

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management Organisation : Sawit Langkat Palm Oil Mill subsidiary of PT Perkebunan Nusantara IV
 Plantation Name : PT Perkebunan Nusantara IV – Sawit Langkat Estate
 Location : Village of Banjaran, Sub District of Padang Tualang, District of Langkat, Province of Sumatera Utara, Indonesia.
 Certificate Code : **MUTU-RSPO/115**
 Date of Certificate Issue : 25 June 2018 Date of License Issue : 25 August 2019
 Date of Certificate Expiry : 24 June 2023 Date of License Expiry : 24 June 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1	20 to 24 May 2019	Leonada (<i>Lead Auditor</i>), Asystasha Aishah Silalahi, Hasiholan Sihombing, Briyogi Shadiwa	Taufik Margani	Ardiansyah
Major Verification	19 & 20 August 2019	Bayu Yogatama		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1	26 August 2019

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Figure 1. Location Map of Sawit Langkat POM

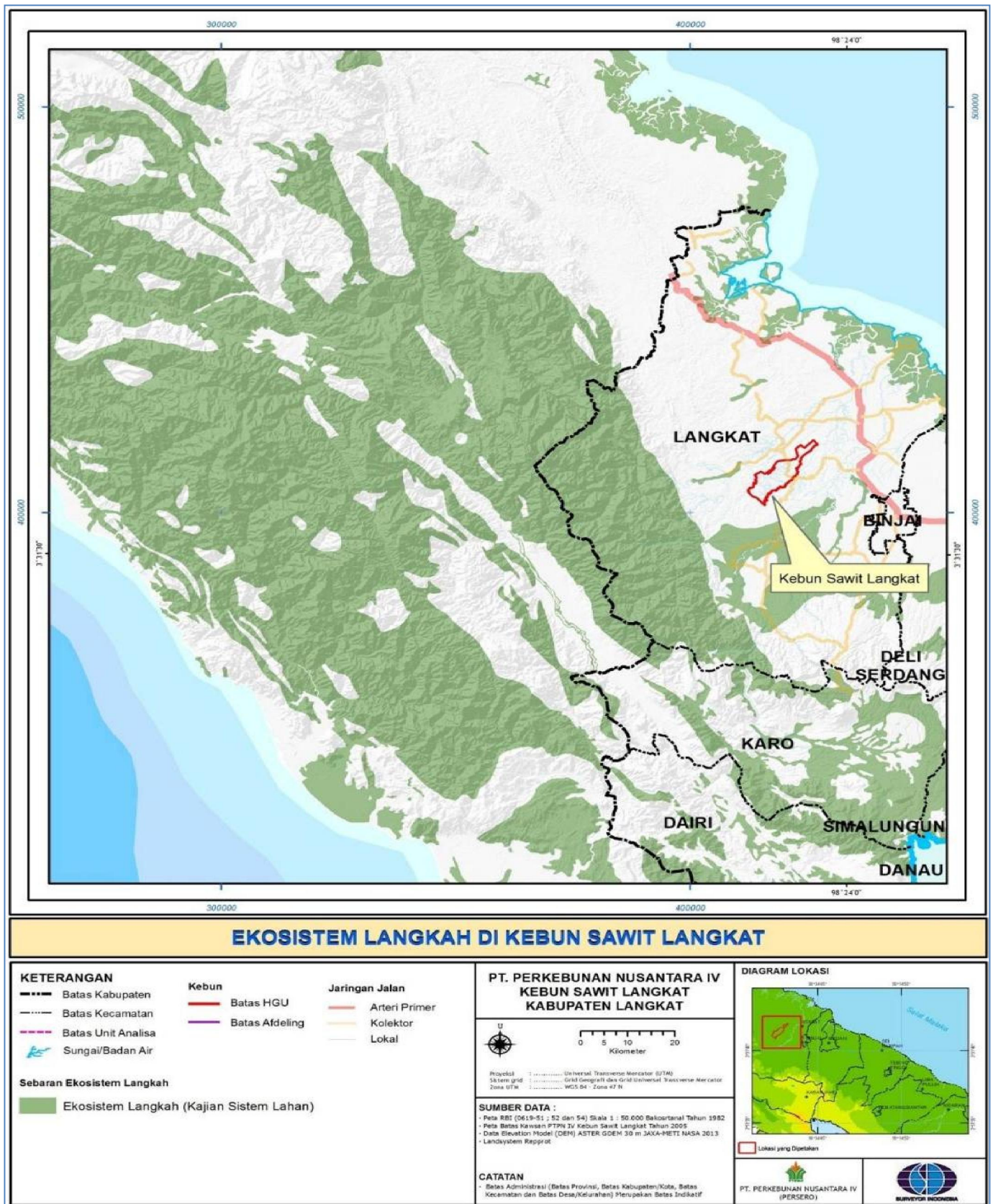
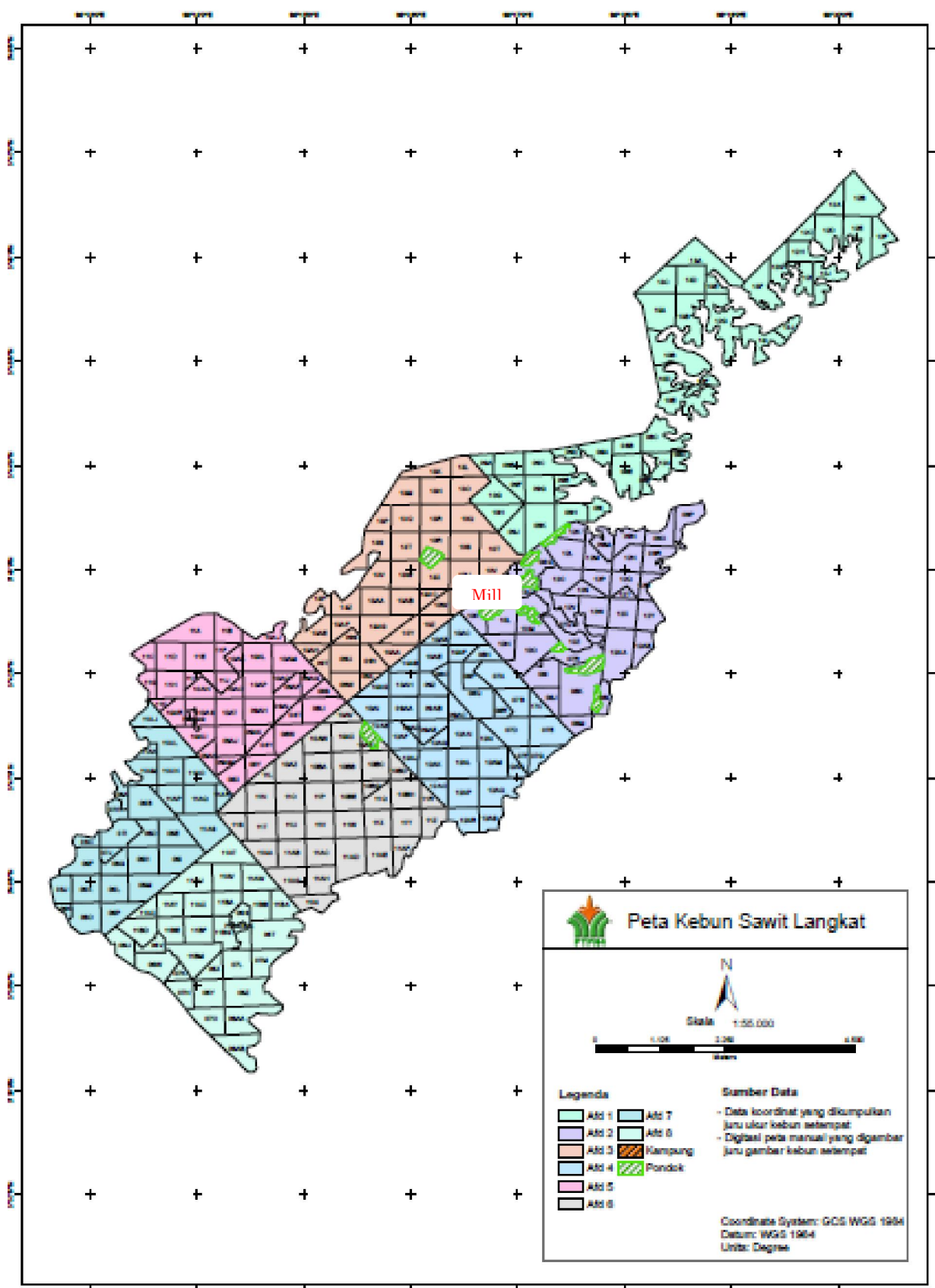


Figure 2. Operational Map of Sawit Langkat POM



Abbreviations Used

ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
BPJS	:	Badan Penyelenggara Jaminan Sosial / Social Security Agency
CB	:	Certification Body
COC	:	Conduct of Conduct
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Assesment
FFB	:	Fresh Fruit Bunch
FR	:	Frequency Rate
GHG	:	Green House Gass
GPS	:	Global Positioning System
HCV	:	High Conservation Value
HGU	:	Hak Guna Usaha (Land Use Permit)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Intergrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
IUP	:	Izin Usaha Perkebunan (Plantation Business Permit)
KER	:	Kernel Extraction Rate
LD50	:	Lethal Dosage 50
LPUP	:	Laporan Perkembangan Usaha Perkebunan (Plantation Business Report)
LSU	:	Leaf Sampling Unit
LTA	:	Lost Time Accident
MSDS	:	Material Safety Data Sheet
NC	:	Non Compliance
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OSH	:	Occupational Safety and Health
P2K3	:	Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Commitee
PIC	:	Person in Charge
PK	:	Palm Kernel
PKB	:	Perjanjian Kerja Bersama (Collective labor bargaining)
PKO	:	Palm Kernel Oil
PLN	:	Perusahaan Listrik Negara
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protection Equipment
PPKS	:	Pusat Penelitian Kelapa Sawit (Palm Oil Research Centre)

PTPN	:	<i>Perseroan Terbatas Perkebunan Nusantara</i>
RJP	:	<i>Rencana Jangka Panjang</i> (Long-Term Bussiness Plan)
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened or Endangered
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SOP	:	Standard Operational Procedures
SPBUN	:	<i>Serikat Pekerja Perkebunan</i> (worker union)
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
ST-2	:	Stage -2
Walhi	:	<i>Wahana Lingkungan Hidup</i>
WTP	:	Water Treatment Plant
WWF	:	World Wide Fund
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none">Indonesian National Interpretation of RSPO P&C 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO BoG 30th September 2016.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)RSPO Certification System for Principles and Criteria, 14 June 2017	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Perkebunan Nusantara IV	
1.2.2	Contact person	Dhanny Hermawan	
1.2.3	Organisation address and site address	Head Office: Jln Letjen Suprpto No.2, 20151, Medan, Sumatera Utara, Indonesia Representative offices submission of applications : Village of Banjaran, Sub-District of Padang Tualang, District of Langkat, Province 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	Khayamuddin Panjaitan	
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	Palm Oil Mill and supply base Sawit Langkat Mill ; Sawit Langkat 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
			LatitudeLongitude
	Sawit Langkat	Banjaran Raya Village, Padang Tualang Sub-District, Langkat District, Sumatera Utara Province, Indonesia.	N 03 ⁰ 42' 03" E 98 ⁰ 17' 38"
1.4.2	Location of Certification Scope of Supply Base		

	Name of Supply Base	Location	Coordinate				
			Latitude	Longitude			
	Sawit Langkat	Banjaran Raya Village, Padang Tualang Sub-District, Langkat District, Sumatera Utara Province, Indonesia.	N 03 ⁰ 42' 45"	E 98 ⁰ 17' 03"			
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		6,173.50 Ha				
	• Community		- Ha				
1.5.2	Area Statement						
	• Total area		6,173.50	Ha			
	• Planted area		5,548.88	Ha			
	• Emplishment (including Mill)		185.00	Ha			
	• Road, bridge, and trenches		352.33	Ha			
	• HCV		86.29	Ha			
	• Pond		1.00	Ha			
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Sawit Langkat Estate	Total				
	2006	585.00	585.00				
	2007	279.00	279.00				
	2008	424.00	424.00				
	2009	599.40	599.40				
	2010	1,047.48	1,047.48				
	2011	1,145.00	1,145.00				
	2012	850.00	850.00				
	2013	617.00	617.00				
	2016	2.00	2.00				
	TOTAL	5,548.88	5,548.88				
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		1 st 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 (%)
	Sawit Langkat	20	124,179.66	29,493	23.75	4,434	3.57
	<i>*Production data source from 12 months before assessment (May 2018 to April 2019)</i>						
1.7.2	Description of Certification Scope of Supply Base						

	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill		
						FFB (tonnes/year)	%	
	Sawit Langkat	6,173.50	5,548.88	118,621.04	21.39	118,621.04	100	
	TOTAL	6,173.50	5,548.88	118,621.04	21.39	118,621.04	100	
	<i>*Production data source from 12 months before assessment (May 2018 to April 2019)</i>							
1.7.3	FFB description from other source							
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill			
					FFB (tonnes/year)			
	Sawit Langkat (Uncertified area)	PTPN IV	-	118.5	868.96			
	CV Metro Mandiri Abadi	Independent Supplier	-	-	4,689.66			
	TOTAL					5,558.62		
	<i>*Source Production Data on 12 months before assessment (May 2018 to April 2019)</i>							
1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume** (MT)			
	FFB Processed		124,295		105,241.79			
	CPO Production		29,755*		25,110.34			
	Palm Kernel (PK) Production		4,605*		3,852.24			
	<i>*CSPO and CSPK extended volume approved on 26 May 2019 due to an additional production from certified product</i>							
	<i>**Data based on since certified period start from 25 June 2018 to 30 April 2019</i>							
1.8.2	Product selling							
	Type of selling product		Actual selling product for for last year (MT)					
	CSPO sold as RSPO certified product		3,500					
	CSPK sold as RSPO certified product		0					
	CSPO sold under other scheme		0					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		19,032					
	CSPK sold as conventional		3,764					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Sawit Langkat	6,173.50	5,548.88	125,000	22.54			
	TOTAL	6,173.50	5,548.88	125,000	22.54			
	<i>*Projected FFB production for 25 June 2019 to 24 June 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 (%)	
	Sawit Langkat	20	125,000	30,500	24.40	4,600	3.68	MB
	<i>*Projected CSPO and CSPK production for 25 June 2019 to 24 June 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 Plan	Location	Status
	MILL	Time Bound Plan				
	Pabatu	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified
		2018	KCP Pabatu	2018		Certified
	Dolok Ilir	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified
			Laras	2018	Simalungun, Sumatera Utara	Certified
	Pulu Raja	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified
	Adolina	2018	Adolina	2018	Serdang Bedagai and Deli Serdang, Sumatera Utara	Certified
	Bah Jambi	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Certified
			Marihat	2018	Simalungun, Sumatera Utara	Certified
			Bah Birung Ulu	2021	Simalungun, Sumatera Utara	ST-1
			Marjandi	2019	Simalungun, Sumatera Utara	Certified
			Marjandi HGU on process (30 Ha)	2021	Simalungun, Sumatera Utara	-
	Dolok Sinumbah	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified
			Dolok Sinumbah HGU on progress (35.94 Ha)	2021	Simalungun, Sumatera Utara	-
			Balimbangan	2018	Simalungun, Sumatera Utara	Certified
	Mayang	2018	Mayang	2019	Simalungun, Sumatera Utara	Certified
			Bukit Lima	2019	Simalungun, Sumatera Utara	-
	Gunung Bayu	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	IC
			Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	IC
Tinjowan	2018	Tinjowan	2018	Simalungun, Sumatera Utara	Certified	

			Aek Nauli	2018	Simalungun, Sumatera Utara	Certified
			Padang Matinggi	2018	Simalungun, Sumatera Utara	Certified
	Air Batu	2018	Air Batu	2018	Asahan, Sumatera Utara	Certified
			Air Batu HGU on progress (459.02 Ha)	2021	Asahan, Sumatera Utara	-
	Berangir	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified
					Berangir HGU on progress (10 Ha)	2021
	Sawit Langkat	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified
					Sawit Langkat HGU on progress (301.50 Ha)	2021
	Pasir Mandoge	2021	Pasir Mandoge	2021	Asahan, Sumatera Utara	ST-1
			Sei Kopas	2021	Asahan, Sumatera Utara	ST-1
			Tonduhan	2021	Simalungun, Sumatera Utara	ST-1
	Timur	2021	Timur	2021	Mandailing Natal, Sumatera Utara	-
			Balap	2021	Mandailing Natal, Sumatera Utara	-
	Ajamu	2019	Ajamu	2019	Labuhan Batu Utara, Sumatera Utara	IC
			Meranti Paham	2019	Labuhan Batu Utara, Sumatera Utara	IC
			Panai Jaya	2021	Labuhan Batu Utara, Sumatera Utara	-
	Sosa	2021	Sosa	2021	Padang Lawas, Sumatera Utara	-
PT Agro Sinergi Nusantara		PT Agro Sinergi Nusantara	2021	Aceh Barat, Aceh	-	
PT Sinergi Perkebunan Nusantara		PT Sinergi Perkebunan Nusantara	2021	Morowali Utara, Sulawesi	-	
Time bound plan April 2019, signed by head of plan and development department (Sustainability)						
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PTPN IV- Langkat does not have scheme smallholders.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1	<p>Leonada (Lead Auditor). Bachelor of Agricultural Cultivation Department of Agriculture, Faculty of Agriculture, Department of Plant Breeding and Seed Technology, Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and Sustainability in the company private Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, Lead Auditor ISO 9001; 2008, ISO 14001; 2005, Training Management Development Program Agronomy, training analysis base solution for operation, training integrated Pest Management (IPM), training Use of limited Pesticides, Training Management of Waste Pesticides and Fertilizers, training mediation and conflict resolution, general safety specialist training General specialist and Health and safety management system (SMK3) Auditor. During this audit, He conducted an assessment on Legal, SCCS and Social aspect.</p> <p>Asystasha Aishah Silalahi (Auditor). Indonesia citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, and several in house training related to environmental, BMP, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this assessment, she assigned to verify worker welfare and transparency.</p> <p>Hasihoan Sihombing (Auditor). Indonesian citizens. Bachelor of Agriculture, Department of Agriculture, Agronomy Study Program, Faculty of Agriculture. He has work experience as a Plantation Operations Staff for 7 (seven) years since 2009 in one of the private oil palm plantation companies in Indonesia. The training that has been attended is RSPO Auditor Training, ISPO Auditor Training, ISO 19011: 2011 Training, ISO 9001: 2015 Auditor Training, ISO 14001: 2015 Auditor Training, General K3 Expert Training, OHSAS 18001: 2007 Training, and ISO 17021 & 17065 Training. During this assessment, she assigned to verify best management practice and OHS.</p> <p>Briyogi Shadiwa (Auditor Trainee). Indonesian citizens. Diploma 3 of Oil Palm Plantation. He has 7 years working experience since 2009 as Agronomy Assistant and Agronomy Quality Control in several private oil palm plantation companies in Indonesia. The training has been followed include: ISPO Auditor Training by LPP, RSPO Lead Auditor Course by Checkmark Training, Lead auditor ISO 9001: 2015, Awareness SMK3, Lead Auditor ISO 14001: 2015, Awareness OHSAS 18001: 2007 and OHS Expert. During this audit, he assigned to verify environment, HCV and GHG under supervised by Leonada.</p>
Major Verification	<p>Bayu Yogatama (Auditor). Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, SA 8000, RSPO Lead Training, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1	<p>Number of auditors: 4 auditors.</p> <p>Number of days for ASA-1 at site: 5 days.</p> <p>Number of working days for ASA-1 at site: 20 Working days.</p>
Major Verification	<p>Number of auditors: 1 auditors.</p> <p>Number of days for Major Verification at site: 2 days.</p> <p>Number of working days for Major Verification at site: 2 Working days.</p>
2.2.2	Assessment Process

ASA-1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT PN IV – Sawit Langkat Unit Bussiness 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), RSPO P&C Certification System 2017 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 / E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ASA-1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.</p> <p>The assessment program please find Appendix 2</p>
2.2.3	Locations of Assessment
ASA-1	<p>Sawit Langkat Mill</p> <ul style="list-style-type: none"> • Security Pos. Observation and interview related to workers walfare, safety aspect and FFB received procedure. • Weighbridge. Observation and interview related to workers walfare, safety aspect and FFB received procedure. • Hydrant Simulation. Observation on readiness of fire fighter. • Waste Water Treatment Plant. Field observations and interviews with WWTP operators regarding waste water management. • Strorage of Temporary hazardous waste. Observation and interview with officer related hazardous waste, symbol-symbol, emergency responses and others. • Chemical storage. Observation and interview related condition of chemical storage. • Workshop. Observation and interview related OHS, activities, First aid, and others. • Water Treatment Plan. Observations and interviews with WTP operators on management in WTP area. • Shell Station. Observation and interview with officer related activities in shell station. • Fiber and Shell EFB. Observation regarding solid waste management. • Loading Ramp (2 workers). Observation and interview with sortation personel related to personel understanding over sortation procedure, the implementation of sortation, fruit criteria, fruit separation with ripeness and rawness criteria. • Engine Room Station (1 worker). Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. • Processing station (Sterilizer, Press, Kernel, Boiler). Observation mill condition and interview with worker about worker welfare, OSH implementation, training, and emergency response. <p>Sawit Langkat Estate</p> <ul style="list-style-type: none"> • Housing Division V and VIII. Observation and interview regarding management of domestic waste, quality and feasibility of employee welfare facilities and infrastructure such as water source, electricity, and others. • House of Rinse Division V and VIII. Observation related to hazardous waste management and spraying team failities. • Daycare Division V and VIII. Observation and interview related to daycare facilities and worker welfare. • Landfill Division V. Observation related to domestic waste management. • Block M12. Observation related to land application. • Block 12Y Division 2 (5 Pesticide Applicator). Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare. • Block 10L Division 2 (4 harvester). Observation and interview with harvester related fruit ripeness, safe working

	<p>practices and also worker welfare.</p> <ul style="list-style-type: none"> • Block 12AJ Division 4 (EFB Application – 7 fertilizer worker). Field observations on application of empty fruit bunch by fertilizer workers and interview with the worker related to the procedure, safety and health and also worker welfare. • Block 10AI Division 1 (Steep slope area – terrace area). Field observations on steep slope area and management strategy for plantings on that area. • HGU plocs No. 30 block 13A, No. 35 block 13F. Observation on boundaries poles, coordinates, maintenance, and demarcation. • HCV Area of Basilam riparian block 12AD. Observation of HCV management. • HCV Area of Titi Papan riparian block 09J. Observation of HCV management. • Enclave area (out of certification scope) block 09D, block 12AF. Observation of cultivate condition. <p>Surrounding Villages</p> <ul style="list-style-type: none"> • Basilam Bukit Lembahsa Village. Interview land issues, environment, social etc. • Kebun Balok Village. Interview land issues, environment, social etc.
Major Verification	<p>Sawit Langkat POM</p> <ul style="list-style-type: none"> • SCCS verification and interview with PIC • Processing Station. Observation and interview related to OHS implementation, medical surveillance and emergency facilities. <p>Sawit Langkat Estate</p> <ul style="list-style-type: none"> • Central Warehouse. Observation and check PPE stock • Block 10D Afdeling 1. Observation and interview with harvesters related to replacement PPE and OHS implementation.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Perkebunan Nusantara IV- Unit Business of Sawit langkat was held by:</p> <ol style="list-style-type: none"> 1. Public Notification website MUTU (www.mutucertification.com) on 18 April 2019. 2. Public consultation meeting with related agencies on 21 May 2019. 3. Public consultation meeting with Villages Surrounding Company Area on 21 May 2019. 4. Public consultation meeting with Local Contractor and Worker Union on 21 May 2019. 5. Public consultation to NGO by email has been sent on 13 May 2019. <p>Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara IV Unit Business of Sawit Langkat</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-2) will be determined one year after this ASA-1 (May 2019).

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Sawit Langkat POM – PT Perkebunan Nusantara IV that's operation consisting of one palm oil mill and one oil palm estates.

During the assessment, there were five (5) Nonconformities were assigned against Major Compliance Indicators; one (1) nonconformity against supply chain requirement for CPO mill, and three (3) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (*document record/photographic/etc...*). Those corrective action(s) taken that consist of 6 Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Sawit Langkat POM – PT Perkebunan Nusantara IV complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia – RSPO, April 2013 and Supply Chain Requirement for CPO Mill, November 2014, revised June 2017

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

Company has the latest of list of information that can be accessed by stakeholders, such as vision and mission, public financial report, CSR report, and other information that increase company's image. Based on interview with statutory bodies of Langkat Regency, it is known that they know what kind of document that can be accessed publicly. The document can be accessed directly from the unit if they ask. And also based on interview with statutory bodies of Langkat Regency and representative of Balok and Besilam Village, it is known that they understand how to communicate and consult with PTPN IV Sawit Langkat.

Company also reported mandatory report to related agencies, for example:

- Land Use Report of PTPN IV Sawit Langkat period of 2018 to Land National Agency of Langkat Regency on 14 May, 2019.
- Production and Development Plantation Report Period of 2nd Semester of 2018 to Plantation Agency of Langkat Regency on May 2019.
- And so on.

1.1.2

Mechanism for consultation is listed in Procedure of *Masa Simpan Permintaan Informasi dan Tanggapan* (No. SPO 06) dated 1 August 2017. The procedure explain that all the information request will be responded by company not more than 30 days after the incoming letter. The person in charge for communication and consultation is HR assistant.

The company has documented incoming letters from external stakeholders in *Buku Surat Masuk Pihak III*. The document records the date of the letter, letter number, the sender of the letter, subject matter, and follow-up. For example, the letter on 15 May 2019 from the Regional Revenue Agency of Langkat Regency is about paying taxes on the use of ground water and non-PLN street lighting. The company responds to the letter by directly paying taxes on May 21, 2019.

	Status: Comply
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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

Company has the latest of list of information that can be accessed by stakeholders, such as vision and mission, public financial report, CSR report, and other information that increase company's image. Public document also can be seen in notice board, such as company's vision and mission, public report, or company's website. Based on interview with representative of Basilam and Kebun Balok Village and related agencies of Langkat Regency, it is known that they are aware of public document and don't have difficulty to access it.

These documents are available in estate and mill office. Company also has monitoring and management report, such as OSH implementation report, report of environmental management and monitoring plan, land use report, and plantation activities report. These documents also can be accessed by public through the mechanism which has determined by the company.

	Status: Comply
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1.3

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

1.3.1

The company has a code of conduct that was signed by the Commissioner and President Director in November 2013. The code of conduct regulates conduct guidelines relating to conflicts of interest, bribery, political activities, drugs and gambling, business entertainment, gifts, souvenirs, donations, and disgraceful acts which constitute a prohibition for business actors.

This policy is available in Indonesian Language. Based on interview with worker in estate and mill, it is known that they understand about the ethical conduct of the company and has been socialized on March 2019. And also, based on interview with local contractor, company has socialized this policy whenever there is renewal work agreement and then

delivered to each contractor worker.

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

The Company has list of regulations of 2019 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. The company has shown the evidence of legal requirements compliance such as plantation bussines permit fom Regent of Langkat No. 525.26-17/K/2013 dated 14 June 2013 with covering 6.173,5 Ha and 20 ton FFB/hour capacity. The other compliances of regulations are regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government. Compliances of workers and OHS regulations are provided the minimum wage, company safety & occupational health, transporting and forklift operator etc

Based on interview with stakeholders such as government agencies and other stakeholders such as workers union and surrounding communities it is known that the company has comply the related regulations for example: has plantation business permit, land use right, no workers under age of 18, land application permit, hazardous waste storage permit, there is no environment issues etc.

2.1.2, 2.1.3, 2.1.4

Procedure of legal requirement which presented in document No. 04.01/KOL/P/034, dated 1 August 2018 mentioned that corporate legal officer, general and human resource assistant manager has responsibility to arranged and monitored legal related laws and/or regulation. The procedure mentioned that in order to monitor and update of laws and/or regulations, the corporate legal officer required to actively check and make coordination with Government Agencies or Institutions. Internal audit of regulations compliance are conducted annually as example on 19 January 2019. The internal audits have shown the company's compliance of legal requirements according to the list of regulations 2019.

Status: Comply

2.2

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

2.2.1

PTPN IV – Sawit Langkat has managed totaling area for about 6,475 Ha, which consist of 6,173.5 Ha as scope of certification and 301,5 Ha that out of certification scope and has planned to be certified in 2021 (describe at time bound plan on basic info 1.10.1). The plantation of sawit langkat is a former of dutch colonial era plantation, that has been nationalized by government decree No. 19 dated 2 May 1959. The company has obtained HGU since 1966 (HGU No. 1/HGU/66 dated 31 January 1966) and was extended in 2006 by decree of National Land Agency No. 16/HGU/BPN/2006 dated 22 August 2006 for 6.173,5 Ha valid through December 2041.

2.2.2

Procedure of legal boundary poles monitoring and maintenance is presented in document No.SPO 12.0 (Revision 2) dated 2 January 2015. Procedure describes the person in charge of the boundary poles, the action to be taken if the pole is damaged/lost and the monitoring period were performed every 6 months. On previous assessment (Stage 2) it was found Non compliance: Based on documents verifications there is 274 boundaries pole in Sawit Langkat Estate, however it has not yet to be demonstrated that the poles were installed in accordance with a license/concession (Nonconformity no. 2017.10 with Minor Category).

Based on verification on ASA-1, the companies still cannot show maps of HGU or HGU poles data with coordinates from the BPN. The HGU map shown also does not have information on the poles number according to the poles number in the field. From the results of field visits at the poles No. 30 and 35 are found that poles are in a well-maintained condition, but

it cannot be ascertained that the post position are in accordance with the position on the HGU because there is no coordinate information and there is no information on the poles number on the map. Based on this considerations, **the NC Minor on stage 2 cannot be closed and raised to Major in this ASA-1.**

2.2.3, 2.2.4, 2.2.5, 2.2.6

The Company has established the mechanism for conflict resolution and land dispute in the procedure No. SOP 04 rev 02 dated 2 January 2015. There was also available a policies explained in the Code of Conduct company that the company did not use force to maintain peace and order. Based on interview with communities and field observations, there were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area of PTPN IV – Sawit Langkat.

2.2.2	Status: Nonconformity no. 2017.10 with category of minor raised to major
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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

The company has procedure of land conflict management No.4 (revise 2) dated 2 January 2015, 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. Calculations of compensation carried out with reasonable prices in accordance with the taxable value and state of the areas. In procedure does not distinguish how to calculate compensation based on gender, transmigrator, local community or ethnic group.

The company has no new land acquisition and the plantation of sawit langkat is a former of dutch colonial era plantation, that has been nationalized by government decree No. 19 dated 2 May 1959 so there is no compensation carried out. Based on the interview with Communities (Basilam Bukit Lembahsa Village and Kebun Balok Village) are known that there are no indigenous rights or customary rights and there are no significant land conflicts. Based on interview with communities, it was also known that there was no land compensation carried out. But the communities has been informed by the company regarding FPIC and there is no use of the land for oil palm diminish the rights of communities.

Status: Comply

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

3.1

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

3.1.1

The company has documents on the long-term plan contained in the *Rencana Jangka Panjang* PT Perkebunan Nusantara IV Unit Sawit Langkat period 2020 - 2024 that explain about business plan and operational management which includes: area statement, projections for production, CPO, PK, Revenue CPO and PK, cost estates, mill costs, profit and loss, and net profit and loss.

Annual planning also evaluated at the end of year and compared with realization. It annual planning can be adjusted based on field condition, financial condition or another reason. Based on information from representative management (estate manager), the long-term plan has been planned well with top management (company directors) and sufficient or feasible as a management plan for achieving the long term economic and financial.

3.1.2

Until ASA-1, Sawit Langkat Estate does not have a detailed replanting plan because the oldest planting year was in 2006 (13 years old plant). Sawit Langkat Estate has carried out first replanting activities from 2006-2013. Plans for second replanting will be carried out after the age of the plant enters 1 cycle of oil palm plants (approximately 25 years old).

Status: Comply

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

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

The company has had procedures related to agronomy and processing. The agronomy procedures consist of nursery, land preparation, planting, planting legume cover crop, manual upkeep and chemical upkeep, soil and water conservation, manuring, pest and disease control, harvesting and FFB transportation. Procedures related to processing consist of FFB receiving, processing stations, to dispatch, laboratory and maintenance, as well as waster management. These procedures have been relevant and have covered all the operational aspects of existing plantations and factories. That SOP's is available on audit site (Estate and Mill office) and written in a language that is easily understandable for workers (written in Bahasa).

Interviews were conducted to harvesters, pesticides applicators, and manuring workers in Sawit Langkat Estate and also operators in Sawit Langkat Mill. Based on the results of interviews can be concluded that the workers understand the duties and responsibilities of their work in accordance with the applicable SOP.

The entire procedure both of plantation and mill has been included of safe working instruction, other than those described in the HIRAC document.

4.1.2 and 4.1.3

The company has conducted annually internal monitoring to ensure implementation of procedures. The monitoring conducted through annually operational internal audit by internal audit department and RSPO internal audit by sustainability department. The records of internal audit on 2018 has been documented. Non compliance records of internal audit has been corrected and verified by management.

Each unit has documented the operations of the estate and mill production such as daily reports, supervisor workbooks, etc. The field visit at the mill shows that the unit has been documenting the daily activities in a daily production report that documented by using computerized systems.

4.1.4

The certificate holder already has the RSPO Supply Chain Procedure (No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 April 2019) which regulates the acceptance of the FFB of third parties. Sawit Langkat Mill has record the origins of all third-party sourced FFB. The result of filed visit, document review and interview with the management, known that there are FFB's sourced from third party (CV Metro Mandiri Abadi). The detail can be seen at basic information of this report.

Status: Comply

4.2
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.
4.2.1 and 4.2.2

The company has procedure related to maintain soil fertility (No. Unit Usaha A.10 June 2013). The procedure regulates the basic of fertilization, soil and leaf analysis activities, organic and inorganic fertilization, and fertilization management. During the audit, there is no manuring activity related to stock of fertilizer not yet available in the warehouse. However based on document review, implementation of manuring activity has been well documented in book of manuring program. It shows that the dose, amount, and location has been in accordance with the recommendation.

The auditor conducted an interview with the fertilizer workers at Division 4 Sawit Langkat Estate. Fertilization is done manually by workers. Workers can also explain the fertilization procedure well, which is in accordance with the dosage determined based on the recommendations.

4.2.3

The company has routinely monitored the changes on the nutrient status based on the regular soil sampling unit (SSU) and leaf sampling unit analysis (LSU) to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by *Pusat Penelitian Kelapa Sawit (PPKS)* and it is supported by well-trained census

officer in each division. SSU is conducted every 5 year, meanwhile LSU is conducted annually. The last LSU result was issued on March 2018 and the last SSU result was issued on 2017. Visual observations performed every year at the time of leaf analysis activities. Visual observation is a consideration in determining the fertilizer recommendations, deficiency of nutrients and analyze the potential of disease which is likely to become endemic of a particular disease.

Result of soil and leaf analysis published recommendation on fertilizer doses to produce an optimal production of palm fruit. Principles of fertilization are giving treatment on the ground to produce the nutrients required by palm and generating optimal results.

This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

4.2.4

The company has a strategy of recycling nutrients, such as the use of the frond (pruning), application of effluent and EFB Mulching. It shows a recording of the EFB applications realization until April 2019 on Sawit Langkat Estate. Overall, the company has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited.

This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1 and 4.3.6

Sawit Langkat Estate has a map of soil type, geology, slopes with scale 1: 45.000. Based on the study of land type map and field verification, the entire area of the Estate is a mineral land. There was no peat soil in the operational area. There was no fragile or problematic soils such as sandy soil or soil with low organic matter content.

Auditor conducted field observations in the EFB application and POME application area and it can be concluded that the company has implemented a management strategy to optimize the potential of the land with the limiting factor.

4.3.2

The company has Slope Map of the PT Perkebunan Nusantara IV Sawit Langkat Estate, scale 1: 45,000 with topography legend. Based on the map, the topography area in the Sawit Langkat Estate is flat (38%); Surging (29%); Hilly (33%).

