder Dolok Ilir POM - 2 persons – grading workers - 1 person – sterilizer worker - 2 person – boiler operator	Simalungun District	-	Interview	3 – 5 September 2019	√	-

<ul style="list-style-type: none"> - 1 person – kernel operator - 1 person – land application operator - 1 person – effluent pond operator - 1 person – water threatment plan operator <p>Dolok Ilir Estate</p> <ul style="list-style-type: none"> - 3 persons - harvestman - 3 persons – foreman and pesticide applicators - 3 person - castration worker <p>Laras Estate</p> <ul style="list-style-type: none"> - 3 persons – Pesticide Aplicators - 4 persons – Fertilizer applicators - 1 person - pest and disease worker 						
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Appendix 2. Assessment Program

DATE	2 – 6 September 2019	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 2 September 2019		
06.45 – 09.05 09.30 – 12.00	<ul style="list-style-type: none"> CGK – KNO (Batik Air ID-6882) KNO – Dolok Ilir 	All Team
12.00 – 14.00	BREAK	All Team
14.00 – 15.00	Opening Meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	All Team
15.00 – 16.00	Document Review <ul style="list-style-type: none"> Review of previous (Initial assessment) findings Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Review of Partial Certification 	All Team
Tuesday, 3 September 2019		
08.00 - 12.00	<ul style="list-style-type: none"> Stakeholders consultation to related agencies in Simalungun Regency by phone Stakeholders consultation to Surrounding villages Field Observation to Laras Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) & HCV; Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect 	<ul style="list-style-type: none"> HRK TNB BRP BRP SAP SAP SAP
12.00 – 14.00	BREAK	All Team
14.00 – 17.00	Document Review & Field Observation Clarification	All Team
Wednesday, 4 September 2019		

DATE	2 – 6 September 2019	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 -12.00	Field Observation to Dolok Ilir Estate Aspect to be verified : <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries) & HCV; • Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) • Observation of Workers Facilities (Housing, School, Worship Place). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Occupational Health & Safety Aspect • Implementation of Employment Procedure and Mechanism Aspect • Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier 	<ul style="list-style-type: none"> • TNB • TNB • HRK • SAP • BRP
12.00 – 14.00	BREAK	All Team
14.00 -17.00	Field observation to Dolok Ilir Palm Oil Mill: <ul style="list-style-type: none"> • Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) • Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) • Implementation of Employment Procedure and Mechanism Aspect 	<ul style="list-style-type: none"> • TNB • SAP/BRP • HRK
Thursday, 5 September 2019		
08.00 - 12.00	Document Review <ul style="list-style-type: none"> • Review of previous (Initial assessment) findings • Verification of Basic Information Mill and Estate • Confirmation of Time Bound Plan • Review of Partial Certification 	All Team
12.00 – 14.00	BREAK	All Team
14.00 – 17.00	Document Review & Field Observation Clarification	All Team
Friday, 6 September 2019		
08.00 – 10.00	<ul style="list-style-type: none"> • CLOSING MEETING • Dolok Ilir – KNO • KNO – CGK (Garuda Indonesia – GA121) 	All Team
10.00 – 14.00		All Team
16.05 – 18.00		All Team