

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Re-Certification

Name of Management : **Dolok Ilir Palm Oil Mill subsidiary of PT PERKEBUNAN NUSANTARA IV**
Organisation
Plantation Name : Dolok Ilir Estate & Laras Estate
Location : Village of Babolon, Sub District of Dolok Batunanggar, District of Simalungun,
Province of Sumatera Utara, Indonesia
Certificate Code : **MUTU-RSPO/075**
Date of Initial Registration : 29 September 2015
Date of Last Issued : 22 March 2021 Date of License Issue : 05 April 2021
Date of Certificate Expiry : 28 September 2020 Date of License Expiry : 28 September 2021

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
RC	14 to 18 December 2020	Mohamad Amarullah (Lead Auditor), Briyogi Shadiwa, Sansan Suhendar and Rahmat Abdiansyah	Ganapathy Ramasamy	Octo H.P.N. Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
RC	22 March 2021

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

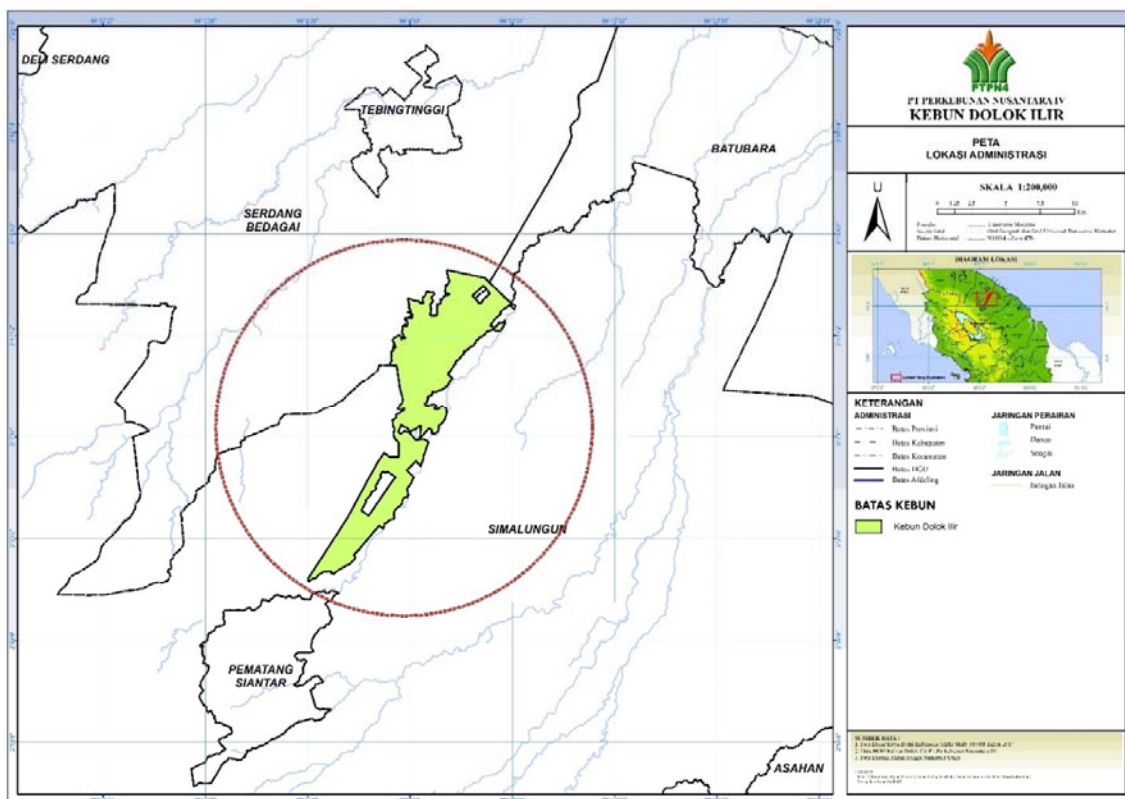
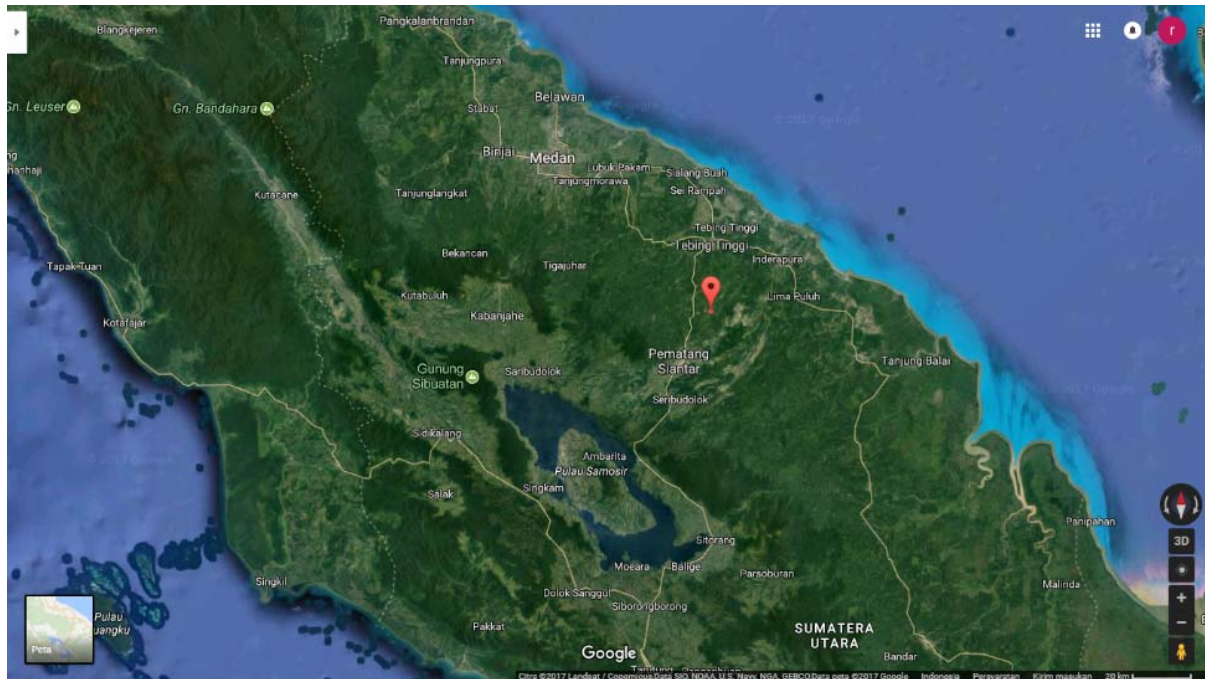


Figure 2. Operational Map of PT Perkebunan Nusantara IV – Dolok Ilir Unit

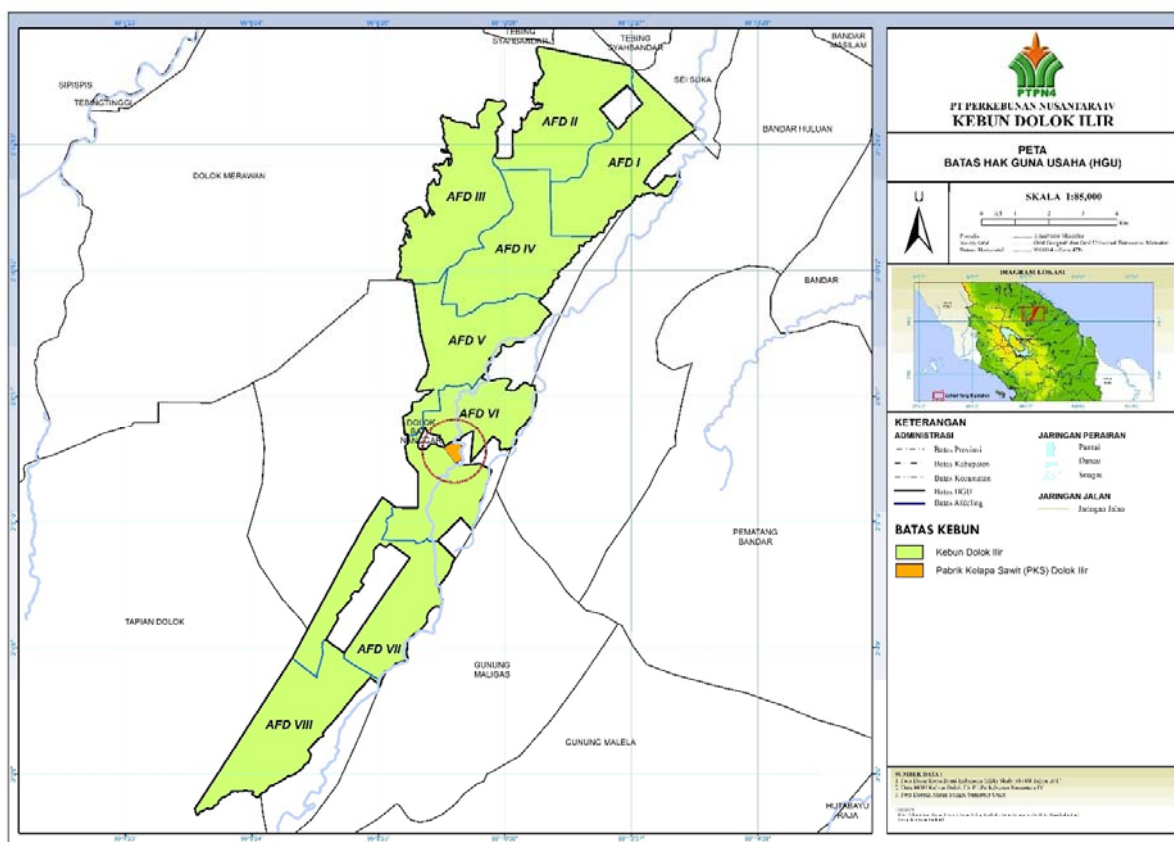
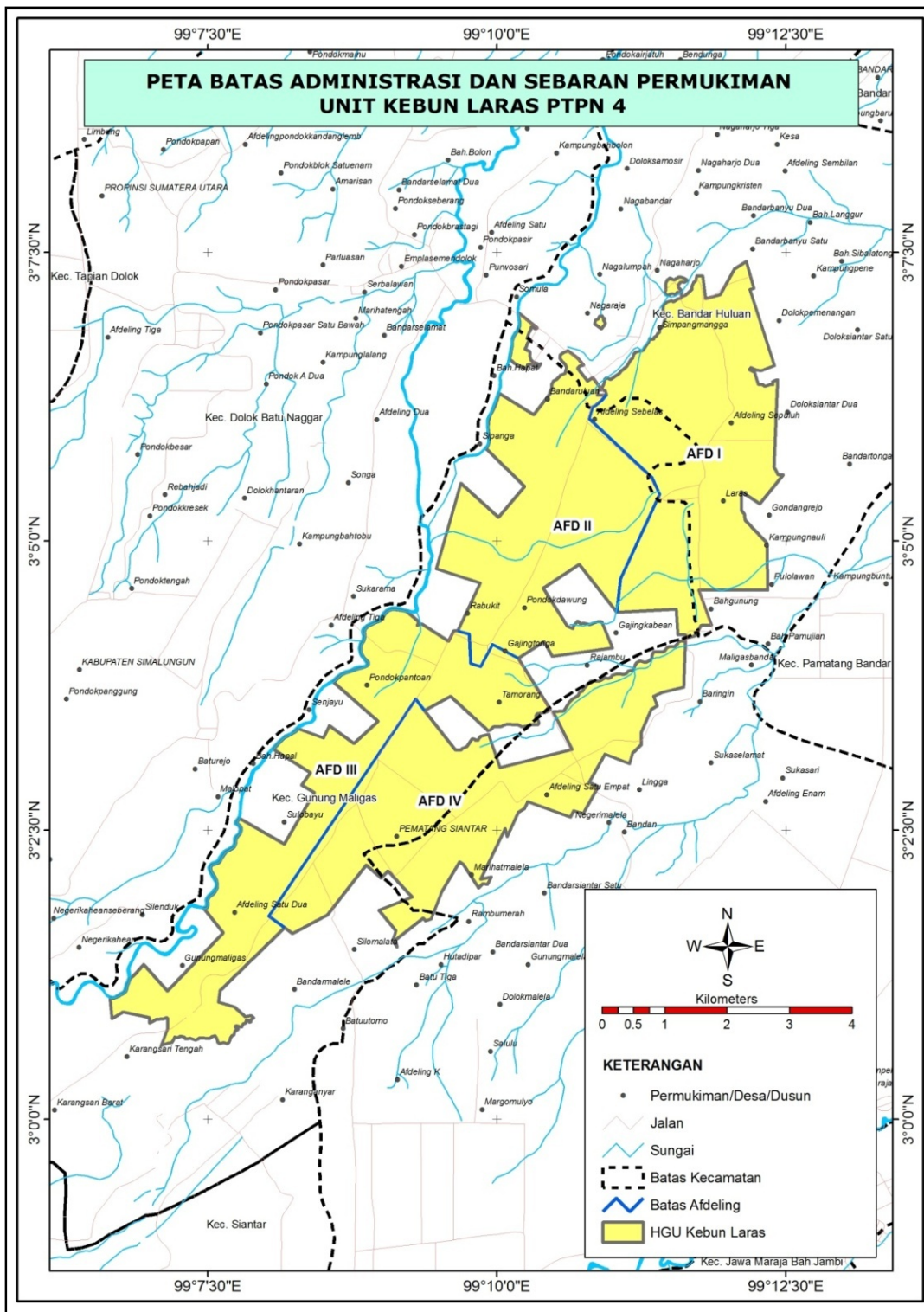