Based on SPO No. 01.4 Land Preparation and Preservation, the company has management strategies for planting in certain slope areas, such as:

- Making terraces, silt fit, and castles. In area with a slope of 20% - 40% is made individual terrace for 1 plant.
- At slope > 40° is not cleared land, tree felling, and planting.
- Terrace monitoring is done regularly to repair the damaged.
- Making drainage ditch in lowland, flat or flooded areas.
- In certain areas, i.e flat area or lowland below the road, it is made a long ditch.
- On a declining roadside, before arriving at the bridge, the drain must be drained sideways to allow water to flow into the river and not damage the foundations of the bridge.

Based on the field observation and explanation of assistant on the rather steep area at block 10AI Division 1, the management of the area such as making of contour terrace and putting fronds at the edge of terrace, conserving mixed weeds on the terrace wall (no spraying), and constructing drainage ditch in the lower area.

4.3.3

The company shows a road maintenance program for 2019 period. Sawit Langkat Estate have classified roads based on their conditions (good, medium and heavy). From these data the company made priority programs in road improvement. For example, the realization of road improvements in Sawit Langkat Estate has reached 9,475 meters on March 2019.

Based on field observations throughout the audit activities, it was concluded that the road conditions on Sawit Langkat Estate were in good condition and could be passed. This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

4.3.4 and 4.3.5

According to semi detail soil survey report, there is no peat indicated in all company operational area. Hence, no peat management that planned.

Status: Comply

4.4

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

4.4.1

Based on document verification and the results of field observation, it shows that there is no indication of peatland in the area of PTPN IV Sawit Langkat Bussiness Unit and in the Environmental Doc (2004): slope consists of flat (38%); bumpy (29%); hilly (33%). thus water management is only in the form of monitoring river water quality and river border management to avoid erosion. The water management plan is recorded in the RKL / RPL document as well as the HCV Identification Document, in the form of testing the Besilam River waters every six months or river border management.

The company has shown the Sawit Langkat Palm Water Resource Management Document set on January 2, 2019. The document informs about:

- Renewbility activities
- Water use efficiency
- Impact on the catchment area
- Access to drinking water.
- Identification of water sources used
- Avoid contamination of surface and ground water.

Water management plans are recorded on HCV Identification Documents, e.g riparian buffer zoe marking, regular river water testing (Besilam river), and water usage on Sawit Langkat Palm oil mill. Based on field visit during audit found that company have implemented terrace construction for hilly areas to minimize soil erotion and sedimentation that can be affected total suspender solids content on waterways.

4.4.2

Management for water courses, and riparian was done based on riparian management procedure (SPO-05) and HCV management procedures (SPO-08). Sawit Langkat estate have been identified water courses and wetland based on HCV Assessment .Sub watersheds on Sawit Langkat estates are Tenang & Besilam river. All of sub watersheds has been mapped and listed on HCV identification document.

Based on observation on Division II, it is known that the river / water flow boundary has been managed in accordance with the procedures that are owned:

- There is no chemical applications in river riparian
- There is boundary markers in river riparian

4.4.3

Field obsrvation on Sawit Langkat Mill shown that effluent pond are maintained well. All palm oil mill effluent are managed on waste water treatment plant before its distributed to estates as land application. Regarding this Sawit Langkat mill already have land application permit based on decree No. 660.3-03/K/2015 by Head of environmental agency of Langkat regency, valid until 2020. Mill effluent has been monitored every months and monitoring period Jan-Mar 2019 indicates

that all of effluent testing parameters is compliant to the standards quality, for example BOD on March 2019 was 244 mg/l. Mill Effluent management also was reported and submitted quarterly to environmental agency of Langkat Regency regularly.

4.4.4

Water usages monitoring for Sawit Langkat Mill are conducted daily and listed on monitoring of water usage for FFB process recorded on 2018/2019 budget projected 1.20-1.50 m³/MT FFB process. Evidence for water usage monitoring periodically are available and recorded, for example on April 2019 FFB processe was 10,729 mt, process water usage 12,569 m³, and water usage eficiency was 1.2 m³/mt FFB process. Field visit on Sawit Langkat mill water treatment plant found that flowmeter for water usage monitoring are served well.

Status: Comply

4.5

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

4.5.1

The activity budgeted on the program were consist of detection (global telling), census (effective telling) and monitoring of pests and disesases attack, biological control such as planting of beneficial plants. According to IPM activity records for 2018 until April 2019 such as program and realization of rat census, leaf eating caterpillar census, and ganoderma census, it could be concluded that all the census results were still under its economic threshold. There is no invasive species attack. This may lead to zero use of pesticides for pests and disesases control. It could be concluded that IPM techniques implemented by biological methods is effective to control pests and diseases, and also to minimize the use of chemicals. Furthermore, according to pesticides used record in 2018 until April 2019, agrochemical uses was only implemented for weeds control purposes.

Based on field observation on harvesting, spraying and manual weeding activities, it was concluded that there were no significant pest attacks. This is in accordance with the result of the census.

4.5.2

The company has records of the training implementation for workers who are involved in the implementation of integrated pest management, for example, Integrated Pest Management training on 8 March 2019 with the number of participants are 29 employees consisting of census operators, supervisors, and field assistants. Based on interview with the worker revealed that the worker understand the method of plant pest and diseases census or detection.

This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

Status: Comply

4.6

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

4.6.1

The company has SOP and work instruction on weeds management, the guidance covering about chosen, storage, application, contaminated handling, known about signs and symptoms of pesticides poison and first aid for poison case. To ensure pesticide used are in accordance with the target, company conducted identification the type of weed found in operational area. Based on field visits and interviews with 5 pesticide applicators in division 2 Sawit Langkat Estate, it was concluded that workers knew about the function of the chemical used and selective when doing the spraying activity, as for example for glyphosate material used to spray the circle and harvesting path only while the weeds in inter row not sprayed. The company used *Isopropil amina glyphosate Triclopyr* and *Metil metsulfuron* which have received permission from the government. Based on document verification and observation to pesticide storage, there is no prohibited chemicals use.

4.6.2

The company has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD₅₀, area treated, amount of active ingredients applied per Ha,

and total application. This document is constantly recorded and updated by Estate Sustainability Officer each month.

4.6.3

Sawit Langkat Estate has program to reduce the pesticide usage by replacing pesticides with biological controls such as using natural predators to control rat and planting the beneficial plant. Based on document review and field observation, several IPM program with biological approach that has been implemented such as rat control by *Tyto alba*, and leaf eater caterpillar by planting beneficial plant such as *Turnera subulata* and *Casia cobanensis*. Moreover, it has also conducted early detection routinely listed in the monthly report of early warning system. There is no prophylactic use. In 2018 until April 2019, the company does not use pesticide for pest control at all.

4.6.4

The Management Unit has the complete list of pesticides belonging to the WHO Class 1A or Class1B, or those listed in the Stockholm or Rotterdam Conventions and paraquat and also has Internal Circular Letter of the Unit Manager No. SAL/SE/Intrn/VIII/2018, dated 16 August 2018, regarding Paraquat Reduction Program. It was explained that the use of paraquat must be minimized and should only be used in extraordinary conditions, so for the Sawit Langkat Estate will implement program reduce the use of paraquat by prioritizing manual control and biological control. The company shows that the use of paraquat is only used for certain types of weeds, namely types of weed ferns (*Stenoclaena*).

The company shows the use of paraquat for the last 3 years, in 2016 as many as 2,300 liters; in 2017 as many as 2,210 liters; and in 2018 as many as 2,203 liters. From the usage data, there is a downward trend in the use of paraquat pesticides, although not too significant. However, in the period of 2019 to April, the use of paraquat was 645 liters and from checking the amount of stock in the warehouse, the paraquat pesticide had been used up. From the management's explanation, it is known that there are no more plans to procure pesticides for paraquat for the next.

This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

4.6.5; 4.6.7 and 4.6.9

The results of field observation in warehouse and interview with pesticide applicator in Division 2 Sawit Langkat Estate, it is known that the employees have been given regular training in safe work practices. This was evidenced by the employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse.

4.6.6

Procedure of hazardous waste management is presented in document No. 02 (Rev. 2) dated January 2nd 2015. Procedure mentioned that used pesticide containers could be labelled as hazardous materials, placed on the Hazardous Store and recorded to monitor time of placement. Later on the hazardous material (included used pesticide containers) to be delivered to the permitted hazardous collector namely PT Jagar Prima Nusantara. Based on observation to agrochemical (includes Pesticide) Store in Sawit Langkat Mill, it was found that pesticides were stored properly by adopting first in first out method, grouped into toxicity category, limited accessed and labelled in accordance with its hazardous properties. Used pesticide containers were labelled by estate management. Furthermore, based on observation to Afdeling V & VIII employees housing areas as well as interview with occupants, it was known that used pesticide containers were not be able to be reused for domestic household purposes.

4.6.8

Based on a review of documents and interviews with management staff, the company did not perform the application of pesticides from the air.

4.6.10

Field visit for examples on Division V and VIII found that agrochemicals containers are disposed in responsible way. Field visit on emplacement of Division V & VIII also found there is no indications that ex agrochemicals containers are used as flower pots or water containers. Based on document review and interview with management representative, shown all ex pesticide containers on estates are managed by regularly submitted to Sawit Langkat Mill temporary hazardous waste

store and hazardous waste disposal evidence for example manifest on March 26, 2019 were available and verified by auditors. Pesticides Applicator devices clean up area are located on each Afdeling, based on field visit on AFD V shown that used water from devices clean up were collected and then reused for next pesticides mixing. From the results of interviews with Hazardous Waste Storage personnel in the hazardous waste storage warehouse, workers were able to explain and demonstrate hazardous waste management, starting from receiving, storing, labeling to shipping.

4.6.11

Sawit Langkat Estate has list of pesticide operator based on latest data of April 2019 as many as 56 workers. Medical examination (cholinesterase) has been conducted on 21 October 2018 to all pesticides workers in Sawit Langkat Estate. The result of medical examination is informed to the workers and all pesticide operators are in a healthy condition (normal result). And also, based on interview with the workers, it is known that they are never get experience of occupational injury which caused by chemical such as irritation.

4.6.12

The company has a policy that prohibits pregnant and breast-feeding personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor breast-feeding female personnel who work with pesticide. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or breast-feeding.

Status: Comply

4.7

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

4.7.1

The company has a policy of occupational safety and health were written in Bahasa. The policy has been legalized and updated on 13 January 2014 by Unit Manager. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the management review to assess effectiveness.

Interviews were conducted to estate workers (harvester and pesticides applicator) and mill workers (boiler operator, engine room operator, kernel operator, etc). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

4.7.2

The company shown the document of hazard identification, risk assessment and risk control which issued on January 2019. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at workshop in Sawit Langkat Mill and agrochemical warehouse in Sawit Langkat Estate, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. But, the company need to improve the implementation of risk control on the condition of workers hanging on the trucks. **OFI**

4.7.3

Based on documents verification and interviews, it is known that all operators at Sawit Langkat Mill and Sawit Langkat Estate already have lisense such as boiler operators, lift carrier operators, welders and electrical technician. The management unit has had the training plan for workers exposed to high noise levels such as training of procedure, socialization of HIRAC and safety briefing before work.

The company has a PPE Replacement Mechanism in the Circular Letter (No: SAL/SE/52/III/2019), which explains when found damaged PPE, the administrative officer made the damage PPE reports and made a report on the request for new PPE replacement. Based on field observations and interviews with workers at the Sawit Langkat Mill and Sawit Langkat Estate, the facts of the field were found as follows:

- 2 workers at the sortation station, 1 worker at the press station, 1 worker at the kernel station, 1 worker at the sterilizer station, 4 harvesters at the division II, 2 pesticide applicators at the division II and 3 EFB application workers at the division IV using PPE shoes that do not meet company standards (purchased by the workers themselves because the shoes that provided by the company are damaged before the new replacement period).
- 1 worker at the boiler station, 1 worker at the kernel station, 1 worker at the press station and 1 worker at the sterilizer station has not received PPE ear protection.

Based on these evidences, the company has not been able to demonstrate the implementation of PPE management according to the procedure owned. This becomes a **Non-conformity No. 2019.01** with **MAJOR category**.

4.7.4

The company already has persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (P2K3) established in each management unit. The organization routinely conducts monthly meetings on OHS issues in the workplace. The documentation of the meeting were recorded and stored well. Based on interviews to workers who are members of the P2K3 organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident report, fire simulation, checking of emergency response equipment, OHS sign board, cleanliness of work area, etc.

4.7.5

Procedures for accidents and emergencies are contained in SOP for Handling of Accident and Health Check date effective 23 April 2013 and SOP for Emergencies Handling (No.Document 4.3.16 revision 02 dated 23 April 2013). The procedures cover the main potential causes of emergencies such as fires, chemical spills, etc. The procedures also explained that records of all accidents shall be kept and periodically reviewed. Sawit Langkat Mill and Sawit Langkat Estate has already licensed first aid officers and there was first aid internal training conducted on 4 May 2018 which was attended by 28 participants.

Sawit Langkat Unit has provided emergency response and first aid facilities at workplace, however based on the results of field visits on ASA-1 there are still found:

- The completeness of the contents of the first aid kit at the security post and the mill laboratory is not in accordance with the prescribed list (according to Minister of Manpower Regulation No. 15 of 2008).
- The hydrant at the boiler station is not in a proper condition (damaged).

In this regard, the company has not been able to show evidence of evaluation, monitoring and implementation to ensure that emergency response facilities are in a ready to use condition and completeness contents of the first aid kit in accordance with the stipulated amount. This indicator has been a minor non-conformity in the previous audit (ST-2). Therefore, the non-conformity with minor category in this indicator **raised to Major category**.

4.7.6

The company has provide medical care for worker including contract and permanent worker. Medical care is covered by worker and health insurance (BPJS). The payment for BPJS is conducted every month according to the available rule. Besides, the company also provide medical facilities for workers if work accident is occurred. Work accident will be reported to the BPJS Agency and claim for it will be done if the medical process has been completed. Based on interview with worker in estate and mill, it is known that both worker and their family is have been registered in health insurance (BPJS Kesehatan). There are some contractors in certification unit. Based on interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself.

This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

4.7.7

The company has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. It shown the Lost Time Accident calculation per April 2019. This document informs the number of worker, number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR

and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee.

This indicator has been a minor non-conformity in the previous audit, and based on verification on this ASA-1 and the evidence of correction shown then it was concluded that at the time of this ASA-1, the non-conformity had been closed.

4.7.3 Status: Non-conformity with Major category

4.7.5 Status: Non-conformity with minor category in this indicator raised to Major category.

4.8

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

4.8.1

Company has training program for workers for period of 2019 for operational training. The aspect in the training program are such as environment, labor best management practice aspect, and others. Some of training program, namely:

- Management of incoming letter documentation on February 2019
- Training on procedures for using GPS to identify boundaries on April 2019
- Early warning system training on May 2019
- HCV management training on October 2019

Based on interview with worker in estate and mill, they have received some training related to their work, such as work procedure training, emergency response, and first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity. Company also has conducted training regarding awareness of RSPO P & C to the workers.

4.8.2

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

- Manuring procedure training on 20 September 2018 in Afdeling II attended by 21 workers
- RSPO & ISPO awareness training on 20 May 2019
- Socialization of OSH Policy on 17 July 2019 attended by 28 workers

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

Certificate holder possess Environmental Impact Assessment (EIA) document covered 7.375.60 ha areas and mill capacity 20 mt FFB/hour on 2004 approved by Head Administrative Of Langkat Regency based on letter No: 660.1-25/PDL-LKT/2005 dated January 20th, 2005. EIA documents explained activities for estate and palm oil mill.

5.1.2

Company have plan which includes monitoring protocol outlined in the RKL-RPL document and implemented to monitor the effectiveness of the management activities to mitigate negative impact and enhance postive impacts. Results of monitoring are listed on regular environmental monitoring and management report, and monitoirng results for examples 1st quarter 2019 shown environmental management related to waste water, surface water quality, hazardous waste management, noise and etc still comply with regulation and monitoring plan. However, the report has not included the implementation of an Environmental Management Plan, such as:

- Security and order
- Vector of disease
- Prevalence of disease

Based on that evidence, **the non-conformity has raised to Major (NCR No.2017.39).**

5.1.3

The company has reviewed the environmental monitoring plan document in 2019 where there has been no change from the previous monitoring plan. Implementation of the Environmental Management Plan (RKL) & Environmental Monitoring Plan (RPL) of Semester II of 2018 informs the Report on monitoring environmental management along with its evaluations, such as: Decreasing Air Quality and Noises, Monitoring of Declining Quality of Ground Water, Monitoring of Decreasing Surface Water Quality, Monitoring of Increased Waste generation, Liquid Waste Monitoring, Monitoring of Hazardous Waste and Monitoring Job Opportunities and Business Opportunities. However, there is still a non-conformity related to the implementation of the environmental monitoring plan, which has not included the following related information:

- Monitoring of Vector Diseases
- Monitoring of disease prevalence
- Groundwater Quality Test Results in the Monitoring Well around the WWTP, in the application area and in the community wells.
- Test results for Ambient Air Quality from the results of operating an electric generator.

Based on that evidence, **the non-conformity has raised to Major (NCR No.2017.40).**

5.1.2 5.1.3	Status: Non-conformity with minor category in this indicator raised to Major category Non-conformity with minor category in this indicator raised to Major category	
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5.2

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

5.2.1

Certificate holder has a HCV Identification Assessment Report document issued in December 2016 with the time of assessment in March 2015. The HCV assessment was carried out by an identification team chaired by the Assessor Licensing Scheme (ALS16007HM). The results of the identification of three types of HCV are within the management of the Langkat Palm Oil Management Unit, namely HCV 1, HCV 4 and HCV 6. Where, there are protected, rare and endangered species including HCV 1, namely *Musang (Cynolgale bennetti)* with Endangered status (IUCN Redlist and Law No. 7 of 1999). The HCV assessment team has also made recommendations for management and monitoring of identified HCV attributes. 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 86.29 ha areas.

5.2.2

The company has HCV evaluation activities as evidenced in the HCV Management and Monitoring records. Monitoring and evaluation activities are carried out every 6 months. In that document, the company monitors the presence of each protected flora and fauna (including HCV). One of the evaluations carried out was to maintain the presence of HCV and to conduct re-socialization activities to the surrounding community. The last evaluation report was on January 2, 2019. (the document has been showed to auditors).

5.2.3

CH shows the management and monitoring plans for the status of RTE species and HCVs in the HCV Area Management & Monitoring Plan document made on January 2, 2019 based on the results of HCV identification reports. The document contains HCV types management action plans, monitored indicators, monitoring methods, monitoring periods to responsible personnel. For example, the following are some of the management actions taken by the company:

- Installation of protected Flora and Fauna Notification Board.
- Monitoring of protected Flora and Fauna.
- River water quality testing.
- Socialization to related stakeholders.

Based on the results of interviews with workers in emplacement of Division V and VIII, it is known that workers understand related to HCV management, such as the prohibition of spraying on riparian that have been marked and hunting animals that have been protected according to the warning boards in the field.

The company has HCV evaluation activities as evidenced in the HCV Management and Monitoring records. Monitoring and evaluation activities are carried out every 6 months. In that document, the company monitors the presence of protected flora and fauna (including HCV). One of the evaluations carried out was to maintain the presence of HCV and to conduct re-socialization activities to the surrounding community. The last evaluation report was on January 2, 2019. (the document has been showed to auditors).

5.2.4

CH shows a record of socialization to stakeholders related to the existence of rare plants and animals on October 20, 2018. The record informs the socialization activities regarding HCV (High Conservation Value) and protected animals in Sawit Langkat Bussiness Unit, where the surrounding communities together maintain their sustainability. The socialization also explained the company's future plans to maintain HCV sustainability, such as:

- Not allowed to hunt protected animals or rare animals.
- It is not permissible to poison or damage the periphery of the river (river border/riparian)
- Coordinate with HR & General Assistants if they have information related to HCV.

The company shows a record of HCV Management and Monitoring where the monitored indicator is a signboard notification and marking the application border of chemicals carried out on July 1st, 2018 and January 2nd, 2019.

From the results of field observations in the Sawit Langkat Estate, it is known that there are warning boards that informs HCV areas and flora / fauna that must be protected.

5.2.5

Based on the results of HCV identification and field observation it is known that there is no HCV set-a-side on company operational area. Also, there is no local / traditional community rights area within the company operational area.

	Status: Comply	
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5.3

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

5.3.1

All waste (including hazardous waste) and pollutions sources from mill and estate are identified and recorded on waste identification list on January 2nd, 2019 such as effluent are managed at waste water treatment plant before it distributed to land application bed, hazardous waste were kept at hazardous waste storehouse, etc.

5.3.2 and 5.3.3

Company conduct waste management based on waste identification and waste management plan. Observation during audits on Sawit Langkat mill temporary hazardous & toxic waste storage shown that all of hazardous waste are compliant with the periods in permit. Document review shown that company has sent all toxic and hazardous waste to PT Jagar Prima Nusantara (licensed collector by decree of national environmental minister) on March 26th, 2019.

CH has licensed Hazardous Waste Temporary Storage Warehouse (No. 660-08/K/2014), and is equipped with an emergency response system such as an eye shower / body wash, alarm, first aid kit.

Based on the results of field visits at Hazardous Waste Temporary Storage Warehouse, all hazardous waste has been managed properly in accordance with procedure and legislation, for example;

- Hazardous waste is grouped according to the type and character.
- Warehouse are equipped with emergency response procedures, PPE, first aid kits, fire extinguishers, places for hand washing and second containment.
- The condition of the room is neatly arranged, protected from rain and ventilation of the room is quite good.

From the results of interviews with Hazardous Waste Storage personnel in the hazardous waste storage warehouse, workers were able to explain and demonstrate hazardous waste management, starting from receiving, storing, labeling to shipping accordance with waste management plan.

Status: Comply
5.4
Efficiency of fossil fuel use and the use of renewable energy is optimised.

CH has a Standard Operating Procedure for Utilizing Oil Palm Oil Mill Waste (SPO No. 17, Rev 2 dated January 02, 2015) in which the description is well related to;

- The purpose of using POM waste is to reduce the use of fossil fuels so that it can reduce greenhouse gas emissions. The waste in question is the Utilization of Empty Bunch, Shells, Solids, Fiber and Liquid wastes left over from the production of palm oil processing.
- All solid waste in the form of shells and fibers are used for boiler fuel.

Realization of renewable energy have been monitored every day and documented on monthly report for fiber and shell usage. During April 2018 – Mar 2019, the average usage of fiber and shell for boiler resulted energy efficiency for electricity about 16.47 kwh/MT CPO meanwhile fossil fuel usage energy efficiency were 0.59 Litre/MT CPO.

Based on comparison with the previous year, the company has sought efficiency in the use of fossil fuels. This is seen from the report on the use of fossil fuels in the surveillance-1 assessment has decreased compared to the previous assessment (initial assessment).

Status: Comply
5.5
Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.
5.5.1 and 5.5.2

The management unit of Sawit Langkat has a procedure with the title Land Development section of land clearing with number 01.3 dated August 1, 2007 explaining that by way of land clearing by manual, mechanical and chemical systems (for shrub areas), and without burning. Based on field observation on Division V & VIII there is no indications that land clearance were conducted by open fire.

In addition, auditors has conducted interview with workers (Harvesting workers, Loader and spraying workers), the results is that they know about prohibition of using fire for preparing land, including prohibition for burning the domestic waste.

Status: Comply
5.6
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.
5.6.1 and 5.6.2

Mitigation measurements and plan to reduce waste, pollution, and emission including GHG from Mill and estate are identified and recorded on waste/pollution identification document and GHG identification document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every months and monitoring periods April 2018 - March 2019 sighted that all of waste water testing parameters is compliant to the standards quality.

5.6.3

Monitoring for GHG emission and pollutants from estate and mill was done periodically every 6 month, covered on RKL/RPL implementation report and reported to environmental agency periodically. Second Semester of 2018 testing result indicates all parameters related to emission are still comply with standard quality. Calculation of GHG and its monitoring has conducted by company using RSPO palm GHG calculator v 3.0.1. Summary of GHG emission for Sawit Langkat mill are listed as follows:

Summary of Net GHG Emissions periode January-December 2018

Emissions per Product	tCO2e/t Product
CPO	0,51
PK	0,51

Production	ton/year
FFB processed	26.836
CPO produced	3906

Land Use	Ha
OP planted area	5.548,88
OP planted on peat	-
Conservation	-

Extraction	%
OER	25,1
KER	3,65

Summary of Field Emissions and Sinks

Description	Own Crop			Group		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e
Land Conversion	54804,23	9,88	0,51	-	-	-
*CO ₂ Emissions from Fertilizer	4166,32	0,75	0,04	-	-	-
**N ₂ O Emissions	3345,57	0,6	0,03	-	-	-
Fuel Consumption	282,27	0,05	0	-	-	-
Peat Oxidation	0	0	0	-	-	-
Sinks						
Crop Sequestration	-51947,13	-9,36	-0,49	-	-	-
Conservation Sequestration	0	0	0	-	-	-
Total	10651,26	1,92	0,1	-	-	-

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	4540,33	0,04
Fuel consumption	519,42	0
Grid electricity	0,6	0
Credits		
Export of grid electricity (housig)	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	5060,35	0,05

Palm Oil Mill Effluent (POME) Treatment

Divert to compst (%)	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

From the results of interviews with management, the officer concerned had understood and was able to demonstrate the filling of the GHG calculator.

Based on document verification shown that accurate data has been put into RSPO Palm GHG Calculator.

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, 6.1.2, 6.1.5

Social impact assessment was conducted in March 2015 in collaboration with PT Surveyor Indonesia involving local communities. Social assessments include impacts on the economy, accessibility and economic infrastructure, impacts on community income, impacts on accessibility of education, health, socio-cultural aspects, patterns of communication with the community, etc.

The assessment was conducted by interview involving stakeholders, such as sub district head of Padang Tualang, Balok and Karya Jadi Village. Company also has socialized about social impact assessment to workers March 2015. After conducting interviews with affected parties, the company conducted public consultations with stakeholders and employees in March 2015. The public consultation delivered the results of the interviews and was given a question and answer session for stakeholders. Company showed photo documentation of interview and minute of meeting of public consultation. Based on interview with representative of Balok and Besilam village, all issues is covered in SIA document. However, company does not conduct any partnership with smallholder.

6.1.3, 6.1.4

Company has arrange management and monitoring plan for social impact assessment every year. Management and monitoring plan is made by involving the stakeholder such as Paluh Pakih, Besilam, Karya Jadi, Tanjung Selamat, Balok, and Banjaran Raya Village, *Majelis Taklim dan Syiar Islam* of Sawit Langkat, and *Persatuan Umat Kristen*. Monitoring is based on management plan and the monitoring result also make the new management plan. The latest management and monitoring plan is for period of August 2018 – August 2019. For example:

Social Impact	Management Plan	PIC	Execution Time
Social and public facility	- Increasing communication with community to discuss village development program	Human resource assistant	During operational activity of Sawit Langkat.
Job opportunity	- Socialized the job vacancy to surrounded village	Human resource assistant	During operational activity of Sawit Langkat.
Business opportunities and education improvement	- Helping the surrounding village community to be able to develop the educational and business potential that exists in the village	Human resource assistant	During operational activity of Sawit Langkat.

	- Creating a business program for the surrounding community		
Conflict with farmers	- Establishing mutually beneficial relationships between plantations and farmers	Human resource assistant	During operational activity of Sawit Langkat.
<p>Management and monitoring plan has reviewed every 2 years. The latest review of social management and monitoring plan is on 2018. The review is for management and monitoring plan period 2016 and 2017. The latest review has involved stakeholder, such as people from Paluh Pakih, Besilam, Karya Jadi, Tanjung Selamat, Balok, and Banjaran Raya Village, <i>Majelis Taklim dan Syiar Islam</i> of Sawit Langkat, and <i>Persatuan Umat Kristen</i>. Based on document review, it is known that there are no additions or reductions in the management plan because the company wants to maintain current conditions. Based on interview with representative of Balok and Besilam Village, all social impact has been identified in SIA document.</p>			
	Status: Comply		
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 Mechanism for consultation is listed in procedure of <i>Komunikasi dan Konsultasi dengan Masyarakat</i> (SPO No. 3) dated 2 January 2017. The procedure explain that all communication and consultation managed by human resource assistants representing the manager. All communication must be submitted to the manager to be processed and will be informed to the public and follow-up that will be carried out by the company no later than 3 months after the information is received. Procedure is available in Bahasa Indonesia Based on interview with Statutory Bodies in Langkat Regency and representative of Balok and Besilam Village, it is known that they understand how to communicate and consult with PTPN IV Sawit Langkata. They also know the PIC for communication and consultation.			
6.2.2, 6.2.3 The PIC for consultation and communication with the community is manager and unit head of each unit. The PIC is assigned to accommodate the implementation of social impact analysis, responsible for top management for communication and consultation with stakeholders Officers List of stakeholder is made by human resource assistant. The latest list of stakeholder is available for year of 2019, consist of statutory bodies, police, youth organization, religious leader, worker union, gender committee, etc. The company has documented incoming letters from external stakeholders in <i>Buku Surat Masuk Pihak III</i> . The document records the date of the letter, letter number, the sender of the letter, subject matter, and follow-up. The information request from stakeholders is about assistance proposal and mandatory reporting information. For example, the letter on 15 May 2019 from the Regional Revenue Agency of Langkat Regency is about paying taxes on the use of ground water and non-PLN street lighting. The company responds to the letter by directly paying taxes on May 21, 2019.			
	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 Company has a mechanism of complaint and grievance handling, as follows: <ul style="list-style-type: none"> - Procedure of <i>Komunikasi Internal dan Penanganan Keluhan Karyawan</i> (No. SPO 19) on 2 January 2015 - Procedure of <i>Penanganan Keluhan Pelanggan dan Lingkungan</i> (No. SPO 13) on 2 January 2015 - Procedure of <i>Komunikasi dan Konsultasi Dengan Masyarakat</i> (No. SPO 03) on 2 January 2017 			

The procedure is made involve the consideration from various parties. Company also will protect the identity of complainant. Based on interview with worker in estate and mill, it is known that workers understand how to deliver their complaint if any. Based on interview with representative of Balok and Besilam Village, it is known that they understand the mechanism to deliver their complaint if any.

6.3.2

The company has documented the resolution of complaints from internal and external stakeholders in the "*Daftar Rekapitulasi Keluhan Komunikasi Internal & Eksternal Kebun/Pabrik Sawit Langkat*". The document explains about communication media, matters / problems, follow-up, and status. For example:

Internal

Complaint on 22 January 2018 from worker union related to the provision of agricultural equipment, transportation of school children, and rice prices adjusted to market prices. The complaint was immediately resolved on January 22, 2019 by holding a meeting with SPBUN and the management which was attended by 37 participants.

External

Complaints from Paluh Pakih Village related to CSR, crossing roads leading to Paluh Pakih Village. This was completed and discussed on December 11, 2018

Based on interview with representative of Balok and Besilam Village and worker in estate and mill, there is no complaint which is not responded by company.

Status: Comply

6.4

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

6.4.1, 6.4.2 & 6.4.3

The Company has compiled a procedure of Land Compensation describe in SOP No.4 (revise 2) dated 2 January 2015. The procedure is covered the process of identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation. The scope of procedure is all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right. The procedure also determine the compensation done by negotiation until they reach agreement, calculations of compensation carried out with reasonable prices in accordance with the taxable value and state of the areas. In SOP does not distinguish how to calculate compensation based on gender, transmigrator, local community or ethnic group.

The company has no new land acquisition and the plantation of sawit langkat is a former of dutch colonial era plantation, that has been nationalized by government decree No. 19 dated 2 May 1959 so there is no compensation carried out. Based on the interview with Communities (Basilam Bukit Lembahsa Village and Kebun Balok Village) are known that there are no indigenous rights or customary rights and there are no significant land conflicts.

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

Company has a copy of Sumatera Utara Governor Decree No. 188.44/1365/KPTS/2018 about Minimum Wage of Sumatera Utara Province for 2019. The minimum wage for Sumatera Utara Province is Rp 2,303,403.43/month. Also copy of Sumatera Utara Governor Decree No. 188.44/575/KPTS about Minimum Wage of Sumatera Utara Province for 2018. It stated that minimum wage for 2018 is Rp 2,132,188.68.

Then, company issued decree No. 04.11/SE/10/IV/2019 30 April 2019 which explain that wage for worker consists of basic wage and special allowance for class IA – IVD. Company also has circular letter No 04.11/Kol/M-1063/V/2019 related to rice allowance for worker with class IA – IID.

Company showed wages documentation for weighbridge operator period of April 2019. The wage received is in accordance with applicable regulation. The worker get basic wage Rp 1,751,266, special allowance Rp 292,855, and rice allowance Rp 141,000. The wages is still in accordance with minimum wage of Sumatera Utara Province for 2018. The adjustment of latest minimum wage will be implemented on wage payment period of May 2019. (OFI)

6.5.2

The Company has a Collective Labor Bargaining (PKB) for the period 2018-2019 between PTPN IV and Worker Union of PTPN IV. The PKB was registered at the Manpower Agency of Sumatera Utara Province through decree No. 22-6/DTK/2018 dated 9 February, valid from until 31 December 2019. Based on interview with some workers in mill and estate, it is known that they understand about PKB (collective labour bargaining).

Worker type in PTPN IV Sawit Langkat is permanent worker. There is no changes in worker policy.

6.5.3 & 6.5.4

Based on field observation in housing complex in Afdeling 5 & 8, it is known that company has been providing housing facilities, lighting and water, places of worship, school buses, clinics and educational facilities. Based on interview with the residents, it is known that there is no complaint related to housing facilities. The facilities provided by the company is adequate. And also it is known that one house is occupied by one family and the condition of housing is still in good shape. Adequate food supply can be accessed by the worker from nearest market that can be reached in 15 – 20 minutes. Personnel can get the staple food with reasonable price.

Status: Comply

6.6

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

6.6.1 & 6.6.2

The policy related to form and join worker union is written in PKB which states that company admit SPBUN as worker association in all unit. The policy is written in Bahasa Indonesia. Based on interview with representative of worker union, it is informed that company is giving freedom for worker to express their opinion. And also, company did not give any intervention related to worker union activity as well as conflict of interest. Worker union has registered to Manpower Agency of Sumatera Utara Province with registration number 567/50/DSTKM/2001.

Worker union can show the documentation of meeting with company, for example meeting on 12 February 2019 about awareness of PKB which attended by 33 participants. The documentation is in form of minutes of meeting, list of attendees, and photo activity, also can be accessed by worker.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Company policy for not use child labor in Policy of *Pekerja Anak* (No. 03) on 2 January 2015. Based on the document, the minimum age for new worker recruitment is 18 years old. Based on document review and field observation, there are no workers under 18 years old. Based on public consultation with Manpower Agency of Langkat Regency and field observation in estate and POM, there is no issue regarding child labor. Based on interview with worker in estate and POM, they know the minimum age to work in the company. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children.

Status: Comply

6.8

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

6.8.1 & 6.8.2

Company has policy related to nondiscrimination and equal opportunity listed in Policy of *Persamaan Kesempatan Kerja* which explained that PT. Perkebunan Nusantara IV (Persero) abolishes all forms of ethnic, religious, racial, gender, age discrimination, and work disabilities. Based on field observation and interview with spraying female worker, it is known that there is no issue or complain from worker regarding discrimination. Also, information from representative of worker union stated that there is no issue related discrimination. The workers that has been interviewed is came from various social origin, race, and religion.

6.8.3

Company kept the personal file of each worker in estate office. Based on interview with management, the recruitment is conducted through the company requirement. The new recruitment is conducted in accordance with the procedure. It is based on skill, capabilities, and health condition for all workers. Worker promotion, mutation or demotion is done through the employee performance assessment. Company showed documentation of worker assessment (year of 2018). The document explain evaluation criteria, including discipline of attendance, knowledge of work, speed, quality, and productivity, teamwork, honesty and proposed class. Company also showed list of worker that proposed to be promoted.

Status: Comply

6.9

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

6.9.1, 6.9.2, 6.9.3

The company policy that prevent all forms of sexual harassment and violence in policy No. 06 on 2 January 2015. Based on interview with female worker in estate, it is known that they understand the policy. It is also known that they understand the mechanism of complaint submission. Also, interview with committee of Gender Committee and review of "*Daftar Rekapitulasi Keluhan Komunikasi Internal & Eksternal Kebun/Pabrik Sawit Langkat*" it is known that there is no issue or complaint related to sexual harassment on the workplace. Besides, company also has reproductive rights for woman worker in PKB which stated that menstrual leave can be took for 2 days and maternity leave can be took for 3 months.