Figure 3. Operational Map of PT Perkebunan Nusantara IV – Laras Unit



Abbreviations Used

AMDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental Impact Analysis)
ASA	:	Annual Surveillance Assessment
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Material)
BKM	:	<i>Buku Kerja Mandor</i>
BOD	:	Biological Oxygen Demand
BPJS Kesehatan	:	<i>Badan Penyelenggara Jaminan Sosial Kesehatan</i> (Health Social Security Administrator)
BPJS TK	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja</i> (Manpower Social Security Administrator)
BPN	:	<i>Badan Pertanahan Nasional</i>
BUMN	:	<i>Badan Usaha Milik Negara</i>
CEC	:	Capacity Exchange Cation
CH	:	Certificate Holder
CITES	:	Critical Threatened Endangered species
COC	:	Code of Conduct
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	<i>Commanditaire Vennootschap</i>
dB	:	Decibel
DOI	:	Dolok Ilir
EBA	:	Empty Bunch Area
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Analysis
EWS	:	Early Warning System
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FR	:	Frequency Rate
GHG	:	Green House Gasses
GUU	:	<i>Group Unit Usaha</i> (Business Unit Group)
HCS	:	High Carbon Stock
HCV	:	High Conservation Value
HGU	:	Hak Guna Usaha (Land Use Title)
HR	:	Human Resources
HVA	:	<i>Haandels Vereeniging Amsterdam</i>
IK	:	<i>Instruksi Kerja</i> /Work Instruction
IKBI	:	Gender Committee (<i>Ikatan Keluarga Besar Istri</i>)
IPM	:	Integrated Pest Management
ISCC	:	International Sustainable Carbon and Certificate
ISO	:	International Organization for Standardization
IUP	:	Izin Usaha Perkebunan (Plantation Business Permit)
K3	:	<i>Kesehatan dan Keselamatan</i>
KAI	:	<i>Kereta Api Indonesia</i> (Indonesian Rail Train)
KER	:	Kernel Extraction Rate
LA	:	Land Application
LB3	:	<i>Limbah Bahan Bahaya dan Beracun</i> (Hazardous Waste)
LKS Bipartit	:	<i>Lembaga Kerja Sama Bipartit</i> (Collaborative Institution Bipartite)
MCU	:	<i>Medical Check Up</i>
MSDS	:	Material Safety Data Sheet
NGO	:	Non Government Organisation

NIHL	:	Noise Induced Hearing Loss
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
OHSAS	:	Occupational Health and Safety Assessment Series
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
PK	:	Palm Kernel
PK	:	Palm Kernel
PKB / CLA	:	Perjanjian Kerja Bersama (Collective Labour Agreement)
PKM	:	Palm Kernel Meal
PKO	:	Palm Kernel Oil
PMILL	:	<i>Pusat Penelitian Kelapa Sawit</i> (Indonesian Palm Oil Research Center Medan)
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPD	:	<i>Personil Pengendali Dokumen</i> (Document Control Officer)
PPE	:	Personnel Protective Equipment
PPKS	:	<i>Pusat Penelitian Kelapa Sawit</i> Oil Palm Research Center
PT	:	<i>Perseroan Terbatas</i>
PTPN IV	:	PT Perkebunan Nusantara IV
PWRI	:	<i>Persatuan Wredatama Republik Indonesia</i> (Unity of Wredatama Republik Indonesia)
RKAP	:	<i>Rencana Kerja Anggaran Perusahaan</i> (Company Working Budget)
RKL-RPL	:	<i>Rencana Kelola Lingkungan-Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare Threatened Endangered
SAP	:	System Application in Data Processing
SE	:	Surat Edaran (Circular Letter)
SEIA	:	Social Environmental Impact Assessment
SI	:	<i>Satuan Inspeksi</i> (Inspection)
SIA	:	Social Impact Assessment
SIO	:	<i>Surat Izin Operator</i> (Operator License)
SMK3	:	<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja</i> (OHS System Management)
SOP	:	Standard Operational Procedure
SPBUN	:	<i>Serikat Pekerja Perkebunan</i> (Worker Union of Plantations)
SPI	:	<i>Satuan Pengawas Internal</i> (Internal Control Unit)
SPK	:	<i>Surat Perjanjian Kerjasama</i> Letter Of Agreement
SPK	:	<i>Surat Perintah Kerja</i> (Work Order Letter)
SPO	:	Sustainable Palm Oil
SR	:	<i>Severity Rate</i>
TBC	:	Tuberculosis
TBS	:	<i>Tandan Buah Segar</i> Fresh Fruit Bunch
TPS LB3	:	<i>Tempat Penyimpanan Sementara Limbah Bahan Berbahaya dan Beracun</i> Hazardous Waste Temporary Storage
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit</i> (Oil Palm Tree Leaf Caterpillar)
WHO	:	World Health organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant of Effluent Plant
	:	

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020. 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	Organization address and site address	Head Office: Jln. Letjen Suprpto No.2 Medan 20151, Sumatera Utara, Indonesia Representative offices submission of applications: Village of Babolon, Sub district of Dolok Batunanggar District of Simalungun, Province of 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	Dhanny Hermawan	
1.2.9	Registered as RSPO member	1-0082-09-000-00 dated 29 June 2009	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One (1) unit of Palm Oil Mill (Dolok Ilir Mill), supplied by two (2) estates, i.e.: Dolok Ilir Estate and Laras Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Dolok Ilir	Babolon Village, Dolok Batunanggar Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 03° 07' 20" E 99° 09' 42"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Dolok Ilir Estate	Babolon Village, Dolok Batunanggar Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 03°07'09.8" E 99°09'38.7"
	Laras Estate	Laras Village, Bandar Hulan Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 03° 06' 02" E 99° 11' 56"

1.5	Description of Area Statement		
1.5.1	Tenure		
	• State	11,411.47	ha
	• Community	-	ha
1.5.2	Area Statement		
	• Total area	11,411.47	ha
	• Mature area	8,684.00	ha
	• Immature area	1,632.00	ha
	• Mill	4.71	ha
	• Emplacement	123.88	ha
	• Infrastructure (road and bridge)	241.87	ha
	• Canal	19.16	ha
	• Public road	136.00	ha
	• Unplanted Area (HYTATEN)	166.57	ha
	• Unplanted (low-lying area)	3.47	ha
	• Symbolics Plant	8.79	ha
	• Occupation	121.00	ha
	• HCV	251.97	ha
	• Golf Court	5.60	ha
	• Ex-Mill area	1.64	ha
	• Electric tower line	10.81	ha
1.6	Planting Year and Cycles		
1.6.1	Age profile of planting year		
	Planting Year	Hectarage (ha)	
		Dolok Ilir Estate	Total
	1997	483	1,338
	1998	228	799
	1999	573	789
	2000	90	90
	2004	8	8
	2005	-	14
	2010	19	26
	2011	263	437
	2012	106	546
	2013	451	451
	2014	-	398
	2016	2,898	3,514
	2017	274	274
	Total Mature	5,393	8,684
	2018	314	314

	2019	272	311	583			
	2020	538	197	735			
	Total Immature	1,124	508	1,632			
	TOTAL	6,517.00	3,799.00	10,316			
1.6.2	New Planting area after January 2010	- ha					
1.6.3	Planting Cycle	2 nd Cycle and 3 rd Cycle					
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Dolok Ilir	60	162,690.35	37,232.29	22.89	6,593.76	4.05
	*Production data source from December 2019 to November 2020						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (ha)	Production Area (ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Dolok Ilir Estate	7,348.81	5,393.00	85,200.35	15.79	85,200.35	52.30
	Laras Estate	4,062.66	3,291.00	62,624.57	19.02	62,624.57	38.50
	TOTAL	11,411.47	8,684.00	147,824.92	17.02	147,824.92	90.80
	*Production data source from December 2019 to November 2020						
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)		
	Tanah Itam Ulu (cert. in 2019)	Subsidiary of PTPN IV	-	2,415.00	4,701.48		
	Marjandi (cert. in 2019)	Subsidiary of PTPN IV	-	1,802.00	1,537.80		
	Bah Birong Ulu (non-cert.)	Subsidiary of PTPN IV	-	2,194.00	234.12		
	Marihat (cert. in 2018)	Subsidiary of PTPN IV	-	3,970.00	2,395.60		
	Gunung Bayu (cert. in 2019)	Subsidiary of PTPN IV	-	7,629.00	227.39		
	Mayang (cert. in 2019)	Subsidiary of PTPN IV	-	4,171.00	59.04		
	Balimbingan (cert. in 2018)	Subsidiary of PTPN IV	-	2,933.00	1,341.17		
	CV Rianalim (non-cert.)	Third Parties	-	-	3,625.25		
	CV Mandiri Arsa (non-cert.)	Third Parties	-	-	903.38		
	TOTAL					15,025.23	
	*Production data source from December 2019 to November 2020						
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) 29 Dec 2019 to 28 Mar 2021		Last Year Actual Certified Volume (mt) Dec 2019 to Nov 2020		

	FFB Processed		199,122		158,087.40		
	CPO Production		45,970		36,328.66		
	Palm Kernel (PK) Production		7,874		6,398.71		
1.8.2	Product selling						
	Type of selling product	Actual selling product for last year – Dec 19 to Nov 20 (mt)					
	CSPO sold as RSPO certified product	13,700.00					
	CSPK sold as RSPO certified product	5,219.74					
	CSPO sold under other scheme	0					
	CSPK sold under other scheme	0					
	CSPO sold as conventional	22,354.77					
	CSPK sold as conventional	0					
1.8.3	Estimate of Certified FFB Claim						
	Name of Estate	Total Area (ha)	Production Area (ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Dolak Ilir Estate	7,348.81	5,393.00	88,000	16.31		
	Laras Estate	4,062.66	3,291.00	72,000	21.87		
	TOTAL	11,411.47	8,684.00	160,000	18.42		
	<i>*volume in palmtrace is a proportion of the remaining six months of license time (FFB is 80,000 MT)</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 (%)
	Dolak Ilir	60	160,000	38,400	24.00	6,400	4.00
	<i>*volume in palmtrace is a proportion of the remaining six months of license time (CSPO is 19,200 MT and CSPK is 3,200 MT)</i>						
1.9	Other Certifications						
	ISO 9001:2008			-			
	ISO 14001: 2004			-			
	OHSAS 18001:2007			-			
	ISCC			-			
	Others						
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
Management Unit		Estate (Supply Base)	Time Bound	Location	Status		
POM	Time Bound						
Pabatu	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015		
Dolak Ilir	2015	Dolak Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015		
		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018		
Pulu Raja	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015		
Adolina	2018	Adolina	2018	Serdang Bedagai and Deli Serdang, Sumatera Utara	Certified on April 2018		

Bah Jambi	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birong Ulu	2021	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.00 ha)
			2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (30.00 ha)
Dolok Sinumbah	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.00 ha)
			2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 ha)
		Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang	2019	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Bukit Lima	2021	Simalungun, Sumatera Utara	Preparation
Gunung Bayu	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Padang Matinggi	2019	Simalungun, Sumatera Utara	Certified on March 2019
Air Batu	2019	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2021	Asahan, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (459.02 ha)
Berangir	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2021	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (10.00 ha)
Sawit Langkat	2019	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2021	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 ha)
Pasir Mandoge	2020	Pasir Mandoge	2020	Asahan, Sumatera Utara	Certified on October 2020
		Sei Kopas	2020	Asahan, Sumatera Utara	Certified on October 2020
		Sei Kopas	2021	Asahan, Sumatera Utara	Out of scope certification 2 nd stage Audit (763.00 ha)
		Tonduhan	2021	Simalungun, Sumatera Utara	Certified on October 2020
Timur	2021	Timur	2021	Mandailing Natal, Sumatera Utara	Preparation
		Balap	2021	Mandailing Natal, Sumatera Utara	Preparation
Ajamu	2019	Ajamu	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2020
		Meranti Paham	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2020
		Panai Jaya	2021	Labuhan Batu Utara, Sumatera Utara	Preparation (3,124.00 ha)
Sosa	2021	Sosa	2021	Padang Lawas, Sumatera Utara	Preparation
PT Agro Sinergi Nusantara	2021	PT Agro Sinergi Nusantara	2021	Aceh Barat, Aceh	Preparation (50.64 % PTPN IV; 49.36 % PTPN I)
PT Sinergi Perkebunan Nusantara	2021	PT Sinergi Perkebunan Nusantara	2021	Morowali Utara, Sulawesi	Preparation (71.28 % PTPN IV; 28.72% PTPN XIV)
Date Approval TBP on November 2020					
1.10.2 Progress of Associated Smallholders and Outgrowers for Certifiable Standard					