The company has a section to deal with woman workers who are under the worker union. This section is called the empowerment of women. Based on the results of interviews with the empowerment of women division, it was found that their activities were to carry out socialization related to the reproductive rights policies of woman workers. Pregnant and nursing female worker is prohibited to work related to chemical. And also, Company give special breast feeding time for female worker, but prohibit the worker from working with chemical material.

Status: Comply

6.10

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

Based on production data and interviews with representatives of the management representative, the company currently does not receive fruit from third parties since September 2018. FFB that is received and processed in mill only comes from the own estate.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1 & 6.11.2

Determination of local development programs based on proposal assistance from previous year. However, based on interview with representative of Balok and Besilam Village, it is known that company has implemented CSR program in those village.

Implementation of CSR program for 2018, for example:

- Fund assistance for education institution of Nurul Hidayah on 27 December 2018
- Fund assistance for Al Ikhlas Mosque on 1 March 2019
- And so on

However, company does not conduct any partnership with smallholder.

Status: Comply	
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6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2; 6.12.3

Based on document review, field observation, and interviews with worker and stakeholders, it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the company's procedure. All workers have work agreement that explain about the obligation and rights of the worker, and other provision. They work based on the contract and work order. Based on field observation and interviews with the workers in Estate and Mill, it is known that there is no discrimination among them. They came from local and nonlocal worker. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children. Based on interview bipartite cooperation member, there is no issue related to force labor.

Based on interview with the harvester and committee of worker union, there were no complaint about working hours. The payment is based on tonnage. If they did not get the tonnage after working hours is out, they will be paid by daily payment.

Status: Comply	
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6.13

Growers and millers respect human rights

6.13.1

Company has policy on human rights issued in November 2 January 2015. The policy explains that the company respect human rights for all employees. Based on interview with worker in estate, mill and local contractor, they know and understand about workers' rights. And also, from consultation with internal stakeholder (worker union), it is known that there is no complaint related to human rights violation. If there was a complaint, the complaint can still be resolved by amicable way between employees.

Status: Comply	
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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 and interviews with village heads, it is known that the company had been there from the time of the Dutch governance and there are no land clearing activities in new areas from 2005 to the present. Planting carried out in 2005-2015 is replanting activities.

Status: Comply	
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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 and 7.2.2

Based on the PT Perkebunan Nusantara IV Unit Sawit Langkat area statement, it is known that there was no new planting since previous assessment (ST-2).

Status: Comply	
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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

The management unit of Sawit Langkat has a document of HCV Identification Assessment Report issued in October 2016 with a March 2015 appraisal time. In this case, the HCV Identification assessment is conducted after the 2nd cycle of replanting. Based on the Announcement of RSPO, the CH has zero liability.

Status: Comply	
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7.4

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

7.4.1 and 7.4.2

Based on the PT Perkebunan Nusantara IV Unit Sawit Langkat area statement, it is known that there was no new planting since previous assessment (ST-2).

Status: Comply	
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7.5

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

7.5.1

Based on documents review, interview and field visits, it is known that the Company did not expand the operational area and there is no more land clearing activity after 2005.

Status: Comply	
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7.6

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

7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5, 7.6.6

Based on documents review, interview and field visits, it is known that the Company did not expand the operational area and there is no more land clearing activity after 2005.

Status: Comply	
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7.7

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

7.7.1 & 7.7.2

Based on documents review and interviews with village heads, it is known that the company had been there from the time of the Dutch governance and there are no land clearing activities in new areas from 2005 to the present. Planting carried out in 2005-2015 is replanting activities.

Status: Comply	
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7.8

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

7.8.1 & 7.8.2

Based on documents review and interviews with village heads, it is known that the company had been there from the time of the Dutch governance and there are no land clearing activities in new areas from 2005 to the present. Planting carried out in 2005-2015 is replanting activities.

Status: Comply	
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PRINCIPLE #8 Commitment to continuous improvement in key areas of activity
8.1

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

8.1.1

Company has done RSPO internal audit on 29 – 30 April 2019. Based on internal audit report, there were 15 nonconformities and all nonconformities has been closed. Internal audit is done annually, which covered some aspect, among others plantation management and worker aspect, agronomy aspect, OSH, social, and environment aspect.

The company continually implement program of re-use of the generated waste, such as re-use of EFB for mulching, solid waste for boiler and effluent is applied to the land. Regular environmental management reporting has been submitted to Environmental Agency in District and Provincial. Meanwhile, in the agronomy aspect, the company has implemented a commitment to continuous improvement, such as Biological leaf caterpillar pests control by planting and maintaining (conservation) beneficial plants, such as *Antigonon leptopus*, *Cassia cobanensis*, and *Turnera subulata*. In addition, in the manpower aspect, company conduct employee assessment every year

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>The organization take legal ownership and physically handles RSPO certified sustainable oil palm products. The entire area, mill and storages are owned by the organisation and all processing from FFB to CPO/PK are done by Sawit Langkat Mill. The CPO and PK transporter are under contract with PTPN IV, which are:</p> <ul style="list-style-type: none"> - PT. Wahana Adidaya Pertiwi (CPO transporter) - CV. Karya Mandiri (PK transporter) - CV. Pelita Jaya (CPO & PK transporter)
	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>The site does not buy from any RSPO licensed traders. CSPO and CSPK are produced from certified FFBs processed that supplied from its own estates.</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>The parent company are member of RSPO (PT. Perkebunan Nusantara IV (PERSERO)):</p> <ul style="list-style-type: none"> - Number of RSPO membership: 1-0082-09-000-00 - RSPO IT Platform of Sawit Langkat Palm Oil Mill: RSPO_PO1000004524
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Parent company or site has no processing aids</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>The organization has applied mass balance supply chain model correctly and there is no declassification. The mill received FFB from own estate (Sawit Langkat Estate) that has RSPO certified area and non RSPO certified area.</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>The organization has applied mass balance supply chain model only</p>

	Status: Comply
5.3	Documented procedures
5.3.1	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.
	Sawit Langkat Mill has the documents of supply chain procedures for Mass Balance models No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 April 2019. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to RSPO SCCS 21 November 2014, revised 14 June 2017. Based on field observation at Weighbridge station and interview with sampled person in the Mill, the operator has knowledge and able to demonstrate the implementation of SCCS.
	Status: Comply
5.3.2	The site shall have a written procedure to conduct annual internal audit
	The Procedure to conduct annual internal audit are describe in SOP No. 21 dated 2 January 2018 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit are done annually. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. The last internal audit are conduct at 29-30 April 2019 with finding regarding to SCCS key persons and management review. Those finding have been followed up and corrected by mill.
	Status: Comply
5.4	Purchasing and goods in
5.4.1	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
	Sawit Langkat Mill has not purchased CSPO or CSPK. The mill received FFB from certified and uncertified sources. Based on documents verification of FFB receives for example on April 2019 are known that all data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.
	Status: Comply
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents
	Sawit Langkat Mill has not purchased CSPO or CSPK. However The procedure of handling non-conforming oil palm products of FFB received (certified or non-certified) has describe that non-conforming oil palm products as a false in FFB received notes (certified or non certified) and regarding of FFB received records. To handling on this non-conforming are to corrected the record base on FFB source (certified or non certified areas) and monitored by mass balance record documents.
	Status: Comply
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.
	The company has the agreements with a third parties in terms of transporting CPO & PK that ensure the compliance of RSPO SCCS and the certification bodies have access to the outsourcing contractor or operation if an audit is deemed necessary. Examples of these contracts are as follows: <ul style="list-style-type: none"> - PT. Wahana Adidaya Pertiwi (CPO transporter) agreement No. 04.09/S.Perj/7/II/2019 dated 2 January 2019. - CV. Karya Mandiri (PK transporter) agreement No. 04.05/S.Perj/14/III/2019 dated 20 March 2019 - CV. Pelita Jaya (CPO & PK transporter) agreement No. 04.09/S.Perj/4/II/2019 dated 2 January 2019

	Status: Comply
5.5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> The site has legal ownership of all input material to be included in outsourced processes; 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. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance
	<p>The company has legal ownership of CPO and PK products which in the transport of CPO and PK are given to third parties. The agreements with contractors are ensure the compliance of RSPO SCCS and the certification bodies have access to the outsourcing contractor or operation if an audit is deemed necessary. Examples of these contracts are as follows:</p> <ul style="list-style-type: none"> - PT. Wahana Adidaya Pertiwi (CPO transporter) agreement No. 04.09/S.Perj/7/1/2019 dated 2 January 2019. - CV. Karya Mandiri (PK transporter) agreement No. 04.05/S.Perj/14/III/2019 dated 20 March 2019 - CV. Pelita Jaya (CPO & PK transporter) agreement No. 04.09/S.Perj/4/1/2019 dated 2 January 2019
	Status: Comply
5.5.3	<p>The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.</p>
	<p>Transportation of CPO and PK has been carried out by third parties and the company has detailed records of the contractors used, as follows:</p> <ul style="list-style-type: none"> - PT. Wahana Adidaya Pertiwi (CPO transporter) address Medan – North Sumatera - CV. Karya Mandiri (PK transporter) address Serdang Bedagai – North Sumatera - CV. Pelita Jaya (CPO & PK transporter) address Medan – North Sumatera
	Status: Comply
5.5.4	<p>The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products</p>
	<p>A contractor used (names and contact details) has been informed to the CB, which are:</p> <ul style="list-style-type: none"> - PT. Wahana Adidaya Pertiwi (CPO transporter) - CV. Karya Mandiri (PK transporter) - CV. Pelita Jaya (CPO & PK transporter)
	Status: Comply
5.6	Sales and goods out
5.6.1	<p>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</p>
	<p>The site has product information provided in such as document of weighbridge ticket, delivery order and other invoices. Such as the CPO delivery No. 239/MS/III/2019 at 20 March 2019 contract No. 0028/HOLD/CPO-L/N-IV/II/2019 for 23,590 Kg. The informations that provided on the invoices are:</p> <ul style="list-style-type: none"> - The name and address of the buyer; - The name and address of the seller; - The loading or shipment / delivery date; - A description of the product RSPO certified Mass Balance model - The date on which the documents were issued; - The quantity of the products delivered;

- Any related transport documentation;
- etc.

Status: Comply

5.7 Registration of transactions

5.7.1

Supply chain actors who:

are mills, traders, crushers and refineries; and

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

Sawit Langkat Mill has registered all transactions in RSPO IT platform.

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:

- 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.

Transactions are registered in RSPO IT platform as for periods of last year

Certified CPO sold to each buyer

Date	Buyer	Volume (Ton)
21-01-2019	PT. Musim Mas - Belawan	500
22-03-2019	PT. Permata Hijau Palm Oleo	500
24-04-2019	PT. Unilever Oleochemical Indonesia	500
24-04-2019	PT. Musim Mas - Belawan	500
30-04-2019	PT. Musim Mas - Belawan	500
30-04-2019	PT. Musim Mas - Belawan	500
30-04-2019	PT. Musim Mas - Belawan	500
20-05-2019	Credit Allocation	5,000
20-05-2019	Credit Allocation	1,000
20-05-2019	Credit Allocation	12,000
20-05-2019	Removing Stock	1,032
TOTAL		22,532

• Certified Palm Kernel sold to each buyer

There is no certified PK sold in periods for last year

Date	Buyer	Volume (Ton)
23-05-2019	Removing Stock	3,764
Total		3,764

Status: Comply

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																													
SCCS training are planned annually, for example training on 26 October 2019.																													
	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																													
The company has provided training at 26 October 2019 for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements, such as: Technical mill assistant, processing clerk, documents controller, etc. Based on interview at weighbridge station is known that the weighbridge operator and SCCS person in charge have understand the RSPO supply chain procedures.																													
	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																													
The site has maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. Thoose are describe in this ASA-1 report on section of Module E CPO Mills - Mass Balance Requirements.																													
	Status: Comply																												
5.9.2																													
Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock																													
The retention times for all records and reports are keep in minimum 2 years According to the documents of supply chain procedures for Mass Balance models No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 April 2019. The mill have RSPO certified in June 2018 and based on documents verification it's concluded that the record of supply chain are available since the mill was certified.																													
	Status: Comply																												
5.9.3																													
The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.																													
FFBs, CSPO and CSPK produced and/or claimed records are kept in minimum 12 months. Record of all certified palm oil / palm kernel oil volumes purchased (input) and claimed (output) for period of last year																													
<table><tr><th rowspan="2"></th><th colspan="3">CPO Production (MT)</th><th colspan="3">Cert CPO Dispatch (MT)</th><th rowspan="2">Total</th></tr><tr><th>Cert</th><th>Non Cert</th><th>Total</th><th>RSPO</th><th>Other scheme</th><th>Non certified</th></tr><tr><td>Total</td><td>25,110.34</td><td>464.04</td><td>25,574.38</td><td>3,500</td><td>-</td><td>19,032</td><td>22,532</td></tr></table>									CPO Production (MT)			Cert CPO Dispatch (MT)			Total	Cert	Non Cert	Total	RSPO	Other scheme	Non certified	Total	25,110.34	464.04	25,574.38	3,500	-	19,032	22,532
	CPO Production (MT)			Cert CPO Dispatch (MT)			Total																						
	Cert	Non Cert	Total	RSPO	Other scheme	Non certified																							
Total	25,110.34	464.04	25,574.38	3,500	-	19,032	22,532																						
<table><tr><th rowspan="2"></th><th colspan="3">PK Production (MT)</th><th colspan="3">Cert PK Dispatch (MT)</th><th rowspan="2">Total</th></tr><tr><th>Cert</th><th>Non Cert</th><th>Total</th><th>RSPO</th><th>Other scheme</th><th>Non certified</th></tr><tr><td>Total</td><td>3,852.24</td><td>116.11</td><td>3,968.35</td><td>-</td><td>-</td><td>3,764</td><td>3,764</td></tr></table>									PK Production (MT)			Cert PK Dispatch (MT)			Total	Cert	Non Cert	Total	RSPO	Other scheme	Non certified	Total	3,852.24	116.11	3,968.35	-	-	3,764	3,764
	PK Production (MT)			Cert PK Dispatch (MT)			Total																						
	Cert	Non Cert	Total	RSPO	Other scheme	Non certified																							
Total	3,852.24	116.11	3,968.35	-	-	3,764	3,764																						

	Status: Comply
5.10	Conversion factors
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); 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
	The site doesn't applied a conversion rate.
	Status: Comply
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.
	The site doesn't applied a conversion rate.
	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.
	Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.
	Status: Comply
5.12	Complaints
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.
	Procedures for stakeholders complaints established in the document No. 13 dated 2 January 2015. Based on complaints document verification is known that there is no complaint regarding SCCS for last a year.
	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 company has management review conduct annually at 8 May 2019.
	Status: Comply
5.13.2	The input to management review shall include information on: 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.
	The content of management review related to SCCS are the result of internal audit, customer feedback, work process, preventive and corrective actions, follow up actions and recommendations for improvement.
	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 Management review are include the decision and actions related to improvement of the effectiveness of the management system and its processes and Resource needs.

Status: Comply

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements	
E.1	Definition	
E.1.1		
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.		
SCSS module used in Sawit Langkat Mill is Mass Balance (MB), because the mill receives FFB from the estate that has been certified by RSPO and non-certified RSPO.		
	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.		
Estimate product certified CPO and PK for period 25 June 2019 – 24 June 2020 describe at this ASA-1 report (basic info 1.8.3). Actual tonnage in period for last year:		
Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)
CSPO	29,755	25,110.34
CSPK	4,605	3,852.24
There are projected over production of certified tonnage for period of last year. The company has informed this matter to the CB (Mutuagung Lestari) and the volume has been extended on 26 May 2019.		
	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).		
RSPO IT Platform member registration number: RSPO_PO1000004524		
All transaction of certified product has been register in palmtrace, include credit.		
Certified CPO sold to each buyer		
Date	Buyer	Volume (Ton)
21-01-2019	PT. Musim Mas - Belawan	500
22-03-2019	PT. Permata Hijau Palm Oleo	500
24-04-2019	PT. Unilever Oleochemical Indonesia	500
24-04-2019	PT. Musim Mas - Belawan	500
30-04-2019	PT. Musim Mas - Belawan	500
30-04-2019	PT. Musim Mas - Belawan	500
30-04-2019	PT. Musim Mas - Belawan	500
20-05-2019	Credit Allocation	5,000
20-05-2019	Credit Allocation	1,000
20-05-2019	Credit Allocation	12,000
20-05-2019	Removing Stock	1.032

TOTAL		22,532
<ul style="list-style-type: none">Certified Palm Kernel sold to each buyer There is no certified PK sold in periods for last year		
Date	Buyer	Volume (Ton)
23-05-2019	Removing Stock	3,764
Total		3,764
.		
E.2.2	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.		
Sawit Langkat Mill has the documents of supply chain procedures for Mass Balance models No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 April 2019. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to RSPO SCCS 21 November 2014, revised 14 June 2017. Based on field observation at Weighbridge station and interview with sampled person in the Mill, the operator has knowledge and able to demonstrate the implementation of SCCS.		
	Status: Comply	
E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.		
Sawit Langkat Mill has the documents of supply chain procedures for Mass Balance models No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 April 2019. The procedure describes the process of FFB admissions from estates and processing certified and non-certified FFBs.		
	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.		
The site has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of last year:		
FFB (ton)		
RSPO Certified	Non Certified	Total
105,241.79	2,522.83	107,764.62
Sawit Langkat POM received FFB from Sawit Langkat Estate that had not been RSPO certified (± 113.42 hectares of area managed by the company). Based on the results of interviews with weighbridge operator it is known that there is no separation between FFB originating from certified areas or non-certificate areas. Then from the results of interviews and field visits in the 12AF block non-certified area, it was found that FFB was mixed with FFB originating from certified areas, for example shown in delivery note No. 3//5/19 dated 17 May 2019 with RSPO stamp, truck no. BK8805SG		

which has 389 FFB from 12AF block (non-certified area) and 11 FFB from block 08A (certified area). The FFB was sent and received by the mill in proof of the weighing receipt No. net ticket N00DDF1111905170000054 5030.

Based on FFB data received in mill, it can be seen that the company has separated the data between certified FFB and non-certified FFB, such as the example

- In March 2019 there were 10,649.96 tons of certified FFB and 87.42 tons of non-certified FFB
- In April 2019 there were 10,686.27 tons of certified FFB and 81.63 tons of non-certified FFB.

However, the company has not been able to show the evidence of traceability implementation/method of separation between certified FFB and non-certified FFB. **NC 2019.02**

E.4.1 **Status: Non Conformance with Major category**

E.4.2

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

Actual tonnage in period for last year

Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)
CSP0	29,755*	25,110.34
CSPK	4,605*	3,852.24

There are projected over production of certified tonnage for period of 25 June 2018 – 24 June 2019. The company has informed this matter to the CB (Mutuagung Lestari) and the volume has been extended on 26 May 2019.

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.(ie product can be sold before it is in stock.)

The Certificate holder has record and balance all received of RSPO FFB and deliveries of RSPO certified CPO and PK. The Volume of certified CPO and PK are delivered from accounting system according to conversion by percentage of FFB certified. The sales of RSPO product claim for last year period are sold from a positive stocks:

CPO Production (MT)			Total	Cert CPO Dispatch (MT)			Total
Cert	Non Cert	RSPO		Other scheme	Non certified		
Total	25,110.34	464.04	25,574.38	3,500	-	19,032	22,532

PK Production (MT)			Total	Cert PK Dispatch (MT)			Total
Cert	Non Cert	RSPO		Other scheme	Non certified		
Total	3,852.24	116.11	3,968.35	-	-	3,764	3,764

Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA 1	There is no logo used.	NA
	Status: NA	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA 1	There is no logo used.	NA
	Status: NA	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA 1	There is no logo used.	NA
	Status: NA	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA 1	There is no logo used.	NA
	Status: NA	

3.4. Summary of RSPO Partial Certification.

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

- a. PTPN IV Time Bound Plan (TBP) is explaining in table section 1. PTPN IV has run 13 mills and 30 estates in Indonesia. All mills and estates are operated in Indonesia. PTPN IV has informed the TBP progress through head office in Indonesia. Based on the information get from PTPN IV website, there are acknowledge majority shareholder own by PTPN IV that not included in the Time Bound Plan. The description of this majority shareholder are PT Agro Sinergi Nusantara (50.64% of PTPN IV and 49.36% of PTPN I) and PT Sinergi Perkebunan Nusantara (71.28% of PTPN IV and 28.72% of PTPN XIV)
- b. MUTU has verified partial certification for un-certified unit's subsidiary of PTPN IV based on their Time Bound Plan. PTPN IV gives the positive assurance based on the partial certification declaration only. The company was not able to show supporting document to strengthen the statement such as internal audit and other relevant evidence.
- c. MUTU Auditor has verified company partial certification and concludes that:
 - There are no systems or mechanism conducted by PTPN IV to ensure the compliance against indicator 2.1;2.2;6.3;6.4; 7.3; 7.5;7.6 such as internal audit or other assessment of compliance
 - The time bound plan did not cover all subsidiaries under PTPN IV
 - There is no written documentation for time bound plan which is isolated lapses.

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 Pasir Mandoge, Timur, PT Agro Sinergi Nusantara and PT Sinergi Perkebunan Nusantara</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>Based on PTPN IV disclosure of liability there is one (1) estate that has liability</p> <p>PTPN IV has sent their liability disclosure to the RSPO Compensation Panel (rspocompensation@rspo.org) in 2016. PTPN IV has been update their liability disclosure and also sent LUCA on 2018. There is one (1) unit that has non-compliant land clearance.</p> <p>Auditor verification</p> <p>Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>

2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<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. PTPN IV has been update their liability disclosure and also sent LUCA on 2018. There is one (1) unit that has non-compliant land clearance without HCV before 2010.</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 that includes local regulations, national regulation and international regulation.</p> <p>The procedure explains that the person responsible for the management of legal documents are the Head of General Affairs and Human Resources. The company has kept a list of rules and regulations at the Head of General Affairs and Human Resources Department 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 IA Assessment

NCR No.	: 2017.01	Issued by	: Moh Arif Yusni			
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued			
NC Grade	: MAJOR	Date of Closing	: 15 April 2018			
Standard Ref. & Requirement	RSPO Certification System, 2007 (rev. 2011) 4.2.4 (a) The parent organization or one of its majority owned and/or managed subsidiaries is member of RSPO. The requirements (b) to (j) will be applicable, whether the registered RSPO member is the holding company or one of its subsidiaries, including uncertified management units: (i) Certification bodies will assess compliance with these rules for partial certification at each and every assessment of any of the management units (see Annex 4). Assessment of compliance with requirements (e) – (h) by the certification body based on self-declaration only by the Company, with no other supporting documentation, will not be acceptable. Verification of compliance must be based on the following approach: Positive assurance statement, which is based upon self-assessment (i.e. internal audit) by the organisation. This would require evidence of the self-assessment against each requirement.					
Non-Conformance Description & Evidence observed (filled by auditor): PT Perkebunan Nusantara IV has shown Time Bound Plan where there is a target for each uncertified supply base. However, the Company has not been able to show supporting documents in the form of a positive assurance statement that is self-assessment (internal audit) for units that have not been certified, especially related to criterion 2.1; 2.2 ; 6.3; 6.4; 7.3; 7.5;						
Root Cause Analysis (filled by organization audited): Unavailability of Preparation and reporting mechanism of Time Bound Plan Due to some estate constrained land tenure issues						
Correction (filled by organization audited): Revision of Time Bound Plan and create mechanism (SPO No.22 About Making and Reporting Time Bound Plan)						
Corrective Action (filled by organization audited): Periodically Evaluate Time Bound Plan conducted by Head of Sub Division of Strategic Planning Medan Head Office and evaluated once a year.						
Assessor Evaluation and Conclusion (filled by auditor): Verification 15 April 2018 The company shows an update time bound plan that has been endorsed by the Head of Strategic Planning Section. Based on the document, it is known that all PTPN 4 management units have been covered in the time bound plan and for business units that have been passed the time has been revised. there is a justification for the change of time, for example the business unit of Air Batu (estates and mill) has changed from 2015 to 2021 due to						

legality related issues.

Based on proof of improvement has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : Moh Arif Yusni
Diverifikasi oleh

NCR No.	: 2017.02	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 1.1.1 A list of information relating to criterion 1.2 should be made available to relevant stakeholders.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on the results of document verification and interview with management, it is known that Management unit has not been able to show evidence of reporting to related agency, such as: <ul style="list-style-type: none">- Labor report year 2016- Prevention and monitoring of land fires report year 2016 In addition, based on interviews with sprayers in Afdeling II Block 11D, it is known that the results of periodic health checks have not been informed to the workers.			
Root Cause Analysis(filled by organization audited): There is still a lack of clarity in officers filing documents that are needed in implementing RSPO certification			
Correction(filled by organization audited): <ul style="list-style-type: none">• Showed handover of reports on mandatory labor reports and reports on land fire prevention and monitoring Dissemination of results of health checks to employees / workers			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">• Tidy up archiving document requirements in accordance with RSPO principles and criteria Make monitoring of document requirements related to the application of RSPO principles and criteria			
Assessor Evaluation and Conclusion (filled by auditor): Evaluasi Penilai dan Kesimpulan(dilengkapi oleh auditor):			
Verification on ASA-1 Company also reported mandatory report to related agencies, for example: <ul style="list-style-type: none">• Land Use Report of PTPN IV Sawit Langkat period of 2018 to Land National Agency of Langkat Regency on 14 May, 2019• Production and Development Plantation Report Period of 2nd Semester of 2018 to Plantation Agency of Langkat Regency on May 2019• Labor report period of 2018 with registration number 00005/31151/WIL-IX/DTK/SU/21/2018 to Manpower Agency of Sumatera Utara Province.			

Based on explanation above, this nonconformity is closed.

Verified by : Asystasya Aishah Silalahi

NCR No.	: 2017.03	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 11 May 2018
Standard Ref. & Requirement	: 1.1.2 Records of information requests and responses		
Non-Conformance Description & Evidence observed (filled by auditor):			
1. Management Unit already has Standard Operating Procedure (SOP) related Information Request (No. SPO 06 revision 02 dated January 2, 2015). However, based on the result of the document review it is known that In the SPO has not set about the period of time to respond requests for incoming information.			
2. Management unit has not been able to show the recording of all information requests and the responses. For example, based on the results of interviews with representatives from the community around, obtained information that the person has sent a letter to the company in 2016 and 2017 related to the progress / improvement of the culvert repair.			
Root Cause Analysis(filled by organization audited):			
Due to the management has provided website facilities to obtain information for the public contained in www.ptpn4.co.id			
Correction(filled by organization audited):			
Revise SOP response information requests regarding the time period responding to requests for information			
Corrective Action (filled by organization audited):			
socialize to workers and the public regarding SOP of the Time of Information Request and Response Request			
Assessor Evaluation and Conclusion (filled by auditor):			
Evaluasi Penilai dan Kesimpulan(dilengkapi oleh auditor):			
Verification On 15 April 2018			
PT PN IV Management Sawit Langkat show the corrective evidence as follows:			
1. Revised Procedure responses to requests for information (No SPO. 06 rev 03 dated 01 August 2017), which explains that the period of the request for information is 30 days			
2. Public Perception Questionnaire around PTPN IV Plantation and Mill Unit Management of Langkat			
In relation to the corrective evidence that submitted, it has not been able to show the recording of all requests for information and responses. Based on the explanation above, This non conformity not yet closed			
Major Verification 11 May 2018			
- The log book of incoming and outgoing letters is in the HR and public parts and then listed in the archive section and recorded in the incoming mail book and outgoing mail expedition.			
- Incoming and outgoing letters containing information on the date the letter was received / sent, the letter number, the subject of the letter, the follow-up statement of the letter.			

- Sample a letter from Padang Tualang Sub-district on January 23, 2017 concerning the application of PTPN IV Sawit heavy equipment loan and has been responded by the company with an outgoing letter containing the approval of heavy equipment loan and delivered to Padang Tualang Sub-District Head as a response from PTPN IV on 31 January 2017 (7 business days).
- Based on the results of the interview with the village head of Paluh Pakih Babussalam informed that the response regarding the progress of the new culvert was conveyed orally by the company that the culvert making
- Based on the explanation from the company and document review shown in the form of progress of water culvert in Palu Pakih Village, Batang Serangan Sub-district.
- The company presented a letter to the contractor (CV Capela - Medan) informing that the process is still constrained by technical implementation.

Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by Diverifikasi oleh	:	Tim auditor
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NCR No.	:	2017.04	Issued by	:	Rizliani Aprianita Hasibuan
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. &	:	1.3.1 The company's commitment to Ethical Conduct in all transactions and business operations.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Management unit has socialized code of conduct to employees on November 16, 2016. However, there is not enough evidence that the policy has been communicated to all operations and transaction levels. For example contractors and FFB suppliers					
Root Cause Analysis <i>(filled by organization audited):</i> There is no monitoring of document requirements and socialization in accordance with RSPO principles and criteria					
Correction <i>(filled by organization audited):</i> Disseminate COC policy to stakeholders / contractors					
Corrective Action <i>(filled by organization audited):</i> Monitoring document requirements and socialization in accordance with RSPO principles and criteria					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on ASA-1 The company shows evidence of CoC socialization to employees and stakeholders, such as: <ul style="list-style-type: none">Sosialisasi CoC kepada karyawan pada bulan Maret 2019 Socialization of CoC to worker on March 2019Socialization of CoC to stakeholder on 15 October 2018 to Balok Village, Paluh Pakih Village, Contractor of CV Mitra Abadi and CV Sejahtera.					

Based on explanation above, this nonconformity is closed.

Verified by : **Asystasya Aishah Silalahi**

NCR No.	: 2017.05	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 25 May 2018
Standard Ref. & Requirement	: 2.1.1 There shall be evidence of compliance with the relevant laws and regulations		
Non-Conformance Description & Evidence observed (filled by auditor): Management unit has not been able to show evidence of compliance with relevant laws and regulations, including			
1. Permentan No 98 years 2013 about Izin Usaha Perkebunan The Unit Management Sawit Langkat has had Bussines Permit from Regent of Langkat No. 525.26-17/K/2013 dated 14 June 2013 with covering 6.173,5 Ha. Based on document Ikhtisar Luas Areal Tanaman Kelapa Sawit Pada Unit Sawit Langkat the area under control of Unit Sawit Langkat are 6,475 Ha and there is a difference of 301.5 Ha from the land use tittle (6,173.5 Ha). Based on documents review its known for the area of 113.51 has been compensate and planted. Menwhile for the area of 188 ha has not been done compensation and still controlled by the community. Related to this, The Management unit of Sawit langkat has not been able to show Bussiness Permits for 113.51 hectares planted and still managed.			
2. Act No. 13 of 2003 related to employment : - Based on verification of payment documents (such as payment receipt on May,12 2017 and evidence of cash disbursement No. B.05.0026.K.17) with third party, it is known that harvesting work is done by a third party (PT Gen Mitra Gemilang). It is not in accordance with Act no. 13 year 2003 article 65 stating that the work that can be submitted to other companies is done separately from the main activities. - Based on document verification results of the attendance list of security, security work list on March 2017 and interview with management known that security personnels work for 12 hours every day including on holiday. It is not in accordance with Law No. 13 Year 2003 article 79, Regarding the rest period.			
Root CauseAnalysis(filled by organization audited): Analisa Akar Masalah(dilengkapi oleh organisasi yang diaudit): • Based on the minutes of inspection of land office of the territory of the national land agency of North Sumatra Province dated March 24, 2006 with the number 09 / PPT / KR / 2006, stated that to the community's land area of 301.5 Ha suspended the granting of Right to Effort until there is settlement. Of cultivated land area of 301.5 hectares that were released through profit dressing area of 113.42 hectares, and land that have been released have been proposed concession request to National Land Agency. For the management of Plantation Permit, as soon as possible after the results of Cadastral Measurement by National Land Agency. The area is already planted Due to the land already done compensation by the PTPN IV, if not done planting in fear the land will be ocupied by the community. lack of understanding officer estate unit against the existing labor regulations			
Correction(filled by organization audited):			

Koreksi *(dilengkapi oleh organisasi yang diaudit):*

- to areas that do not have Land Title and Plantation Permit listed in the Time Bound Plan, make partial certification and exclude them from the RSPO certification scope of the Management Unit Langkat
- Do not use third-party labor (Contractor) for the main job plantation (harvest)

Change the shift / security schedule from 2 shifts to 3 shifts

Corrective Action *(filled by organization audited):*
Tindakan Korekif *(dilengkapi oleh organisasi yang diaudit):*

- Make monitoring update document changes that exist in Unit Management of Langkat
- Establish the PIC / officer responsible for updating the existing document changes of Unit Management of Langkat

Make socialization of labor legislation to the PIC which is responsible for harvesting and security jobs

Assessor Evaluation and Conclusion *(filled by auditor):*
Verify 15 April 2018,

The company can show the corrective evidence are:

- Employee overtime calculations eg NIK 4021610, July 2017 period but no approval of the document.
- Document identification of harvester and cobbler needs at Langkat Estate on January 18, 2018, which explained that Langkat Estate Sawit Langkat lack of employees for harvest is 51 people and loader 18 people
- Order Letter No. SAL / SE / 87 / VII / 2017 dated 24 July 2017 regarding working hours peride security 24 July - 30 July 2017, but has not informed about the hours of rest

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no correctivevidence that's explain about

- Plantation Permit for the area covering 113.51 Ha
- Harvesting that conducted by third party contractor (PT Gen Mitra Gemilang).
- Security personnel (security guards) who work for 12 hours every day including on holidays. In addition, the overtime calculation on the document is also not in accordance with Manpower Degree r no. 102 year 2004 y

Major Verification 11 May 2018

The company can show the corrective evidence are:

- In relation to harvest activities conducted by third parties (PT Gen Mitra Gemilang), PTPN4 Kebun Sawit Langkat has appointed employees for harvesting and loading according to GMDIII / SAL / R / M.195 / XI / 2017 letter letter No. Quotation of director's letter about prospective employees harvester on probation on November 7, 2017, as many as 117 people,
- assistant's book on April 2018 mentioned if the working hours of security personnel of Sawit Langkat. In this assistant book explains that security workers work for 21 - 24 working days with 6 days off on Sunday. However, this is not in accordance with April 2018's attendance records, which explains that the 27 security guards of Sawit Langkat, in April 2018 still work on holidays (Sunday). In addition it has not been demonstrated that the calculation of overtime work in accordance with Decree no. 102 in 2004.
- Letter from the Regional Office of the National Land Agency of the Province of North Sumatra. 1036 / t5-12.500 / IV / 2018 dated April 30, 2018 stating that Land Tittle issuance request for 113.42 ha is still in process stage. However, it has not been able to show the Right Tittle (HGU) document for the 113.51 Ha planted and managed area. There is also a difference between the area being proposed by HGU and the non-conformity found in 113.51 - 113.42 ha = 0.9 ha.

This non conformity not yet closed

Verify 23 May 2018
The Nonconformity No 1:

The company can show the corrective evidence are:

- Chronological Area of land area of Sawit Langkat unit explaining about land acquisition process in PT PN IV Unit Langkat
- Land Title issuance of Land Title (HGU) application letter for area of 113.42 Ha on March 27, 2018,
- Document areal statement operating areas of the company, which is adjusted with an area in the document Certificate of Land title (HGU) and Plantation Permit (IUP)
- Revise the Time bound plan

The Nonconformity No 1:

The company can show the corrective evidence about the calculation / comparison of incentives and overtime. With regard to security personnel or security, please send corrective evidence about:

- **Absence list, Overtime list and overtime letter for security that shows security has been working overtime.** Due to on major verifications In this assistant book explains that security workers work for 21 - 24 working days with 6 days off on Sunday. However, this is not in accordance with April 2018's attendance records, which explains that the 27 security guards of Sawit Langkat, in April 2018 still work on holidays (Sunday).

This non conformity not yet closed

Verify 23 May 2018

Based on the explanation from the management representatives it is known that the recording of attendance is the sum of the assistant book recording added with overtime

Based on the daily security guard schedule during May 2018 it is known that workers work for 10 days and on the eleventh day get rest, for example on behalf of Ponijan. This is not in accordance with Law No. 13 of 2003 article 79, Regarding the time of rest. This non conformity not yet closed

Verify 25 May 2018

The Management Unit Of Langkat sent the corrective evidence are in the form of a security personnels schedule in May 2018, the schedule explained that security is 6 working days and one day off.

Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : Moh Arif Yusni

NCR No.	:	2017.06	Issued by	:	Moh Arif Yusni
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	2.1.2 A documentation system that includes written information on legal requirements should be maintained			
Non-Conformance Description & Evidence observed <i>(filled by auditor)</i> : Based on documents review and interview with documents controller, the Management of Sawit langkat has not been able to provide a documentation system that includes information on relevant legal requirements for plantation operations					

Root Cause Analysis <i>(filled by organization audited):</i> There are no formal procedures issued by the company that can be used for legal transition and updating of laws and regulations.	
Correction <i>(filled by organization audited):</i> Make a procedure where there is a methodology that can explain the source of information to track changes in the law and update legislation	
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Disseminating procedures and evaluations Creating a database of legislation that is updated regularly that can be accessed by all estates 	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on ASA-1 The company shows the procedure in the form of basic guidelines and work instructions for identifying and evaluating compliance with laws and regulations and other requirements No. document 04.01/KOL/P/034 dated 1 August 2018. The procedure regulates a documentation system that includes information on legal requirements (regulations) relevant to plantation operations. The procedure has been socialized to the parties concerned and can be accessed by the estate. Based on this, Minor NC on stage 2 can be stated as Closed	
Verified by	: Leonada

NCR No.	: 2017.07	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	2.1.3 Mechanisms to ensure compliance with the law should be implemented.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on documents review and interview with documents controller, the Management of Sawit Langkat can not provide mechanisms / procedures to ensure compliance with relevant legal requirements for plantation operations.			
Root Cause Analysis <i>(filled by organization audited):</i> There is no formal procedure issued by the company that can be used to track changes in the law and update legislation			
Correction <i>(filled by organization audited):</i> Make a procedure where there is a methodology that can explain the source of information to track changes in the law and update legislation			
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Disseminating procedures and evaluations Creating a database of legislation that is updated regularly that can be accessed by all estates 			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on ASA-1 The company shows the procedure in the form of basic guidelines and work instructions for identifying and evaluating compliance with laws and regulations and other requirements No. document 04.01/KOL/P/034 dated 1 August 2018.			

The procedure regulates mechanisms / procedures to ensure compliance with legal requirements (regulations) that are relevant for plantation operations. The procedure has been socialized to the parties concerned and can be accessed by the estate. Based on this, Minor NC on stage 2 can be stated as Closed	
Verified by	: Leonada

NCR No.	: 2017.08	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 2.1.4 Systems to trace any changes in applicable laws and regulations must be provided and implemented.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on documents review and interview with documents controller, the Management of Sawit Langkat have not been able to provide a system / mechanism to track any changes in applicable laws and regulations with the scale of the company.			
Root Cause Analysis <i>(filled by organization audited):</i> There is no formal procedure issued by the company that can be used to track changes in the law and update legislation.			
Correction <i>(filled by organization audited):</i> Make a procedure where there is a methodology that can explain the source of information to track changes in the law and update legislation			
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none">Disseminating procedures and evaluationsCreating a database of legislation that is updated regularly that can be accessed by all estates			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on ASA-1 The company shows the procedure in the form of basic guidelines and work instructions for identifying and evaluating compliance with laws and regulations and other requirements No. document 04.01/KOL/P/034 dated 1 August 2018. The procedure regulates the mechanism of tracking changes in the law and updating legislation. The procedure has been socialized to the parties concerned and can be accessed by the estate. Based on this, Minor NC on stage 2 can be stated as Closed			
Verified by	: Leonada		

NCR No.	: 2017.09	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued

NC Grade	:	MAJOR	Date of Closing	:	25 May 2018
Standard Ref. & Requirement	:	2.2.1 There shall be a document showing ownership or lease, history of the period of ownership / land procurement and concessions in land legally.			
Non-Conformance Description & Evidence observed (filled by auditor): The Management unit of Sawit langkat has had the document of land use right and ownership. The documents of land use right are HGU Certificate No 1 Year of 2006 dated 6 December 2006 related to Extension Period of Granting the Land Use Title until 6 December 20041 with covering 6,173.5 Ha. Based on document <i>Ikhtisar Luas Areal Tanaman Kelapa Sawit Pada Unit Sawit Langkat</i> the area under control of Unit Sawit Langkat are 6,475 Ha and there is a difference of 301.5 Ha from the land use title (6,173.5 Ha). Based on documents review its known for the area of 113.51 has been compensate and planted. Meanwhile for the area of 188 ha has not been done compensation and still controlled by the community. Related to this, The Management unit of Sawit langkat has not been able to show Land Rights documents for 113.51 hectares planted and still managed.					
Root CauseAnalysis(filled by organization audited): Based on the minutes of inspection of land office of the territory of the national land agency of North Sumatra Province dated March 24, 2006 with the number 09 / PPT / KR / 2006, stated that to the community's land area of 301.5 Ha suspended the granting of Right to Effort until there is settlement. Of cultivated land area of 301.5 hectares that were released through profit dressing area of 113.42 hectares, and land that have been released have been proposed concession request to National Land Agency. For the management of Plantation Permit, as soon as possible after the results of Cadastral Measurement by National Land Agency. The area is already planted Due to the land already done compensation by the PTPN IV, if not done planting in fear the land will be occupied by the community.					
Correction(filled by organization audited): to areas that do not have Land Title and Plantation Permit listed in the Time Bound Plan, make partial certification and exclude them from the RSPO certification scope of the Management Unit Langkat					
Corrective Action (filled by organization audited): <ul style="list-style-type: none">- Make monitoring update document changes that exist in Unit Management of Langkat- Establish the PIC / officer responsible for updating the existing document changes of Unit Management of Langkat					
Assessor Evaluation and Conclusion (filled by auditor): Verify 15 April 2018, The company can show the corrective evidence a Letter of Land Title (HGU) Land issuance for 113.42 Ha on March 27, 2018, but has not been shown the proof of delivery of the document Related to the evidence submitted The nonconformity on this indicator not yet closed, due to it has not been able to show the LandTittle (HGU) document for the 113.51 Ha planted and managed area furthermore root cause analysis and corrective action is not appropriate. Major Verification 11 May 2018 Letter from the Regional Office of the National Land Agency of the Province of North Sumatra. 1036 / t5-12.500 / IV / 2018 dated April 30, 2018 stating that Land Tittle issuance request for 113.42 ha is still in process stage. However, it has not been able to show the LandTittle (HGU) document for the 113.51 Ha planted and managed area. There is					

also a difference between the area being proposed by HGU and the non-conformity found in 113.51 - 113.42 ha = 0.9 ha.

This non conformity not yet closed

Verify 23 May 2018

The company can show the corrective evidence are:

- Chronological Area of land area of Sawit Langkat unit explaining about land acquisition process in PT PN IV Unit Langkat
- Land Tittle issuance of Land Tittle (HGU) application letter for area of 113.42 Ha on March 27, 2018,
- Document areal statement operating areas of the company, which is adjusted with an area in the document Certificate of Land title (HGU) and Plantation Permit (IUP)
- Revise the Time bound plan

Related to the evidence of improvement that is submitted then nonconformity on this indicator is stated not yet closed due to root cause analysis and corrective action is not appropriate..

Verify May 25, 2018

Based on the results of clarification of root cause analysis and corrective action by the company then the nonconformity on this indicator is declared Closed

Verified by : Moh Arif Yusni
Diverifikasi oleh

NCR No.	:	2017.10	Issued by	:	Moh Arif Yusni
Date Issued	:	26 May 2017	Time Limit	:	22 August 2019
NC Grade	:	Minor	Date of Closing	:	20 Augus 2019
Standard Ref. & Requirement	:	2.2.2 Evidence that legal boundaries are shown with a clear boundary and maintained.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on documents verifications there is 274 boundaries pole in Sawit Langkat Esttaen however it has not yet to be demonstrated that the poles were installed in accordance with a license/concession					
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">There is no determination of the poles coordinates in the HGU map issued by the BPN when the BPN issued the HGU certificateThere is no PIC in evaluating and ensuring the poles position is in accordance with the existing coordinates					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none">Coordinate with the local BPN to get information on the boundary coordinates of the Esate boundaryMake an accurate poles map in accordance with the results of determining the coordinates of the boundary markers that have been done. Determination of the coordinate point is done internally by referring to the cadastral map issued by the BPN.Obtain coordinates of each boundary mark according to the permit /HGU to facilitate monitoring and evaluation of the location of the HGU poles in the Estate.					

Corrective Action *(filled by organization audited):*

- Determine the PIC responsible for evaluating and ensuring the position of the boundary markers in accordance with the coordinates set.
- Evaluate the results of monitoring boundaries that have been carried out

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification on ASA-1

Based on verification on ASA-1, the companies still cannot show maps of HGU or HGU poles data with coordinates from the BPN. The HGU map shown also does not have information on the poles number according to the poles number in the field. From the results of field visits at the poles No. 30 and 35 are found that poles are in a well-maintained condition, but it cannot be ascertained that the post position are in accordance with the position on the HGU because there is no coordinate information and there is no information on the poles number on the map. Based on this considerations, **the NC Minor on stage 2 cannot be closed and raised to Major in this ASA-1**

Verification July 24, 2019

The company has compiled root cause analysis, corrections, corrective actions and evidence of corrections in the form of:

- SK No. SAL / SK / 63 / VI / 2019 dated June 10, 2019 the determination of HGU monitoring officers.
- Proof of coordination is shown in the document of the meeting with the North Sumatra provincial BPN office on April 15, 2019. The results of the meeting stated that the BPN could not issue coordinates before the HGU extension period. Then the company can determine the coordinates internally which refers to the HGU map owned

Major Verification August 20, 2019

The company shows evidence of improvements in the form of:

- Map of distribution of PTPN IV Sawit Langkat HGU poles in August 2019 made based on an internal survey by referring to the HGU map from BPN.
- Map of distribution of PTPN IV HGU poles in August 2019 which was made based on an internal survey with reference to the HGU map from BPN.
- HGU poles distribution evaluation documents containing data such as, Benchmark Location, internal numbering from the company, BPN No Mark (for poles that have BPN Number) and Coordinate points.
- HGU Poles Monitoring Document dated 1 July 2019 containing, Internal numbering, BPN number, Coordinate points, Benchmark Conditions, additional information and evaluation results. The number of poles for each afdeling as follows:
 - Afd 1: 76 poles with condition 2 broken
 - Afd 2: 9 poles with condition 2 broken, 1 missing
 - Afd 3: 9 poles in good condition
 - Afd 4: 23 poles with 9 stakes missing
 - Afd 5: 29 poles with condition 4 broken
 - Afd 6: 32 poles with condition 5 broken
 - Afd 7: 14 poles with condition 3 broken
 - Afd 8: 25 poles with condition 1 broken
- Based on the results of the Field Visit to the HGU stakes No. 41A, 19, and 40B in Block 10 D Afdeling 1 it is known that the coordinates of the results of the company's internal inventory are in accordance with the actual conditions in the field. (verification using GPS).
- Based on the BPN poles numbering found in the field, it is known that the last poles that can be found are the

BPN poles number 320, this shows that the minimum poles that were previously installed were 320 BPN poles, while the results of an internal inventory, evaluation and monitoring conducted in July 2019 only 123 poles were found.

Based on the verification results above, the non-conformity is stated **closed** and will be verified again during the next audit. **closed with observation**

Verified by : **Leonada & Bayu Yogatama**

NCR No.	: 2017.11	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 09 May 2018
Standard Ref. & Requirement	: 4.1.4 Palm oil mill should record the source of FFB from third parties (collectors, cooperatives, farmers' associations and outgrowers).		
Non-Conformance Description & Evidence observed (filled by auditor): Based on documents verifications, field observations and interview with the managements its known there is two (2) third parties of FFB Suplier are PT Metro Mandiri and UD Lancar Sawit. but Sawit Langkat POM cannot show the records of FFB received from each supplier, (minimal for period of May 2016 – April 2017)..			
Root CauseAnalysis(filled by organization audited): At the time of the audit there was a movement of the estate manager, where the culture at the audit site contained a ceremonial activity involving the staff at the mill and estate, while the information obtained at the time of the audit proposal, the management unit langkat did not estimate the number of carriers would be large enough with a fairly long series of events ± 2 days, so that the concentration of the auditee split between auditing and ceremonial processes, where most of the competent authorities regarding access to these documents were not in the location / workspace.			
Correction(filled by organization audited): Provides recording of FFB acceptance for two third party FFB suppliers from PT.Metro Mandiri Abadi and UD Lancar Sawit for May 2016 - April 2017 period.			
Corrective Action (filled by organization audited): The Company synchronizes the implementation of the audit and transfer of the employee of the estate manager at the time of subsequent audit activities, so that the officer responsible for the documents required during the audit process can be present and assisting.			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 09 May 2018 The company can show data of FFB Process for the period of May 2016 - April 2017 with FFB source from Own Estate 80,395 tons, and source of FFB from third party ie UD Sawit Lancar of 39,091,320 tons and from PT Metro Mandiri 7,3329,210 Tons.			
Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed			

with observation	
Verified by Diverifikasi oleh	: Moh Arif Yusni

NCR No.	: 2017.12	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 4.2.3 Records of periodical leaf, soil and visual analysis shall be available		
Non-Conformance Description & Evidence observed : Management Unit of Sawit Langkat has not been able to show the record of soil and leaf analysis periodically (year of 2016), that used in fertilizer recommendation. This is not yet in accordance with the Basic Guidelines and Working Instructions for Fertilization (No. Unit Usaha.A.10) which explains that soil analysis is carried out every 1 to 5 years, and leaf analysis conducted annually.			
Root Cause Analysis (filled by organization audited): Lack of coordination between PPD and related parts (<i>tanaman</i>) so the documents cannot be given to auditors			
Correction (filled by organization audited): Provide documents from the results of soil analysis and leaf analysis of the Sawit Langkat Estate			
Corrective Action (filled by organization audited): Make monitoring of document requirements related to the application of RSPO certification			
Assessor Evaluation and Conclusion (filled by auditor): Verification at ASA-1 The company has recorded the results of soil and leaf analysis used in preparing fertilizer recommendations. Leaf Analysis Sawit Langkat Estate has analyzed the leaves contained in the 2018 Palm Oil Fertilizer Recommendation Report, which was carried out by taking 209 leaf samples and the recommendations were issued in March 2018 by the PPKS Medan. Parameters analyzed such as N, P, K, Ca, and Mg. Soil Analysis Sawit Langkat Estate analyzes soil with 8 samples in 2017 carried out by Medan PPKS. The parameters analyzed were soil fraction, soil texture, pH, C, N, C / N, P, K, Ca, Na, Mg, JKB, CEC, KB and other micro nutrients. Based on this, it was concluded that this minor nonconformity had been closed.			
Verified by	: Hasiholan Sihombing		

NCR No.	: 2017.13	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.2.4 A nutrient recycling strategy is recorded, including use of Empty Fruit Bunches (EFB), land application, and palm residues after replanting		
Non-Conformance Description & Evidence observed : Sawit Langkat POM produces empty fruit bunches and POME, as well as applying to the land. But has not been able to show the record of the application of empty fruit bunches and POME land application.			
Root Cause Analysis <i>(filled by organization audited):</i> Lack of coordination between PPD and related parts (<i>tanaman</i>) so the documents cannot be given to auditors			
Correction <i>(filled by organization audited):</i> Demonstrate evidence of the application of empty bunches and POME land applications			
Corrective Action <i>(filled by organization audited):</i> Make monitoring of document requirements related to the application of RSPO certification			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification at ASA-1 Records of the realization of EFB applications were carried out in the Sawit Langkat Estate in the period January to April 2019 totaling 8,871.26 tons. The company also shows POME application recordings for the period April 2018 to April 2019. Based on this, it was concluded that this minor nonconformity had been closed.			
Verified by	: Hasiholan Sihombing		

NCR No.	: 2017.14	Issued by	: I Wayan Sudi Antara
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.3.3 Road Maintenance program should available		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Deskripsi Ketidaksesuaian & Bukti yang diamati <i>(dilengkapi oleh auditor):</i>			

The Management Unit Of Sawit Langkat nnot able to show the road maintenance program and realization which is supported by budget and resources.

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

- Lack of coordination between PPD and related parts (tanaman) so the documents cannot be given to auditors
- A lack of understanding of PPD in presenting document requirements related to the application of RSPO certification

Correction *(filled by organization audited):*

- Shows the program and realization of road maintenance contained in the Estate budget
- Provide understanding to PPD in order to be able to prepare and collect document needs in the application of RSPO certification

Corrective Action *(filled by organization audited):*

Make monitoring of document requirements related to the application of RSPO certification

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

Verification at ASA-1

The company has a routine program that is recorded in the Barchat document on Road Production and Collection Rehabilitation. At present there is no development program or new road construction. All roads and bridges can be traversed and are in good condition. All of the programs are documented in the Plan and Realization of Road Improvement documents. Example of recording road maintenance in September 2018 in Afdeling II to Afdeling VIII with 9,475 meters of work achievement. Road repairs are also done manually if the condition of road damage is not too heavy. All the achievements of the road maintenance work have been well documented by the company.

Based on this, it was concluded that this minor nonconformity had been closed.

Verified by : **Hasiholan Sihombing**

NCR No.	:	2017.15	Issued by	:	I Wayan Sudi Antara
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	25 May 2019
Standard Ref. & Requirement	:	4.4.1 An implemented water management plan shall be in place.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The Management Unit of Sawit Langkat Estate has not been able to show the water management plan for the mill and estate including: <ul style="list-style-type: none">- Identification of water sources- Efficiency of water use- Renewability of water sources- Impact on water catchment areas and local stakeholders					

- Access to clean drinking water throughout the year for local communities
- Avoid contamination of surface water and ground water

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

- Lack of coordination between PPD and related departement (agronomy and processing) so documents cannot be given to auditors
- A lack of understanding of PPD in presenting document requirements related to the application of RSPO certification

Correction *(filled by organization audited):*

- Demonstrate water management programs / plans for factories and estates.
- Provide understanding to PPD in order to be able to prepare and collect document needs in the application of RSPO certification.

Corrective Action *(filled by organization audited):*

Conduct document needs monitoring related to RSPO certification.

Assessor Evaluation and Conclusion *(filled by auditor):*
Evaluation May 25, 2019

The company has shown evidences of improvement in the form of the Sawit Langkat POM Water Resource Management Document set on January 2, 2019. The document informs the relevant:

- Renewbility activities.
- Efficient water use
- Impact on catchment area
- Access to drinking water.
- Identification of water sources used
- Avoid contamination of surface and ground water.

From the results of the program, the company has implemented the management of water resources, including:

- Periodically testing the quality of groundwater and surface water.
- Signing the limits on the use of chemicals in the river border.
- Make a warning / ban on the destruction of water source areas.
- The results of the field visit also found no indication of contamination of water sources.

Based on the objective evidence, non-conformities are fulfilled.

Verified by : **Briyogi Shadiwa**

NCR No.	: 2017.16	Issued by	: I Wayan Sudi Antara
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued

NC Grade	: MAJOR	Date of Closing	: 09 June 2018
Standard Ref. & Requirement	4.4.2 Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated.		
Non-Conformance Description & Evidence observed (filled by auditor): Deskripsi Ketidaksesuaian & Bukti yang diamati (dilengkapi oleh auditor): based on the result of document review and field visit, it is known that The Management Unit of Langkat Estate has not been able to show evidence of river protection for example: <ul style="list-style-type: none"> - There is no riparian boundary marking and installation of river protections signboards and Efforts to rehabilitate rivers - The results of interviews with 6 people spray workers in afdeling 5 obtained information that workers wash work tools (Kep) in the ditch after work - The result of field visit in Block 07Q Afdeling 2 is known that there is pollution of POME flowing in the water flow. 			
Root Cause Analysis (filled by organization audited): Analisa Akar Masalah (dilengkapi oleh organisasi yang diaudit): <ul style="list-style-type: none"> • there is no monitoring riparian areas • Not yet done socialization related to function of rinse house which have been provided by management of plantation. • Identification conducted by Management Unit of Langkat, that there is leakage Installation of pipes (fatpit pipes to waste ponds) in POM, leak into the ground (ditch dead) in Afdeling 2 blocks of block 12 AB, in this leakage can still be dammed by dike dike . But then the dike of the landslide ditch so that leakage waste through the Basilam river. • There is no determination of PIC responsible for environmental management and monitoring. <p>5. Leakage of waste water pipe in POM due to Lack of monitor on installation Pipe waste cause pipe wear and leakage,</p>			
Correction (filled by organization audited): <ol style="list-style-type: none"> 1. Make monitoring riparian areas 2. Conducting socialization related to the function of rinse house that has been provided by Estate management 3. Management Unit Langkat has created an Action Plan where improvements are made in Upper, Downstream, and social sectors of society. 4. statement of head of village paluh pakih that no more pollution 5. Establish the PIC responsible for management and monitoring of Environmental Management in Langkat Unit Management <p>Make improvements on installations such as, replacement of leaking pipes, leaking fillings tub, cleaning the area tankos and create new trench so that the leachate flows into the WWTP.</p>			
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Establish the PIC responsible for river riparian monitoring 2. Make outreach programs related to functions rinse house that has been provided by the plantation management. 			

3. Management unit langkat has made Action Plan where repairs are carried out at the Upstream, Downstream, and social.
4. Make a socialization program of environmental governance around the PIC Langkat kepada Management unit established

Monitoring (in the form of a checklist) to the installation conditions such as POM, cleanliness, leaks, wear, damage and replacement.

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

Verify 15 April 2018

The company can show the corrective evidence are:

- Monitoring riparian area
- Watershed monitoring
- Monitoring of riparian plants and stakes
- Monitoring of riverside area
- Determination of HCV enforcement monitoring officers based on SK No SAL / SK62 / II / 2018

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no corrective evidence that's explain about

- No riparian boundary marking is found, installation of river sign protection and Efforts to rehabilitate rivers
- Results of interviews with 6 people spray workers in afdeling 5 obtained information that workers wash work tools (Kep) in the ditch after work
- The result of field visit in Block 07Q Afdeling 2 is known that POME pollution is flowing in the water flow
- Clarifications of the root cause analysis, correction, corrective action

Verify 28 April 2018

The company can show the corrective evidence are:

- Documentation (photo) the maintenance of the river banks, but in these documents do not inform the location and date of implementation activities
- Socialization of RSPO and ISPO policies to Workers on October 12, 2017, but based on absentee list not all workers have socialization related to the policy
- The monitoring document of river border on February 17, 2016, but in the document does not inform the name of the river and the activities are established in 2016 where the audit activities are conducted in 2017
- Map of watersheds with a scale of 1: 50,000
- Plan and Monitoring of HCV 1 and 4 of 2016,

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no corrective evidence that's explain about

- No riparian boundary marking is found, installation of river sign protection and Efforts to rehabilitate rivers
- Results of interviews with 6 people spray workers in afdeling 5 obtained information that workers wash work tools (Kep) in the ditch after work
- The result of field visit in Block 07Q Afdeling 2 is known that POME pollution is flowing in the water flow
- Clarifications of the root cause analysis, correction, corrective action

Major Verification 11 May 2018

The company can show the corrective evidence are:

- Documentation of socialization for harvesters and chemists not to wash spraying tools in the river. The socialization was conducted and socialized to the spray employees for afdeling I - V. The result of the interview with the spray team, it is known that the spray tool was washed and placed in place that has been provided by the company and should not be washed diparit / river.

- Documentation of the Action Plan to Maintain and / or Increase identified HCV Values (controlling pollution sources at the Parit Busuk Afdeling 2 groove outlet leading to Sungai Besilam). sighted repair of the installation of the fatpit pipe to the waste pool showing no pipeline leakage, as well as repair of the embankment groove outlet embankment 2 into the basilam river. Surat Keputusan No. SAL/SK/62/II/2018 tentang Penetapan Petugas Monitoring Pemantauan HCV/NKT tanggal 7 Februari 2018.
- Monitoring of the watershed area afdeling IV Langkat estate dated February 17, 2016.
- Monitoring of High Conservation Value Areas (HCV) Afdeling I s / d VIII.
- Documentation of river boundary marking, sign instalation, tree planting on 21 and 25 September 2017 in afdeling V.

meanwhile

- Field observation results at the Empty Bunch Area in POM note that leachate water flows to 07Q afdeling II block which is the lowland area.
- The observation result on block 07d afdeling II is known to indicate the existence of waste contamination (leakage residue and leachate water) which seep into the water flow which flows into S. Basilam.
- Observation results in the tubs and pump machine area in the pump room that drains the wastewater to LA there is seepage and leaks into the environment.
- Clarification of the root cause analysis, correction, corrective action is still unclear / conical to the non-conformity caused.

This non conformity not yet closed

Verify 20 Mei 2018

The company can show the corrective evidence are:

- a letter from the village head Paluh Pakih dated May 18, 2018 which explained that PT Perkebunan Nusantara IV Kebun Sawit langkat have to make improvements as well as an action plan waste pollution, it is evidenced by the absence of pollution of waste generated by the plantations and palm oil processing which allegedly flowed into the Basilam River
- Document Action Plan for Wastewater Treatment of the Year 2018 period made by Chief Engineer Langkat Mill and known by Unit Manager on May 16, 2018
- Statement Letter from Langkat Estate Manager dated May 17, 2018 stating commitment in handling and management of palm oil liquid waste in PKS Sawit Langkat so as not to pollute the surrounding environment and river body
- Documentation of repair of tubs of shelters and pumping machine area at POM Langkat pump house

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no correctivevidence that's explain about

- Clarification of the root cause analysis, correction, corrective action is still unclear / conical to the non-conformity caused
- Waste handling (leakage and leachate) remaining in 07Q afdeling II block which is a lowland area.

Verify 23 May 2018

PT PN IV Unit Langkat can show the corrective evidence are:

- Appointment Letter pengeloalaan officers and monitoring of environmental governance, on May 22, 2018, which is responsible for monitoring and inspection of anything that may have adverse impacts on the environment and can harm perusahaan because they pollute the environment
- Socialization Program associated with the implementation of RSPO environmental aspects in June and November 2018
- Layout of a new trench to drain leachate from Empty Bunch to WWTP. In addition there is also documentation of the closure of the old trenches that flow into the trenches.
- Documentation of the conditions trenches in Block 07Q contaminated waste water and ditch repair dikes using heavy equipment.

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no Clarification of the root cause analysis, correction, corrective action is still unclear / conical to the non-conformity caused

Major Verification on 09 June 2018

A. Leachate Management in Empty bunch area

Observations on EBA area, there is no flow of leachate into the environment due to the corners of the potential seepage into low-lying areas have been backfilled / elevated to the ground (Figure 1). Leachate flowed to a certain point (Figure 1), and has created a new trench in the direction of drainage fatpit plant (Figure 2), then flows into the pond to the WWTP (Figure 3).



Figure 1



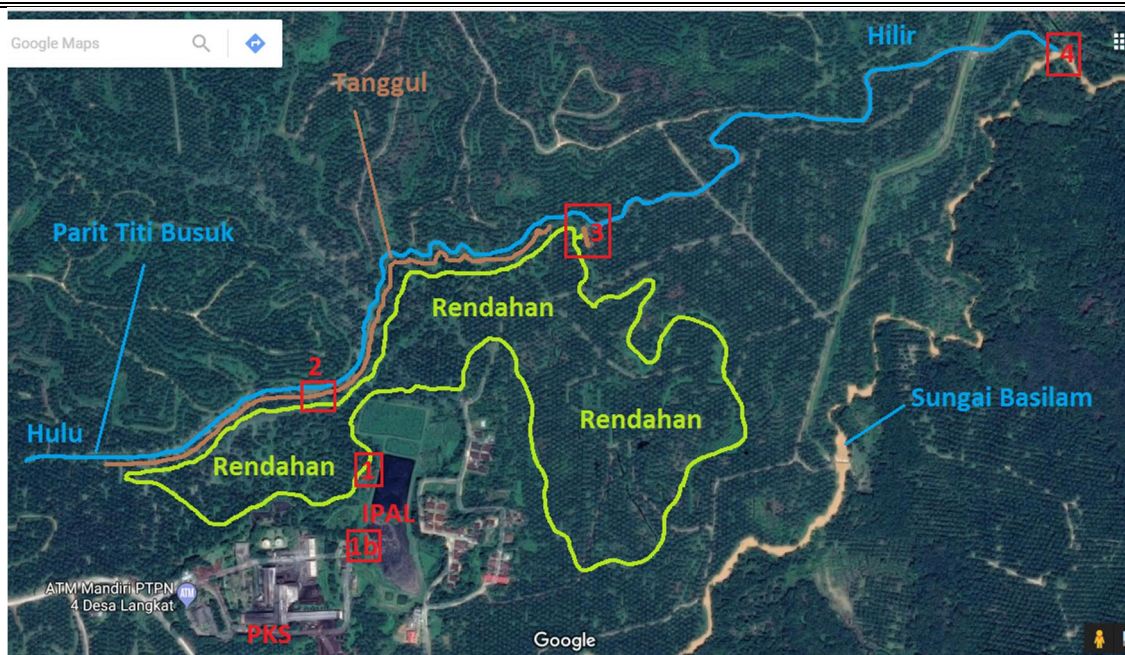
Figure 2






Figure 3

B. WASTE MANAGEMENT OF PALM OIL AND POTENTIAL OF ENVIRONMENTAL POLLUTION

Auditor observation on the following areas:



Keterangan :

- | | |
|---|--|
|  | Canal Titi Busuk |
|  | The embankment between the lowly area and the Canal Titi Busuk |
|  | Lowland Area |
| 1 | LA Pump House, there is a temporary tub that was once leaked and has now been repaired. There is no waste that lead to lowland areas |
| 1b | POME Pipes from Pom to WWTP that have been fixed. There is no leak that leads to a lowly area. |
| 2 | One (out of two) waste outlets from a lowly area to Parit Titi Busuk. Formerly the waste came out from this point, now it's been bolted and nothing comes out to the rotten titi ditch. |
| 3 | lowland dams, outlets (sluice gates) from the lower districts to the Canal Titi Busuk. The damaged dike has been repaired, the flood gate has been permanently closed. There is no waste from a lowly area that goes out into the Canal titi Busuk |
| 4 | Outlet canal Titi Busuk to Basilam river . There is no indication of polluted POME waste |

Description

Levee between Lowland Area and Titi Busuk Canal

Titi Busuk Canal (upstream and downstream) adjacent to the swamp / humidity area is dangled with a long arm excavator along the 07R, 07Q, and 12W blocks (along the swamp area) to the Titi Busuk Canal estuary with the swamp dam / outlet in the 07Q block.

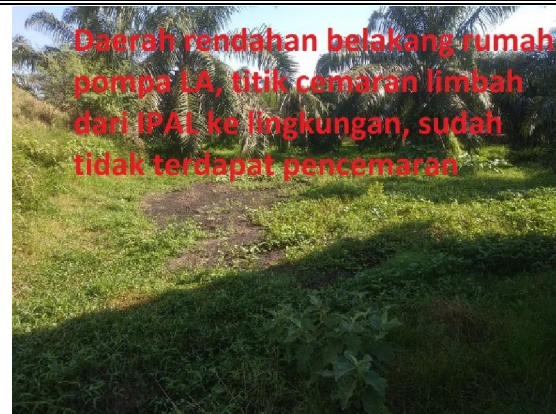


1. LA Pump House

LA pump pump leakage has been cemented and repaired, there is no leakage of waste into the swamp / lowland area of palm oil blocks.



The lowland / swamp area beside the WWTP pond and the rear of the LA pump house, the starting point for waste contamination from the WWTP pump basin, and from the POME pipes from Mill to WWTP. The area is known it is dry and there is no contamination from the WWTP to block oil palm plantations.



1b. POME Pipe from POM to WWTP

It has been repaired and there is no leak that leads to swamp / lowland areas of palm oil block.



2. One Waste Outlet from the lowland area to canal Titi Busuk Blok 7 Q Afdeling 2

One (out of two) waste outlets from a lowly area to Canal Titi Busuk. Formerly the waste also came out of this point, now it is bun and no one comes out to the Canal Titi Busuk.



3. Lowland area Dam and Outlet gate

Lowland area Dam and Outlet gate to canal Titi Busuk, The damaged dike has been repaired, the flood gate has been permanently closed. There is no waste from the lower area out to the canal Titi Busuk



The Titi Busuk canal in the the Lower Area (below the lower area after the outlet) is cleaner and is not black. Just more turbid with mud / sedimentation process embankment work / deepening of the trench.



Stage 2 findings, Waste comes from Outlet and lowland areas



Verification Major II, There is no waste out of the / door dam and low. Air canal is brown due to sedimentation of upstream / uplift.

4. Outlet Titi Busuk Canal To Basilam River

There is no indication of waste, although the color of the water from the Titi Busuk Parit is darker than the Basilam River water color, but this is due to the sedimentation of the embankment construction along the edge of the lower area with the rotten titi ditch. It has been ensured that no waste exits the WWTP area to a lowly area, and it has been ensured that no waste exits from the lowland area to titi Busuk Canal



C. CORECTIVE ACTION and Preventive Action

The Company provides documentary evidence related to the action plan and realization (progress) as follows:

- Statement Letter from Langkat Sawit Farm Manager dated May 17, 2018 which stated commitment in handling and management of palm oil liquid waste in PKS Sawit Langkat so as not to pollute the surrounding environment and river body
- Document Action Plan for Wastewater Treatment of Year 2018 made by Chief Engineer of PKS Sawit Langkat and known by Unit Manager on May 16, 2018
- Documentation of Purchase Request No. 58/07/43 / II / 2018 dated 5 March 2018 for WWTP pipes for replacement of old pipes (already contained in Budget2018).Dokumentasi Permintaan Pembelian (PP) No. 58/07/96/II/2018 tanggal 15 Februari 2018 untuk 1 unit Pompa LA. Untuk penambahan pompa danantisipasi kerusakan pompa lama.
- Investment Budget Requests (PABI) no. PABI / 01 / I / 18 dated January 2, 2018 for 1 unit Sludge Separator capacity of 10,000 - 15,000 liters / hour. Serves to reduce POME's waste production.
- Investment Budget Requests (PABI) no. SAL / PABI / 19 / II / 18 dated February 15, 2018 for the installation of a new 5 door Hopper Bunch Empty. Installation of a new hopper door enables empty empty bunch distribution from POM to truck carrier to be faster, it is expected that no empty bunch will accumulate in the EBA area.

Based on field verification results, and document review, the auditor concludes that the company has made sufficient efforts, and is continuing the prefentive effort of handling empty bunches of waste and POME. There is no indication of leachate from the EBA into the environment, no leakage of waste from the WWTP to the plant block / lowland area, and no leakage of waste from the lower area to Titi Busuk Canal that empties into the Basilam River.

Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : **I Wayan Sudi Antara**

NCR No.	:	2017.17	Issued by	:	I Wayan Sudi Antara
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	4.4.3 Palm oil mill effluent product monitoring records should be available in particular BOD (Biochemical Oxygen Demand) and efforts to comply with applicable regulations (see criteria 2.1 and 5.6).			
Non-Conformance Description & Evidence observed (filled by auditor): Deskripsi Ketidaksesuaian & Bukti yang diamati (dilengkapi oleh auditor):					
Sawit Langkat Mill not able to show if the palm oil effluent has been handled properly, based on field observation obtained information if:					
<ul style="list-style-type: none">- WWTP Pond number 3 and Number 4 oes not work because of overgrown spinach and grass (no cleaning)- Damage of the WWTP embankment causing leakage into the water stream- The results of interviews with representatives of the community of Paluh Pakih Village are pollution of Basilam river produced by Sawit Langkat Mill					
Root Cause Analysis (filled by organization audited):					
1. The lack of understanding of the auditee in explaining that pond 3 and pond 4 were indeed not functioning so that maintenance were not carried out					

2. Lack of volume capacity on dikes and damage to valves / embankment dams
3. Lack of attention and care so that pollution has not been fixed

Correction *(filled by organization audited):*

1. Provide an explanation and socialization that pool 3 and pond 4 are not functioning
2. Perform repairs to embankments so that they no longer cause pollution

Corrective Action *(filled by organization audited):*

Conduct inspections of the environment on a regular basis according to the inspection mechanism set by the company.

Assessor Evaluation and Conclusion *(filled by auditor):*
Evaluation May 25, 2019

Based on the results of field observations at Sawit Langkat POM, it is known that the conditions of ponds of WWTP no.3 and no.4 have not been used as wastewater treatment ponds. The company has also repaired dikes around the pond and the auditor did not find any leakage in the WWTP area.