	PTPN IV- Dolok Ilir POM does not have smallholders' scheme. The other suppliers of Dolok Ilir POM are include to other scope in accordance with the time bound plan.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
RC	<p>1. Mohamad Amarullah (Lead Auditor). Indonesian Citizen. Master of Wood Science and Technology from UPM Malaysia and Bachelor of Forestry from IPB University Indonesia, with major in Forest Product Technology. Has experiences as Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014, and very good in conducting RSPO, MSPO and ISPO audit scheme since 2014 on any aspect. Has attended several trainings such as Lead Auditor of ISPO, RSPO, RSPO Supply Chain, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, SA 8000, HCV, life cycle analysis, etc. Fluent in Malay and English. During this re-certification assessment, has verify legal and time bound plan aspect.</p> <p>2. Briyogi Shadiwa (Auditor). Indonesian citizens. Associate degree on Oil Palm Plantation from IPB University. Has work experiences since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended are RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. During this re-certification assessment, has verify occupational safety and health management ,supply chain and worker welfare aspect.</p> <p>3. Sansan Suhendar (Auditor). Indonesian citizen. Bachelor of Forestry from IPB University, with major in Forest Product Technology. Has experience as a Health, Safety and Environment (HSE Officer) Assistant at the Astra Agro Lestari Group from 2010 to 2016 and familiar with implementation on system management towards ISPO, OSH, Environment, HCV and HACCP in palm oil mill. He also has experience as an ISPO and RSPO Auditor, as well as a Technical Expert for auditing ISO 45001 and ISO 14001 in Forestry sector when he joined PT SAI Global Indonesia from 2017 to 2020. Trainings that have been attended are OHS Expert in 2011, High Conservation Value Forest / Area (HCVF / HCVA) in 2012, Food Safety (Hazard Analysis Critical Control Point) HACCP in 2013, ISPO in 2014, RSPO in 2018, Quality Management System (ISO 9001: 2015) in 2018, Occupational Health and Safety Management System (ISO 45001: 2018) in 2019 and Environment Management System (ISO 14001: 2015) in 2020. During this re-certification assessment, has verify BMP and transparency aspect.</p> <p>4. Rahmat Abdiansyah (Auditor). Indonesian citizen. Bachelor of Forestry from IPB University, with major in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training Course by Checkmark in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&C in 2019 and 2020. During this re-certification assessment, has verify environmental, conservation management and GHG aspect.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
RC	<p>Number of auditors: 4 Auditors</p> <p>Number of days for RC at site: 5 days</p> <p>Number of working days for RC at site: 20 Working days</p>
2.2.2	Assessment Process
RC	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perkebunan Nusantara IV – Dolok Ilir Business Unit to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification System for Principles and Criteria, 14 June 2017.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results RC delivered by the MUTU auditor to the management unit and the</p>

results are the subject will be verified at the next assessment phase (ASA-1.1).

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

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
RC	<p>Dolok Ilir Mill (15 December 2020)</p> <ul style="list-style-type: none"> • Weigh Bridge Station. Observation and interview with 1 Operator, on his understanding towards technical, OSH, manpower, environment and facilities provided by the company. • Security Gate. Observation and interview with 1 Security Officer, on his understanding towards technical, OSH, manpower, environment and facilities provided by the company. • Loading Ramp. Interview related to FFB grading and quality, OHS and worker welfare implementation. • Solar tank. Observations related to emergency response to fuel storage • Hydrant Simulation. Observation related to firefighter equipment. • Sterilizer Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects. • Press Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects. • Boiler Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects. • Engine Room Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects. • Clarification Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects. • WWTP. Observation and Interview operator related WWTP ponds and flowmeter condition. • Land Application & Well Monitoring, Blok 97A, Afdeling V. Observation and interview related land application, PPE of worker and environment protection. • Reservoir / water source. Observation and interviews of officers related to OHS and procedures. • Housing Complex. Observation about house condition and interview with residents about other facilities for worker, domestic waste management. • Chemical Warehouse. Observations related to condition of the storage, symbols, MSDS, channels and pesticide spill containers, and Chemical stock, and management of hazardous and toxic materials. • Water treatment plant. Observation for water usage monitoring and OHS, and worker welfare. • Solar tank. Observation Hazardous waste management, MSDS, Symbols and the others. • Temporary storage of hazardous waste. Observation and interview related management of hazardous waste. <p>Dolok Ilir Estate (15 December 2020)</p> <ul style="list-style-type: none"> • Afdeling 3 Block 97 AP. Observation the management HCV 6 (cemetery) and HCV 1 (waterfall) that actually flows of Bahilang River where situated inside Padang Mainu Village. Furthermore, there was also observation to BPN or legal boundary Pole No. 61 which adjacent with rubber plantation owned by Padang Mainu Village. Coordinate marked was 03° 10' 19.74" N and 99° 08' 48.72" E. • Afdeling 3 Block 98 A. observation to occupation areas that claimed by Mekar Jaya Smallholder Group for about 121.00 ha. Current condition shows that the land was separated by bamboo/woods made fence and already planted by cassava. Some non-permanent housing/buildings has still existed. • Afdeling 3 Block 98 AQ. Observation to BPN Pole No. 240 which in adjacent with rubber plantation owned by Village of 29. Coordinate marked was 03° 12' 03.29" N and 99° 09' 30.93" E. • Afdeling 3 Block 98 AW. Observation to BPN Pole No. 241 which in adjacent with Village of 29 areas. Coordinate marked was 03° 11' 52.29" N and 99° 09' 22.04" E. • Afdeling 3 Block 98 AY. Observation to landfill and domestic waste management. The distance is more than 1 km from the nearest housing complex. • Housing Complex Afdeling VI and VII. Observation about house condition and interview with residents about

other facilities for worker, domestic waste management.

- **Landfill area Block 2013 S Afdeling VI and Block 2011 O Afdeling VII.** Observation and interview to supervisor anorganic and organic management, and OHS aspect.
- **House rinse Afdeling VI and VII.** Observation related management of pesticide.
- **PPE storage for pesticide Afdeling VI and VII.** Observation related PPE storage.
- **Chemical Warehouse.** Observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and Chemical stock, and management of hazardous and toxic materials.
- **Fertilizer Warehouse Afdeling VII.** Field observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.

Laras Estate (16 December 2020)

- **Afdeling 2 Block 97 AD.** Observation to **land conflict area** for about 131 ha. Currently the area were still fully managed by the Laras Estate. Furthermore, there are also observation to **HCV 1.1; 4.1 and 5** management (secondary forest and *Sweembath*), **BPN Pole No. 189** (Coordinate marked was 03° 06 ' 50.10" N and 99° 11' 05.59" E) where situated in adjacent with plantation owned by Naga Soppa Village and **BPN Pole No. 186** (Coordinate marked was 03° 06 ' 52.42" N and 99° 10' 50.75" E) where situated in adjacent with plantation owned by Naga Jaya 1 Village.
- **House rinse Afdeling IV.** Observation related management of pesticide.
- **PPE storage for pesticide Afdeling IV.** Observation related PPE storage.
- **Fertilizer Warehouse Afdeling IV.** Field observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **Housing Complex Afdeling IV.** Observation about house condition and interview with residents about other facilities for worker, domestic waste management.
- **Landfill area Block 2012 AC Afdeling IV.** Observation and interview to supervisor anorganic and organic management, and OHS aspect.
- **Temporary storage of hazardous waste.** Observation and interview related management of hazardous waste.
- **Interviews and Simulations with Emergency Response Groups** Observations related to the preparedness of the emergency response team, the ability and understanding of members, the completeness of the fire prevention equipment.
- **Chemical Warehouse.** Observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and Chemical stock, and management of hazardous and toxic materials.
- **Oil Warehouse.** Observation Hazardous waste management, MSDS, Symbols and the others.

Stakeholder Consulted

- National land Agency of Simalungun District
- Gender Committee of Dolok Ilir Estate and Dolok Ilir Mill
- Village representatives from Afdeling VI Village, Dolok Tenera Village and Dobana Village
- OSH Supervisor of Manpower Agency of Sumatera Utara
- Labour Union of PT Perkebunan Nusantara IV

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
RC	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Perkebunan Nusantara IV was held by:</p> <ul style="list-style-type: none"> • Public Notification on website MUTU and RSPO on 10 November 2020 • Public consultation meeting with government institution on 15 December 2020. • Public consultation meeting with communities on 15 December 2020 • Public consultation with NGO's on 08 December 2020. • Public consultation meeting with internal stakeholders and contractor 14 to 15 December 2020. <p>Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara IV Dolok Ilir Business Unit.</p>

2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-1.1) will be conducted eight (8) months to twelve (12) months after 28 September 2020.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

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

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators; two (2) nonconformities were assigned against Minor Compliance Indicators 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 that had been reviewed and accepted by Auditor(s) in form of documentation evidence e.g. (document record/photographic/etc.). Those corrective action taken that consist of two (2) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Dolok Ilir Mill – PT Perkebunan Nusantara IV complied with the requirements of *Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification System for Principles and Criteria, 14 June 2017.*

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **Issued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>In managing management documents that are open to the public or accessible to stakeholders, the company has several procedures including:</p> <ol style="list-style-type: none"> 1. SOP No. 06 (Rev 2) dated January 2, 2015 regarding Requests for Information and Responses. This procedure explains that every request for information from stakeholders will be responded to as soon as possible and then submitted to the informant. 2. 06 dated August 1, 2017 (Rev. 3). The person in charge of requests and responses to information is carried out by the Human Resources and General Assistant, in coordination with the Afdeling Assistant. The maximum response time is 30 working days while the document retention time is at least 2 to 15 years, depending on the request category. <p>Based on the attachment of the Decree of the board of directors of PT Perkebunan Nusantara IV No. 04.03/Ktps/02/II/2018 on February 5, 2018 concerning Publication of Company Documents of PT Perkebunan Nusantara IV, stipulating the types of company documents include open, closed and confidential documents, as for documents companies that are publicly listed or can be published are as follows:</p> <ol style="list-style-type: none"> 1. Company Profile 2. Annual report 3. HGU, HGB and HPL certificates 4. The results of the financial report audit 5. Award information 6. Permit documents (TDP, SITU / HO, SIUP) 	

7. AMDAL Documents (RKL-RPL)
8. Data on Corporate Social Responsibility (CSR)
9. OHS Program Documentation
10. PTPN Management System Policy IV
11. Must report employment
12. Application land permit documents and, TPS LB3 permit
13. Production achievement reports
14. Social Impact Assessment Documents
15. Document of HCV identification results
16. Data communication with stakeholders
17. Public summary for the RSPO certification assessment report
18. Complaints and complaints documents
19. Report on the results of the RSPO Assessment
20. Etc.

1.1.2

The information in the documents presented by the company is in appropriate Indonesian language and can be understood by all stakeholders. The information is as described in criterion 1.1.1. Documents based on the results of observations include:

- Company progress reports
- RKL-RPL report
- Liquid waste monitoring report
- Hazardous waste management report
- Mandatory manpower reports
- Report on prevention and control of fire
- P2K3 quarterly reports, and
- Report on the results of financial audits by public accountants
- Etc.

The report documents mentioned above can be accessed / given to stakeholders if there is a request, besides the documents that are required to be reported regularly to stakeholders have been reported regularly, the company can show proof of receipt of reports from several stakeholders, for example:

- Receipt of the 3rd Quarter hazardous waste management report for Estate and Dolok Ilir Mill from the Environmental Office of Simalungun Regency on November 02, 2020.
- Receipt of the report on the 3rd Quarter of Liquid Waste Management for Estate and Dolok Ilir Mill from the Environmental Office of Simalungun Regency on November 02, 2020.
- Receipt of report on the implementation of RKL / RPL for semester 1 of 2020 from the Environmental Service of Simalungun Regency on July 29, 2020. (Estate and Dolok Ilir Mill)
- Receipt of the report on the implementation of RKL / RPL for semester 1 of 2020 from the Environmental Service of Simalungun Regency on August 14, 2020. (Laras Estate)
- Receipt of the Quarter 1 Hazardous and toxic waste management report for Laras Estate from the Environmental Service Office of Simalungun Regency on April 6, 2020.
- Receipt of the 2nd Quarter Hazardous and toxic waste management report for Laras Estate from the Environmental Office of Simalungun Regency on July 20, 2020.
- Receipt of the 3rd Quarter Hazardous and toxic waste management report for Laras Estate from the Environmental Office of Simalungun Regency on October 8, 2020.

1.1.3

The company has documented records of requests for information and is stored in files of requests for information, financial assistance and third-party complaints. Based on the results of observations of requests for documents / information, during 2020 there were no records showing requests for documents or other information from stakeholders, but in these documents several requests for financial assistance from several stakeholders, especially communities around the company, were recorded with responses given by the company. Requests for financial assistance include:

1. Request for financial assistance for bridge repair from the Head of *Kelurahan* Serbalawan on July 18, 2020 and received a response from the company on September 29, 2020.
2. Request for fish seed assistance from the Serba Usaha Sari Rejo Cooperative on August 25, 2020 and received a

response from the company on October 9, 2020.

1.1.4

Consultation and communication procedures, documentation, disclosure, implementation and provision have been described in criteria 1.1.1 to 1.1.3, explanations of communication and consultation procedures have been explained by the company to stakeholders. For 2020 the company has conducted outreach to stakeholders on January 18, 2020 as a refreshment, the socialization was attended by several representatives from stakeholders including: North Sumatra Regional Police, Bandar Haluan Sub-District Head, Gunung Malela Sub-District, Kapolsek Bangun, Kapolsek Perdagangan, Danramil Trade, Danramil Bangun, Pangulu Nagori, Bandar Haluan District, Gunung Malela District, Gunung Maligas District, Religious and Community Leaders, SP BUN Basis Laras, and Company employees.

The socialization explained, among others: Standard Communication and consultation procedures, company documents / information that are open to the public, flowcharts of the communication and consultation process with stakeholders and the company's response process. The results of the socialization are contained in the socialization minutes, attendance lists and documentation of activities that the company can show.