The company also shows the program of management of the Palm Oil Palm Oil Plantations in Langkat such as:

- Planting *kangkung* (water spinach) plants (ponds No. 3 and 4) which can be useful as a food source for estate employees.
- Gradually sowing fish seeds (ponds no.3 and 4) so that they can be beneficial for estate employees.
- Installation of safety portals so that people cannot enter the pool area carelessly.

Based on that objective evidences, the non-conformity has been fulfilled.

Verified by : Briyogi Shadiwa

NCR No.	: 2017.18	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 09 May 2018
Standard Ref. & Requirement	: 4.5.1 Monitoring of Integrated Pest Management (IPM) plan implementation shall be available.		
Non-Conformance Description & Evidence observed :			
Based on the review of the Basic Guidelines and Work Instructions on Pests and Disease Control (No. Unit Usaha A.08) and interviews with the management, it is known that the potential pests and diseases in the plantation are leaf eater caterpillar, ganoderma, and beetle horns during the TBM phase.			
However, the procedure has not yet explained the mechanism of early monitoring system for the symptoms of ganoderma, and management unit has not been able to show evidence of monitoring records for ganoderma disease.			

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

At the time of the audit there was a movement of the estate manager, where the culture at the audit site contained a ceremonial activity involving the staff at the mill and estate, while the information obtained at the time of the audit proposal, the management unit Langkat did not estimate the number of carriers would be large enough with a fairly long series of events \pm 2 days, so that the concentration of the auditee split between auditing and ceremonial processes, where most of the competent authorities regarding access to these documents were not in the location / workspace.

Officers can not show documents when the audit takes place, because the PIC which is responsible regarding access to these documents were not in the location / workspace (currently involved in displacement ceremony event manager)

Correction *(filled by organization audited):*

Complete census document and IPM handling

Management Unit Langkat provides document monitoring mechanism for early symptoms of ganoderma disease.

Corrective Action *(filled by organization audited):*

Conducting Sosialisasi related IPM

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification April 22, 2018

The company shows the recapitulation of the ganoderma census from January to March 2018. However, the company has not been able to show any correction related to the procedure. Also the root of the problem, correction, need to be fixed. This nonconformity not yet closed

Verify May 9, 2018

The company demonstrated a procedure that explains monitoring for symptoms of ganoderma disease. Based on corrective of evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : Arif Faisal Simatupang
Diverifikasi oleh

NCR No.	: 2017.19	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 4.5.2 Training records of Integrated Pest Management (IPM) shall be available.		
Non-Conformance Description & Evidence observed :			
Management Unit of Sawit Langkat has not been able to show evidence of integrated pest management training.			
Root Cause Analysis(filled by organization audited):			

<ul style="list-style-type: none"> Lack of coordination between PPD and related parts (tanaman) so the documents cannot be given to auditors A lack of understanding of PPD in presenting document requirements related to the application of RSPO certification 	
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Provide understanding to PPD in order to be able to prepare and collect document needs in the application of RSPO certification Demonstrate evidence of the recording of integrated pest control training that has been carried out 	
Corrective Action <i>(filled by organization audited):</i> Make monitoring of document requirements related to the application of RSPO certification	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification at ASA-1 The company showed a recording of integrated pest control training (fire caterpillar pests and bag caterpillars) which were attended by 29 employees (attendance list available). Based on this, it was concluded that this minor nonconformity had been closed.	
Verified by	: Hasiholan Sihombing

NCR No.	: 2017.20	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 11 May 2018
Standard Ref. & Requirement	4.6.1 Documented evidence shall be available to show that pesticide used based on regulations and the use of pesticide is specific to target species with appropriate dosage which have minimal impact on non-target species.		
Non-Conformance Description & Evidence observed : Management Unit of Sawit Langkat has not been able to show the types of pesticides used, as well as the justification that each pesticide has refers to the applicable regulations, according to the target species and recommended dosage, and has a minimum impact outside the target.			
Root Cause Analysis <i>(filled by organization audited):</i> There are no calculations LD50 (toxicity)			
Correction <i>(filled by organization audited):</i> Performing calculations of LD50 (toxicity)			
Corrective Action <i>(filled by organization audited):</i> Melakukan sosialisasi LD50 (toksisitas)			

Assessor Evaluation and Conclusion *(filled by auditor):*
Verify 22 April 2018

The company show the corrective evidence by sending usage data of each pesticide, But not yet explain the justification that the use of pesticides refers to the applicable regulations and in accordance with the target species and the recommended dose and has a minimum impact on the outside of the target species. The nonconformity on this indicator not yet closed

Verify 28 April 2018

The company show the corrective evidence ie

- Reduction Activity Documentation Paraquat, like Manual wedding
- plant maintenance plan produces in the form of manual activities in 2018
- List of pesticides used for the period of November and December 2015 and 2016

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no corrective evidence that's explain about the justification that the use of pesticides refers to the applicable regulations and in accordance with the target species and the recommended dose and has a minimum impact on the outside of the target species.

Verify 11 May 2018

The company show the corrective evidence that's explain about the justification that the use of pesticides refers to the applicable regulations and in accordance with the target species and the recommended dose and has a minimum impact on the outside of the target species.

Based on corrective of evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : Tim auditor
Diverifikasi oleh

NCR No.	:	2017.21	Issued by	:	Arif Faisal Simatupang
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	09 May 2018
Standard Ref. & Requirement	:	4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) shall be available.			
Non-Conformance Description & Evidence observed :					
Management Unit of Sawit Langkat has not been able to show the record of pesticide used which includes active ingredient, LD50, treatment area, number of application, and amount of active ingredient used per ha.					
Root Cause Analysis(filled by organization audited): Analisa Akar Masalah(dilengkapi oleh organisasi yang diaudit):					

<p>not yet socialized procedures for calculating lethal dose of chemicals that have been owned</p>	
<p>Correction <i>(filled by organization audited):</i></p> <p>Conducting socialization related to lethal doses of active ingredients of pesticides Recording the use of pesticides including active ingredients used and LD50 from the active ingredient, treatment area, amount of active ingredient use per ha and number of applications.</p>	
<p>Corrective Action <i>(filled by organization audited):</i></p> <p>LD50 monitoring the related calculations that have been done on a regular basis</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Verify 22 April 2018 The company sent a record of the use of pesticides, but has not yet explained the active ingredient, LD 50. Besides it has not been shown the use of active ingredients, and the use of active ingredients per ha. (the calculation used in the document is the number of pesticides, not including the use of the amount of active ingredient). The nonconformity on this indicator not yet closed</p> <p>Verify 28 April 2018 The company show the corrective evidence are List of pesticides used for the period of November and December 2015 and 2016. Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no corrective evidence that's explain about the justification that the use of pesticides refers to the applicable regulations and in accordance with the target species and the recommended dose and has a minimum impact on the outside of the target species.</p> <p>Verify 09 May 2018 The company show the corrective evidence are pesticide usage records from the period January 2017 - May 2017 which includes the active material used and the LD50 of the active ingredient, the area of treatment, the amount of use of the active ingredient per hectare and the number of applications Based on corrective of evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation</p>	
<p>Verified by Diverifikasi oleh</p>	<p>: Arif Faisal Simatupang</p>

NCR No.	: 2017.22	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 09 May 2018
Standard Ref. & Requirement	4.6.3 Any use of pesticides shall be minimized as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in Indonesia Best Practice guidelines		

Non-Conformance Description & Evidence observed :

Management Unit of Sawit Langkat has not been able to show the record that shows that the use of each pesticide has been monitored and minimized as part of the plan, and in accordance with the IPM plan.

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

At the time of the audit there was a movement of the estate manager, where the culture at the audit site contained a ceremonial activity involving the staff at the mill and estate, while the information obtained at the time of the audit proposal, the management unit langkat did not estimate the number of carriers would be large enough with a fairly long series of events ± 2 days, so that the concentration of the auditee split between auditing and ceremonial processes, where most of the competent authorities regarding access to these documents were not in the location / workspace.

Officers can not show documents when the audit takes place, because the PIC which is responsible regarding access to these documents were not in the location / workspace (currently involved in displacement ceremony event manager)

Correction *(filled by organization audited):*

1. Provide SOP integrated pest management
2. Provide evidence of pest census

Provide evidence of control from census results If done spraying must be in accordance with the procedures owned

Corrective Action *(filled by organization audited):*

Tindakan Korekif *(dilengkapi oleh organisasi yang diaudit):*

Implement IPM socialization activities

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification April 22, 2018

The company has sent IPM monitoring data showing that there is no pest infestation or disease symptoms. But the company has not shown recording the use of pesticides for weed control routine. This non conformity not yet closed

Verification May 09, 2018

The company showed evidence of improved monthly pesticide usage records from the period January 2017 - May 2017 which includes the active material used and the LD50 of the active ingredient, the area of treatment, the amount of use of the active ingredient per ha and number of applications. In addition, the company has demonstrated that IPM monitoring data show that there is no pest infestation or disease symptoms, so there is no use of chemicals for pest control. Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : **Arif Faisal Simatupang**
Diverifikasi oleh

NCR No.	: 2017.23	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: ASA-1

NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	4.6.4 The evidence shall be available to demonstrate that use of Pesticides, categorized in Class 1A or 1B by World Health Organization, or those are listed in the Stockholm and Rotterdam Conventions, and paraquat are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimized and eliminated as part of a plan			
Non-Conformance Description & Evidence observed :					
Management Unit of Sawit Langkat has the document of The WHO Recommended Classification of Pesticides by Hazard and Guidelines to Classification 2009, which shows the list of pesticides with active ingredients of WHO class 1A and 1B. However, there is no record of any type of pesticide used, so it can not be identified whether management unit uses or does not use pesticides in WHO class 1A and 1B, or paraquat.					
Root Cause Analysis(filled by organization audited):					
<ul style="list-style-type: none">Lack of coordination between PPD and related parts (tanaman) so the documents cannot be given to auditorsA lack of understanding of PPD in presenting document requirements related to the application of RSPO certification					
Correction(filled by organization audited):					
<ul style="list-style-type: none">Shows records of each type of pesticide used in plantation operationsProvide understanding to PPD in collecting and preparing data requirements for fulfilling RSPO certification					
Corrective Action (filled by organization audited):					
Make monitoring of document requirements related to the application of RSPO certification					
Assessor Evaluation and Conclusion (filled by auditor):					
Verification at ASA-1					
<ul style="list-style-type: none">Sawit Langkat Estate unit can show records of each pesticide used, namely eagle (glyphosate), garlon (triclopyr), metsulindo (methyl metsulfuron), rally (methyl metsulfuron), and topzone (paraquat dichloride).Sawit Langkat Estate Unit does not use pesticides belonging to WHO class 1A and 1B, only using pesticides with paraquat as an active ingredient.					
Based on this, it was concluded that this minor nonconformity had been closed.					
Verified by	:	Hasiholan Sihombing			

NCR No.	:	2017.24	Issued by	:	Arif Faisal Simatupang
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	12 May 2018
Standard Ref. & Requirement	:	4.6.5 Evidence of pesticide application by trained person and in accordance with application guidelines in product label and storage guidelines shall be available.			

	Appropriate safety equipment shall be provided and utilized. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7)
Non-Conformance Description & Evidence observed : Based on field observation and interviews with six spraying workers in Afdeling V Block 11A, it is known that pesticide applications have not been referring to the guidelines on package and safety equipment that have not been implemented in accordance with the existing provisions: <ul style="list-style-type: none"> - Two workers use ordinary shoes, where the provisions in the HIRAC document are rubber boots. - Gloves used by all workers are cloth gloves, where the provisions in the HIRAC document are rubber gloves. - Four workers using self-purchased cloth masks, where the provisions in the HIRAC document are chemical masks. - All workers do not wear protective clothing (apron) in accordance with the requirements in MSDS, as well as information that the spraying workers often complain about irritation symptoms / itching on the back and arms due to damage of sprayer. - The spraying supervisor does not carry the first aid kit. 	
Root Cause Analysis (filled by organization audited): Less caring employees to the dangers of workplace accidents Lack of monitoring the use of PPE on workers in the field due to the absence of special officers who are responsible for monitoring the PPE periodically.	
Correction (filled by organization audited): Doing socialization related to work accident hazard provide PPE to employees in the form of rubber boots and 5 sprayers, rubber gloves, chemical masks, protective clothing and first aid box	
Corrective Action (filled by organization audited): Monitoring inspection of the equipment PPE and OHS	
Assessor Evaluation and Conclusion (filled by auditor): Verification April 22, 2018 The company shows documentation of PPD handover for employees of pesticide applicators consisting of boots, apron, rubber gloves, chemical masks, and first aid box for foremen. And socialization about the importance of use of PPE. But the company has not provided any improvement to the 'correction'. This discrepancy has not been fulfilled. Verify May 9, 2018 The Company has made corrections to the correction, Implementation of nonconformities will be verified during the Major verification activities Major Verification May 12, 2018 Based on observations on spray activity on the block.2013 Al afdeling II it is known that spray workers have been wearing PPE such as rubber boots, rubber gloves, chemical masks, protective clothing (apron) as well as provision of first aid kit by the foreman. Based on the above explanation, the auditor team recommends to close the nonconformity.	

Verified by Diverifikasi oleh	:	Arif faisal & Tim auditor
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NCR No.	:	2017.25	Issued by	:	I Wayan Sudi Antara
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	23 May 2018
Standard Ref. & Requirement	:	4.6.6 Pesticides are stored with recognized best practices. All pesticide containers must be managed properly according to regulations and or instructions on the packaging (See Criterion 5.3).			
Non-Conformance Description & Evidence observed (filled by auditor): Based on field observation in around the office Afdeling 2 obtained information if: <ul style="list-style-type: none">- Ex Chemical container (Pesticides) disposed/ left in the backyard of afdeling office- Based on field observation in pesticides storage its known if the ait circulation not properly- Waste water from work equipment and PPE at home rinse directly to the environment / land Because that explanation, The Management of Sawit Langkat has not been able to show evidence that pesticides and pesticide containers have been properly managed according to the applicable regulations and or MSDS					
Root Cause Analysis(filled by organization audited): <ul style="list-style-type: none">• Lack of caring employees to the hazards of pesticide wast• Lack of understanding of the clerk of the hazardous waste management procedur					
Root Cause Analysis(filled by organization audited): There is no specific officer for the identification of sources of waste and pollution The management unit does not yet have identification of sources of waste and pollution resulting from operational activities.					
Correction(filled by organization audited): Conducting identification of the sources of waste and pollution generated as a result of the operational activities.					
Assessor Evaluation and Conclusion (filled by auditor): Verifikasi 15 April 2018 The company can show the corrective evidence are delivery note and Manifest for ex chemical container with the number 188 pieces, but there is no coorrective evidence about: <ul style="list-style-type: none">- Exchemical containers which discarde / left in the backyards of the office- The result of pesticide warehouse visit is known that the warehouse air circulation is less good / feasible.- Water used washing tools and PPE at home rinse directly flowing environment / land- Clarifications of the root cause analysis, correction, corrective action was not in accordance with nonconformity. Major Verification 11 May 2018 The company can show the corrective evidence are: <ul style="list-style-type: none">- delivery note to CV Veronika Tannaga with the number of containers exchemical 188 pieces.					

- Manifest delivery of 188 exchama containers with no manifest ARA 000532 dated August 14, 2017.
- documentation showing the backyard condition of the afdeling office before and after the waste transport.

Field observation results:

- Field observations in second division warehouse and hazardous storage area are known to be found hazardous waste (uncontaminated packaging) that have not been monitored and not yet stored in hazardous storage
- Observation of field at home rinse division II and V has contained container basin of PPE washing and work tools
- Clarifications of the root cause analysis, correction, corrective action was not in accordance with nonconformity.

This non conformity not yet closed

Verify 20 May 2018

The company can show the corrective evidence are:

- Socialization Management of hazardous waste on May 16, 2018 with the number of participants 20 people
- Documentation of knapsack sprayers Returns from Warehouse Division II to hazardous storage on May 12, 2018
- Internal Memo from Langkat Unit Manager No SAL / SE / Intrn / 56 / V / 2018 dated May 14, 2018 regarding Management of ex pesticide containers

This will be further observed by the auditor team and the panel team. In addition Langkat management unit needs to complete the responses auditors regarding clarification of the root cause analysis, correction, corrective action was not in accordance with nonconformity.

Verify 23 May 2018

Can be shown related to the clarification of root cause analysis, correction and corrective action. In addition, inspection can also be conducted on the management of hazardous waste in several locations such as housing area, division office, chemical warehouse division and water pump house division. Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by : **Team Auditor**

NCR No.	:	2017.26	Issued by	:	Arif Faisal Simatupang
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	4.6.7 Application of pesticides shall be by proven methods that minimize risk and negative impacts.			
Non-Conformance Description & Evidence observed :					
Based on field observation and interviews with six spraying workers in Afdeling V Block 11A, it is known that there are risky and negative impact methods :					
- Pesticides placed in mineral water bottles (600 ml) side by side with drinking water bottles, and carried by all workers when spraying. The pesticides and drinking water is also has no clear identity or symbol.					

<ul style="list-style-type: none"> - The workers washing the working tools (knapsack sprayer) in the field drain after work - PPE's is washed and stored in the house of each worker. - Field observation results in warehouse complex of Afdeling II, it is known that there is not yet available bathrooms, washing tools and PPE, and adequate warehouse of spraying tools and PPE's. 	
Root Cause Analysis <i>(filled by organization audited):</i> Lack of understanding of workers in carrying out work in accordance with the guidelines for implementing work that is safe for health	
Correction <i>(filled by organization audited):</i> Disseminate to workers about the dangers of chemicals and the impact of pollution on the environment	
Corrective Action <i>(filled by organization audited):</i> Evaluate the level of understanding of workers after getting socialization	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification at ASA-1 Based on observation of activities and interviews with 5 spraying workers in Afdeling 2 Block 12Y, known that: <ul style="list-style-type: none"> - Pesticides and food ingredients separate from chemicals and spray equipment. - Workers admit to washing work tools (Kep) at rinse house provided. - PPE is washed and stored at rinse house provided. - The results of observations in rinse house at the 5 and Afdeling 8, are known to have available bathrooms, washing facilities for work equipment and PPE, as well as work warehouses and adequate PPE. Based on this, it was concluded that this minor nonconformity had been closed.	
Verified by	: Hasiholan Sihombing

NCR No.	: 2017.27	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.6.9 Evidence of training on handling pesticide for workers and scheme smallholder (if any) shall be available		
Non-Conformance Description & Evidence observed : Management Unit of Sawit Langkat has not been able to show evidence the records of training related to handling and application of pesticides for all workers.			
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • Lack of coordination between PPD and related parts (<i>tanaman</i>) so the documents cannot be given to auditors • A lack of understanding of PPD in presenting document requirements related to the application of RSPO certification 			

Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Shows records of training that has been done to workers Provide understanding to PPD in collecting and preparing data requirements for fulfilling RSPO certification 	
Corrective Action <i>(filled by organization audited):</i> Make monitoring of document requirements related to the application of RSPO certification	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification at ASA-1 The company shows record of training and socialization to spray workers (chemist) and MSDS held on May 15, 2019 to 42 employees at the Employee Hall. From the results of interviews with 5 spray workers in Afdeling 2, the workers admitted that they had received training and outreach on the dangers of the chemicals used and how to handle them. Based on this, it was concluded that this minor nonconformity had been closed.	
Verified by	: Hasiholan Sihombing

NCR No.	: 2017.28	Issued by	: I Wayan Sudi Antara
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.6.10 It should be shown evidence that pesticide waste has been handled in accordance with prevailing laws and regulations understood by workers and managers.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on the results of field visits around the office Afdeling 2 it is known that: <ul style="list-style-type: none"> Former container of chemicals (pesticides) removed / left in backyard afdeling office for example result of field visit in afdeling 2. The results of the document review note that the pesticide waste has been stored beyond the allowable shelf life (180 days) where the last shipment was made in March 2016 Because that explanation, The Management of Sawit Langkat has not been able to show evidence of pesticide waste has been handled according to the prevailing laws and regulations.			
Root Cause Analysis <i>(filled by organization audited):</i> Insufficient understanding of workers in managing hazardous waste produced by company operations in accordance with existing laws and regulations.			
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Moving hazardous waste (container of chemical pesticides) to licensed Hazardous Waste Temporary Storage. Conduct delivery of hazardous waste that has expired by licensed hazardous waste transporters. 			
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Making monitoring of hazardous waste stock at Hazardous Waste Temporary Storage so that it can determine the 			

existing LB3 shelf life.

- Making hazardous waste inspections around the company area

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

Verification on ASA-1

Based on the results of field observations in the Hazardous Waste Temporary Storage warehouse, housing Division V & VIII, and the POM environment, it is known that used pesticide waste has been managed according to company regulations. All pesticide waste is stored at Hazardous Waste Temporary Storage warehouse and not used for other activities (for example: water containers). From the results of the interview, it is known that residents in housing have known not to reuse used pesticide waste. Pesticide waste has also been recorded and reported in the hazardous waste Quarterly Management Report to the relevant agencies.

Based on the objective evidence that the non-conformity has been fulfilled.

Verified by : **Briyogi Shadiwa**

NCR No.	: 2017.29	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 20 May 2018
Standard Ref. & Requirement	: 4.6.11 Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available		
Non-Conformance Description & Evidence observed :			
<p>Management Unit of Sawit Langkat has conducted periodic medical check up for all spraying and pestiside warehouse workers and in January 2017. Of the 171 workers examined, there are several workers who diagnosed have some health problems and are recommended to conduct further examination, with details:</p> <ul style="list-style-type: none">- 7 workers diagnosed hypertension- 2 workers diagnosed hypertension and cardiomegaly- 1 worker diagnosed hypertension and diabetes mellitus- 1 worker diagnosed hypertension and pulmonary tuberculosis- 1 worker diagnosed diabetes melitus- 2 workers diagnosed cardiomegali- 1 worker diagnosed suspic pulmonary tuberculosis- 1 worker diagnosed suspic tumor mediastrium- 1 worker diagnosed hepatomegaly <p>However, the Management Unit of Sawit Langkat has not been able to show any evidence of further examination of the workers diagnosed health problems.</p>			
Correction <i>(filled by organization audited):</i>			
Make monitoring of health checks on employees			
Corrective Action <i>(filled by organization audited):</i>			

Establish a special officer of health monitoring

Assessor Evaluation and Conclusion (filled by auditor):
Evaluasi Penilai dan Kesimpulan (dilengkapi oleh auditor):

Verify 22 April 2018

The company sent a General Checkup result of 155 employees on December 13, 2017, but there are still many employees who are inferred to have specific / specific illnesses and are advised to control a doctor. The Company has not yet shown any further inspection results for such employees. In addition, companies need to improve root cause analysis and correction.

Verify 11 May 2018

- The company shows a schedule document of follow-up health inspection at company clinics as many as 72 employees. The results showed that 60 employees were found to be working as usual, 7 people had not followed the follow-up examination, and 5 were retired.
- A total of 2 employees spray interviewed in Block 2013AI Afdeling II is already included in the list of employees who follow the control to the doctor and found to work as usual. While one employee interviewed has been declared healthy on the results of the first medical examination

nonconformity not yet closed due to The Company has not been able to show any document of result of medical examination for 7 employees.

Verify 20 May 2018

The company can show the corrective evidence in the form of medical examination on May 12 conducted by the Doctor, where based on the result of the examination of the employee concerned is stated to work as usual, Based the evidence has been submitted the auditor team declared a nonconformity to be fulfilled with status closed with observation

Verified by

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Auditor Team

NCR No.	: 2017.30	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 12 May 2018
Standard Ref. & Requirement	: 4.6.12 Records shall be available to show that spraying is not conducted by pregnant or breast-feeding women.		
Non-Conformance Description & Evidence observed :			
Management Unit of Sawit Langkat has not been able to show policies on prohibition of spraying activity for pregnant and breastfeeding mothers, mechanisms on monitoring of pregnancy, as well as records of monitoring documentation.			
Root CauseAnalysis(filled by organization audited):			
Managemenet Unit has not received / made a policy about prohibition of spraying for pregnant and breastfeeding			

mothers.
Correction <i>(filled by organization audited):</i> Management Unit has been showing the policy about prohibition of spraying for pregnant and breastfeeding mothers in Memo of Manager No. MU/M-147/XI/2015 dated November 20, 2015, and Letter of Manager No. SAL/SE/108/IX/2017 dated September 6, 2017
Corrective Action <i>(filled by organization audited):</i> Conduct monitoring of policies against applicable rules and systems
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification of 22 April 2018 : The management unit shows a policy on prohibition of spraying for pregnant and breastfeeding mothers in Memo of Manager. No. MU/M-147/XI/2015 dated November 20, 2015, and Letter of Manager No. SAL/SE/108/IX/2017 dated September 6, 2017. The management unit shows monitoring of pregnancies of women workers related to pesticides. However, the management unit has not been able to show the mechanism of how to monitor the pregnant condition of the worker. And the management unit needs to improve the root cause analysis and correction above. This NCR has not been comply. Verification of 9 May 2018 <ul style="list-style-type: none"> - The management unit shows the mechanism for submission of menstrual leave and maternity leave, but it does not cover how the to monitors the employee's pregnancy condition - The management unit sends employee recapitulation data, but it is not clear how to monitoring results that female employees are or are not in the state of pregnancy / breastfeeding This NCR has not been comply. Verification of 11 May 2018 <ul style="list-style-type: none"> - The management unit shows documentary evidence, namely letter of Unit Manager of Sawit Langkat No. SAL/SE/03A/I/2018, dated January 10, 2018, Regarding Pregnancy Monitoring. The mechanism of pregnancy monitoring is done through the identification of pregnancy (periodic leave, employee report, and nursing examination by the nurse). - The management unit shows evidence of an Assistant Book document that describes the list of pregnant and maternity workers. - Management unit showing evidence of Monitoring of Pregnancy of Pesticide Practitioner (Afdeling I sd VIII) in accordance with Midwife of Clinic examination result. This NCR has been comply.
Verified by : Auditor Team

NCR No.	: 2017.31	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 12 May 2018

Standard Ref. & Requirement	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.
Non-Conformance Description & Evidence observed : There are safety and health plans that have not been monitored for effectiveness or have not been implemented, such as: <ul style="list-style-type: none"> - There is no specific medical check up result for high risk workers in mill. - Has not been monitored the implementation of OHS in the operational area of estate and mill, for example related to the use of PPE, emergency response facilities and first aid kit. - Review of work program on OHS. 	
Root Cause Analysis (filled by organization audited): 1. No special medical checkup has been performed 2. Have not yet monitored the use of PPE 3. Management meeting is not yet held on the safety and health plan	
Correction (filled by organization audited): 1. Implement and attach the results of special medical checkup 2. Implement and attach monitoring inspections related to the use of PPE, emergency response and first aid facilities 3. Conducting management meeting	
Corrective Action (filled by organization audited): 1. Create a special health screening monitoring program 2. make monitoring of PPE inspection documents 3. make a review program of occupational safety and health plan	
Assessor Evaluation and Conclusion (filled by auditor): Verification of 22 April 2018 : <ul style="list-style-type: none"> - The management unit shows the meeting documentation, but its content on forest area security with stakeholders. - Has been shown monitoring of OHS implementation in the area of operation of the estate and mill for example related to the use of PPE, the means of emergency response and first aid <p>This non-compliance has not been comply as the management unit has not shown evidence of compliance with the first and third points of non-compliance.</p> Verification of 11 May 2018 : <ul style="list-style-type: none"> - The management unit shows documentary evidence of General Medical Check Up Result of estate Employee and Mill of Sawit Langkat on September 11, 2017 (Letter Head of Hospital of Pabatu, PTPN IV No. RS Pab/SAL/XII/2017, dated December 13, 2017) and specific medical checkup result date of March 21, 2017 for example workshop staff, electric technician, olimen workshop, spraying supervisor, spraying worker, and maintenance supervisor (letter from Center of Occupational Safety and Health - Medan No. TAR.50/BK3-MDN/IV/2017). - The management unit shows document evidence of Minutes of Review Meeting at Sawit Langkat POM dated June 14, 2017 attended by 35 worker of Estate and POM with the agenda of OHS Policy Evaluation, 	

Program Objectives and Objectives, Audit Findings of OHS (Internal / External), and Evaluation of OHS Implementation Effectiveness .

This non-compliance has been comply.

Verified by : **Auditor Team**

NCR No.	: 2017.32	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 23 May 2018
Standard Ref. & Requirement	: 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.		

Non-Conformance Description & Evidence observed :

Management Unit of Sawit Langkat already has document of Hazard Identification, Risk Assessment & Control (HIRAC), but based on document review, field observation and interview with management it is known that:

1. There is insufficient evidence that the document has been periodically reviewed (at least once a year or if any abnormalities are found in the implementation) as set out in SOP of Risk Management (No. 4.2.1 dated 06 May 2013).
2. In the HIRAC document, it is mentioned that one of the risk controls is the personal protective equipment, but based on the document review of the type of PPE used has not been specifically explained e.g :
 - Type and specifications of PPE used on chemicals activities are gloves, masks, eyeglasses, etc. Has not been explained about the risk control for exposure of chemicals to the applicator's body using apron.
 - There is no risk control on the usage of sickle cover, chisel, axes
3. There are some activities in the field that have not been identified on potential hazards and risks e.g, but are not limited to:
 - Potential hazards of storing harvesting equipment in housing
 - Potential hazards during transporting the workers departing and returning to work sites
 - Potential hazards of domestic waste management in landfill
 - Potential hazards at activity of loose fruits collection.
4. Based on the results of field observation in the estate it is known that there are several risk control that have not been implemented such as:
 - Found FFB loading and unloading workers seated hanging in vehicles, around the area of Sawit Langkat POM.
 - The usage of wheels, and timber arranged in stages as anchors (jack) of vehicles under repair in the workshop.
 - Management of toxic and hazardous materials in the Afdeling that in inappropriate condition, such as: there is no OHS symbol, and mixed with other materials.

Related to this matter the Management Unit of Sawit Langkat has not been able to show evaluation and monitoring

the implementation of risk identification.

Root Cause Analysis (filled by organization audited):

- Lack of dissemination of risk management documents (HIRAC) to workers
- No PIC has been established for HIRAC evaluation, monitoring and dissemination to workers

Correction (filled by organization audited):

Perform HIRAC monitoring regularly in risk control efforts in all parts of the work

Corrective Action (filled by organization audited):

- Socialize HIRAC in risk control efforts in all parts of the work

Establish programs for HIRAC socialization to workers

Assessor Evaluation and Conclusion (filled by auditor):

Verification of 22 April 2018 :

The management unit only shows evidence of improvement of NCR point 3, namely enhancement of risk analysis on:

- Potential hazards of harvesting equipment storage in housing
- Potential hazards when transporting workers depart and return to work sites
- Potential hazard of domestic waste management in Final Waste Disposal Site
- Potential danger at the time of quotation activity of brondolan

But it has not shown evidence of improvement of NCR points 1, 2, and 4. In addition the management unit needs to improve the root problem analysis and correction. This Non-Conformity Has Not Been comply

Verification of 11 May 2018

Management unit shows evidence of the HIRAC Evaluation Result Report for the Risk Management Implementation Plan for activities in the Estat and Mill dated July 12, 2017.

The Management unit shows evidence of HIRAC documents describing the risk control measures of chemical exposure to the applicator's body on chemis activities using PPE (boots, gloves, chemical masks, eyeglasses and apron) and risk control on harvesting activities using PPE (boots, glasses, helmets, gloves, egrek sarongs, dodos sheaths and ax gloves).

The Management unit has documented the implementation of risk control, ie Blocking the Leaked Tire activities, but has not shown the implementation document of risk control on FFB loading and unloading activities in Afdeling, for example, there is no OHS symbol and mixed with other materials.

In addition, the Management unit needs to improve the "problem root analysis" and "correction". Based on the evidence presented, the auditor team recommended that non-conformities have not been comply.

Verification of 21 May 2018

The management unit has demonstrated risk control documentation on FFB loading and waste management activities in afdeling, and has socialized best practice of loading and unloading in afdeling and hazardous waste management. This NCR is not yet fulfilled as the cmanagement uni has not made any improvements in the study of 'problem root analysis' and 'correction' that has been adapted to the existing non-conformity.

Verification of 23 May 2018

Clarification has been undertaken on the root cause, precautions and corrective actions, so that the NCR in this

indicator is stated to have been comply.

Verified by : Auditor Team

NCR No.	2017.33	Issued by	Arif Faisal Simatupang
Date Issued	26 May 2017	Time Limit	Before certificate issued
NC Grade	MAJOR	Date of Closing	21 May 2018
Standard Ref. & Requirement	4.7.3 Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.		
<p>Non-Conformance Description & Evidence observed :</p> <p>Based on document review, field observation and interviews with the workers it is known that :</p> <ol style="list-style-type: none"> 1. The result of document review is known that Management Unit of Sawit Langkat has provided Personal Protective Equipment (APD) to harvesting workers with once allocation in one year. Based on field observation and interviews with harvesting workers, it is found that if the APD used is damaged or not worth, then the worker will provide the PPE until the next allocation period. Related to this matter the management unit has not been able to show mechanisms that regulate related of provision of PPE including replacement if damaged due to work. 2. There is no evidence of identification, program and record of safe working practices in the working units of estate and mill. 3. During the audit activities, management unit can only show evidence the handover of PPE for Afdeling V worker. No evidence the handover of PPE for other Afdeling workers, workshops, warehouses and mill. 4. Based on field observation in Estate and Mill it is known that: <ul style="list-style-type: none"> - Two of the two workers at the grading station do not use helmets and safety shoes. - One of two welding workers at the sterilizer station does not use chest protectors, welding goggles, and leather gloves. - Two of the two workers at the kernel station do not use masks and earplugs. - One in one worker at the boiler station does not use leather gloves. - Observation of spraying activities in Afdeling V Block 11A, all (six) workers do not wear protective clothing (apron) as set out in MSDS, furthermore the workers do not use rubber gloves, four of them do not use chemical masks, and two not using rubber boots - Harvesting workers are not equipped with PPE in the form of cover of sickle and cover of chisel <p>Related to this matter, the auditor team considered that the Management Unit has not been implemented proper health and safety protection against the workers.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. There is no mechanism that regulates the replacement of damaged PPE before its replacement expires 2. Understand the worker about the importance of using PPE when working 			
<p>Correction <i>(filled by organization audited):</i></p>			

1. Attach a mechanism that regulates the replacement of damaged PPE before its replacement expires
2. Conducting socialization related OHS

Corrective Action *(filled by organization audited):*

- Monitoring of damaged PPE
- Monitoring and Inspection of PPE

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification of 22 April 2018

- The management unit shows the replacement mechanism for damaged PPE according to Letter No. Manger. SAL/SE/VI/2018 dated June 27, 2017, that damaged PPE is reported in the Reporting Table and sent to the HR / General section for replacement with the new PPE.
- Management unit indicates the handover of PPE for all work units in all Afdeling. But there is no evidence of handover for factory employees.
- Can not be shown evidence of identification, program, and record of safe working practices in plantation and factory work units.
- In addition, it needs improvement on 'correction'

This NCR has not been comply

Verification of 11 May 2018 :

- The management unit has not been able to show evidence of the handover of PPE for the mill employees.
- The management unit has not been able to show proof of identification, program, and record of safe working practices in plantation and factory work units.
- The management unit has not been able to show any evidence of improvement to the 'correction'

This NCR has not been comply

Verification of 21 May 2018 :

- The management unit shows evidence of handover of PPE for all mill employees by 2017.
- The management unit identifies the 'workplace checklist' general identification forms and monitoring results covering safe work practices at each work station from material aspects, workers and work methods, machinery, and work environment.
- The management unit showed improvement to the correction of the damaged PPE replacement mechanism before the replacement budget ends, based on memo manager no. SAL/SE/VI/2018 dated June 27, 2017, which instructs the relevant PIC to identify the damaged PPE and replace it with a new one.

This NCR has been comply

Verified by : **Arif Faisal Simatupang**

NCR No.	: 2017.34	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: 22 August 2019

NC Grade	:	Minor Raise Major	Date of Closing	:	20 August 2019
Standard Ref. & Requirement	:	4.7.5 A procedure for emergency and work accident shall be available in Indonesian Language; and the workers, ho have attended First Aids training, are available in the working areas.			
Non-Conformance Description & Evidence observed : Management Unit of Sawit Langkat has provided emergency response and first aid facilities at workplace, but based on field observation it is found that: <div><div>1.</div><div>There is no oil trap in the oil storage.</div></div> <div><div>2.</div><div>The contents of first aid boxes in all sections (estate, mill, and carried by the foreman) has not been in accordance with the provision list (in accordance with Regulation of Labor Ministerial No. 15 year of 2008)</div></div> <div><div>3.</div><div>Hazardous and toxic waste temporary warehouse is not equipped with emergency facilities such as shower, alarm, hydrant etc.</div></div> <div><div>4.</div><div>There is no recording on 'usage form' when there is usage on the contents of first aid kit.</div></div> <div><div>5.</div><div>Light fire extinguishers in all units of Management Unit of Sawit Langkat have expired (April 27, 2017)</div></div> <div><div>6.</div><div>There are no safety working symbols in dangerous areas, such as hazardous and toxic waste temporary warehouse, chemical and pesticide warehouse, waste water treatment plant.</div></div> <div><div>7.</div><div>Hydrant in boiler station is not feasible to use.</div></div> Related to this matter the management unit has not been able to show evidence of evaluation, monitoring and implementation to ensure the facilities and infrastructure of emergency response are in ready condition.					
Root Cause Analysis (filled by organization audited): <div><div>-</div><div>Monitoring and inspection of emergency response and first aid kits is not carried out regularly</div></div> <div><div>-</div><div>There is no determination of the PIC whose duty is to periodically monitor and inspect emergency response and first aid kits equipment</div></div>					
Correction (filled by organization audited): <div><div>-</div><div>Make an oil trap in the oil storage area</div></div> <div><div>-</div><div>Completing the contents of the first aid kit owned by each part in accordance with Minister of Manpower Regulation No. 15 of 2008</div></div> <div><div>-</div><div>Complement hazardous and toxic waste warehouse with shower, alarm, alarm etc.</div></div> <div><div>-</div><div>Refill fire in all parts of the Estate</div></div> <div><div>-</div><div>Completing work safety symbols in hazardous and toxic waste warehouse, chemical warehouse and WWTP</div></div> Repair the hydrant in the Boiler station					
Corrective Action (filled by organization audited): <div><div>-</div><div>Conduct monitoring and inspection of emergency and first aid kits regularly every 3 months.</div></div> <div><div>-</div><div>Determine PICs who are responsible for periodically monitoring and inspecting emergency and first aid kits</div></div>					
Assessor Evaluation and Conclusion (filled by auditor): Verification at ASA-1 Based on the field visit on the ASA-1 audit activity, it was concluded that: <div><div>1.</div><div>There is an Oil Trap in the Oil Storage Place</div></div>					

2. Completeness of the contents of the first aid kit brought by the foreman refers to the justification of the company doctor who sets the contents of the first aid kit for 12 items.
3. The hazardous and toxic waste warehouse is equipped with emergency response facilities such as Shower, Alarm and APAR.
4. Light Fire Extinguishers in all Sawit Langkat Management Units are still in good condition
5. There are symbols of safety working in dangerous areas, for example at hazardous and toxic waste warehouse, Warehouse for chemicals and Pesticides, Waste Water Treatment Plants

Sawit Langkat Unit has provided emergency response and first aid facilities at workplace accidents, but based on the results of field visits on ASA 1 the following are still found:

- The completeness of the contents of the first aid kit owned at the security post and the Sawit Langkat factory laboratory is not in accordance with the prescribed list (according to Minister of Manpower Regulation No. 15 of 2008).
- The hydrant at the Boiler station is not in a proper condition (damaged).

In this regard, the company has not been able to show evidence of evaluation, monitoring and implementation to ensure that emergency response facilities are in a ready-to-use condition and complete with the contents of the first aid kit in accordance with the stipulated amount. Therefore, the inconsistency in this minor indicator was increased to **MAJOR's category**.

Verification July 24, 2019

The company shows evidence of improvement in the form of a Decree on the determination of the OHS supporting facility / infrastructure monitoring officer on June 10, 2019. However, the company has not yet sent evidence of other improvements as described in the correction table. **This Nonconformity still OPEN.**

Major Verification August 20, 2019

The company shows improvement documents in the form of:

- Evaluation checklist of Suitability of Emergency Response Facilities and Infrastructure Monitoring in 2019 which contains APAR, Hydrant, and First Aid monitoring data. monitoring results for June and July 2019 are known to all APAR, Hydrant and First Aid available and in good condition at all locations.
- Minutes of Submission of first aid box contents number: SAL / 287 / VI / 2019 dated June 25, 2019 to Krani Safeguards (21 Types)
- Minutes of Submission of first aid box contents number: SAL / 286 / VI / 2019 dated June 25, 2019 to Laboratory Personnel (21 Types)
- Minutes of repair of the Hydrant on 5 August 2019.
- Based on the results of the field visit to the Security Post and Laboratory, it is known that the first aid box has been completely filled with 21 items.
- Based on the results of field visits and hydrant simulations at the Boiler station, it is known that hydrant can function, but the hydrant pressure is not maximal, especially during the processing process because the water channel for hydrant is still integrated with the process water channel. It was explained by management that the separation of water channels for process and hydrants was included in the 2020 budget.

Based on the verification results above, the non-conformity is **closed** and will be verified again during the next audit.
Closed with observations

Verified by	:	Hasiholan Sihombing & Bayu Yogatama
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NCR No.Nomor	:	2017.35	Issued by	:	Rizliani Aprianita Hasibuan
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Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.7.6 All workers should be provided with health services and covered by work accident insurance		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Management Unit has a policy to engage workers in BPJS worker social insurances that contained in the Collective Labor Agreement. However, the management unit has not been able to show evidence of payment of worker social insurances (employment and health insurances) for all workers.			
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">• Lack of coordination between PPD and related parts (HR) so documents cannot be given to auditors• A lack of understanding of PPD in presenting document requirements related to the application of RSPO certification			
Correction <i>(filled by organization audited):</i> Showing proof of BPJS Health and Employment payments for workers in the Sawit Langkat Estate			
Corrective Action <i>(filled by organization audited):</i> Make monitoring of document requirements related to the application of RSPO certification			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verification at ASA-1 Unit Sawit Langkat telah menunjukkan bukti pembayaran BPJS Ketenagakerjaan dan Kesehatan untuk seluruh karyawan yang dimiliki. Misalnya: <ul style="list-style-type: none">• BPJS Ketenagakerjaan periode April 2019 pada tanggal 16 Mei 2019 sebanyak 832 karyawan.• BPJS Kesehatan periode April 2019 pada tanggal 6 Mei 2019 sebanyak 832 karyawan. Sawit Langkat Unit has shown proof of BPJS Employment and Health payments for all employees owned. For example: <ul style="list-style-type: none">• Employment BPJS for April 2019 on May 16, 2019 as many as 832 employees.• Health BPJS for April 2019 on May 6, 2019 as many as 832 employees. Based on this, it was concluded that this minor nonconformity had been closed.			
Verified by	: Hasiholan Sihombing		

NCR No.	: 2017.36	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.		

Non-Conformance Description & Evidence observed : Management Unit of Sawit Langkat has not been able to show the recording of work accidents that have been used the method of Lost Time Accident (LTA) as described in OHS Manual & Procedure on OHS Manual (No. 4.1.1)	
Root Cause Analysis <i>(filled by organization audited):</i> Insufficient understanding of officers in implementing the established OHS procedures	
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> To disseminate the application of the OHS manuals and procedures set by the company Make a calculation of Lost Time Accident (LTA) as stipulated in the established OHS procedure 	
Corrective Action <i>(filled by organization audited):</i> Evaluate the participants in the socialization of the implementation of the established OHS procedures	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification at ASA-1 The company can show records of Work Accidents that have used the calculation of Time Accident (LTA) for the period May 2018 to April 2019. Based on this, it was concluded that this minor nonconformity had been closed.	
Verified by :	Hasiholan Sihombing

NCR No.	: 2017.37	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	4.8.1 Records of training program related to the aspects of RSPO Principles and Criteria shall be available		
Non-Conformance Description & Evidence observed : There is insufficient evidence that the Management Unit of Sawit Langkat already has a training program for employee improvement in 2016/2017, especially related to aspects in RSPO's principles and criteria.			
Root Cause Analysis <i>(filled by organization audited):</i> No training program has been conducted regarding aspects of RSPO's principles and criteria.			
Correction <i>(filled by organization audited):</i>			

Making training program regarding aspects of RSPO's principles and criteria.

Corrective Action *(filled by organization audited):*

Conducting monitoring of training program regarding aspects of RSPO's principles and criteria.

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

Verification 22 April 2018 :

- The management unit shows the socialization of P&C RSPO, safe working principle, HCV introduction, human rights policy, but only to 16 people that is Manager, Akep, assistant afdeling and HR assistant.
- Not yet shown the training program related to the principles in RSPO to employees.
- Companies need to improve root cause analysis and correction.

This NCR has not been comply

Major Verification of 11 May 2018

The management unit has not demonstrated the Internal Training program of 2017 and 2018 along with an explanation of the timetable of the implementation plan and the date of realization. In addition, there has been no clarification of the auditor's response to the root cause analysis.

This NCR has not been comply

Verification of 21 May 2018

- The Management unit demonstrates the identification of training needs, training programs and the realization of internal and external training.
- Internal training consists of 10 training areas, followed by plant assistants, processing assistants, farmers, foremen, and related workers. The training includes human resources, plant, maintenance, processing, etc. A list of some of the most recent training programs is available.
- External training followed by 28 workers, consisting of training types of fertilizer supervisors and pesticides, welders, electrical operators, competence foreman 1, diesel motor, etc.

This NCR has been comply

Verified by : **Arif Faisal Simatupang**

NCR No.	: 2017.38	Issued by	: Arif Faisal Simatupang
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	4.8.2 Records of training for each employee shall be maintained.		
Non-Conformance Description & Evidence observed :			
There is no enough evidence that the Management Unit of Sawit Langkat has the training records for each worker.			
Root Cause Analysis <i>(filled by organization audited)</i> :			
<ul style="list-style-type: none">• Lack of coordination between PPD and HR so documents cannot be given to auditors• The lack of understanding of PPD in presenting document needs related to the application of RSPO certification			

Correction (filled by organization audited):

Shows Records of Training that has been conducted in the estate unit

Corrective Action (filled by organization audited):

Make monitoring of training needs in the estate

Assessor Evaluation and Conclusion (filled by auditor):

Verification on ASA-1

Company has documented training realization which conducted in 2018, for example:

- Manuring procedure training on 20 September 2018 in Afdeling II attended by 21 workers
- RSPO & ISPO awareness training on 20 May 2019
- Socialization of OSH Policy on 17 July 2019 attended by 28 workers

Based on explanation above, this nonconformity is closed

Verified by : **Asystasya Aishah Silalahi**

NCR No.	: 2017.39	Issued by	: I Wayan Sudi Antara
Date Issued	: 26 May 2017	Time Limit	: 22 August 2019
NC Grade	: Minor Rasied to Major	Date of Closing	: 20 August 2019
Standard Ref. & Requirement	5.1.2 An environmental management plan document must be available to prevent negative impacts and implementation reports and revisions, if identifiable impacts should change the activities of the company in progress. The management of the company must appoint the person responsible for the implementation of the environmental management plan.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The Management Unit of Langkat Estate has reported the implementation of Management and Monitoring Enviroment Plan periodically two (2 times) a year. However, in the report not all RKL and RPL directives have been reported in accordance with the matrix, for example <ul style="list-style-type: none">- Regional Economy- Employment Opportunity- Business Opportunity- Security and order- Perception Society- Vectors of disease- Prevalence of Disease			
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">• Lack of personnel to evaluate the results of the training• The lack of understanding of officers in preparing RKL-RPL reports in accordance with government regulation			

(KepMenLH No. 45 of 2005 concerning guidelines for preparing RKL-RPL implementation)

Correction (filled by organization audited):

- Revise the RKL RPL report by including the management of Security and Order, Disease Vectors and Disease Prevalence.
- Report back a revised report to the district environmental department.
- Evaluating officers who have participated in training / outreach for the preparation of RKL-RPL reports that have been carried out.
- Evaluate the RKL-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):

- Adding personnel to conduct evaluation & refreshment on RKL-RPL report officers
- The RKL-RPL report that has been made by the unit is sent to the Planning Department to check the suitability of the contents and format according to the Environmental Ministerial Decree Number 45 of 2005, if it is suitable, then it will be sent, and if it has not been repaired.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on ASA-1

Company have plan which includes monitoring protocol outlined in the RKL-RPL document and implemented to monitor the effectiveness of the management activities to mitigate negative impact and enhance positive impacts. Results of monitoring are listed on regular environmental monitoring and management report, and monitoring results for examples 1st quarter 2019 shown environmental management related to waste water, surface water quality, hazardous waste management, noise and etc still comply with regulation and monitoring plan. However, the report has not included the implementation of an Environmental Management Plan, such as:

- Security and order
- Vector of disease
- Prevalence of disease

Based on that evidence, **the non-conformity has raised to Major (NCR No.2017.39).**

Major Verification August 20, 2019

The company shows evidence of improvements in the form of:

- Minutes of training and Evaluation on the preparation of the RKL-RPL report dated July 16, 2019 conducted by PTPN-IV Management System Sub-Division Staff to 4 PTPN-IV Employees of Sawit Langkat including (Processing Assistant, Krani Administration, Administrative Control Officer, Document Control Officer, General HR Assistant and Security) with the results of the Evaluation declared "B" Good.
- Semester 1 RKL-RPL Report 2019. Based on the document review, it is known that Semester 1 2019 RKL-RPL report contains and explains management related to the impact of Safety and Order, Vector of Disease, Disease Prevalence
- Proof of RKL-RPL Reporting to the Langkat Regency Environmental Agency on July 12, 2019.

Based on the verification results above, the non-conformity is Closed

Verified by : **Briyogi Shadiwa & Bayu Yogatama**

NCR No.	: 2017.40	Issued by	: I Wayan Sudi Antara
Date Issued	: 26 May 2017	Time Limit	: 22 August 2019
NC Grade	: Minor Rasied to Major	Date of Closing	: 20 August 2019
Standard Ref. & Requirement	: 5.1.3 An environmental monitoring plan document and its implementation report and an improvement plan for such monitoring results if nonconformity is found. This plan is reviewed at least 2 years.		
Non-Conformance Description & Evidence observed (filled by auditor): The Management Unit of Langkat Estate has not shown any evidence of periodic review to the documents of all environmental monitoring plan and its implementation report and improvement plan on the monitoring result if found non-conformity			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"> • Lack of personnel to evaluate the results of the training • The lack of understanding of officers in preparing RKL-RPL reports in accordance with government regulation (KepMenLH No. 45 of 2005 concerning guidelines for preparing RKL-RPL implementation) 			
Correction (filled by organization audited): <ul style="list-style-type: none"> • Revise the RKL RPL report by including the management of Security and Order, Disease Vectors and Disease Prevalence. • Report back a revised report to the district environmental department. • Evaluating officers who have participated in training / outreach for the preparation of RKL-RPL reports that have been carried out. Evaluate the RKL-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"> • Adding personnel to conduct evaluation & refreshment on RKL-RPL report officers. • The RKL-RPL report that has been made by the unit is sent to the Planning Department to check the suitability of the contents and format according to the Environmental Ministerial Decree Number 45 of 2005, if it is suitable, then it will be sent, and if it has not been repaired. 			
Assessor Evaluation and Conclusion (filled by auditor): Verification on ASA-1 The company has reviewed the environmental monitoring plan document in 2019 where there has been no change from the previous monitoring plan. Implementation of the Environmental Management Plan (RKL) & Environmental Monitoring Plan (RPL) of Semester II of 2018 informs the Report on monitoring environmental management along with its evaluations, such as: Decreasing Air Quality and Noises, Monitoring of Declining Quality of Ground Water, Monitoring of Decreasing Surface Water Quality, Monitoring of Increased Waste generation, Liquid Waste Monitoring, Monitoring of Hazardous Waste and Monitoring Job Opportunities and Business Opportunities. However, there is still a non-conformity related to the implementation of the environmental monitoring plan, which has not included the following related information: <ul style="list-style-type: none"> • Monitoring of Vector Diseases • Monitoring of disease prevalence 			

- Groundwater Quality Test Results in the Monitoring Well around the WWTP, in the application area and in the community wells.
- Test results for Ambient Air Quality from the results of operating an electric generator.

Based on that evidence, **the non-conformity has raised to Major (NCR No.2017.40).**

Major Verification August 20, 2019

The company shows evidence of improvements in the form of:

- Minutes of training and Evaluation on the preparation of the RKL-RPL report dated July 16, 2019 conducted by PTPN-IV Management System Sub-Division Staff to 4 PTPN-IV Employees of Sawit Langkat including (Processing Assistant, Krani Administration, Administrative Control Officer, Document Control Officer, General HR Assistant and Security) with the results of the Evaluation declared "B" Good.
- Semester 1 RKL-RPL Report 2019. Based on the document review, it is known that Semester 1 2019 RKL-RPL report contains and explains management related to the impact of Safety and Order, Vector of Disease, Disease Prevalence and enclose test results of ground water quality monitoring wells of land application area, monitoring wells of resident areas, and monitoring wells of WWTP area. air quality test results in the process room, and the results of the generator emission test.
- Proof of RKL-RPL Reporting to the Langkat Regency Environmental Agency on July 12, 2019.

Based on the verification results above, the non-conformity is **Closed**

Verified by : **Briyogi Shadiwa & Bayu Yogatama**

NCR No.	:	2017.41	Issued by	:	Y. Wisnu Rahmanto
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	25 May 2018
Standard Ref. & Requirement	:	5.2.2 Where rare, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan.			
Non-Conformance Description & Evidence observed (filled by auditor): Deskripsi Ketidaksihnaan & Bukti yang diamati (dilengkapi oleh auditor): The management unit of Sawit Langkat has a document of HCV Identification Assessment Report issued in October 2016 with assessment time of March 2015. The HCV assessment is conducted by an identification team headed by Assessor Licensing Scheme (ALS). The identification result shows that there are three types of HCV in the management of Palm Langkat management unit, namely HCV 1, HCV 4 and HCV 6. Where, there are protected, rare and endangered species including HCV 1, ie Cybergax (Cynolgale bennetti) with Endangered status IUCN Redlist and Law No. 7 of 1999). The HCV assessment team has also made recommendations on the management and monitoring of identified HCV attributes. The result of field observation at Alur Parit Busuk Afdeling 2 which flows into Sungai Besilam, is known that there is pollution of POME liquid waste that flows in the water flow and Besilam River, where both areas have been designated as HCV 4.					

Therefore, the management unit of Sawit Langkat does not have a management plan that is implemented to maintain and / or increase the identified HCV value.

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

- there is no PIC of HCV monitoring
- Not yet done socialization related to function of rinse house which have been provided by management of plantation.
- Identification conducted by Management Unit of Langkat, that there is leakage Installation of pipes (fatpit pipes to waste ponds) in POM, leak into the ground (ditch dead) in Afdeling 2 blocks of block 12 AB, in this leakage can still be dammed by dike dike . But then the dike of the landslide ditch so that leakage waste through the Basilam river.
- There is no determination of PIC responsible for environmental management and monitoring.
- Leakage of waste water pipe in POM due to Lack of monitor on installation Pipe waste cause pipe wear and leakage

Correction *(filled by organization audited):*

Determine the PIC of HCV monitoring
 Making Socialization of the implementation of the HCV management and monitoring program to the established PIC
 Make improvements on installations such as, replacement of leaking pipes, leaking fillings tub, cleaning the area tankos and create new trench so that the leachate flows into the WWTP.

Corrective Action *(filled by organization audited):*

Regular monitoring of HCV management
 Establish a program of HCV management and monitoring socialization to officers appointed by company management
 Management unit has made Action Plan where repairs are carried out at the Upstream, Downstream, and social.
 Monitoring (in the form of a checklist) to the installation conditions such as POM, cleanliness, leaks, wear, damage and replacement.

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

Verification of 15 April 2018

The company can show the corrective evidence are:

- Monitoring riparian area
- Watershed monitoring
- Monitoring of riparian plants and stakes
- Monitoring of riverside area
- Determination of HCV enforcement monitoring officers based on SK No SAL / SK62 / II / 2018

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no corrective evidence that's explain about

- No riparian boundary marking is found, installation of river sign protection and Efforts to rehabilitate rivers
- Results of interviews with 6 people spray workers in afdeling 5 obtained information that workers wash work tools (Kep) in the ditch after work
- The result of field visit in Block 07Q Afdeling 2 is known that POME pollution is flowing in the water flow
- Clarifications of the root cause analysis, correction, corrective action

Verification of 29 April 2018

Management Unit can show the plan of HCV management for period January - December 2015 and Year 2017 covering activity of tree planting on the edge of river, maintenance of boundary border trees and the ban should not spray 50 M from the river mouth.

Related to the evidence of improvement submitted is not fulfilled due to:

- management unit does not have management plan implemented to maintain and / or increase identified HCV value (focused on HCV 4 contaminated with liquid waste) and Result of field visit at outlet of Parit Busuk Afdeling 2 which into Besilam River, pollution of POME waste that flows in the flow of water and Besilam River, where both areas have been designated as HCV 4.
- Clarifications of the root cause analysis, correction, corrective action

Verification Major of 11 May 2018

- Action Plan Maintain and / or Increase identified HCV Values (control the source of pollution at the outlet of the Parit Busuk Afdeling 2 groove outlet into the Besilam River). In the document there is an improvement plan and time table from June 2018 to May 2019, including budget submission activities, procurement of goods, replacing leak pipe, repair levee levee, make peace between fishermen association throughout Indonesia Basilam Village with PTPN IV Sawit Langkat, sembako, to the provision of fish seeds.
- Documentation of the Action Plan to Maintain and / or Increase identified HCV Values (controlling pollution sources at the Parit Busuk Afdeling 2 groove outlet leading to Sungai Besilam). sighted repair of the installation of the fatpit pipe to the waste pool showing no pipeline leakage, as well as repair of the embankment groove outlet embankment 2 into the basilam river. Surat Keputusan No. SAL/SK/62/II/2018 tentang Penetapan Petugas Monitoring Pemantauan HCV/NKT tanggal 7 Februari 2018.
- Monitoring of the watershed area afdeling IV Langkat estate dated February 17, 2016.
- Monitoring of High Conservation Value Areas (HCV) Afdeling I s / d VIII.
- Documentation of river boundary marking, sign instalation, tree planting on 21 and 25 September 2017 in afdeling V.

However,

- The observation result on block 07d afdeling II is known to indicate the existence of waste contamination (leakage residue and leachate water) that seep into the water flow which flows into S. Basilam.
- Clarification of the root cause analysis, correction, corrective action is still not comprehensive against the nonconformance caused.

Based on the above explanation, the auditor team recommends that non-conformities remain non comply

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no correctivevidence that's explain about

- Clarification of the root cause analysis, correction, corrective action is still unclear / conical to the non-conformity caused
- Waste handling (leakage and leachate) remaining in 07Q afdeling II block which is a lowland area.

Verification of 23 Mei 2018

Management Unit can show evidence of improvement in the form:

- Clarification of the root cause, correction, corrective action is still unclear / conical to the non-conformity caused.
- Appointment Letter pengeloalaan officers and monitoring of environmental governance, on May 22, 2018, which is responsible for monitoring and inspection of anything that may have adverse impacts on the environment and can harm perusahaan because they pollute the environment
- Socialization Program associated with the implementation of RSPO environmental aspects in June and November 2018
- Layout of a new trench to drain leachate from Empty Bunch to WWTP. In addition there is also documentation of the closure of the old trenches that flow into the trenches.

- Documentation of the conditions trenches in Block 07Q contaminated waste water and ditch repair dikes using heavy equipment.

Based on the improvements submitted, the management unit should provide additional explanations regarding the root of cause, correction and corrective action. So NCR still has not been comply.

Verification of 25 May 2018

Based on the results of clarification on the root cause and corrective actions undertaken by the management then the NCR in this indicator is stated has been comply

Verified by Diverifikasi oleh	:	Auditor Team
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NCR No.	:	2017.42	Issued by	:	Y. Wisnu Rahmanto
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	5.2.3 Program(s) to socialize the status of protected, rare, threatened or endangered (RTE) to all workers shall be available, including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The management unit of Sawit Langkat does not have a socialization program to all identified HCV-related workers. This is confirmed from field interviews with 11 workers spraying activities, upkeep and harvesting, acknowledged that the company has not made HCV-related socialization and protected species. Therefore, programs to socialize the status of protected, rare, threatened or endangered (RTE) to all workers including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species has not fulfilled by the management unit of Sawit Langkat. Therefore, the management unit of Sawit Langkat have not fulfilled this requirements.					
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">- Lack of coordination between PPD and related departement (Agronomy) so the document cannot be shown.- Insufficient of understanding on serving the document related to RSPO certification.					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none">- Making socialization of HCV and RTE to all stakeholders.					
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none">- Making monitoring of socialization needs related to RSPO certification.					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>					
Verification on ASA-1					

The management showed a recording of HCV area socialization & company information to stakeholders on October 20, 2018. In the recording, the management requested all the communities in the plantation area as well as employees of the Sawit Langkat Palm Oil Business Unit and all government agencies and stakeholders to be equal to maintain sustainability. Management also calls for not being allowed to shoot / hunt protected animals or rare animals, while maintaining plant species that exist in plantations as well as not allowed to poison or damage the riverbanks.

CH shows the management and monitoring plans for the status of RTE species and HCVs in the HCV Area Management & Monitoring Plan document made on January 2, 2019 based on the results of HCV identification reports. The document contains HCV types management action plans, monitored indicators, monitoring methods, monitoring periods to responsible personnel. For example, the following are some of the management actions taken by the company:

- Installation of protected Flora and Fauna Notification Board.
- Monitoring of protected Flora and Fauna.
- River water quality testing.
- Socialization to related stakeholders.

Based on the results of interviews with workers in emplacement of Division V and VIII, it is known that workers understand related to HCV management, such as the prohibition of spraying on riparian that have been marked and hunting animals that have been protected according to the warning boards in the field.

Based on that evidences, the non-conformity has been fulfilled.

Verified by : **Briyogi Shadiwa**

NCR No.	:	2017.43	Issued by	:	Y. Wisnu Rahmanto
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	5.2.4 Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.			
Non-Conformance Description & Evidence observed (filled by auditor): Deskripsi Ketidaksesuaian & Bukti yang diamati (dilengkapi oleh auditor): The management unit of Sawit Langkat has a document of HCV Identification Assessment Report issued in October 2016 with assessment time of March 2015. Where, there are protected, rare and endangered species including HCV 1, ie Cybergax (<i>Cynolgale bennetti</i>) with Endangered status IUCN Redlist and Law No. 7 of 1999). However, there is no management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill.					
Root Cause Analysis (filled by organization audited): - Lack of coordination between PPD and related departement (Agronomy) so the document cannot be					

shown.
- Insufficient of understanding on serving the document related to RSPO certification.
Correction <i>(filled by organization audited):</i>
Making management & monitoring plan for HCV & RTE which affected by company operational activities.
Corrective Action <i>(filled by organization audited):</i>
Making monitoring of document needs related to RSPO certification.
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>
<p>Verification on ASA-1</p> <p>CH shows the management and monitoring plans for the status of RTE species and HCVs in the HCV Area Management & Monitoring Plan document made on January 2, 2019 based on the results of HCV identification reports. The document contains HCV types management action plans, monitored indicators, monitoring methods, monitoring periods to responsible personnel. For example, the following are some of the management actions taken by the company:</p> <ul style="list-style-type: none"> • Installation of protected Flora and Fauna Notification Board. • Monitoring of protected Flora and Fauna. • River water quality testing. • Socialization to related stakeholders. <p>The company shows a record of HCV Management and Monitoring monitoring where the monitored indicator is a signboard notification and marking the application limits of chemicals carried out on 1 July 2018 and 2 January 2019.</p> <p>From the results of field observations in the Sawit Langkat Estate, it is known that there are warning boards that informs HCV areas and flora / fauna that must be protected.</p> <p>Based on that evidences, the non-conformity has been fulfilled.</p>
Verified by : Briyogi Shadiwa

NCR No.	: 2017.44	Issued by	: I Wayan Sudi Antara
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 12 May 2018
Standard Ref. & Requirement	5.3.1 A documented identification of sources of waste and pollution should be available.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Deskripsi Ketidaksesuaian & Bukti yang diamati <i>(dilengkapi oleh auditor):</i> The Managements of Sawit Langkat has not been able to show the identification of waste and pollution sources resulting from the company's operational activities.			
Root Cause Analysis <i>(filled by organization audited):</i> There is no specific officer for the identification of sources of waste and pollution			

The management unit does not yet have identification of sources of waste and pollution resulting from operational activities.	
Correction <i>(filled by organization audited):</i> Conducting identification of the sources of waste and pollution generated as a result of the operational activities.	
Corrective Action <i>(filled by organization audited):</i> Identify waste and pollution sources	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification of 15 April 2018 Management unit can show evidence of improvement in the form: - Document of hazardous Waste and Management list for the period of 2017 - Related to the evidence of improvements submitted the NCR in this indicator state not yet comply because not yet available: - identification of sources of waste and pollution resulting from the operational activities for waste other than hazardous material - identification of waste and pollution sources produced by the mill - Clarify the question on the root cause, corrective action, and Corrective Action Major Verification of 11 May 2018. The management unit shows evidence of improvements in the form of: - List of hazardous waste and its management in 2017 which includes used oil filters, used fuel filters, used lubricants, used light bulbs, used batteries, used herbicide pumps and used chemical derigen. - Identify the source of waste and its management for the Processing Office for the period of 2017 covering the disposal of petals, empty bunches, fiber disposal, CPO spill potential, wastewater of tank wash, fiber flying into the air, alum container effluent, disposal of faulty insulators, used light bulbs, waste, domestic wastewater, shell waste, medical waste, etc. This NCR has been comply	
Verified by Diverifikasi oleh	: Auditor Team

NCR No.	:	2017.45	Issued by	:	I Wayan Sudi Antara
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	23 May 2018
Standard Ref. & Requirement	:	5.3.2 There shall be evidence that all the chemicals and their containers waste disposed of responsibly.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on field observations and documents verifications obtained information if: - Ex chemical containers (Pesticide containers) are disposed / left in backyard of the afdeling office, for					

example based result of field visit in afdeling 2.

- Hazardous waste has been stored exceed the permitted storage period (180 days) in which the last delivery was conducted in March 2016

Based on that explanation, The Managements of Sawit Langkat npt able to show if all the chemicals and their containers waste disposed of responsibly.

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

Lack of care for employees against the dangers of pesticide waste

The lack of understanding of the officials on the procedures for the management of hazardous waste

Correction *(filled by organization audited):*

- Disseminating to employees against the dangers of pesticide waste
- Making socialization to officers related to hazardous waste
- Creating memo from Manager as a form of commitment in the management of hazardous Waste
- Return all hazardous waste to licensed hazardous temporary warehouse.

Corrective Action *(filled by organization audited):*

- Disseminating to employees against the dangers of pesticide waste
- Making socialization to officers related to hazardous waste
- Creating memo from Manager as a form of commitment in the management of hazardous Waste
- Make monitoring / inspection of hazardous waste management in operational area

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

Verification of 15 April 2018

Management unit can show proof of improvement in the form of delivery record and Manifest of delivery of 18 kinds of oysters of Chemical, but not yet shown evidence of related :

- Former container of chemicals (pesticides) removed / left in backyard afdeling office
- Evidence that hazardous waste has been implanted in hazardous waste warehouse does not exceed the allowable shelf life (180 days)

The evidence of improvement that has been submitted by the team of auditors to declare NCR on this indicator is not Comply because of not yet submitted evidence of improvement on:

- Former container of chemicals (pesticides) removed / left in backyard afdeling office
- Evidence that hazardous waste has been implanted in hazardous waste warehouse does not exceed the allowable shelf life (180 days)
- Clarify the root cause and corrective action

Major Verification of 11 May 2018

The Management unit shows evidence of improvements in the form of:

- Letter of Introduction of goods to CV Veronika Tannaga with the amount of jelly ex chemicals amounted to 188 pieces.
- Manifest delivery of chemical extraction of 188 pieces with no. manifest ARA 000532 dated August 14, 2017.
- Photos showing the backyard condition of afdeling offices before and after haulage.

The results of field observations in the afdeling II warehouse and hazardous warehouse indicate that there is still hazardous waste (contaminated packaging) that has not been monitored and has not been stored in hazardous temporary waste. While the observation result at hazardous temporary waste shows that the last hazardous waste transporting was done in August 2017.

Based on the evidence of the improvements shown and field observations, it is concluded that:

- There is not enough evidence that the stored hazardous waste does not exceed the allowable shelf life (180 days).
- There is no monitoring of pesticides / hazardous waste inspections
- Clarification of the root cause and the correction is not clear / conical to the sound of nonconformity.

Based on the above explanation, the auditor team recommends that non-conformities remain non comply.

Verification of 20 May 2018

Managemnet unit can show evidence of improvement in the Monitoring of Used Waste Package at hazardouse waste temporary warehouse on May 18, 2018, but there is no evidence to show:

- There is not enough evidence that the stored hazardous waste does not exceed the allowable shelf life (180 days).
- There is no monitoring of pesticides / hazardous waste inspections
- Clarification of the root cause and the correction is not clear / conical to the sound of nonconformity.

Verification of 23 May 2018

The management unit has demonstrated records of inspections related to the management of hazardous waste carried out in the Employee Housing, Afdeling Office, chemical warehouse and pump house. Based on inspection results no hazardous waste was found at the location. In addition, the management unit showed the letter of environmental agency of Langkat dated May 23, 2018 stating that the management of hazardous waste in management unit can follow the goverment regulation No. 101 years 2014. However, the management unit should provide additional explanations regarding correction and corrective actions that are still unclear / conical to non-conformities.

This NCR state as comply

Verified by Diverifikasi oleh	:	Auditor Team
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R No.	:	2017.46	Issued by	:	I Wayan Sudiantara
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Results Field visits in the the area of loading ramp Sawit Langkat Mill and emplashment of Afdeling 2 its known if Domestic Waste is collected at one site and then burned. In relation to this, the the managements unit of Sawit ILangkat has not been able to show the mechanisms to ensure that the domestic waste produced has been well managed to avoid and reduce pollution.					
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">- The lack of understanding of unit management on the application of regulations relating to the environment.- Management of the unit has not conducted routine monitoring and identification of waste sources that have the potential to pollute the surrounding environment					

<ul style="list-style-type: none"> - Insufficient understanding of officers and workers in managing domestic waste in accordance with existing SOPs
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> - Making socialization about domestic waste management to all workers. - Making waste source identification which potentially polluting environment
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> - Make routine monitoring and identification of waste sources that have the potential to pollute the surrounding environment. - Conduct an evaluation related to the staff's understanding of the application of the existing domestic waste management procedure.
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> <p>Verification on ASA-1 The company has shown evidences of improvement, as follows:</p> <ul style="list-style-type: none"> - The company has a Domestic Waste Management Procedure (No.20 Rev.3) dated January 2, 2018. The procedure discusses as a guide in minimizing the negative impact of residential and office waste on health, ground water, rivers and air. - The Company shows Records of hazardous waste and Domestic Waste Management Socialization conducted on August 15, 2018 to employees. (Attached with attendance list). - The results of interviews with workers in Housing of Division V and VIII are known to have been understood related to domestic waste management, where there is no burning. - Auditor visits Housing of Division V and VIII, it is known that no domestic waste / waste has been recovered managed by burning. The company also has TPSA (Landfill) as the final domestic waste disposal site by burial located 1 km from the emplacement. <p>Based on that evidences, the non-conformity has been fulfilled.</p>
Verified by : Briyogi Shadiwa

NCR No.	:	2017.47	Issued by	:	Y. Wisnu Rahmanto
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	23 May 2018
Standard Ref. & Requirement	:	5.6.1 Document(s) assessing pollution and emission sources, including gaseous, particles, soot emissions and effluent, shall be available (see Criterion 4.4)			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Deskripsi Ketidakesuaian & Bukti yang diamati <i>(dilengkapi oleh auditor):</i> Management unit of Sawit Langkat has not yet provide the documents assessing pollution and emission sources, including gaseous, particles, soot emissions and effluent. Therefore, the management unit of Sawit Langkat have not fulfilled this requirements.					

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

The Officers do not understand the assessment of pollutant sources in the form of gas, particle, soot and liquid waste, including the identification of pollutant / pollutant sources, so that the related document does not exist.