1.1.5

Contact and detailed information of stakeholders is updated by the company every year, most recently in January 2020 in the form of the name of the organization, contactable cellphone numbers and names of representatives listed in the PTPN IV Stakeholder List document. The document lists 58 stakeholders. Some examples of current stakeholder lists include:

- The union with a contact number 0812629594xxx on behalf of the EYP
- Majelis Talim Syiar Islam with a contact number 082166675xxx on behalf of SR
- Christian Fellowship with a contact number 082285962xxx on behalf of LB
- The Manpower Office with a contact number 081376167xxx on behalf of MZ
- The Department of Agriculture and Plantation with a contact number 085276058xxx on behalf of MS
- Gunung Malela Sub-district with a contact number 085358234xxx on behalf of the Gunung Malela District Office
- Pengulu Nagori Tumorang with a contact number 085833023xxx on behalf of the Pangulu Nagori Tumorang Office
- From several numbers that have been confirmed by the auditor during the audit and can be connected.

Status: Comply

1.2

The unit of certification commits to ethical conduct in all business operations and business transactions.

1.2.1 and 1.2.2

The company already has a policy document for ethical behavior with document number 04 revision 2 on January 2, 2015. In this policy it is explained that PT Perkebunan Nusantara IV is committed to implementing ethical policies in the implementation of work by being trustworthy, competent, harmonious, loyal, adaptive and collaborative (AKHLAK). This policy is a policy of reciprocity not to expect anything in carrying out work, to be ethical in doing, to work and to play an active role in upholding the dignity of oneself and the public at large.

This policy of acting ethically has been implemented by the company in all business operations and transactions including recruitment and employment contracts. Examples of the application of ethical behavior are presented in every work contract made with third parties and employees. The following is an example of a point in the cooperation agreement letter which states that all parties must behave ethically:

The contract of sale and purchase of oil palm fresh fruit bunches between PT Perkebunan Nusantara IV and CV. Rianalim. In article 9, in point 4, it is stated that within the FIRST PARTY and SECOND PARTY it is obligatory to commit to not giving or giving anything to employees or instruments in the FIRST PARTY, but if the employees/apparatus is in the FIRST PARTY requesting all other forms of benefits outside of this agreement/agreement, the SECOND PARTY is obliged to report to the complaint/reporting media as follows:

- a. Whistleblowing System: www.ptpn4.co.id/wb
- b. Complaint email: complaint@ptpn4.co.id
- c. Complaint SMS: 08116171900

This article on ethical behavior is stated in both the SPK with third parties and the work contract agreement with employees. Observations were made on several SPKs with third parties and employment contracts for hiring employees.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

2.1.1

Legal aspect for area covers about 11,411.47 ha

Unit of certification has able to shows evidence on legal rights for operational activities, as follows:

- **Location Permit**

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

- **Plantation Business Permit (IUP)**

- IUP for **Dolok Ilir Mill and Dolok Ilir Estate** of PT Perkebunan Nusantara IV (PTPN IV) is presented in Decree of Simalungun *Bupati* (Head of District) No. 183.45/503/113/BPPT-PM/2014 dated 16 December 2014 for Palm Oil Mill with production capacity about **60 ton FFB/hour** and oil palm plantation with total area about **7,348.81 ha**.
- IUP for **Laras Estate** is presented in Bupati of Simalungun Decree No. 183.45/2767/K-PPT/2012 dated 08 August 2012 for oil palm plantation with total area about **4,062.66 ha**.

- **Land Title (HGU)**

- HGU for **Dolok Ilir Estate** shows through HGU Certificate No. 1 Tahun 2006 for area covers about **7,348.81 ha** as refers to Measurement Letter No. 01/Dolok Ilir I/2006 dated 11 September 2006, where located on Village of Dolok Ilir. HGU of Dolok Ilir Estate is valid up to 31 December 2030.
- HGU for Laras Estate shows through HGU Certificate No. 6 Tahun 2008 for area covers about **4,062.66 ha** as refers to Measurement Land Map No. 09/Nagori Malela/2008 dated 18 September 2008 and Decree of National land Agency Head No. 48-HGU-BPN RI-2008 dated 7 August 2008. The HGU was located on Village of Nagori Gunung Malela, Sub District of Gunung Malela, District of Simalungun. HGU of Laras Estate is valid up to 21 September 2033.

Environment Aspect:

- The company already has an Environmental Document in the form of a Revised Environmental Management Plan and Environmental Monitoring Plan based on a recommendation letter from the Environmental Agency of Simalungun Regency number 213 / LINGHUP-2010 dated 27 October 2010 for an operational area of 7,348.81 ha and a mill with a capacity of 60 tons / hour (Estate and Mill Dolok Ilir) and Environmental Evaluation Documents (DELH) which were stipulated through the Decree of the Environmental Agency of Simalungun Regency No. 188.45 / 759 / linghup / 2011 covering an area of 4,062.66 ha (Estate Laras).
- The company has a temporary storage permit for hazardous and toxic waste in the form of a hazardous and toxic waste management permit for temporary storage activities of PTPN IV Unit Dolok Ilir according to number 188.45 / 439 / Sekrt-2016 by the Head of the Environmental Agency of Simalungun Regency, North Sumatra Province. Valid for 5 years from the date of 19 May 2016 and Approval of Fulfillment of Commitment Commercial / Operational Permits (Operational Permit for Management of Hazardous and Toxic Waste for Producers) number 503/33 / 17.4 / 2020 from the Office of Investment and One Stop Services of Simalungun Regency on September 10, 2020 (Estate Laras).
- The company has a permit to utilize palm oil industry wastewater on the land in the oil palm plantation of PT. Nusantara IV unit dolok Ilir plantation in accordance with the Decree of the Regent of Simalungun Number: 188.45 / 3439 / LINGHUP-2015 on 23 October 2015 and is valid for 5 years. This permit has expired. Then the company applied for an extension of the Land Application Permit to the Investment Service and One Stop Integrated Licensing Service of Simalungun Regency with letter number 04.01 / X / 123 / IV / 2020 on April 27, 2020. Then there was a reply letter from the Investment Service and Integrated Licensing Service. Satu Pintu on November 19, 2020 with number 503/355 / 17.4 / 2020 which states that the extension of the permit for the utilization of palm oil industry waste from PT. Perkebunan Nusantara IV Dolok Ilir is still in the process stage. Until the recertification assessment is carried out, the license extension has not been completed. So this becomes OFI (OFI Number 1).

OSH

- Manpower Minister Regulation No. 8 of 2010 Related to Personal Protective Equipment.
- Manpower Minister Regulation No. 38 of 2016 concerning Occupational Safety and Health of power and production equipment.

Best Management Practice Aspects:

The company has shown all chemical use for the implementation of plantation operations during 2020, all pesticides used by the company are pesticides with active ingredients that have been registered with a valid permit. The company no longer uses pesticides with banned active ingredients (WHO 1A and 1B categories as well as paraquat) as evidenced by the realization of pesticide use during 2020.

Consistently with the corrective action of previous non-conformities, the company has conducted inspection related to the implementation of applicable regulations in Indonesia. All supervision routinely ensures that regulations apply in the field, for example, the application of PPE usage according to Manpower Minister Regulation No. 8/2010 and other regulations.

2.1.2

Monitoring of legal compliance is presented in document of "*Laporan Evaluasi Kepatuhan terhadap Peraturan Perundang-undangan, Peraturan Dan Persyaratan Lainnya Yang Terkait Dengan Penerapan RSPO/ISPO*" or "Report of Legal/Law/Regulation Compliance Related to RSPO/ISPO Implementation" dated 09 September 2020. Evaluation divided into several type, as follows:

- *Undang-undang* or Laws: consist of 73 Laws which only one is not applicable.
- *Peraturan Pemerintah* or Government Regulation: consist of 60 regulations which two are not applicable.
- *Peraturan Presiden* or President Regulation: consist of 11 regulations which only one is not applicable.
- *Keputusan Presiden* or President Decree: consist of 8 decrees which only one is not applicable.
- *Instruksi Presiden* or President Instruction: consist of 3 instructions which only one is not applicable.
- *Peraturan Menteri* or Minister Regulation: consist of 6 Minister of BUMN regulations; 12 Minister of Agraria and Head of National Land Agency (BPN) regulations; 18 Minister of Agriculture regulations; 44 Minister of Manpower regulations; 30 Minister of Environment regulations; 10 Minister of Forestry regulations; 1 Minister of Civil (PU) regulation; 1 Minister of Finance regulation; 5 Minister of Trade regulations; 2 Minister of Internal Affairs regulations; 4 Minister of Health regulations; 1 Minister of Cooperative regulation; and 2 Supreme Court (MA) regulations.
- *Keputusan Menteri* or Minister Decree: consist of 6 Minister of Agriculture decrees; 10 Minister of Environment decrees; 13 Minister of Manpower decrees; and 6 Minister of Forestry decrees.
- Others: consist of 15 Decrees of Head of Bapedal, Constitution Court, BPJS, Circular Letter and Director General Letter, etc.
- Indonesian National Standard (SNI): consist of 6 SNI's.
- *Peraturan Daerah* of Local Regulation: consist of 17 regulations.

The above evaluation has conducted by PIC from Department of Human Resources and General every year. In 2020, there is one new regulation identified, i.e. Circular Letter of Ministry of Manpower No. 03 in 2020 about Labour Protection towards Covid-19 Pandemic.

2.1.3

Procedure of Land Title (HGU BPN) Poles monitoring is presented in document No. SPO 12.0 (Rev. 02) dated 02 January 2015, that mentioned that monitoring shall be carried out every semester by Foreman 1 of Afdeling, Afdeling Staff, Legal Staff, Assistant and Unit Manager. Monitoring from the latest period is summarized as follows:

- Dolok Ilir Estate: monitoring is conducted from March to April 2020. For example in Afdeling 1, from 36 BPN Poles, there were one (1) pole is broken and one (1) pole is missing, that identified as Poles No. 30 in Block 18 M and No. 27 in Block 18 M, respectively.
- Laras Estate: monitoring is conducted in September 2020. For example in Afdeling 3, from 90 BPN Poles, there were nine (9) poles are broken and 27 poles are missing.

Follow up on the broken and missing poles, included proposal of reparation and installation of new Poles is conducted through delivery of Estate manager Letter No. DOI/SEVP/BS/03.1/IV/2020 dated 14 April 2020 about BPN Poles Monitoring result to the Legal, Law and Land Department in PTPN IV Head Office Medan for further respond.

Information towards BPN poles presence has also presented o Afdeling Map which available in scale of 1:20,000. Auditor has observed several BPN Poles, as follows:

- Poles No. 61 located on Dolok Ilir Estate Afdeling 3 Blok 97 AP, situated in adjacent with rubber plantation owned by

Padang Mainu Village. Coordinate marked was 03° 10' 19.74" N and 99° 08' 48.72" E.

- Poles No. 240 located on Dolok Ilir Estate Afdeling 3 Block 98 AQ, situated in adjacent with rubber plantation owned by Village of 29. Coordinate marked was 03° 12' 03.29" N and 99° 09' 30.93" E.
- Poles No. 241 located on Dolok Ilir Estate Afdeling 3 Block 98 AW, situated in adjacent with Village of 29 areas. Coordinate marked was 03° 11' 52.29" N and 99° 09' 22.04" E.
- Poles No. 189 located on Laras Estate Afdeling 2 Block 97 AD, situated in adjacent with plantation owned by Naga Soppa Village. Coordinate marked was 03° 06' 50.10" N and 99° 11' 05.59" E.
- Poles No. 186 located on Laras Estate Afdeling 2 Block 97 AD, situated in adjacent with plantation owned by Naga Jaya 1 Village. Coordinate marked was 03° 06' 52.42" N and 99° 10' 50.75" E.

Based on field observation, it was known that there is no overplanting carried out by all estate unit.

Status: Comply

2.2

All contractors providing operational service and supplying labour, and Fresh Fruit Bunch (FFB), comply with relevant legal requirements.

2.2.1

Unit of certification has list of contractors, summarized as follows:

- Dolok Ilir Estate has eight (8) contractors, i.e. CV Christy Milka Bersama and CV karya Teknik for upkeep works in mature areas; CV Pehulisa for upkeep works in Immature areas, CV Era Cipta Karya for EFB transportation; PT Ambya Mozza Indo and CV Bintang Asia for Replanting in Afdeling 5 Period 2020; PT JWM for Security; and UD Merbau for FFB transportation.
- Laras Estate has six (6) contractors, i.e. CV Semangat Bersama, CV Nusantara Putra Doge, CV Indo Karya, CV Dua Putri Ayu, UD Tiga Bersaudara and CV Ardhan Sirait Jaya for FFB transportation. CV Nusantara Putra Doge has also provided upkeep works.
- Dolok Ilir Mill has 27 contractors. For example: CV Rianalim and CV Mandiri Arsa Sejahtera for FFB Supplier; CV Karya Mandiri for PK Transportation and CV Pelita Jaya for CPO transportation.

Based on list of contractor review, it was known that information towards number of contract agreement, description or type of contract, PIC and contact number were available.

2.2.2

Clauses that mentioned towards relevant legal requirements is presented in Work Agreement, for example as follows:

- Crude Palm Oil transportation work agreement with CV Pelita Jaya shows through Agreement No. 04.05/S.Perj/01/I/2020 dated 17 January 2020. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 5 (Point 2q, Point 5, Point 9) and Article 11 (Point 3-5). Agreement valid until 31 December 2020.
- Palm Kernel transportation work agreement with CV Karya Mandiri shows through Agreement No. 04.05/S.Perj/02/I/2020 dated 13 January 2020. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO/ISPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 8 (Point 15-16); Article 10 (Point 1-4); and Article 11 (Point 3-5). Agreement valid until 31 December 2020.

2.2.3

Apart from Dolok Ilir Estate and Laras Estate, Dolok Ilir Mill has received FFB from several sources, which for period 29 September 2019 to December 2020, is listed as follows:

- PT Perkebunan Nusantara IV:
 - Bah Jambi Mill Unit: Marihat Estate (cert Feb 2018), Bah Birong Ulu Estate (Non-Cert) and Marjandi (RSPO certified in May 2019).
 - Dolok Sinumbah Mill Unit: Balimbingan Estate (RSPO certified in Apr 2018)
 - Gunung Bayu Mill Unit: Tanah Itam Ulu Estate (cert in Sept 2019) and Gunung Bayu Estate (cert in Sept 2019)
 - Mayang Mill Unit: Mayang Estate (cert. in Mar 2019)
- CV Rianalim (FFB Agent)

- CV Mandiri Arsa Sejahtera (FFB Agent)

For example, based on work agreement review No. PKS DOI/CV.RIA/SP-TBS/04/VIII/2020 dated 18 August 2020 about FFB Delivery with FFB Supplier CV Rianalim, commitment towards Indonesia regulation pursuance is presented in article 7 Point 5 and 7. Furthermore, socialization on company policy towards human rights, information transparency, child labor prohibition, sexual harassment, non-discriminative policy, work opportunity, whistleblowing system and zero burning policy had been conducted to all stakeholders (included contractors) through public consultation that carried out in 08 June 2020 and 07 September 2020. Minutes of public consultation is presented in document Form No. DOI-SMP-01 (Rev. 0) while attendance is recorded in document Form No. FM-MR-07-01 (Rev. 02). The contracts has included clauses on disallowing child, forced and trafficked labour.

Based on interview with representatives of CV Rianalim owner, it was known that socialization towards Indonesia regulation pursuance has been conducted by the unit of certification. There is no child and trafficked labor in CV Rianalim, since all were local employees.

Status: Comply

2.3

All FFB supplies from outside of the unit of certification are from legal sources.

2.3.1

FFB which came from direct producers/estates were only came from PT Perkebunan Nusantara IV unit, as informed in Indicator 2.3.1. There is no direct source from smallholders or other growers. List on geo-coordinate of direct FFB suppliers is presented in the following Table:

No.	Source	Coordinate	
		Lat (N)	Long (E)
1	Marihat Estate	02° 54' 54"	99° 04' 48"
2	Bah Birong Ulu Estate	02° 38' 45"	98° 57' 30"
3	Marjandi Estate	02° 55' 30"	98° 57' 17"
4	Balimbingan Estate	02° 53' 21"	99° 09' 00"
5	Tanah Itam Ulu Estate	01° 52' 01"	99° 54' 08"
6	Gunung Bayu Estate	03° 04' 40"	99° 19' 53"
7	Mayang Estate	03° 01' 48"	99° 20' 01"

2.3.2

Indirect FFB source has came from CV Rianalim and CV Mandiri Arsa Sejahtera (CV MAS). Currently, data collection obtained was list of FFB suppliers to the both Agents, as follows:

- CV Rianalim: CV Rianalim Estate, Mujiman, April Roynanda Damanik, Samiaji, Iwan Damanik, Toseng, Gensahadi Purba, Bambang, Suratno and Pondro.
- CV MAS" Mardi, Andi, Iwan and Diki.

Marking coordinate works to Agent FFB suppliers was still on-going. Thus, unit of certification has an opportunity to continue FFB sources of Agents marking project. **OFI**

However, as legal assurance of FFB sources, both Agents shall include Information Letter from *Pangulu Nagori* or Head of Village, together with FFB Delivery Note/Letter, for example as follows:

- Pangulu* of Nagori Tanjung Hataran Letter No. 470/261/22.07/.../2020 dated 02 December 2020 for 9,420 kg of FFB Delivery by Vehicle No. BK 8622 VK from CV Mandiri Arsa Sejahtera dated 02 December 2020.
- Pangulu* of Nagori Bah Gunung Letter dated 01 December 2020 for 18,040 kg of FFB Delivery by Vehicle No. BK 9001 RA from CV Rianalim dated 01 December 2020.

2.3.2 Non-critical

Status: OFI

PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE

3.1

There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.

3.1.1

The company has shown a long-term plan for the 2020-2024 period for PTPN IV - Laras, Dolok Ilir and Dolok Ilir Mill which includes FFB Production, OER, Production Cost, Price of CPO / PK, replanting, CPO Production, PK Production, area TM, TBM, land clearing, arable land, reserve area, road, drainage, housing and others. The data is as follows:

No	Item	PY-1	PY-2	PY-3	PY-4	PY-5
		2020	2021	2022	2023	2024
1	FFB Production (mt)	127,369	129,935	132,269	145,592	155,125
2	OER (%)	22.84	22.99	23.15	22.75	22.85
3	Production Cost Total (kg)	3,600.67	3,472.22	3,349.86	3,201.05	3,164.75
4	Price CPO (IDR/kg)	6,676	6,909	7,151	7,402	7,661
5	Replanting (ha)	400	590	343	663	-
6	CPO Production (mt)	29,097	29,867	30,616	33,115	35,447
7	PK Production (mt)	5,257	5,501	5,910	6,422	6,822

The company has shown a review / evaluation document for the 2020 RJP budget in June 2020 for PTPN IV - Dolok Ilir and Laras Unit which reviews the evaluation of achievements in comparison with the predetermined budget. The discussion includes a review of plant maintenance activities, harvesting, production, replanting and so on.

In relation to the business feasibility of plasma smallholders, PTPN IV Unit Dolok Ilir does not have a plasma scheme and the company has not purchased FFB from outside parties (third parties) since May 2018. All FFB received so far have been supplied by other plantations under PTPN IV and have been certified RSPO.

3.1.2

As explained in criterion 3.1.1, the replanting program has been included in the 5-year long-term plan. The company has documented the results of replanting including the results of the planting area, planting blocks, the number of seeds planted and the number of stands / ha of plants. The company has also regularly reviewed the replanting program which is carried out in conjunction with the annual evaluation.

The actual replanting area for Dolok Ilir Estate for 2020 is 376 Ha, while for Laras Estate is 195 Ha. In addition, a field visit was also carried out related to the evaluation of the plan to replanting oil palm for 2021 in the plantation within the scope of PT Perkebunan Nusantara IV by the Medan PPKS Team from 02 to 09 June 2020, this visit evaluated social, technological, economic and pests and plant diseases.

3.1.3

The company has conducted management reviews which are carried out periodically every semester. For 2020, management reviews were carried out on Dolok Ilir and Laras Estate, the second semester management review of 2019 was conducted on January 16, 2020, while for the first semester 2020 management reviews, it was conducted on July 25, 2020 with the following discussion:

1. Progress results from the previous semester's management review
2. Internal audit results (implementation, results and improvements)
3. External Audit Results (implementation, results and improvements)
4. The results of measuring customer satisfaction
5. Achievement of quality objectives and recapitulation of performance for the last 6 months (production, plant health (maintenance and HPT), replanting etc.,
6. Status of corrective actions from quality objectives that are not achieved.
7. Innovation of all parts
8. Future production targets and management system change plans
9. Proposals and suggestions for improvement for each section.

Status: Comply

3.2

The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.

3.2.1

For continuous improvement, unit of certification has conduct Internal Audit, summarized as follows:

- Appointment for new two (2) internal auditors, i.e.: Faisal Helmy Hasibuan and Zulfan Hendri for Dolok Ilir Unit is presented

through Head of Strategic Planning Division Letter No. 04.03/Kol/M-53/XII/2019 dated 22 December 2019.

- The audit has conducted on 26 to 28 December 2019 resulting 3 Non-Conformity (NCR) notes and one (1) Opportunity for Improvement (OFI) Note. List of attendance is presented in document Form No. FM-MR-07-01 dated 28 December 2019, attended by 11 management representatives. Management review towards internal audit has conducted and presented in document Form No. FM-MR-07-02 dated 16 January 2020. All findings have completely closed on March 2020.

The company has made continuous improvements to environmental aspects such as:

- Periodic monitoring of environmental parameters every semester by an accredited laboratory.
- Perform GHG emission calculations regularly every year.

3.2.2

An annual report using the RSPO metric template format is not yet available. The company has reported its 2019 Annual Communication on Progress (ACOP) report to the RSPO.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has operating procedures regarding mills and plantations as stipulated in Standard Operating Procedures (SOP), Work Instructions (IK) and Palm Oil Plant / Mill policies issued by PT. Perkebunan Nusantara IV in July 2007. The SOP was written in Indonesian and stored and is available in the Dolok Ilir Estate, Laras Estate and Dolok Ilir Mill business units.

These SOPs and policies include:

- SPO for Oil Palm Plants (SPO 00 on Background)
- SPO for Oil Palm Plants (SPO 01 on Land Development)
- SPO for Oil Palm Plants (SPO 02 on New Plants)
- SPO for Oil Palm Plants (SPO 03 concerning Nurseries)
- SPO for Oil Palm Plants (SPO 04 concerning Immature Plants)
- SPO for Oil Palm Plants (SPO 05 on Productive Plants)
- SPO for Oil Palm Plants (SPO 06 regarding Harvest)
- SPO of Palm Oil Mill (SPO-01 concerning Weigh Bridges)
- SPO for Palm Oil Mill (SPO-02 regarding Loading Ramp)
- SPO for Palm Oil Mill (SPO-03 regarding Boiling Station)
- SPO of Palm Oil Mill (SPO-04 concerning Thresher)
- SPO for Palm Oil Mill (SPO-05 concerning Handling of Empty Bunches)
- SPO of Palm Oil Mill (SPO-06 concerning Press Station)
- SPO for Palm Oil Mill (SPO-07 concerning Oil Processing and Refining)
- SPO of Palm Oil Mill (SPO-08 concerning Oil Delivery Tank and Palm Kernel Delivery Storage)
- SPO for Palm Oil Mill (SPO-09 on How to produce low FFA CPO; ALB <2.5%, Super CPO / Golden CPO)
- SPO for Palm Oil Mill (SPO-10 on Quality)
- SPO for Palm Oil Mill (SPO-11 on Laboratory Equipment and Regents)
- SPO of Palm Oil Mill (SPO-12 concerning Care and Use of Analytical Scales)
- SPO of Palm Oil Mill (SPO-13 concerning Security / Protection of Laboratory Equipment / Materials)
- SPO of Palm Oil Mill (SPO-14 concerning Depericarater)
- SPO for Palm Oil Mill (SPO-15 regarding Seed Mill)
- SPO of Palm Oil Mill (SPO-16 concerning Steam Boilers)
- SPO of Palm Oil Mill (SPO-17 concerning Water Purification)
- SPO of Palm Oil Mill (SPO-18 regarding Machine Room)
- SPO for Palm Oil Mill (SPO-19 regarding MILL Electricity System)
- SPO for Palm Oil Mill (SPO-20 concerning Workshop Machines / Equipment)
- SPO for Palm Oil Mill (SPO-21 on Liquid Waste Treatment)

A copy of the SOP has been stored properly in every plantation and mill, and the entire procedure has covered every operational activity of the plantation and mill.

3.3.2

The company has a routine inspection / monitoring mechanism of operational activities in the form of an internal audit which is conducted every semester (once every 6 months). The internal audit activity is carried out by the Internal Audit Unit (SPI). A management review is also carried out on the results of audit activities to ensure that improvements from the results of internal audits are actually carried out and implemented. Apart from that, the entire implementation of the existing work procedures has been carried out routine inspections, both in the short term and in the long term. The following are some of the inspection activities for the implementation of procedures in the field:

- Daily work plan
- Weekly meeting
- Internal audit
- Management Review,
- Monitoring of CPO and PKO production
- Monitoring the quality of CPO and PKO
- Monitoring the use of production water
- Monitoring flora and fauna
- Monitoring the use of fertilizers and pesticides
- Monitoring pests and diseases
- Daily and monthly production monitoring of Mill and Estate
- Monitoring the quality of FFB / FFB sorting
- Monitoring the use of PPE
- Monitoring of fire extinguisher and fire prevention infrastructure
- Etc

3.3.3

The company has personnel assigned to internal supervision to monitor the consistency of the implementation of procedures in the field, including the Internal Supervisory Unit which is conducted annually. The company has also routinely carried out operational inspections of plantations and mills, including:

1. The company has conducted a planned and scheduled RSPO internal audit every 1 year, the most recent RSPO internal audit was conducted on 26-28 December 2019 with the results that there were 3 findings of non-conformities and 1 opportunity for improvement. The company has carried out corrective actions for existing non-conformities in the form of quick fixes, determination of root causes and preventive actions, all repairs have been closed on January 16, 2020. Minutes, attendance lists and documentation of activities can be shown by the company.
2. The company has monitored the quality of FFB produced by Dolok Ilir Estate which is listed in the Fresh Fruit Bunches Sorting Journal which is carried out every day on the ramp, examples of sorting results on November 30, 2020 for Afdeling I, the number of sorted bunches is 1,272 with the number of sick fruits 0.47 %, the number of empty bunches 0.63%, 10.03% loose; Afdeling II, the number of sorted bunches is 411 with the number of sick fruit bunches 1.13%, the number of empty bunches 1.36%, the number of fruit fraction zero 1.13%, with 8.24%; Afdeling III, the number of sorted bunches is 441 with the number of sick fruit bunches 0.97%, the number of empty bunches 1.22%, the number of fruit fraction zero 0% with 9.01% fruit and so on until the last Afdeling (Afdeling VIII). The results of this sorting are conveyed to each group to improve the quality of the harvest on the following day by sending it to each harvester when the morning apples are held.
3. The company has been monitoring the realization of fertilization every month, for example dolomite fertilization was carried out in the Laras Estate in November 2020. Fertilization plan for 19,186 palm oil staples covering an area of 203 Ha was carried out 100%.
4. Monitoring on contractor's compliance towards CH procedure was conducted through several methods, as follows:
 - Contractors' commitment towards company regulations is presented and signed in the work agreement.
 - Work monitoring that carried out by Foreman to measure work quality conducted by contractor workers.