Correction *(filled by organization audited):*

Management unit has made a document of assessment of pollutant sources in the form of gas, particle, soot and liquid waste, including the identification of pollutant / pollutant sources.

Corrective Action *(filled by organization audited):*

Make a environmental management and monitoring report (RKL/RPL) every semester (2 times a year) and report it to the local Environmental Agency

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification of 15 April 2018

Management unit can show evidence of improvement in the form of Test Result of Sei Basilam Hulu and Sei Basilam Hilir Water Quality, Groundwater in Area land Application, Land Quality in Land Application area. Based on evidence of improvements submitted the NCR is not comply due to :

- there has been no evidence of improvement on the assessment document of pollutant sources in the form of gas, particle, soot and liquid waste, including the identification of pollutant / pollutant sources
- Clarify the question on the root cause, corrective action, and Corrective Action

Verification of 28 April 2018

The management unit can show evidence of improvement:

- Receipt of environmental management report from January to June 2016 on July 27, 2016

Based on evidence of improvements submitted the NCR in this indicator is not comply due to

- there has been no evidence of improvement on the assessment document of pollutant sources in the form of gas, particle, soot and liquid waste, including the identification of pollutant / pollutant sources
- Clarify the question on the root cause, corrective, and Corrective Action

Major Verification of 11 May 2018

The Management unit shows evidence of improvements in the form of:

- Identify sources of greenhouse gas emissions that include emission / activity sources. Types of emissions and mitigation / control. The source of emissions comes from the activities / activities of the operation of the boiler, the use of generators, WWTP, the use of chemicals, plant transportation activities and repair and maintenance of machinery.
- Environmental test results such as wastewater testing, fixed source emissions, and air quality testing including noise and vulnerability contained in the RKL-RPL document in the second half of 2017. The tests were conducted by PT Mutu Agung Lestari accredited by KAN No. LP-001-IDN.

The Management unit has not clarified the corrective action to prevent non-recurrences.

Verification of 20 May 2018

Management can show evidence of improvement in the form of minutes of socialization of identification of sources of pollution / emissions that was carried out on May 17, 2018, but the Management unit has not clarified related corrective action / prevention so that non-conformity does not happen again so that non-conformance on this indicator is not comply

Verification of 23 May 2018

The Management unit has clarified the corrective action to prevent non-recurrences so that the NCR in this indicator has been comply

Verified by : Auditor Team
Diverifikasi oleh

NCR No.	: 2017.48	Issued by	: Y. Wisnu Rahmanto
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 23 May 2018
Standard Ref. & Requirement	: 5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plan to reduce or minimize them implemented		
Non-Conformance Description & Evidence observed (filled by auditor): Deskripsi Ketidakesuaian & Bukti yang diamati (dilengkapi oleh auditor): Plan to reduce or minimize significant pollutants and greenhouse gas are not implemented by the management unit of Sawit Langkat, particularly Palm Oil Mill unit. Based on field observation at Block 07Q Afdeling 2, auditor found and clearly seen of POME leakage and drain to the water sources. Therefore, the management unit of Sawit Langkat have not fulfilled this requirements.			
Root Cause Analysis(filled by organization audited): <ul style="list-style-type: none">- There is no PIC to minimize significant pollutants and greenhouse gas- Identification conducted by Management Unit of Langkat, that there is leakage Installation of pipes (fatpit pipes to waste ponds) in POM, leak into the ground (ditch dead) in Afdeling 2 blocks of block 12 AB, in this leakage can still be dammed by dike dike . But then the dike of the landslide ditch so that leakage waste through the Basilam river.- There is no determination of PIC responsible for environmental management and monitoring.- Leakage of waste water pipe in POM due to Lack of monitor on installation Pipe waste cause pipe wear and leakage			
Correction(filled by organization audited): Making identification of significant pollutants and greenhouse gas and the action plan of mitigation significant pollutant and GHG Make improvements on installations such as, replacement of leaking pipes, leaking fillings tub, cleaning the area tankos and create new trench so that the leachate flows into the WWTP.			
Corrective Action (filled by organization audited): Conduct the monitoring of identification of significant pollutants and greenhouse gas and the action plan of mitigation			

significant pollutant and GHG

Management unit has made Action Plan where repairs are carried out at the Upstream, Downstream, and social. Monitoring (in the form of a checklist) to the installation conditions such as POM, cleanliness, leaks, wear, damage and replacement.

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

Verification of 15 April 2018

Management Unit can show proof of improvement in the form of Test Result Test Result of Sei Basilam Hulu Water Quality Uand Sei Basilam Hilir, Groundwater in Area land Application, Land Quality in Land Application area. Based on evidence of improvements submitted this NCR in this indicator is not comply :

- There is no identification of significant pollutants and greenhouse gas and the action plan of mitigation significant pollutant and GHG
- The result of field visit in Block 07Q Afdeling 2 is known that POME pollution is flowing in the water flow
- Clarifications of the root cause analysis, correction, corrective action

Verification of 29 April 2018

The management unit can show evidence of improvements in the form of:

- Receipt of environmental management report from January to June 2016 on July 27, 2016
- Result of identification of greenhouse gases and pollutants for activities in the Estate (Factory has not been delivered)

Based on evidence of improvements submitted an inconsistency on this indicator is not comply :

- due to the lack of identification of significant pollutant sources and emissions of greenhouse gases and pollutants, as well as plan and implementation documents to reduce or minimize pollution and emissions in the mill (Environmental test results related to stationary sources).
- Result of field visit at outlet of Parit Busuk Afdeling 2 which into Basilam River, pollution of POME waste that flows in the flow of water and Basilam River.
- Clarifications of the root cause analysis, correction, corrective action

Major Verification of 11 May 2018

The management unit shows evidence of improvements in the form of:

- Identify sources of greenhouse gas emissions that include emission / activity sources. Types of emissions and mitigation / control. The source of emissions comes from the activities / activities of the operation of the boiler, the use of generators, WWTP, the use of chemicals, plant transportation activities and repair and maintenance of machinery.
- Environmental test results such as wastewater testing, fixed source emissions, and air quality testing including noise and vulnerability contained in the RKL-RPL document in the second half of 2017. The tests were conducted by PT Mutu Agung Lestari accredited by KAN No. LP-001-IDN.

Perusahaan menunjukkan bukti perbaikan berupa :

- Action Plan Maintain and / or Increase identified HCV Values (control the source of pollution at the outlet of the Parit Busuk Afdeling 2 groove outlet into the Basilam River). In the document there is an improvement plan and time table from June 2018 to May 2019, including budget submission activities, procurement of goods, replacing leak pipe, repair levee levee, make peace between fishermen association throughout Indonesia Basilam Village with PTPN IV Sawit Langkat, sembako, to the provision of fish seeds.
- Documentation of the Action Plan to Maintain and / or Increase identified HCV Values (controlling pollution sources at the Parit Busuk Afdeling 2 groove outlet leading to Sungai Basilam). sighted repair of the

installation of the fatpit pipe to the waste pool showing no pipeline leakage, as well as repair of the embankment groove outlet embankment 2 into the basilam river. Surat Keputusan No. SAL/SK/62/II/2018 tentang Penetapan Petugas Monitoring Pemantauan HCV/NKT tanggal 7 Februari 2018.

Related to the evidence submitted The nonconformity on this indicator not yet closed, due to there is no corrective evidence that's explain about

- Clarification of the root cause analysis, correction, corrective action is still unclear / conical to the non-conformity caused
- Waste handling (leakage and leachate) remaining in 07Q afdeling II block which is a lowland area.

This NCR has not been comply.

Verification of 23 May 2018

The management unit shows evidence of improvements in the form of:

- Clarification of the root cause, correction, corrective action is still unclear / conical to the non-conformity caused.
- Appointment Letter pengelolaan officers and monitoring of environmental governance, on May 22, 2018, which is responsible for monitoring and inspection of anything that may have adverse impacts on the environment and can harm perusahaan because they pollute the environment
- Socialization Program associated with the implementation of RSPO environmental aspects in June and November 2018
- Layout of a new trench to drain leachate from Empty Bunch to WWTP. In addition there is also documentation of the closure of the old trenches that flow into the trenches.
- Documentation of the conditions trenches in Block 07Q contaminated waste water and ditch repair dikes using heavy equipment.

Based on the improvements submitted, the management unit should provide additional explanations regarding the root of cause, correction and corrective action. So NCR still has not been comply.

Verification of 25 May 2018

Based on the results of clarification on the root cause and corrective actions undertaken by the management then the NCR in this indicator is stated has been comply

Verified by	: Auditor Team
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NCR No.	:	2017.49	Issued by	:	Y. Wisnu Rahmanto
Date Issued	:	26 May 2017	Time Limit	:	ASA-1
NC Grade	:	Minor	Date of Closing	:	23 May 2019
Standard Ref. & Requirement	:	5.6.3 A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.			
Non-Conformance Description & Evidence observed (filled by auditor):					
Deskripsi Ketidakesuaian & Bukti yang diamati (dilengkapi oleh auditor):					
RSPO PalmGHG Emissions calculator is the one of appropriate methods to monitor and reporting on emission and pollutants from estate and mill operations. However, the management unit of Sawit Langkat did not provide the result of GHG calculation by using RSPO PalmGHG calculator version 3.1, also there is no objective evidence that GHG					

calculation was conducted and reported to the RSPO.

Therefore, the management unit of Sawit Langkat have not fulfilled this requirements.

Root Cause Analysis (filled by organization audited):

insufficient understanding of officers in calculating GHG emissions using the PalmGHG calculator version 3.1

Correction (filled by organization audited):

- Making GHG emissions calculation with PalmGHG calculator version 3.1
- Making socialization "how to calculate GHG emission with PalmGHG calculator version 3.1".

Corrective Action (filled by organization audited):

Making evaluation for personnel understanding after got a socialization.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on ASA-1

The company has shown a recording of GHG calculations in accordance with the GHG calculator, the following data are displayed:

Summary of Net GHG Emissions periode januari-desember 2018

Emissions per Product	tCO ₂ e/t Product
CPO	0,51
PK	0,51

Production	ton/year
FFB processed	26.836
CPO produced	3906

Land Use	Ha
OP planted area	5.548,88
OP planted on peat	-
Conservation	-

Extraction	%
OER	25,1
KER	3,65

Summary of Field Emissions and Sinks

Description	Own Crop			Group		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e
Land Conversion	54804,23	9,88	0,51	-	-	-
*CO ₂ Emissions from Fertilizer	4166,32	0,75	0,04	-	-	-
**N ₂ O Emissions	3345,57	0,6	0,03	-	-	-
Fuel Consumption	282,27	0,05	0	-	-	-

Peat Oxidation	0	0	0	-	-	-
Sinks						
Crop Sequestration	-51947,13	-9,36	-0,49	-	-	-
Conservation Sequestration	0	0	0	-	-	-
Total	10651,26	1,92	0,1	-	-	-

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	4540,33	0,04
Fuel consumption	519,42	0
Grid electricity	0,6	0
Credits		
Export of grid electricity (housig)	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	5060,35	0,05

Palm Oil Mill Effluent (POME) Treatment

Divert to compst (%)	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

Based on document verification shown that accurate data has been put into RSPO Palm GHG Calculator.

From the results of interviews with management, the officer concerned had understood and was able to demonstrate the filling of the GHG calculator.

Based on this evidence, nonconformities are fulfilled

Verified by : **Briyogi Shadiwa**

NCR No.	2017.50	Issued by	Rizliani Aprianita Hasibuan
Date Issued	26 May 2017	Time Limit	Before certificate issued
NC Grade	MAJOR	Date of Closing	25 May 2018
Standard Ref. & Requirement	6.1.2 Evidence shall be made that the assessment has been made with the participation		

	of the affected parties.
Non-Conformance Description & Evidence observed (filled by auditor): Management unit has shown evidence in the form of questionnaire of SIA which involves the surrounding communities. However, there is not enough evidence that social impact assessment has engaged workers as affected parties.	
Root Cause Analysis (filled by organization audited): There is no special officer related to SIA The SIA document has actually been done with partial and involving the employees as an affected party, only the documentation indicating that the document involves the worker as the affected party is not included in the report	
Correction (filled by organization audited): Establish special officers related to SIA Management has revised the SIA, where workers have been involved as an impacting party. Revised the SIA report by enclosing questionnaires related to internal parties as affected parties	
Corrective Action (filled by organization audited): Conducting evaluation related to SIA report	
Assessor Evaluation and Conclusion (filled by auditor): Verification of 11 May 2018 The company has not shown any response from the auditor's questions to complement the root cause and correction analysis. The Company showed evidence of improvement in the form of revised SIA assessments involving workers as affected parties by providing a questionnaire to workers relating to the impact of the operational activities. However, there is no clarification of the auditor's response to the root cause analysis and correction above. This NCR has not been comply Verification of 21 May 2018 The company shows the socialization document of SIA program on May 18, 2018 in the form of minutes of socializing the preparation of SIA Program, attendance attendance along with photo of its implementation. This will be further observed by the auditor team and the panel team. In addition, the management unit needs to complement the auditor's response to the root of the problem and corrective action because the root of the problem and corrective action are still unclear / conical to the non-conformity caused. Verification of 23 May 2018 The management unit has not shown any record of corrective action that is the SIA report with the attachment of the affected party questionnaire. So the NCR has not been comply Verification of 25 May 2018 Companies can show SIA documents that have comply	
Verified by	: Auditor Team

NCR No.	: 2017.51	Issued by	: Rizliani Aprianita Hasibuan			
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued			
NC Grade	: MAJOR	Date of Closing	: 23 May 2018			
Standard Ref. & Requirement	6.1.3 There shall be a management plan and social impact monitoring to avoid or reduce negative impacts and enhance positive impacts were based on the analysis of social impact through the consultation process with the parties affected, documented and unscheduled including the responsibilities of implementation.					
Non-Conformance Description & Evidence observed (filled by auditor): In the SIA document, that has described social impact management plan that includes impact parameters that managed, impact sources, management objectives, management plans, location and time. However, there is insufficient evidence that there has been a clear timetable on management and monitoring plans, including responsible officer and evidence of the implementation.						
Root Cause Analysis (filled by organization audited): There is no special officer related to SIA the officer has not understood the plan of the SIA monitoring plan						
Correction (filled by organization audited): Establish special officers related to AIS The Company has a clearly scheduled management plan (timeline), including its executor, but has not indicated a Monitoring plan along with clear timelines, personnel and implementation.						
Corrective Action (filled by organization audited): Conducting socialization to workers related to the making of environmental social management program						
Assessor Evaluation and Conclusion (filled by auditor): Verification of 20 April 2018 The Company shows the social impact management plan period 2018-2019 that has been approved by Manager. The management plan includes the social impact parameters that are managed, the sources of impact, management objectives, management plans, location and time. However, the company has not been able to show: <ul style="list-style-type: none"> - Scheduled monitoring plan (time frame) clearly - PIC / Responsible for implementation - Evidence that social governance and monitoring plans have been implemented. Based on this, the NCR has not been comply						
Major Verification of 11 May 2018 The Company has a clearly scheduled management plan (timeline), including its executor, but has not indicated a Monitoring plan along with clear timelines, personnel and implementation. In addition, it has not clarified the auditor's response to the re-examination related to the root cause analysis of the above problems. This NCR has not been comply.						
Verification of 20 May 2018 The Company showed evidence of improvements in the form of photo visits on participatory village development planning discussions, attendance checklists along with social impact monitoring and management plans. However, the monitoring plan submitted is a previously implemented social impact management plan.						

Based on the above explanation, it is concluded that the company has not shown the monitoring plan along with the clear timeliness, the responsible and the implementation. In addition, it has not clarified the auditor's response to the re-examination related to the root cause analysis of the above problems.

Verification of 23 May 2018

The management unit has provided further explanations for corrective action and shows a Monitoring plan along with clear timelines, personnel and implementation, **so that non-conformities are comply.**

Verified by : **Auditor Team**

NCR No.	: 2017.52	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 6.1.4 The management plan and monitoring social impacts have been documented, to be reviewed at least every 2 years. If needed, the plan should be corrected. There shall be evidence that the review process involves the participation of all affected parties.pihak yang terdampak.		
Non-Conformance Description & Evidence observed (filled by auditor): In the SIA document (May 2015), that has described social impact management plan that includes impact parameters that managed, impact sources, management objectives, management plans, location and time. However,there is insufficient evidence that these plans have been reviewed for at least once in 2 years by involving affected parties.			
Root Cause Analysis(filled by organization audited): <ul style="list-style-type: none">• Lack of coordination between PPD and HR so documents cannot be given to auditors• The lack of understanding of PPD in presenting document needs related to the application of RSPO certification			
Correction(filled by organization audited): Make a review of the social impact management and monitoring program plan			
Corrective Action (filled by organization audited): Monitoring the fulfillment of document requirements related to the application of RSPO certification			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on ASA-1 The company has evaluated the management and monitoring plans. The last review was conducted for the 2017 & 2018. The results of the evaluation of the review have been used as guidelines to determine the management plan for period of 2019. The results of monitoring are for each program evaluated and the management plan implemented. There is no conflict with the surrounding community Evaluasi program pengelolaan dampak sosial tahun 2018 telah dilakukan berdasarkan hasil konsultasi dengan stakeholder. Stakeholder yang dikunjungi antara lain Kepala urusan desa Paluk Pakih, kepala desa Besilam, Kepala desa Karya Jadi, Kepala Desa Tanjung Selamat, Kepala Desa Kebun Balok, kepala desa Banjaran Raya, Sekretaris majelis taklim dan syiar Islam (MTSI) kebun Sawit Langkat, Persatuan Umat Kristen (PUK) Kebun Sawit Langkat. The evaluation of the social impact management program in 2018 has been carried out based on the results of consultations with stakeholders. Stakeholders visited included the head of the Paluh Pakih village, the village head of Besilam, the village head of Karya Jadi, the Head of the Tanjung Selamat Village, the village chief of Kebun Balok, the village head of Banjaran Raya, the secretary of majelis taklim dan syiar Islam, and Persatuan Umat Kristen (PUK)			

Based on explanation above, this nonconformity is closed

Verified by : **Asystasya Aishah Silalahi**

NCR No.	: 2017.53	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: Major	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	6.2.1 Communication and consultation procedures should be documented.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
Management Unit already has mechanism of Communication and Consultation with the communities (SPO 03. Rev 02 dated 02 January 2015). Based on the results of the document verification and interviews with representatives of Paluh Pakih Babussalam village, it is known that there is not enough evidence that the management unit has disseminated communication and consultation procedures to all stakeholders.			
Root Cause Analysis <i>(filled by organization audited):</i>			
There is no special officer regarding Communication and Consultation			
Correction <i>(filled by organization audited):</i>			
Establish special officer regarding Communication and Consultation			
Corrective Action <i>(filled by organization audited):</i>			
Socialization to all stakeholders related to Communication and Consultation			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verification April 22, 2018			
The company showed some improvement evidence, such as:			
<ul style="list-style-type: none"> - Photos of socialization of introduction of SOP and WBS and understanding of SPO 07 with stakeholders - Decree letter no. SAL / SK / XI / 2017 dated November 23, 2017 on the establishment of monitoring officers of SOP, WBS, SPO 07 and Human Rights. 			
However, the company has not been able to show evidence of attendance and news of the implementation of socialization which informs what SOP is socialized, to whom the SOP is socialized along with the date of its implementation. Based on the above explanation, the above non-conformity is not fulfilled.			
Major Verification May 11, 2018			
The company showed some improvement evidence, such as:			
<ul style="list-style-type: none"> - Minutes of meeting and attendance list Introduction of SOP and WBS also understanding SPO 07 on November 7, 2017 to 20 workers. - Based on the auditor's interview during the Major verification assessment on May 11, 2018 with the head of the village of Paluh Pakih Babussalam explained that there has been no socialization activities on Communication SOP and Consultation with Villager/head of village conducted by the company. 			

The company has not reviewed the auditor's response to the root cause analysis above. Based on evidence of improvements shown as well as interviews with head of village, the auditor recommends that Non-conformity has not been met.

Verification 21 May 2018

The Company showed evidence of improvements in the form of attendance list of socialization activities of Code of Conduct, whistleblowing system, human rights policy, SOP communication, consultation and handling of stakeholder complaints conducted on 18 May 2018 held in Paluh Pakih Village.

The company also showed Decree No. SAL / MU / Kpts / V / 2018 on the Special Officers performing internal communication and complaint handling of stakeholders of Sawit Langkat Unit. Based on the evidence the improvements indicated the nonconformity is fulfilled and will be re-observed during the next visit.

Verified by : **Auditor Team**

NCR No.	: 2017.54	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: ASA -1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 6.2.3 The company shall have a list of stakeholders and have a recording of communications, including confirmation of receipts of records of communications and efforts made to build understanding of affected parties and the company has a recording of responses / follow up on input from the parties.		
Non-Conformance Description & Evidence observed (filled by auditor): Management unit has showed a list of stakeholders consisting of police officers, sub-district heads, , surrounding villages and journalists / NGOs. However, the list of stakeholders has not yet contained all affected parties or other interested parties. For example, government agencies, contractors, suppliers, labor union etc			
Root Cause Analysis(filled by organization audited): <ul style="list-style-type: none">• Lack of coordination between PPD and HR so documents cannot be given to auditors• The lack of understanding of PPD in presenting document needs related to the application of RSPO certification			
Correction(filled by organization audited): Completing the list of stakeholders that includes all affected parties and interested parties			
Corrective Action (filled by organization audited): Monitoring the fulfillment of document requirements related to the application of RSPO certification			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on ASA-1 The company shows a list of stakeholders of PTPN IV Sawit Langkat consisting of Districts and Villages, Police, TNI, youth organizations, religious leaders, trade unions, female employees, journalists, community leaders, work partners, government agencies and district offices, and medical / health . The list includes the name, position, address, and telephone number that can be contacted			
Based on explanation above, this nonconformity is closed			

Verified by	: Asystasya Aishah Silalahi
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NCR No.	: 2017.55	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	6.3.1 The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested as long as the report is backed up with sufficient preliminary evidence.		
Non-Conformance Description & Evidence observed (filled by auditor): Management unit has complaint mechanism such as contained in document: 1. SOP Handling Customer Complaints and Environment (No. SPO 13 revision 1) effective from January 2, 2015 2. Protection for whistle blower 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 However, there is not enough evidence that complaint mechanism for external stakeholders has been disseminated to external stakeholders			
Root Cause Analysis(filled by organization audited): There is no special officer regarding Communication and Consultation			
Correction(filled by organization audited): Establish special officer regarding Communication and Consultation			
Corrective Action (filled by organization audited): Socialization to all stakeholders related to Communication and Consultation			
Assessor Evaluation and Conclusion (filled by auditor): Verification April 22, 2018 The company showed some improvement evidence, such as: - Photos of socialization of introduction of SOP and WBS and understanding of SPO 07 with stakeholders - Decree letter no. SAL / SK / XI / 2017 dated November 23, 2017 on the establishment of monitoring officers of SOP, WBS, SPO 07 and Human Rights. However, the company has not been able to show evidence of attendance and news of the implementation of socialization which informs what SOP is socialized, to whom the SOP is socialized along with the date of its implementation. Based on the above explanation, the above non-conformity is not fulfilled. Major Verification May 11, 2018 The company showed some improvement evidence, such as: - Minutes of meeting and attendance list Introduction of SOP and WBS also understanding SPO 07 on November 7, 2017 to 20 workers. - Based on the auditor's interview during the Major verification assessment on May 11, 2018 with the head of the			

village of Paluh Pakih Babussalam explained that there has been no socialization activities on Communication SOP and Consultation with Villager/head of village conducted by the company.

The company has not reviewed the auditor's response to the root cause analysis above. Based on evidence of improvements shown as well as interviews with head of village, the auditor recommends that Non-conformity has not been met.

Verification 21 May 2018

The Company showed evidence of improvements in the form of attendance list of socialization activities of Code of Conduct, whistleblowing system, human rights policy, SOP communication, consultation and handling of stakeholder complaints conducted on 18 May 2018 held in Paluh Pakih Village.

The company also showed Decision Letter no. SAL / MU / Kpts / V / 2018 on the Special Officers performing internal communication and complaint handling of stakeholders of Sawit Langkat Unit. The management unit also demonstrated the timeframe plan to socialize the complaints procedure to villager and village apparatus consisting of Basilam Village, Banjaran Raya Village, Tanjung Selamat Village, Sukaramai Village, Paluh Pakih Village, Kebun Balok Village, Desa Karya Jadi and Perjuangan Village. In addition, evaluation is also conducted to determine the effectiveness of complaint procedures.

Based on the evidence the improvements indicated the nonconformities are met and will be re-observed during the next visit.

Verified by : **Auditor Team**

NCR No.	: 2017.56	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	: 6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on the results of interviews with the village head of Paluh Pakih Babussalam, it is known that the villagers have already submitted several complaints related to river pollution to the management, both oral and by sending a letter. However, Management Unit has not been able to show evidence of process and results of handling of disputes or complaints recording from affected parties (internal and external stakeholders).			
Root Cause Analysis(filled by organization audited): No special officer has handled disputes from both internal and external			
Correction(filled by organization audited): Establish special officers who handle disputes from both internal and external			
Corrective Action (filled by organization audited): Socialization the handling of disputes to internal and external parties.			
Assessor Evaluation and Conclusion (filled by auditor): Verification April 22, 2018. The Company showed a recording of several employee complaints resulting from the socialization and consolidation			

of SP BUN Sawit Langkat base and the solution steps taken on 18 s / d 29 January 2018 together with the minutes of the meeting and the attendance list of the activities.

Major Verification 11 May 2018

The company showed evidence of improvement:

- Plan of socialization and work motivation scheduled for implementation on 18-29 January 2018 by SP Bun.
- Attendance list of socialization and work motivation from SP Bun on 18 January 2018 to 62 workers of afdeling I and 61 workers of afdeling II.
- Minutes of the meeting on January 22, 2018 to all workers in afdeling V related to worker issues and solutions. The meeting was attended by 37 workers consisting of assistants and workers.
- Minutes of the meeting on 22 January 2018 and attendance list of the socialization to 52 workers
- Attendance list on the dissemination of work application in afdeling VII to 75 workers.
- Attendance list on 26 January 2018 in front of the afdeling VIII office attended by 72 workers.
- Based on interviews with several workers known that several complaints relating to wages have not been documented.

Based on the auditor's interviews at the time of Major verification on 11 May 2018 in Paluh Pakih Babussalam Village (with the village head) explained that there has been no socialization of the mechanism of handling disputes to external parties.

Based on evidence in the form of documents and interviews with stakeholders, the auditor recommends that non-conformity have not been met with the following considerations:

- Not enough evidence to show that any incoming internal and external complaints / disputes have been documented.
- Based on the corrective action, it is mentioned that the company has set up special officers to handle disputes / complaints. The Company has not indicated the officer handling the internal and external complaints / disputes and their job descriptions.

Based on the above explanation, the auditor team recommends that nonconformity has not been met.

Verification 21 May 2018

The company showed the minutes of socialization of communication, consultation and complaints handling system conducted on 17 May 2018 which was attended by 13 participants. The company also showed Decision Letter no. SAL / MU / Kpts / V / 2018 on the Special Officers performing internal communication and complaint handling of stakeholders of Sawit Langkat Unit. The company also showed a weekly monitoring record of a suggestion box showing no complaints until May 2018.

The management unit also demonstrated the timeframe plan to socialize the complaints procedure to the villagers consisting of Baslam Village, Banjaran Raya Village, Tanjung Selamat Village, Sukaramai Village, Paluh Pakih Village, Kebun Balok Village, Karya Jadi Village and Perjuangan Village. In addition, evaluation was also conducted to determine the effectiveness of complaint procedures.

Verified by:	Auditor Team
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NCR No.	: 2017.57	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 23 May 2018
Standard Ref. & Requirement	: 6.5.1 Documentation of pay and conditions shall be available.		

Non-Conformance Description & Evidence observed (filled by auditor):

Based on document verification, found some non-conformities, among others:

1. Based on the result of interview management and verification of recapitulation document of worker's income in April 2017, it is known that there is an worker who is still on probation. Based on the document, it is known that the worker is getting 60% of take home pay plus incentive. For example, the recapitulation of worker income in April 2017 of the HR and public parts, section 280 with details of paid wages:
 - Salary: Rp. 946,260
 - Value of rice supply: Rp. 90,000
 - Special allowance: Rp. 151.063
 - Electricity / water allowance: Rp. 59141
 - Overtime incentives: Rp. 135.318

Based on Manpower regulation no. 7 of 2013 on minimum wages, it is known that the minimum wage is a monthly wage consisting of basic wages and fixed allowances. Based on the explanation, it is concluded that wages paid are still under minimum wage of Sumatra utara in 2017.

2. Based on document verification results of the attendance list of security, security work list on March 2017 and interview with management, it is known that security personnels work for 12 hours every day including on holiday. Management Unit paid the overtime only for 50 hours plus overtime incentives . However, the overtime paid is not in accordance with Manpower regulation no. 102 of 2004 about overtime and overtime wages and Collective Labor Agreement Article 21 stating that:
 - article 1: work done outside official working days and official working hours expressed as overtime except for premiums
 - article 3: Company that employ employees over working hours as referred to in aticle 1 shall pay the overtime.

Root Cause Analysis (filled by organization audited):

1. There is no special officer monitoring overtime wages
2. The wages of prospective executing employees in the trial period are paid still under minimum wage of Sumatra Utara

Lack of management understanding related to applicable labor regulations.

Correction (filled by organization audited):

1. Establish a special officer monitoring overtime wages
2. Management has made correction to wage payments during the probation period from 60 % become 100 % and valid from 1 May 2018.
3. Sawit Langkat Unit change the working hours securities be 3 shift so that the hours of service only reaches 8 hours only, and can alternately in carry out the holiday.

Corrective Action (filled by organization audited):

1. Monitoring overtime wages
2. Making socialization related to payment of wages to the management.

Assessor Evaluation and Conclusion (filled by auditor):
Verification on April 22, 2018

The Company showed the Director Decree of PTPN IV No.11 / Kpts / R / 34 / VI / 2017 regarding the workers appointment of IA - IID grade in Sawit Langkat on June 27, 2017. However, the company has not been able to show:

- The system governing that the prospective employee / who is still in the probation period has been paid in accordance with the applicable minimum wage provisions.
- Evidence of overtime wages paid to security is in accordance with regulation no. 102 of 2004 on overtime wages and the Collective Labor Agreement Article 2.

Based on the above explanation, nonconformity is still open.

Major Verification 11 May 2018

The company showed evidence of improvement :

- Employee orientation calculation in Payroll Report period February 2018 afdeling-1 (worker with code 4022655), grade IA / 00 with basic salary Rp 1,028,251, - additional wage Rp 314.778 , rice Rp 82.800, , Special allowance of Rp 168,863, - total receipt of salary received Rp 1,384,840,
- Based on Decree of the Board of Directors of PTPN IV Number: 04.11 / Kpts / R / 56 / X / 2017 regarding the workers appointment of IA - IID grade in probation Period PTPN IV. In the third Decree it is stated that Workers are given 60% income of Take Home Pay of grade IA / 0 (Basic Salary + Special Allowance + rice value).

Based on evidence of improvements submitted, it is concluded that there is insufficient evidence that the probation worker has received the appropriate minimum wage. And it has not shown any evidence of correction of nonconformity points 2.

Based on the evidence of the improvements shown, Non-conformances have not been met.

The Company showed calculations / comparisons of incentives & Overtime Workers. With regard to security personnel, please indicate related evidence:

- Attendance and overtime record indicating security has been working overtime. Due to the time of the Major Verification, the recording of security working hours in April was out of sync with the security presence register in April. In the book the assistant explained that the security worker worked for 21 - 24 working days with 6 days holiday on the week. While the data list of security presence in April 2018 which explains that security workers Sawit langkat numbered 27 people, in April 2018 still work on holidays (Sunday).

Based on this, nonconformity no. 2017.3 otherwise unfulfilled.

Verification 23 May 2018

Based on the explanation of management representatives known that the recording of attendance is the addition of the assistant book recording added with the overtime. So the data on the assistant's book is not the same as the recording of absenteeism. The management unit has shown the recording of the overtime for April and March 2018.

The management unit has demonstrated Memo from the Director of Human Resources and General dated 23 May 2018 stating that the employee in the probation period earns 100% of the IA / 0 income / salary as of 1 May 2018.

PTPN IV showed Directors Decree No. 04.15 / KPTS / 10 / II / 2015 on the transfer of overtime wages to the payment of performance incentives for IA-IID employees of PTPN IV who received overtime. Based on the simulation of overtime calculation according to regulation no. 102 years 2004 and Directors Decision PTPN IV year 2015 known that the value of performance incentives given to workers exceeds the value of overtime wage of regulation.

Verification 25 May 2018

Based on the results of clarification on the root of the problem and corrective actions undertaken by the company then the discrepancy in this indicator is stated has been met.

The Company shows Memo from Head of Human Resources on June 8, 2018 04.11 / SAL / M-1292 / VI / 2018 regarding the payment of salaries of employees. The memo explained to ensure that the right received by the employee has been fulfilled, in order to pay the salary deference received between the employee in the probation period to a permanent employee which paid at the salary of June 2018. In addition, the probation employee numbering 117 persons has also been raised to permanent employees dated May 31, 2018 in accordance with the Decree of the Board of Directors of PTPN IV No. 04.11 / Kpts / R / 35 / V / 2018 on the Appointment of Employees of Group IA to IID Strata I in Sawit Langkat unit and Quotation of Directors' Decree on Employee Class IA-IID with No. GMD III / SAL / R / M.06 / VI / 2018 dated June 2, 2018. The example of probation employees who have been appointed permanent employees in accordance with the Decree no. 04.11 / Kpts / R / 35 / V / 2018 include:

- Rahmad Kusnadi
- Mujiono
- Iswahyudi
- Fitrianto
- Supriadi-I
- Misdianto

Interviews with employees of an Julianto, Dedi Afendi and Hendra Kurniawan known that they were a probation employee who had been appointed permanent employee as of May 1, 2018 and has been proven by appointment letter on behalf of the worker. From the results of the interviews also submitted that the company has provided a copy of Appointment Letter and Socialization of payment of wage shortage during the probation period per May 1, 2018 which will be paid in June 2018.

Verified by : **Auditor Team**

NCR No.	: 2017.58	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	: 6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers		
Non-Conformance Description & Evidence observed (filled by auditor): Based on the results of field visits in the plantation area of afdeling 1, it is known that there are harvester who did the harvesting work with the help from other people without having work agreement with the management. Related to this, unit management has not been able to show evidence that all workers that working in the operational area already have a working relationship.			
Root Cause Analysis(filled by organization audited): There has been no socialization related to the prohibition of contract harvesters and their helper.			
Correction(filled by organization audited): Conducting socialization related to prohibition of contract harvesters and their helper.			
Corrective Action (filled by organization audited): Monitoring of permanent harvester every day. Sawit Langkat Estate conducted Monitoring with Safety Inspection Checklist table at start of harvesting activity.			
Assessor Evaluation and Conclusion (filled by auditor): Verification April 22, 2018. The company showed the recording of the socialization to 25 workers dated August 1, 2017 regarding: <ul style="list-style-type: none">- Not allowed to bring others without having agreement to the company- Required to wear PPE while working- Not allowed to bring children to help harvesting activity/loose fruit picker. Major Verification 11 May 2018 Company showed : <ul style="list-style-type: none">- Monitoring from June to December 2017 showing that no worker which work without agreement that was found			

in the company's operational area. Currently there are no workers who help harvester. Harvesting foreman and OHS people who conduct inspection to the field.

- Safety Inspection Checklist at the start of harvesting activity that inform about compliance matters related to operational activities such as found a child / wife who help harvesting activity, work equipment and compliance of PPE usage. For example, checklist of harvesting activity at afdeling II of informing that there was no harvester carrying child and wife, complete work equipment, and the PPE used by workers were complete.
- Based on field visit in block 2008 G harvesting activity afdeling II, auditor conducted interviews with 2 harvesters and 1 foreman said that workers have not understood that they should not bring family members (who have no working agreement with the company) to help harvesting activity.

Based on document review and field visit results, team auditor recommended that Non-Conformity has not been met.

Verification 21 May 2018

The company showed the minutes of socialization of the ban on the use of underage and family workers on 16 May 2018 which was attended by 32 participants located in afdeling II. The company also showed Letter no. SAL / SE / intern / 58 / V / 2018 dated May 14, 2018 related to Prohibition of using Family Cup system. Based on the above explanation, the nonconformity is fulfilled.