From the explanation with some of the examples above, it is known that the company already has a monitoring record that is carried out and is available and well maintained so that it can be used when needed.

	Status: Comply	
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3.4

A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.

3.4.1 & 3.4.2

There is no new land clearing by the company. The company has carried out an environmental impact assessment stated in the Revised AMDAL document for the Environmental Management Plan and Environmental Monitoring Plan for Oil Palm Plantation, Oil Palm Mill and Dolok Ilir Estate Organic Fertilizer Factory of PT. Perkebunan Nusantara IV which has been approved by the environmental agency based on a recommendation letter from the Environmental Agency of Simalungun Regency number 213 / LINGHUP-2010 dated 27 October 2010 for an operational area of 7,348.81 ha and a Mill with a capacity of 60 tons / hour as well as an organic fertilizer factory for Estate dolok Ilir. Whereas for Estate Laras already has an Environmental Evaluation Document (DELH) which is stipulated by the Decree of the Environmental Agency of Simalungun Regency No. 188.45 / 759 / linghup / 2011 for PT Perkebunan Nusantara IV (Persero), Estate Laras with oil palm plantation activities with an environmental impact analysis study covering an area of 4,062.66 ha which was approved by the Environmental Agency of Simalungun Regency on December 14, 2011. Environmental documents compiled by the North Sumatra Research Institute.

The company has a plan for environmental impact management and monitoring based on its environmental documents. Based on the study of environmental documents, it is known that the preparation and assessment of environmental impacts is carried out in a participatory manner by involving the community around the company, employees and government agencies of Simalungun Regency. The management plan and monitoring of environmental parameters based on environmental documents, for example for Estate and Mill Dolok Ilir, are as follows:

- Impact of Decreasing Air Quality (Ambient)
- Odor Level Impact
- Noise Impact
- Emission Level Impact
- Surface water quality Impacts
- Impact of wastewater quality
- Impact of Soil Fertility
- Impact of Hazardous waste
- Impact of Job Opportunities
- Attitudes and perceptions of the Community.

Based on document review and interviews with the Environmental Office of Simalungun Regency, it was found that the environmental documents owned by the company had covered the entire area and the company's operational activities.

In 2018 to 2020 the company has carried out replanting, so with this the company has identified the impact of replanting activities. The management plan and monitoring of the impact of replanting are as follows:

- Job Opportunities for the community
- The impact of heavy equipment mobilization and material trucks causing dust and noise.
- Changes in temperature due to uprooted palm oil stands.
- Prevent landslides due to construction of isolated trenches.
- Oryctes pest attack on community plantations adjacent to the replanting area.

The CH has had document of Social Impact Analysis Report compiled in collaboration with PT Surveyor Indonesia, Foundation for Sustainable Palm Oil Indonesia in 2009. In this document is described positive and negative effects as a result of a credible form of plantations in both operational and social impact management recommendations by the company.

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

In the document the social impact analysis has been supplemented with a follow-up recommendation that needs to be done by the company. The Social Impact Assessment has been conducted with the involvement of the parties, among others:

employees and the surrounding community (community representatives, community leaders and village government). There is evidence of documentary footage of the Social Impact Assessment team from PT Surveyor Indonesia during interviews and Focus Group Discussion in the villages around the plantation. Based on the stakeholder consultations in the villages surrounding, there is no indication of any significant issues from surrounding communities.

The 2020 Social Management and Monitoring plan is based on the results of the evaluation carried out on January 20, 2020 (Dolok Ilir Unit) and July 27, 2020 (Laras Estate). The company can show the results of the questionnaire in identifying and compiling a Manage plan and social monitoring plan involving the community around the village, religious leaders, community leaders, gender committees, village heads, employees, and trade unions with a total participation volume of 29 questionnaires. The social parameters that are managed and monitored, for example for Estate Laras, are as follows:

- Impact of public facilities and social facilities
- Impact of job opportunities
- Impact of business opportunities
- Impact of conflict with farmers/Cattleman
- The impact of employee stakeholders, namely the lack of potential employees to compete in the company.
- Impact of the trade union stakeholder (Gender Comitte)
- Replanting Impact.

Based on interviews with village communities and the Gender Committee and document review, it was found that the social impacts of the company's operations were included in the company's SIA management and monitoring plan.

3.4.3

The company (Estate Laras) has implemented the environmental management and monitoring plan contained in the management plan report document and the environmental monitoring plan for semester 1 of 2020 and has been reported to the Environmental Service Office of Simalungun Regency on August 14, 2020. Based on the results of the review of the management plan implementation document and environmental monitoring in semester 1 of 2020, it is known that the implementation has been in accordance with the directions of the environmental documents that are owned. All environmental parameters have been managed and monitored. In addition, the company has also conducted an evaluation consisting of an evaluation of trends, critical levels and compliance.

The company (Estate Laras) has implemented a 2020 SIA management and monitoring plan, for example, as follows:

- Impact of Public Failure and Social Facilities. The company has assisted the Village community by carrying out road repairs and dredging of ditches.
- Employment Opportunity. The company has recruited workers for harvesting and loading and unloading FFB to work for the company from the villages around the plantation.
- Business Opportunities. The company has allowed the community to take palm fronds as raw material for making sticks and animal feed.
- Conflict with breeders. The company has marked the boundaries of which area can be used for grazing livestock and allows ranchers to collect grass for animal feed.
- There is a Replanting Activity. The company has installed nets as an effort to prevent horn beetles from spreading to community plantations.

In general, the results of environmental monitoring are still in accordance with regulations. For example, environmental monitoring on the impact of air quality degradation (Ambient) for Estate Laras and Dolok Ilir. The results of air quality testing (ambient) are in accordance with regulations. The results of environmental monitoring for the impact of Genset and Boiler emissions are in accordance with the regulations. In addition, the results of monitoring of surface water and clean water quality tests carried out by the company are in accordance with regulations.

There was a Minor Non-Conformity at the time of the previous assessment, namely in indicator 5.1.3 Environmental monitoring plan documents and implementation reports are available as well as plans for improvement of the monitoring results if a discrepancy is found. This plan is reviewed at least every two years.

Observed evidence:

- Environmental Impacts Assessment Revised for Dolok Ilir Mill and Plantation in accordance with the recommendations of

the Pematang Raya Environmental Agency in Simalungun District number 213 / LINGHUP-2010 dated October 27, 2010. Types of monitored include:

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

Non-Conformance Description:

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

Verification 04 October 2019

The company shows a report on the implementation of *RKL / RPL* for Semester I of 2019 Laras plantation unit that has tested environmental parameters, including:

- Testing of ambient air quality in front of the Nagori Laras, Nagori Silau Bayu & Nagori Huta Dipar Offices which was held on August 10, 2019 by an accredited laboratory KAN LP001 IDN. The test results for the parameters SO₂, CO, NO₂, O₃, Ammonia, & H₂S did not exceed the quality standards set by PP No. 41 of 1999.
- Noise testing is located in front of the Nagori Laras, Nagori Silau Bayu & Nagori Huta Dipar Offices which were held on August 10, 2019 by the KAN LP001 IDN accredited laboratory. The results of the noise test do not exceed the quality standards stipulated by KepmenLH No.48 of 1996.
- Groundwater testing is located at Umbul Lingga, Umbul Bah Longgur, Umbul Swembath, Umbul Tumorang, Umbul Lingga, Office Well, Nagori Silau Bayu Well & Nagori Huta Dipar Dipar Well which was held on August 8, 2019 by an accredited laboratory KAN LP001 IDN.
- Surface water testing is located in the Waringin Upstream & Downstream Rivers, Bahapul Upstream & Downstream Rivers which was carried out on August 8, 2019 by an accredited laboratory KAN LP001 IDN.

However, the company has not shown the document for the implementation of the *RKL / RPL* for the first semester of 2019 for the Dolok Ilir Mill and Estate unit. So that it is stated that it has not been fulfilled.

Verification 17 December 2020

The company shows a report on the implementation of *RKL / RPL* for semester 1 of 2020 for the Dolok Ilir mill and estate unit. Based on the results of the document review, it is known that there are several environmental parameters that have not been included in the implementation of the environmental management and monitoring plan, namely:

- Odor Level Impact
- Impact of Soil Fertility
- Impact of Hazardous waste
- Replanting Activities.

Based on the explanation above, the Non-Conformity in this indicator is declared unfulfilled and the status is **raised to Major**.

In addition, there were also Minor Non-Conformity at the time of the previous assessment, namely indicator 6.1.4 The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.

Observed evidence:

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

Evaluation was carried out on 22 November 2018 in Dolok Ilir Estate. Involving external stakeholders from 16 surrounding villages and also in Laras Estate dated 8 July 2019 with involving stakeholders from 17 surrounding villages. There are several social impacts that must be managed, for example: public facilities and social facilities; employment opportunities; business opportunities, scholarship for student; conflict with cattle raiser and replanting activities.

Non-Conformance Description:

- Evaluation of Social Impact Management and Monitoring Plan doesn't yet involve internal stakeholders such as employees, worker union, and gender committees.
- Evaluation of Social Impact Management and Monitoring Plan has not been explained the issues on the mill.

Verification 17 December 2020

The company has shown evidence of improvement as follows:

- Evaluation and social impact management program carried out on January 20, 2020 for Dolok Ilir Estate which involved Employees, Community, Religious Leaders, Gender Committee, Village Heads and Workers Union. This is evidenced by the company showing a questionnaire from each stakeholder.
- Evaluation and social impact management program carried out on 27 July 2020 for Estate Laras which involved Employees, Community, Religious Leaders, Gender Committee, Village Heads and Workers Union. This is evidenced by the company showing a questionnaire from each stakeholder.
- Evidence of Dissemination of SIA Program Preparation to 11 Participants consisting of Plantation Personnel Assistants, Estate Personnel Crews, and PPD (Document Control Officers) on April 7, 2020.
- Monitoring document Completeness of the implementation of the SIA management and monitoring program which was carried out on July 10, 2020.
- However, the company has not been able to show evidence of an evaluation of the social impact management and monitoring plan on issues in the mill.

Based on the explanation above, the Non-Conformity in this indicator is declared unfulfilled and the status is **raised to Major**.

3.4.3 Status: Raised to Major Non-Conformity.

3.5

A system for managing human resources is in place.

3.5.1 and 3.5.2

The company has procedures related to recruitment, selection, acceptance, promotion, retirement and termination of employment as stated in the Collective Labor Agreement between PTPN IV and the PTPN IV Plantation Workers Union for the Period 2020-2022 which was ratified on January 13, 2020. In this document it informs related to human resources management, such as: the subject of recruitment (Article 12), Appointment (Article 13), Class and Level of Employment (Article 14), Class Increase (Article 15), Promotion (Article 16), Decline in Position / Class / Demotion (Article 17) to mutation (Article 18).

The company shows records related to the application of manpower, including:

- List of Workers in the latest Employee Besetting Document containing information on position, education, date of birth, date of work, class, religion, and retirement date.
- Evidence of the latest Labor Report (09 / WLTK / 2020) at the related office.
- Records of directors' decision letters for the appointment of PKWT workers (No.:04.07/Kpts/106/X/2020, dated 27 October 2020) with details of 3 religious' officers in the Laras unit.
- Records of employee retirement by Decree of the Board of Directors (No. 04.11 / Kpts / 0063-LAR / XII / 2019, December 31, 2019). The document also includes the calculation of pension and retirement payments.
- Records of promotion for employee in the Decree of the Board of Directors (No.04.08 / Kpts / R / 38 / IV / 2020) for the Dolok Ilir Business Unit on April 27, 2020, totaling 429 employees. The document is also attached with the assessment results of each employee.

The records and procedure described above are maintained and managed by each business unit, both at the factory and in the cooperative by each staff responsible for the sustainability aspect.

The results of interviews with a sample of plantation and factory employees showed that the company kept records relating to workers' rights and obligations, such as letters of appointment for employees to letters of transfer.

Status: Comply

3.6

An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.

3.6.1 and 3.6.2

The OHS policy is contained in the PT Perkebunan Nusantara IV Plantation Management System Policy Document which was ratified by the President Director on March 26, 2020. The document explains that the Company prioritizes Occupational Safety and Health (OSH) in all aspects of work in order to prevent and reduce occupational accidents and diseases. due to work by implementing a work safety and health management system.

In addition, the company (PTPN IV Dolok Ilir and Laras Unit Business) demonstrated a policy related to OHS between the company and the workers union (signed by both parties) on January 6, 2020 which contained the following commitments: *"The company and all employees agree to make OSH a priority in every activity and become joint responsibility."* The policy also mentions about safe working practice and the use of PPE.

Based on interview with management representative and OSH staff, the company has shown a work program document for the Workplace Safety and Health Committee (P2K3) 2020. The document was compiled by the P2K3 secretary, approved by the P2K3 chairman and acknowledged by the company leadership (Unit Manager Dolok Ilir and Laras).

Consistently with corrective action of previous assessment and to monitor the effectiveness of the OSH plan, the certificate holder carries out the following activities:

- Each person in charge of OSH has an annual program that includes an OHS implementation plan such as: Calculation of work accident statistics, routine P2K3 meetings, P2K3 quarterly reporting, to OSH socialization and training to employees.
- Conducting outreach to all stakeholders through the installation of signs / banners related to PPE / Occupational Safety and Health signs in each business unit, both factories and estates.
- Business units carry out routine annual emergency response simulation activities. (newest in June 2020).
- Records of fire-extinguisher examination checklist every month.
- Records of hydrant inspection every 3 months.
- Records of inspections of the contents of the first aid kit every week.
- Certificate (No. B.028 / EMCOTAMA_SK / VIII / 2019) from PJK3 regarding Class III welder training on behalf of Supradianto from 8 to 13 July 2019. Currently the certificate is still in the process of being issued by the relevant agency due to Covid pandemic.
- 2 paramedics who have attended the Hiperkes training on behalf of dr. Muhammad Hanafi Batubara (No. Reg. 2908 / PK3 / C-G / 12/2017) and Hazrul Ichwan, Amk (Training on 21-25 October 2019 by PT Bina Occupasi Indonesia).
- Have an organizational structure for emergency response in each unit.
- Has licensed class I and II steam operator, for example on behalf of Agus Alim Siregar (13637.OPK3-PUBT-BI / IX / 2018, valid until 12 September 2023) and Juliandi Rahmansyah (13640.OPK3-PUBT-BI / IX / 2018, valid until 12 September 2023).
- Periodic Inspection of Steam Turbine Engines (Report No.: 3569-Lap / TU / UJ / 2020) conducted by PJK3 on behalf of PT Ulun Jandi (OHS Expert in Aircraft and Production personnel) on July 30, 2020.
- The implementation of PPE always monitored on morning circle in all unit by each division assistant.

The auditors also done field observation in the area of the material warehouse, chemical warehouse, spray washing facilities to the factory location. It is known that at this location there are warnings and signs related to OSH, as well as OSH facilities and infrastructure such as fire extinguisher, first aid kit, evacuation route to the location of the gathering point.

Status: Comply

3.7

All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.

3.7.1 and 3.7.2

The company, through each unit manager and technical / general assistant, prepares a training need document which informs the position and type of training required by each employee in accordance with the position of the position. Consistently with corrective action of previous assessment, the OHS plan included for third parties or contractors. The 2020 Training Plan includes: Early training on caterpillar and *oryctes* management, Fertilization training and Operation of computer applications. The training program also included training related to working on high risk situation (such as area with high noise level).

The company also showed the realization of training for each business unit, such as:

- RSPO Socialization Training at Laras Estate on 11 February 2020.
- Employee SAP Training at Laras Estate on March 18, 2020.
- First aid socialization at Laras Estate on July 18, 2020.
- Training on the provision of Harvest premiums at Dolok Ilir Estate on December 16, 2020.

The record of the minutes has also been completed with attendance lists (attendance), documentation of activities and training minutes. Based on document review above, the training also attended by contractor workers, such as RSPO socialization training on 11 February 2020.

The results of interviews with a sample of 10 company employees and contractors (UD Merbau & CV. Riana Lim) show that the company always provides training both internally and externally to improve and maintain personnel competence in work.

3.7.3

Training for PIC who responsible conducting SCCS is carried out in October 2018, May 2019 and 15 July 2019, with the number of participants are seven persons including all persons who responsible with SCCS aspect. However, due to Covid-19, SCCS training has postponed. Based on interviews with security guards, weighbridge officer and Quality Assurance Assistant, it was known that key persons in SCCS activities have understood the procedures and able to demonstrate how to documenting RSPO certified and non-certified product.

Status: Comply

3.8
Supply Chain Requirements for Mills
3.8.1 and 3.8.2

Based on Dolok Ilir Mill production data for period 2019 to November 2020, as well as observation and interview with Security Officers and Weighbridge Operator, it was known that Dolok Ilir Mill has received and process FFB from its 2 (two) main supply base, i.e. Dolok Ilir Estate and Laras Estate which mentioned in scope of certification; 7 (seven) estates of PTPN IV and two (2) FFB Agents. The Non- certified RSPO FFB sources are Bah Birong Ulu Estate, CV Rianalim and CV Mandiri Arsa Sejahtera. Thus, it could be concluded that Dolok Ilir Mill has claim its RSPO certified products (CPO and PK) from processing of the RSPO certified FFB as Mass Balance (MB).

3.8.3

Estimation of RSPO certified products (CSPO and CSPK) for period 2019/2020 license period is presented in the certificate appendix (annex) and could be accessed through RSPO Palm-trace and this Re-Certification report. Record of RSPO certified production and its estimation for the next license period is presented in the following Table:

Certified Product	Last Year Projection	Actual Production	Estimate Production
	29 Dec 2019 to 28 Mar 2021 (mt)	Dec 2019 to Nov 2020 (mt)	26 Jun 2020 to 25 Jun 2021 (mt)
FFB	199,122	158,087.40	160,000
CSPO	45,970	36,328	38,400
CSPK	7,874	6,398	6,400

Note:

- OER projection 2019/2020 license 24.02 % vs OER actual 23.06 %;
- KER projection 2019/2020 5.00 % vs KER actual 3.92 %;
- For estimation: FFB increase 3.20 % from actual production 2019/2020, OER 24.00 % and KER 4.00 %.

According to the table above, actual RSPO certified products production of 12 months period has passed the projection or over

production. However, there were volume extension as shows through email to the CB dated 21 July 2020 for additional 6,264 mt of CSPO. Thus, total quota after first extension was 35,764 mt of CSPO.

Furthermore, there were two period of three months extension due to covid-19 situation, as well as volume extension, as follows:

- First time extension approved on 23 September 2020, from 28 September 2020 to become 28 December 2020, with remote audit scheduled on October 2020.
- Second time volume extension as shows to email dated 26 November 2020, approved on 12 December 2020 due to time extension. Volume extent were 1,674 mt of CSPK and 10,206 mt of CSPO. Thus, total quota after second volume extension were 45,970 mt of CSPO and 7,847 mt of CSPK, summarized on the following Table:

Certified Product	Last Year Projection 29 Sep 2019 to 28 Des 2020 (mt)	Actual Production Oct 2019 to Nov 2020 (mt)
CSPO	45,970	41,559
CSPK	7,847	7,204

Based on the Table above, based on CSPO/CSPK monthly production approach (2,968.50 mt CSPO/month and 514,57 mt CSPK/month), it was known that total actual production from October 2019 to December 2020 could reach 44,527.50 mt CSPO and 7,718.60 mt CSPK, which still lesser than 15 months projection.

- Second time extension up to 28 March 2021 has been delivered to the CB through email dated 16 December 2020.

3.8.4

RSPO IT Platform member registration number for Dolok Ilir Mill of PT Perkebunan Nusantara IV is RSPO_PO1000002539. Another member information is presented in the following Table.

Member Information	
License ID	CB95620
Start Date	29-12-2019
End Date	28-12-2020
RSPO Membership	1-0082-09-000-00

As checked through RSPO Palm-Trace in 17 December 2020, it was known there is number of Certified Sustainable Palm Oil (CSPO) and Certified Sustainable Palm Kernel (CSPK) sold for period 29 September 2019 to 14 December 2020 are summarized in the following Table:

Certified Product	Last Year Projection (mt)	Remaining Certified Products (mt)	Additional Volume Extension (mt)	
			1	2
CSPO	29,500	5,045.08	6,264	10,206
CSPK	6,200	2,026.40	-	1,674

According to the Table above, it was known that during 29 September 2019 to 15 December 2020, CSPO and CSPK sold were about **40,924.92 mt** and **5,847.60 mt**, respectively. Detail on RSPO certified products sold on that particular period is presented in the following Tables:

CSPO Sold

Transaction Date	SCCS Model	Transaction Type	Volume (mt)	RSPO Credit (mt)	Buyer/Notes
11-06-2020	MB	Credit allocation	-	1,000	-
27-07-2020	MB	Credit allocation	-	1,000	-
16-12-2020	MB	Credit Allocation	-	22,000	-
16-12-2020	MB	Credit allocation	-	3,000	-
16-12-2020	MB	Remove Stock	5.50	-	-
16-12-2020	MB	Remove Stock	219.42	-	-

13-03-2020	MB	Shipping	500	-	PT PHPO
01-05-2020	MB	Shipping	500	-	PT MM
01-05-2020	MB	Shipping	500	-	PT MM
15-05-2020	MB	Shipping	500	-	PT MM
19-05-2020	MB	Shipping	700	-	PT MM
19-05-2020	MB	Shipping	750	-	PT INL
29-05-2020	MB	Shipping	500	-	PT INL
21-07-2020	MB	Shipping	250	-	PT PHPO
21-07-2020	MB	Shipping	500	-	PT PHPO
24-07-2020	MB	Shipping	500	-	PT MM
23-08-2020	MB	Shipping	500	-	PT MM
31-08-2020	MB	Shipping	500	-	PT MM
31-08-2020	MB	Shipping	500	-	PT MM
31-08-2020	MB	Shipping	500	-	PT MM
31-08-2020	MB	Shipping	500	-	PT MM
06-10-2020	MB	Shipping	250	-	PT MM
13-10-2020	MB	Shipping	500	-	PT MM
13-10-2020	MB	Shipping	500	-	PT MM
13-10-2020	MB	Shipping	500	-	PT MM
16-10-2020	MB	Shipping	500	-	PT PH[PO
30-10-2020	MB	Shipping	500	-	PT MM
31-10-2020	MB	Shipping	1000	-	PT MNA
31-10-2020	MB	Shipping	500	-	PT MNA
02-12-2020	MB	Shipping	500	-	PT INL
04-12-2020	MB	Shipping	250	-	PT INL
07-12-2020	MB	Shipping	500	-	PT MM
09-12-2020	MB	Shipping	500	-	PT MNA
Total			13,924.92	27,000	-

CSPK Sold

Transaction Date	SCCS Model	Transaction Type	Volume (mt)	RSPO Credit (mt)	Buyer/Notes
28-01-2020	MB	Shipping	571.43	-	
28-01-2020	MB	Shipping	108.57	-	
15-04-2020	MB	Shipping	750.00	-	
15-04-2020	MB	Shipping	197.00	-	
15-04-2020	MB	Shipping	49.00	-	
08-05-2020	MB	Shipping	605.00	-	
16-07-2020	MB	Shipping	217.36	-	
16-07-2020	MB	Shipping	549.30	-	PTPN IV
16-07-2020	MB	Shipping	296.61	-	Pabatu
15-09-2020	MB	Shipping	393.65	-	
15-09-2020	MB	Shipping	300.00	-	
15-09-2020	MB	Shipping	106.17	-	
15-09-2020	MB	Shipping	72.08	-	
17-11-2020	MB	Shipping	575.42	-	
14-12-2020	MB	Shipping	627.86	-	
14-12-2020	MB	Shipping	428.15	-	
Total			5,847.60	-	-

(Note: PT PHPO = PT Permata Hijau Palm Oleo; PT INL = PT Industri Nabati Lestari; PT MM = PT Musim Mas Belawan; PT MNA= PT Multimas Nabati Asahan; PTPN IV Pabatu = PT Perkebunan Nusantara IV Pabrik Pengolahan Inti Sawit Unit Pabatu)

All transactions have been shown in shipping announcement, for example as follows:

- Shipping Announcement No. TR-2a7cfd38-a8bc dated 15 September 2020 for 393.65 mt CSPK to PTPN IV Pabatu.

Conformation date was on 15 September 2020.

- Shipping Announcement No. TR-fc1d7cc3-cc45 dated 11 August 2020 for 500.00 mt CSPO to PT Permata Hijau Palm Oleo. Conformation date was on 13 August 2020.

3.8.5

Procedure of RSPO mass balance supply chain is presented in several documents, as follows:

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

The procedure has identified the role of the PIC for the implementation of RSPO supply chain, such as Mill Manager, QA Assistant, Head of Administration, Head of Division (*Masinis Kepala*), Security and Weighbridge Operator. Furthermore, the procedure also covering all of the element of the supply chain starting form FFB receiving, dispatch CPO, internal and external audit, record keeping, stock monitoring, the handling of non-conforming products, outsource activity, registration of transaction, training, mass balance records, claims, grievances, validity of license, etc. Overproduction prediction is conducted by Strategic Planning and Sustainability Division in HO Medan.

Based on interview with Weighbridge Operator, it was known that mill has receive FFB from owned estates which already RSPO certified and another PTPN IV estates. Record of FFB accepted is recorded through application namely "Weigh Bridge Scale " (WBS V.1.0.0.0.0). Information of RSPO certified and non-certified product is shows through CSPO or CSPK Stamp.

3.8.6

Procedure of SCCS internal audit has refers to document Procedure No. 21 dated 02 January 2015 about implementation of Internal Audit RSPO which mentioned that the audit shall be conducted annually, before external audit by the RSPO Certification Body. Audit is conducted by Strategic Planning and Sustainability Division from Head Office Medan.