Verified by : **Team Auditor**

NCR No.	: 2017.59	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	: 6.7.1 There shall be documentary evidence that minimum age requirements are met.		
Non-Conformance Description & Evidence observed (filled by auditor): Management unit of Sawit Langkat has a policy of not using child labor that contained in RSPO-ISPO document no. Policy 03 revision 02 dated 2 January 2015. Based on interviews with harvesters and foremen in block 10 AN afdeling 5, it is known that harvester sometimes also invite their children to help with harvesting activities. Based on that explanation, concluded that there is not enough evidence that unit management has been disseminated the policy of not using child labor and implement it.			
Root Cause Analysis(filled by organization audited): There has been no socialization related to the prohibition of harvesting helper.			
Correction(filled by organization audited): Socialization related to the prohibition of harvesting helper.			
Corrective Action (filled by organization audited): Perform Monitoring of the harvester every day.			
Assessor Evaluation and Conclusion (filled by auditor): Verification April 22, 2018. The company showed the recording of the socialization to 25 workers dated August 1, 2017 regarding: <ul style="list-style-type: none">- Not allowed to bring others without having agreement letter with the company- Required to wear PPE while working			

- Not allowed to bring children to help harvest / loose fruit picker

Major Verification on May, 11 2018

Company showed :

- Monitoring from June to December 2017 showing that no worker which work without agreement that was found in the company's operational area. Currently there are no workers who help harvester. Harvesting foreman and OHS people who conduct inspection to the field.
- Safety Inspection Checklist at the start of harvesting activity that inform about compliance matters related to operational activities such as found a child / wife who help harvesting activity, work equipment and compliance of PPE usage. For example, checklist of harvesting activity at afdeling II of informing that there was no harvester carrying child and wife, complete work equipment, and the PPE used by workers were complete.

Based on field visits at block 2008 G afdeling II auditor interviews 2 harvester and 1 foreman, known that workers have not understood that they should not bring family members (who do not have work agreement with company) to help with the harvesting activity.

Based on document review and field visit results, the auditing team recommends that Non-Conformity has not been met.

Verification on May 21 2018

The company showed the minutes of socialization of the ban on the use of underage and family workers on 16 May 2018 which was attended by 32 participants located in afdeling II. The company also showed Letter no. SAL / SE / intern / 58 / V / 2018 dated May 14, 2018 related to Prohibition of using Family Cup system. Based on the improvements submitted the discrepancies are met and will be observed at the next visit. rifikasi 21 May 2018

Verified by : **Team Auditor**

NCR No.	:	2017.60	Issued by	:	Rizliani Aprianita Hasibuan
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	21 May 2018
Standard Ref. & Requirement	:	6.9.1 A policy to prevent all forms of abuse and sexual and other violence shall be implemented and communicated to all employees.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Management unit of has of women empowerment in labor union (SP-Bun) structure. However, there is insufficient evidence that management unit has a structure or organization specifically addressing women's issues (gender committees). While the results of interviews with six women workers in Block 11 D (sprayers) obtained information that they did not know the policies related to the prevention of sexual harassment and violence. Related to the explanation, there is insufficient evidence to note that the Company's policy on sexual harassment and violence prevention has been implemented and communicated to all workers.					
Root Cause Analysis <i>(filled by organization audited):</i> At the time of the audit, the gender committee was not established yet in Sawit Langkat Unit					
Correction <i>(filled by organization audited):</i> Establish a gender committee in Sawit Langkat Unit					
Corrective Action <i>(filled by organization audited):</i>					

Socialization related to gender committee

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

Verification April 22, 2018.

The company showed the IKBI structure in 2018 and its work program. The IKBI structure consists of coach, chairman, secretary, deputy secretary, treasurer, section of economy, education and sports section and socio-cultural section. However, there is not enough evidence that:

- The organizational structure is a part specifically addressing women's issues.
- There has been no socialization of complaints / handling related to women's issues (in case of harassment or sexual violence) through gender committees.
- There has been no socialization of policies on sexual harassment and violence prevention

Based on the above explanation, nonconformity is not fulfilled.

Major Verification 11 May 2018

The Company shows evidence of improvements in the form of:

- Attendance List of IKBI Sawit Langkat gathering which was attended by 13 people (but did not explain the date, place of activity and description of IKBI board member attending the attendance activity).
- Minutes of meetings held at the IKBI social gathering activities above which explain the Socialization of Sexual Harassment in the Workplace. The minutes consisted of not being allowed to speak foul language in the workplace
- The attendance list of activities in the employee's complex on 4 May 2017 which was attended by 25 people.

Based on the evidence indicated, there is insufficient fulfillment:

- The organizational structure is a part specifically addressing women's issues.
- There has been no socialization of complaints / handling related to women's issues (in case of harassment or sexual violence) through gender committees.
- Response from the company to review the root cause analysis.

Based on the evidence presented, the auditor recommends that Non-Conformity has not been met.

Verification May 21 2018.

The company showed the organizational structure of the IKBI of Sawit Langkat unit which there is a section on handling women's issues. The company also showed socialization on handling of women's issues / sexual harassment / gender committees, human rights policies and COC and whistleblowing policies attended by 76 participants on 16 May 2018.

Based on the above explanation, nonconformity is declared fulfilled.

Verified by : **Rizliani Aprianita Hasibuan**

NCR No.	: 2017.61	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 23 May 2019
Standard Ref. & Requirement	: 6.11.1 Records of contributions to local development should be made based on the results of consultations with local communities.		

Non-Conformance Description & Evidence observed (filled by auditor):

The Managements Unit of Saawit Langkat has a CSR program for years of 2017 Namely the culvert repair plan in Village of palu pakih babussalam , Sub District of Batang Serangan. Based on documents verifications are known if the CSR Program has not including several items including:

- Measurable aspects of community economic empowerment (types of activities, targets, executing managers, timeframes).
- Identify the presence and needs of affected communities, including information disclosure of CSR programs.

This is clarified from the results of consultations with the surrounding community (Palu Pakih Babusalam Village and Tanjung Putus Village) that so far there has been no community empowerment program conducted by the company.

Root Cause Analysis (filled by organization audited):

- Lack of coordination between PPD and HR so documents cannot be given to auditors
- The lack of understanding of PPD in presenting document needs related to the application of RSPO certification

Correction (filled by organization audited):

- Creating a CSR program by incorporating measurable and economic aspects of community empowerment
- Identifying the needs of CSR programs by considering the existence and needs of the affected communities

Corrective Action (filled by organization audited):

Make monitoring of document requirements related to the application of RSPO certification

Assessor Evaluation and Conclusion (filled by auditor):
Verification on ASA-1

The company shows the contribution program for local development in the 2019 period, including the following. CSR program for 2019, for example:

- Making sewer lines
- Hardening Road to Paluh Pakih Village for 5 KM
- Road hardening in the Karya Karya Village is 3 KM long
- Making a mosque fence in Tebing Tanjung village
- Road hardening in Tanjung Putus Village for 3 KM

Environment development program for 2019, for example:

- Capital assistance for basket and bamboo craft entrepreneurs in Paluh Pakih village
- Capital assistance for broom stick craftsmen in Karya Karya Village
- Capital assistance for snack makers (sweet potato chips) in Tebing Tanjung village, Selamat
- Scholarship assistance for underprivileged children in Kebun Balok village
- Uniform assistance for madrasa children in Tanjung Putus Village

Based on interviews with Baslam Bukit Lembasa Village and Kebun Balok Village, the company has provided CSR assistance according to their needs

Based on explanation above, this nonconformity is closed.

Verified by : **Asystasya Aishah Silalahi**

NCR No.	: 2017.62	Issued by	: Rizliani Aprianita Hasibuan
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Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 21 May 2018
Standard Ref. & Requirement	6.13.1 A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations		
Non-Conformance Description & Evidence observed (filled by auditor): Management unit respects the human rights set out in the Policy no.07 effective dated on January 2, 2015. However, there is not enough evidence that the policy has been socialized to all levels of the workforce and operations.			
Root Cause Analysis (filled by organization audited): There is no special officer of human rights.			
Correction (filled by organization audited): Establish special officer of human rights.			
Corrective Action (filled by organization audited): Making socialization related to human rights.			
Assessor Evaluation and Conclusion (filled by auditor): Evaluasi Penilai dan Kesimpulan (dilengkapi oleh auditor): Verification of April 23, 2018 The company showed some improvement evidence, such as: <ul style="list-style-type: none"> - Photos of socialization introduction of SOP and WBS and understanding of SPO 07 with stakeholders - SK no. SAL / SK / 82 / XI / 2017 dated 23 November 2017 on the establishment of monitoring officers of SOP, WBS, SPO 07 and Human Rights. However, the company has not been able to show evidence of attendance / minutes of the socialization event informing that the policy has been disseminated to all levels of workers and operations along with the date of its implementation. Based on the above explanation, the above non-conformity is not fulfilled.			
Major Verification 11 May 2018 The company showed evidence of improvement: <ul style="list-style-type: none"> - Minutes of introduction meeting SOP, WBS and SPO07 as well as understanding of human rights in the company. The minutes explained the definition of SOP, WBS, and SPO 07, the importance of SPO 07 is a guideline to ensure the correctness of information regarding the acceptance of FFB to shipping CPO, the importance of employees to understand SOP, a healthy company aware of the environment and human rights. - The socialization of the introduction of SPO 07, WBS and Human Rights conducted on November 16, 2017 in the Sawit Langkat Meeting room. Socialization was attended by 28 workers from the ranks of Manager, assistant, chief engineer, PPD, afdeling krani. - Based on an interview with the head of Paluh Pakih Babussalam Village during the verification of the major on May 11, 2018 it was explained that the village felt no socialization activities (including human rights) had ever been implemented by the company. Based on the evidence presented, the auditor recommends that Non-Conformity has not been met.			
Verification 21 May 2018 The Company showed evidence of improvement in the form of attendance list of socialization activities of Code of Conduct, whistleblowing system, human rights policy, communication SOP, consultation and handling of stakeholder complaints conducted on 18 May 2018 held in Paluh Pakih Village.			

Based on the above explanation, the nonconformity is fulfilled

Verified by : Rizliani Aprianita Hasibuan

NCR No.	: 2017.63	Issued by	: Y. Wisnu Rahmanto
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 12 May 2018
Standard Ref. & Requirement	7.3.1 There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).		
Non-Conformance Description & Evidence observed (filled by auditor): The management unit of Sawit Langkat has a document of HCV Identification Assessment Report issued in October 2016 with a March 2015 appraisal time. In this case, the HCV Identification assessment is conducted after the 2nd cycle of replanting. Based on the Announcement of RSPO dated May 10, 2014 through its website http://www.rspo.org/news-and-events/announcements/rspo-remediation-and-compensation-procedures , all RSPO members are required to submit Disclosure of Liability by the end of July 2014 According to the template. Above all, the management unit of Sawit Langkat has not shown any evidence that the Disclosure of Liability has been submitted to RSPO whether or not liability.			
Root Cause Analysis (filled by organization audited): Disclosure is not conducted because there is no land clearing above March 2005			
Correction (filled by organization audited): Attach data of Area Statement.			
Corrective Action (filled by organization audited): Attach data of Area Statement.			
Assessor Evaluation and Conclusion (filled by auditor): Major Verification May 11, 2018 Based on document verification and observation results, it is known that there is no planting in 2005. This will be confirmed by the auditor team through RSPO. The auditor team recommends that the nonconformity is fulfilled.			
Verified by	: Team Auditor		

NCR No.	: 2017.64	Issued by	: Moh Arif Yusni
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Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 23 May 2018
Standard Ref. & Requirement	: 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.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on the results of the document review, field visits and interviews with management, it is known that: <ul style="list-style-type: none"> - No follow-up on RSPO stage 1 audit results from 19 - 23 October 2015 - There is insufficient evidence that the Langkat Langkat Management Unit has made significant improvements in sustainability for key operations such as but not limited to OHS aspects, HCV / conservation area management, Waste Management. In relation to this the auditor team considers that there is a continuous improvement commitment that has not been applied thoroughly related to RSPO principles			
Root Cause Analysis (filled by organization audited): Internal Audit has not been done to see the sustainability of RSPO principles. The assumption that the implementation of stage 2 audit can be done without improving the stage 1 findings, the identification of internal crucial points in the area of land conflict, but at the time of stage 2 audit the non-conformity arising out of the internal identification result.			
Correction (filled by organization audited): Conducting internal audit to see the actual condition of unit readiness in facing external audit as well as preparation of audit schedule.			
Corrective Action (filled by organization audited): Attach the data of Internal Audit			
Assessor Evaluation and Conclusion (filled by auditor): Verification April 29, 2018 The Management Unit showed evidence of improvement in the form of internal audit results of the RSPO and ISPO conducted on 26-27 April 2017, whereby based on the audit, there were 12 Non-compliance with RSPO requirements. Based on the results of document review, field visits and interviews with management, it is known that: <ul style="list-style-type: none"> • There is insufficient evidence that the Sawit Langkat Unit has made significant improvements in key operations such as but not limited to OHSAS aspects, management of HCV / conservation areas, Waste management. Based on the explanation, the auditor team considers that there is a commitment to continuous improvement that has not been applied thoroughly related to RSPO principles.			
Major Verification on May 11, 2018. Based on the results of the auditor team's observation of the Major verification activities, it is known that it has not been applied thoroughly related to RSPO principles. This can be seen from the still existing non-compliance has founded. Based on the above explanation, the auditor team recommends that non-conformities are not fulfilled.			

Verifikasi 23 May 2018

Verification on May 2018

PTPN IV has made improvements for Stage 1 and Stage 2 nonconformities, all non-conformities can be met. In addition PTPN IV already has a program for internal audit in all units of PTPN IV. Based on the data it is known that for Sawit Langkat unit conducted internal audit 2 times a year.

Based on the above explanation, the incompatibility is fulfilled.

Verified by : Team Auditor

NCR No.	:	2017.65	Issued by	:	Moh Arif Yusni
Date Issued	:	26 May 2017	Time Limit	:	Before certificate issued
NC Grade	:	MAJOR	Date of Closing	:	12 May 2018
Standard Ref. & Requirement	:	SCCS 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).			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Sawit Langkat POM has not register to RSPO supply chain IT platform.					
Root Cause Analysis <i>(filled by organization audited):</i> Lack understanding of officer in RSPO SCCS reporting to Palm Trace					
Correction <i>(filled by organization audited):</i> Carry out SCCS Training					
Corrective Action <i>(filled by organization audited):</i> Carry out SCCS registration					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Major Verification May 11, 2018 PTPN IV Unit Langkat showed evidence of registration to RSPO Palm Trace with Member ID: RSPO_PO1000004524 The Auditor Team recommends that nonconformity is fulfilled					
Verified by Diverifikasi oleh	:	Moh. Arif Yusni & Team Auditor			

NCR No.	: 2017.66	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: Before certificate issued
NC Grade	: MAJOR	Date of Closing	: 12 May 2018
Standard Ref. &	: SCCS E.3.1		

Requirement	<p>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:</p> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements; The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.
<p>Non-Conformance Description & Evidence observed <i>(filled by auditor):</i></p> <p>Sawit Langkat POM has had the procedur of "penerapan SCCS" (SOP No. SPO 07 dated 2 January 2015 on Palm Oil Supply Chain), but the result of document and management study with management is known:</p> <ul style="list-style-type: none"> References used do not include RSPO Supply Chain Certification System requirements for CPO Plant (November 2014) In the procedure has not yet explained the responsible officer and the authority over the application of SCCS Requirements and te Evidence from officers who have understood the SCCS mechanism. 	
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <p>Lack understanding of officer in RSPO SCCS reporting to Palm Trace</p>	
<p>Correction <i>(filled by organization audited):</i></p> <p>Carry out SCCS Training</p>	
<p>Corrective Action <i>(filled by organization audited):</i></p> <p>Carry out SCCS registration</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Verification April 15, 2018</p> <p>PT PN IV Unit Sawit Langkat showed evidence of improvement in the form</p> <ul style="list-style-type: none"> Procedure of Oil Palm Supply Chain (SPO 07.1 rev 03 dated July 1, 2017) aimed at guiding the handling of certified FFB from plantation to the mill. In the procedure described that the standard used refers to the RSPO Supply Chain Certification System Requirements for CPO Mill (November 2014 Revision June 2017). Minutes of meeting and list of SCCS training participants on 13 December 2017. The training also includes assistant afdeling and chief engineer <p>Team Auditor recommendations: Based on evidence of improvements submitted then the nonconformity in this indicator are declared fulfilled.</p>	
Verified by	: Moh. Arif Yusni & Team Auditor

NCR No.	: 2017.67	Issued by	: Moh Arif Yusni
Date Issued	: 26 May 2017	Time Limit	: ASA-1
NC Grade	: MAJOR	Date of Closing	: 12 May 2018
Standard Ref. & Requirement	: SCCS E.3.2		

	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.
Non-Conformance Description & Evidence observed (filled by auditor): Sawit Langkat POM has had the procedur of "penerapan SCCS" (SOP No. SPO 07 dated 2 January 2015 on Palm Oil Supply Chain), but on that's procedure not yet described about receiving and processing certified and non-certified FFBs .	
Root Cause Analysis (filled by organization audited): Lack understanding of officers in RSPO SCCS Mechanism PTPN4 Not yet have documents related to certified and non-certified FFB processing mechanism as well as Sawit Langkat unit.	
Correction (filled by organization audited): Carry out SCCS Training PTPN4 prepares and creates new documents relating to certified and non-certified FFB processing mechanism as well as Sawit Langkat unit.	
Corrective Action (filled by organization audited): Implementing SCCS Socialization.	
Assessor Evaluation and Conclusion (filled by auditor): PTPN VI Unit of Sawit Langkat can show evidence of improvement in the form of Palm Oil Supply Chain Procedure (SPO 07.1 rev 03 dated July 1, 2017) aimed at guiding the handling of certified FFB from the estate to acceptance in POM but in the procedure has not explained about the processing FFB is certified and non - certified In relation to the evidence of improvement submitted, the nonconformity has not been fulfilled because the procedures have not been regulated on the processing of certified and non-certified FFB and Clarification of root cause, corrective action, and corrective Action Verification 08 May 2018 The management unit of Sawit Langkat can show evidence of improvement in the form of the Certified CPO/PK handling Procedure (NO SPO 07 B Rev 03, dated 02 January 2018). In the procedure aims to guide the handling of CPO / PK in the Mill. Furthermore in the procedure also explains about CPO and PK Stock Monitoring, CPO Delivery, PK Delivery, Recording (document storage) and Reporting when there is an overproduction. Based on the above explanation, the nonconformity is fulfilled.	
Verified by Diverifikasi oleh	: Moh. Arif Yusni & tim auditor

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

NCR No.	: 2019.01	Issued by	: Hasiholan Sihombing
Date Issued	: 24 Mei 2019	Time Limit	: 22 August 2019
NC Grade	: MAJOR	Date of Closing	: 20 August 2019
Standard Ref. & Requirement	: 4.7.3 All workers involved in the operation shall be adequately trained in safe working practices. Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it used, burning		
Evidence observed (filled by auditor): The company has a PPE Replacement Mechanism in the Circular Letter (No: SAL/SE/52/III/2019), which explains when found damaged PPE, the administrative officer made the damage PPE reports and made a report on the request for new PPE replacement. Based on field observations and interviews with workers at the Sawit Langkat Mill and Sawit Langkat Estate, the facts of the field were found as follows: <ul style="list-style-type: none">• 2 workers at the sortation station, 1 worker at the press station, 1 worker at the kernel station, 1 worker at the sterilizer station, 4 harvesters at the division II, 2 pesticide applicators at the division II and 3 EFB application workers at the division IV using PPE shoes that do not meet company standards (purchased by the workers themselves because the shoes that provided by the company are damaged before the new replacement period).• 1 worker at the boiler station, 1 worker at the kernel station, 1 worker at the press station and 1 worker at the sterilizer station has not received PPE ear protection.			
Non-Conformance Description (filled by auditor): Based on these evidences, the company has not been able to demonstrate the implementation of PPE management according to the procedure owned.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">• Lack of understanding of workers regarding the mechanism for providing PPE by the company.• 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• There is no official assigned to monitor the use and condition of PPE and OHS implementation in the company's operational area			
Correction (filled by organization audited): <ul style="list-style-type: none">• Make monitoring of PPE conditions used by plant workers / afdeling• Providing information on mechanisms for granting PPE / replacement• Completing PPE (boots) according to company standards for 2 sorting station workers, 1 pres station worker, 1 kernel station worker, 1 sterilizer station worker, 4 harvest workers in afdeling 2 and 2 EFB application workers in afdeling 4.• Equipped ear protective PPE for workers at the Boiler, Kernel, press and sterilizer stations.			
Corrective Action (filled by organization audited):			

- Make monitoring of the condition and use of PPE for all workers regularly every month
- Make socialization of PPE functions and uses to workers
- Establish PIC to monitor the use and condition of PPE and the implementation of OHS in the company's operational area

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

Verification July 24, 2019

The company shows evidence of improvement in the form of a decree stipulating the officer monitoring the use and condition of PPE and the implementation of the OHS on June 10, 2019. However, the company has not sent any other evidence of improvement as described in the correction table. **This Non-confirmity is still OPEN.**

Major Verification August 20, 2019

The company shows evidence of improvement in the form of documents as follows:

- PPE condition and ownership monitoring documents for all employees that have been adjusted to the location and field of work for the period June 2019. (Engineering, Processing, Afdeling employees 1-8), monitoring is done every 3 months.
- Request for PPE Replacement document in June 2019 based on monitoring results of PPE in June 2019.
- Proof of taking PPE documents from the Bah Jambi Public Storage Warehouse on August 16, 2019 consisting of:
 - Chemis officer apron
 - Safety shoes
 - Helmets
 - Mask
 - welder mask
 - Heat resistant gloves
 - Rubber gloves
 - Earmuff, Earplug.
- Internal circular no: SAL / SE / Intern / 758 / VI / 2019 dated June 10, 2019 regarding the PPE replacement mechanism.
- Minutes of the socialization of PPE replacement mechanism on 9 August 2019 were carried out by Managers and Other Leadership Employees and attended by 53 employees.
- Proof of handover of APD Safety Shoes and Ear plugs to 55 Engineering, Electrical and Processing employees on 19 August 2019.
- Based on the results of a field visit to the Central Warehouse it is known that the PPE written in the PPE procurement document can be found at the Central Warehouse, including the remaining safety shoes that have not been taken by employees.
- Based on the results of field visits and interviews with 3 mill employees in the Boiler station and Kernel Station, it was found that the employees had used the new PPE given by the company on August 19, 2019 in the form of safety shoes and earplugs.
- The company shows the minutes of replacing PPE boots for harvest employees, loaders, chemists, whose boots have been broken on July 1, 2019 with a total of 39 people.
- Based on the explanation of PPE management in the form of boots so far it cannot be sent to the unit because the procurement process in the Bah Jambi central warehouse is still in process. for the time being the replacement of PPE to employees whose boots have been damaged is done by local procurement. This is in accordance with the results of field visits and interviews with 2 harvesters in block 10 D Afdeling 1. From the results of the field visit it is known that the boots used by the two harvesters are of different colors, explained by

the relevant person that the green boots used by one of the harvesters are replacement boots from the company. The mechanism used to replace PPE is to report to the foreman.

Based on the verification results above, the non-conformity is **closed**.

Verified by : **Hasiholan Sihombing & Bayu Yogatama**

NCR No.	2019. 02	Issued by	Leonada
Date Issued	24 May 2019	Time Limit	22 August 2019
NC Grade	Major	Date of Closing	20 August 2019
Standard Ref. & Requirement	SCCS E.4.1 The site shall verify and document the volumes of certified and non-certified FFBs received		
Evidence observed (filled by auditor): Sawit Langkat POM received FFB from Sawit Langkat Estate that had not been RSPO certified (\pm 113.42 hectares of area managed by the company). Based on the results of interviews with weighbridge operator it is known that there is no separation between FFB originating from certified areas or non-certificate areas. Then from the results of interviews and field visits in the 12AF block non-certified area, it was found that FFB was mixed with FFB originating from certified areas, for example shown in delivery note No. 3/1/5/19 dated 17 May 2019 with RSPO stamp, truck no. BK8805SG which has 389 FFB from 12AF block (non-certified area) and 11 FFB from block 08A (certified area). The FFB was sent and received by the mill in proof of the weighing receipt No. net ticket N00DDF1111905170000054 5030. Based on FFB data received in mill, it can be seen that the company has separated the data between certified FFB and non-certified FFB, such as the example - In March 2019 there were 10,649.96 tons of certified FFB and 87.42 tons of non-certified FFB - In April 2019 there were 10,686.27 tons of certified FFB and 81.63 tons of non-certified FFB.			
Non-Conformance Description (filled by auditor): the company has not been able to show the evidence of traceability implementation/method of separation between certified FFB and non-certified FFB.			
Root Cause Analysis (filled by organization audited): Lack of understanding of officers in making reports / records of SCCS monitoring in accordance with the provisions contained in the certificate (both the date of entry into force and the area included in the scope of certification)			
Correction (filled by organization audited): <ul style="list-style-type: none">• Revise the SCCS monitoring record of certified products in accordance with the date the certificate was issued and the area included in the scope of certification.• To socialize the procedures for making monitoring / recording of certified products / SCCS.			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">• Evaluate staff understanding after getting socialization / training on how to make SCCS records / monitoring			

- Evaluate SCCS records / monitoring that have been made by officers

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification July 24, 2019

The company has compiled root cause analysis, corrections, corrective actions and evidence of the following corrections:

- SCCS socialization on 16 July 2019.
- Monitoring data on uncertified FFB receipts.
- FFB shipping documents from the uncertified area.

Based on the verification above, Nonconformity can not be closed, the company needs to show how the formula for separating FFB data between certified and non-certified FFB in the SCCS data, because actually certified FFB and non-certified FFB are mixed in the delivery from the plantation to the mill. As from the results of the auditor's verification while in the field with evidence presented on this Non-conformity. In order to add samples of proof of sending FFB (SPB) mixed between certified and non-certified FFB, then from the SPB sample the SCCS data evidence is shown that separates certified and non-certified FFB (in accordance with the formula for separating certified and non-certified FFB).

Major Verification August 20, 2019

Based on the results of interviews and simulations with management, it is known how to separate certified and non-certified FFBs starting from afdeling, the calculation is based on the number of ffb obtained in the non-certificate area multiplied by the average weight of FFB in the non-certified block.

For example, from SCCS data on July 29, 2019, it was found that there were 11.460 kg of non-certified FFB shipments from Afdeling 1 to POM. this is in accordance with the SPB data as of 29 July 2019 as follows:

- SPB No. 6/1/7/2019 totaling 7750 kg consisting of 3840 kg / 317 FFB of 12 AG blocks (non-certificate) and 3910 kg / 323 FFB (non-certificate).
- SPBS No 9/1/7/2019 totaling 6310 kg consisting of 3710 kg / 306 FFB of 12 AH blocks (non-certificate) with 2012 planting year and 12,124 kg BJR and 2600 kg / 156 FFB of the 09K block (Certificate area) of the year planting 2012 with 16.67 kg BJR.
- From the results of these calculations it can be seen the amount of 11,460 kg of non certificate originated from (7750 kg + 3710 kg)

Based on the verification results above, the non-conformity is **closed**.

Verified by	:	Leonada & Bayu Yogatama
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3.5.3 Opportunity for Improvement

No	Ref. Std.	• Description
1	4.7.2	Improving the implementation of risk management against worker who hanging on truck.
2	5.1.3	Result of testing based on matrix of environment document.
3	6.5.1	Implementation of minimum wage based on North Sumatera Province Minimum Wage of 2019.

1.5.4 Noteworthy Positive Components



No	Ref Std	Descriptions
1	-	Already achieved certified of ISO 9001 and ISO 14001
2	-	Already achieved certified of SMK3

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

Agriculture and Food Security Agency of Langkat District. <ul style="list-style-type: none"> - The Company has a Plantation Business License (IUP). - Report on plantation business activities (LKUP) are routinely reported. - Fire Extinguisher Equipment of company is sufficient and one year behind there is no issue of land fires that occurred in the area of PTPN IV Sawit Langkat. - Communication between the company and the agency is also well established, and if the office requested data, the company quickly responded. 	<p>Based on filed observation, document review and interview with related stakeholder, company has comply related to plantation regulation such as plantation business permit etc.</p>
Worker Union of Sawit Langkat <ul style="list-style-type: none"> - Wages has paid in accordance with minimum wage of Sumatera Utara Province. There is no complaint about wages or overtime payment. - There is no issue related to employment, such as child labor or worker discrimination. - Company provides facilities for worker, for example housing complex, clean water, education facilities. - Company provides PPE for every worker. 	<p>Auditor has verified towards worker welfare aspect and OSH implementation on criterion 4.7 and 6.5, 6.6, 6.7, 6.8, 6.9. However, there is nonconformity in OSH implementation and become non conformity No 2019. 01</p>
Worker Cooperative of Aroma Sejahtera <ul style="list-style-type: none"> - Company support all cooperative activities. - Cooperative sells household needs. - Cooperative has hold annual meeting for period of 2018 in April 2019. 	<p>Company has provided facility for employee welfare.</p>
Local Contractor: CV Mitra Abadi <ul style="list-style-type: none"> - Contractor is active in empty bunch transporting. - Social insurance and PPE is provided by contractor. As for wages compliance, all contractor worker's wages is in accordance with minimum wage for 2019. - There is no complaint about late payment. 	<p>Auditor has verified towards partnership with local communities.</p>
Women Empowerment Division (Gender Committee) <ul style="list-style-type: none"> - Women worker usually work as pesticide operator, fertilizer application worker, and administration. - Company provides women worker with reproductive rights, such as menstrual leave for about 2 days, maternity leaves for about 3 months, breastfeeding break time. - There is no complaint about sexual harassment. - Company provides crèche in every afdeling. - Women empowerment has socialized about mechanism of complaint to worker, especially women worker. 	<p>Auditor has verified towards reproductive rights aspect on criterion 6.9.</p>

Basilam Bukit Lembahsa Village Kebun Balok Village <ul style="list-style-type: none"> The communication and relation between villages around with company are well maintained, the company's public relation already known by the communities. The mechanism for complaint and grievance submission has been understood well by the community There were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area. There are no indigenous rights or customary rights. Plantation of Sawit Langkat are known as long establish dutch colonial plantation. The company has considered satisfactory cooperative and transparent in providing information, for example towards job vacancies. FFB price, CSR and grants. Village people has recognize company representative (PIC) from Division of Public Relation (PR) which handled this matters. The company has cooperation with local contractors from surrounding villages. The company has establish the CSR program to surrounding communities There is no complaints and issues from surrounding villages towards environment aspects 	<p>Based on interview result, it could be concluded that presence of company has considered positively affected surrounding community life and contribute to social economic improvement. Social and environment aspects were satisfactory taken as a part or company operational activity. Further detail from other stakeholder views and document review could be checked on Criteria 1.1, 1.2, 2.2, 5.1, 6.1, 6.2, 6.3, 6.4, 6.8, 6.10 and 6.11 in this report.</p>
Manpower Agency of Langkat District <ul style="list-style-type: none"> The wages of all workers have been paid in accordance with the provisions of the government (regional minimum wage of Langkat District). The company has provided housing facilities, facilities of worship, clean water, education and electricity for workers. No issue of child labor and discrimination Manpower Agency already know what information data can be requested to the company. Information can be accessed by verbal means or by mail or email. The company already has collective labor agreement. The company has labor union P2K3 report are also routinely conducted by the company. The company has registered "BPJS" Employment and "BPJS" Health to all its employees. 	<p>The company has implemented the principles & criteria of RSPO on indicator 2.1.1, 6.5.1, 6.5.2, 6.6.1, 6.7.1, 6.8.1, and 6.9.1 about worker welfare, industrial relationship, and regulation compliance.</p>
Environmental Agency of Langkat District <ul style="list-style-type: none"> The company already has Land Application and Temporary Storage for Hazardous and Toxic Waste Permit. The company has reported reports of Hazardous and Toxic Waste, Liquid Waste and management and monitoring plan Report regularly. Fire reports are also routinely conducted by the company. In general in environmental aspects, the company has 	<p>Based on filed observation, document review and interview with related stakeholder, there's no negative issue related to environment pollution on company operational area (Estate and Mill).</p>

complied with applicable regulations. - There is no environmental issue in the area of the company that goes to the environmental agency for 1 last year.	

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 style="text-align: center;">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 Management Representative</p>  <p><u>Khayamuddin Panjaitan</u> Tuesday, 20 August 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Tuesday, 20 August 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	Sawit Langkat Mill: - 1 WWTP Operator - 2 Chemical Storage Personnel - 1 Temporary Hazardous Waste Storage Personnel - 1 Workshop personnel - 1 Water Treatment Plan Operator Sawit Langkat Estate: - 2 Daycare Workers - 3 FFB Loader	PTPN IV – Sawit Langkat Bussines Unit	-	Observation and Interview	21 – 22 May 2019	✓	-
2	Basilam Bukit Lembahsa Village	District of Langkat	-	Interview	21 May 2019	✓	-
3	Kebun Balok Village	District of Langkat	-	Interview	21 May 2019	✓	-
4	Sawit Watch	Indonesia	info@sawitwatch.or.id	Questionnaire	13 May 2019	-	✓
5	WWF Indonesia	Indonesia	wwf-indonesia@wwf.or.id	Questionnaire	13 May 2019	-	✓
6	AMAN	Indonesia	rumahaman@cbn.net.id	Questionnaire	13 May 2019	-	✓
7	Walhi	Indonesia	informasi@walhi.or.id	Questionnaire	13 May 2019	-	✓
8	Agriculture and Food Security Agency	District of Langkat	-	Interview	21 May 2019	✓	
9	Manpower Agency	District of Langkat	-	Interview	21 May 2019	✓	
10	Environmental Agency	District of Langkat	-	Interview	21 May 2019	✓	
11	Worker Union of Sawit Langkat	District of Langkat	-	Interview	21 May 2019	✓	
12	Worker Cooperative of Aroma Sejahtera	District of Langkat	-	Interview	21 May 2019	✓	
13	Women Empowerment Division (Gender Committee)	District of Langkat	-	Interview	21 May 2019	✓	

Appendix 2. Assessment Program

Date	20 – 24 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 20 May 2019		
05.35 – 08.00	Jakarta → Kuala Namu	All Auditor
09.00 – 12.00	Kuala Namu → Site	All Auditor
12.00 – 14.00	Break	
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) 	Manajemen PTPN IV Unit Sawit Langkat All Auditor
15.00 – 17.00	Documents 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 Verification of P n C documents 	All Auditor
Tuesday, 21 May 2019		
08.00 – 12.00	Stakeholders consultation to related agencies in Langkat Regency	Hasiholan
	Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities, smallholders and previous land owners.	Leonada
	Interview with Gender Committee, Worker's Union, , Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier (if any), local NGO (if any)	Briyogi/Tasha
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Field Observation to Sawit Langkat POM Aspect to be verified <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO) of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & land application 	Leonada Hasiholan/Tasha Briyogi
Wednesday, 22 May 2019		
08.00 – 12.00	Field Observation to Sawit Langkat Estate Aspect to be verified : <ul style="list-style-type: none"> mplementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV; 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 	Leonada Hasiholan/Tasha

Date	20 – 24 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> 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). 	Briyogi
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of documents and completing checklist 	All Auditor
Thursday, 23 May 2019		
08.00 – 12.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification (if needed) 	All Auditor
12.00 – 14.00	Istirahat	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> Verification of documents and completing checklist Interim Meeting (closing meeting preparation) 	All Auditor
Friday, 24 May 2019		
07.00 – 09.00	Closing Meeting	All Auditor
09.00 – 12.00	Site → Kuala Namu	
14.05 -	Kuala Namu → Jakarta	

Date	19 – 20 August 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 19 August 2019		
05.35 – 08.00	Jakarta → Kuala Namu	Bayu
09.00 – 12.00	Kuala Namu → Site	
12.00 – 14.00	Break	
14.00 – 14.30	OPENING MEETING	
14.30 – 17.00	Document Verification for NCR Major	
Tuesday, 20 August 2019		
08.00 – 12.00	Field Observation to Sawit Langkat Estate and Sawit Langkat POM	Bayu
12.00 – 14.00	Break	
15.00 – 16.00	Preparation for Closing Meeting	
16.00 – 17.00	Closing Meeting	