Latest internal audit has conducted by two (2) internal auditors, that appoint through Head of Strategic Planning Division Letter No. 04.03/Kol/M-53/XII/2019 dated 22 December 2019. The audit has conducted on 26 to 28 December 2019. Furthermore, there is remote SCCS internal audit that conducted in June 2020, which also resulting there is no finding identified towards SCCS indicators.

3.8.7

Dolak Ilir Mill has record of FFB received as RSPO certified and non-certified. For example, record for period December 2019 to November 2020 is presented in the following Table:

Month	FFB (mt)		
	RSPO Certified	Non-Certified	Total
Dec-19	9,363.21	-	9,363.21
Jan-20	10,101.97	-	10,101.97
Feb-20	10,836.05	-	10,836.05
Mar-20	12,408.30	216.01	12,624.31
Apr-20	15,737.20	53.09	15,790.29
May-20	15,909.40	176.26	16,085.66
Jun-20	14,781.34	184.32	14,965.66
Jul-20	15,339.71	515.07	15,854.78
Aug-20	11,140.32	195.38	11,335.70
Sep-20	16,267.69	362.67	16,630.36
Oct-20	13,432.40	960.21	14,392.61
Nov-20	12,769.81	2,099.74	14,869.55

Total	158,087.40	4,762.75	162,850.15
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Based on the Table above, it was known that unit of certification has satisfactory records FFB production and divided its RSPO Certified and non-certified status. Furthermore, based on annual (12 months) productions review it was known that there is FFB overproduction of against credit given during one year of license (122,800 mt). Regarding this matter, unit of certification has proposed volume extension to the CB as presented through email dated 23 September 2020 (approved) for additional FFB about 31,794 mt. Thus, total new FFB production quota was 154,594.00 mt.

There are two period of three months extension due to covid-19 situation, as well as volume extension, as follows:

- First time extension approved on 23 September 2020, from 28 September 2020 to become 28 December 2020, with remote audit scheduled on October 2020.
- Second time volume extension as shows to email dated 26 November 2020, approved on 12 December 2020 due to time extension. Volume extent were 1,674 mt of CSPK and 10,206 mt of CSPO. Thus, total quota after second volume extension were 45.970 mt of CSPO and 7,847 mt of CSPK, summarized on the following Table:

Certified Product	Last Year Projection 29 Sep 2019 to 28 Des 2020 (mt)	Actual Production Oct 2019 to Nov 2020 (mt)
CSPO	45,970	41,559
CSPK	7,847	7,204

Based on the Table above, based on CSPO/CSPK monthly production approach (2,968.50 mt CSPO/month and 514.57 mt CSPK/month), it was known that total actual production from October 2019 to December 2020 could reach 44,527.50 mt CSPO and 7,718.60 mt CSPK, which still lesser than 15 months projection.

3.8.8

Documentation on certified products consist of balance of FFB certified and non-certified, CSPO and CSPK, as well as RSPO non-certified CPO and PK, stock, production (daily, monthly and annual), sales record, delivery/transportation record, transaction record, etc. according to the record, it was known that during period 29 September 2019 to 17 December 2020. For example, record of CSPK and CSPO transaction is presented as follows:

- Shipping Announcement No. TR-2a7cfd38-a8bc dated 15 September 2020 for 393.65 mt CSPK to PTPN IV Pabatu (ID No. RSPO_PO1000007174) with Contract No. 0014/HOLD/PKO-L/N-IV/IV/2020. Conformation date was on 15 September 2020.
- Shipping Announcement No. TR-3d715314-c048 dated 16 June 2020 for 250.00 mt CSPO to PT Permata Hijau Palm Oleo (ID No. RSPO-PO1000004973) with Contract No. 0196/HOLD/CPO-L/N-IV/VI/2020. Conformation date was on 21 July 2020.

These documents describe the names and contacts of the buyers and sellers, delivery dates, product descriptions, quality, quantity, member ID, RSPO Certified Mass Balance stamp and unique number.

Unit of certification mentioned that shipping announcement is confirmed by buyer no longer than three (3) months since product delivery date. Furthermore, monitoring on announcement progress has conducted every month by Strategic Planning Department from HO Medan.

3.8.9

Outsource for certified product handling has only for CPO and PK transportation activities, with agreements presented as follows:

- CPO transportation agreement with CV Pelita Jaya shows through Agreement No. 04.05/S.Perj/01/II/2020 dated 17 January 2020. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 5 (Point 2, point 5, Point 9) and Article 11 (Point 3-5) . Agreement valid until 31 December 2020.
- PK transportation agreement with CV Karya Mandiri shows through Agreement No. 04.05/S.Perj/02/II/2020 dated 13

January 2020. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO/ISPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 8 (Point 15-16); Article 10 (Point 1-4); and Article 11 (Point 3-5). Agreement valid until 31 December 2020.

3.8.10

Unit of certification have two (2) contractors for CSPO and CSPK transporter, namely PT Pelita Jaya and PT Karya Mandiri, respectively. Both contractors already equipped with contractor company profile data which consist of address, contact person, email and phone number, contract agreement and period, list of vehicles (trucks) are available.

3.8.11

Based on review list of transporters, information from previous assessment, it was known that there is no new contractor added for CSPO and CSPK transportation work, namely PT Pelita Jaya and PT Karya Mandiri.

3.8.12

Dolok Ilir Mill have maintained accurate, complete and update FFB received, processed and CPO and PK production from its supply base. The record keeping saves in "Mass Balance Report" for example on period December 2019 to November 2020, as follows:

FFB's sources based on monthly base

Month	FFB (mt)		
	RSPO Certified	Non-Certified	Total
Dec-19	9,363.21	-	9,363.21
Jan-20	10,101.97	-	10,101.97
Feb-20	10,836.05	-	10,836.05
Mar-20	12,408.30	216.01	12,624.31
Apr-20	15,737.20	53.09	15,790.29
May-20	15,909.40	176.26	16,085.66
Jun-20	14,781.34	184.32	14,965.66
Jul-20	15,339.71	515.07	15,854.78
Aug-20	11,140.32	195.38	11,335.70
Sep-20	16,267.69	362.67	16,630.36
Oct-20	13,432.40	960.21	14,392.61
Nov-20	12,769.81	2,099.74	14,869.55
Total	158,087.40	4,762.75	162,850.15

CSPO Production and Dispatch

Month	CPO Production (mt)		Total Production	CSPO Dispatch (mt)		
	CSPO	Non-CSPO		RSPO	Non-Cert	Total
Dec-19	2,165.86	-	2,165.86	-	2,087.67	2,087.67
Jan-20	2,310.31	-	2,310.31	-	2,600.24	2,600.24
Feb-20	2,409.96	-	2,409.96	1,000.00	1,568.44	2,568.44
Sub Total	6,886.13	0.00	6,886.13	1,000.00	6,256.35	7,256.35
Mar-20	2,900.53	46.79	2,947.32	500	2,066.94	2,566.94
Apr-20	3,605.97	10	3,615.98	1,950.00	2,065.43	4,015.43
May-20	3,705.92	39.66	3,745.58	500	2,912.30	3,412.30
Sub Total	10,212.42	96.45	10,308.88	2,950.00	7,044.67	9,994.67
Jun-20	3,430.64	35.02	3,465.66	750	2,682.65	3,432.65
Jul-20	3,568.91	99.51	3,668.42	2,250.00	1,647.08	3,897.08
Aug-20	2,716.36	37.12	2,753.48	2,500.00	125.3	2,625.30

Sub Total	9,715.91	171.65	9,887.56	5,500.00	4,455.03	9,955.03
Sep-20	3,702.02	67.22	3,769.24	2,500.00	500	3,000.00
Oct-20	3,116.61	182.53	3,299.14	1,750.00	1,782.30	3,532.30
Nov-20	2,695.57	385.77	3,081.34	-	3,219.42	3,219.42
Sub Total	9,514.20	635.52	10,149.72	4,250.00	5,501.72	9,751.72
Total	36,328.66	903.62	37,232.29	13,700.00	22,354.77	36,957.77

CSPK Production and Dispatch

Month	PK Production (mt)		Total Production	CSPK Dispatch (mt)		
	CSPK	Non-CSPK		RSPO	Non-Cert	Total
Dec-19	257.71	-	257.71	680	0.76	680.76
Jan-20	408.75	-	408.75	-	-	-
Feb-20	416.52	-	416.52	-	-	-
Sub Total	1,082.98	0.00	1,082.98	680.00	0.76	680.76
Mar-20	500.14	8.75	508.89	-	-	-
Apr-20	617.42	2.12	619.54	996	10.46	1,006.46
May-20	636.94	7.05	643.99	605	4.94	609.94
Sub Total	1,754.50	17.92	1,772.42	1,601.00	15.40	1,616.40
Jun-20	607.05	7.37	614.42	766.66	-	766.66
Jul-20	621.44	20.6	642.04	1168.51	24.92	1,193.43
Aug-20	490.9	7.81	498.72	-	-	-
Sub Total	1,719.39	35.78	1,755.18	1,935.17	24.92	1,960.09
Sep-20	715.28	14.51	729.79	428.15	24.22	452.37
Oct-20	576.7	38.41	615.11	575.42	24.62	600.04
Nov-20	549.86	88.42	638.28	-	74.23	74.23
Sub Total	1,841.84	141.34	1,983.18	1,003.57	123.07	1,126.64
Total	6,398.71	195.04	6,593.76	5,219.74	164.15	5,383.89

Based on information above, there's CSPO sold as conventional with amount as 22,354.15 mt and there's no CSPK sold as conventional.

Based on the Tables above, it could be concluded that delivery of RSPO certified product (CSPO and CSPK) has only derived from a positive stock.

3.8.13 and 3.8.14

Dolok Ilir Mill has performed FFB processing to produce CPO and PK only. Conversion factors are based on actual processing extraction, through average of all FFB processed.

3.8.15

Dolok Ilir Mill has only implementing RSPO mass balance supply chain system. Separation has only conducted through administrative recording and filed checking that carried out by Security Officers and Weighbridge Operator.

Procedure of CSPO and CSPK handling is presented in document No. 07B (Rev. 03) dated 02 January 2017 about Certified CPO/PK Handling. The procedure mentioned that if Mill uses the Mass Balance (MB) model with the Fixed system Inventory Periods which means RSPO stock may be negative in period 3 month, must be balanced. Record of certified and non-certified product is using application namely "Weigh Bridge Scale" (WBS V.1.0.0.0.0). Information of RSPO certified and non-certified product is shows through CSPO or CSPK Stamp.

3.8.16

Documentation for the Sustainable Crude Palm Oil (Sustainable CPO), consist of: daily record of the FFB acceptance, daily record of CPO production, which classified as the CSPO, CPO (RSPO) sale record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Furthermore, documentation for the Sustainable Palm Kernel (Sustainable PK), consist of: FFB dispatch record, which further will be counted the daily production of the

Sustainable PK, daily production record of the PK, which classified as the Sustainable PK, monthly recapitulation of the Sustainable PK's sale, stock record, which has been reconciliation with the FFB acceptance record, monthly sale production and annual recapitulation.

According to documents verifications and interview with management units, it was known that from 29 September 2019 to 15 December 2020, CSPO and CSPK sold were about **40,924.92 mt** and **5,847.60 mt**, respectively, as detail of transaction is presented in Indicator 3.8.4. For CSPO and CSPK sold as conventional during this period has been removed from certified stock.

Claim of certified product transaction was less than 3 months, for example as follows:

- Shipping Announcement No. TR-2a7cfd38-a8bc dated 15 September 2020 for 393.65 mt CSPK to PTPN IV Pabatu. Conformation date was on 15 September 2020.
- Shipping Announcement No. TR-fc1d7cc3-cc45 dated 11 August 2020 for 500.00 mt CSPO to PT Permata Hijau Palm Oleo. Conformation date was on 13 August 2020.

Dolok Ilir Mill has been registered of certified products of RSPO (CSPO and CSPK) in RSPO IT Platform with Member ID No. RSPO_PO1000002539. License status is active. Based on delivery and transaction document review, it was known that announcement is carried out less than three months after delivery date and removing stock of RSPO certified product which sold under another scheme (ISCC) and/or conventional are properly conducted by unit of certification management.

3.8.17

According to transaction documents in 2019 to 2020, it was known that all CSPK from Dolok Ilir Mill are claims as mass balance and conventional, while CSPO has fully sold as credit, conventional and mass balance. Dolok Ilir Mil do not use RSPO trademark logo on product or off product.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.

4.1.1 and 4.1.2

Related to human right, the company has a Corporate Commitment Document of PT PN IV Dolok Ilir and Laras Business Unit Against Human Rights (stipulated on March 14 2018) which explains:

- The company guarantees the freedom of employees to embrace religion and worship according to their beliefs and beliefs.
- The company does not employ and reject underage workers.
- The company protects the rights of women workers
- The company provides freedom of association or organization and assembly.
- The company guarantees and protects workers and their families in their work safety and health.

In addition, the company's policy on the prevention of sexual harassment and violence is contained in the SOP document number 06.02 dated 1 August 2012 regarding the sexual harassment policy which states that PT Perkebunan Nusantara IV is responsible for preventing sexual harassment in the workplace and taking corrective measures to prevent sexual harassment related to profession.

Observations and interviews with 10 company employees and worker union representative show that the company has never discriminated against one religion, ethnicity or race in obtaining employment opportunities or in terms of worship. Based on interviews with the head of the worker union, information was also obtained that the company has provided equal employment opportunities for workers.

Status: Comply

4.2

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

4.2.1; 4.2.2 and 4.2.3

PTPN IV has a whistleblowing system document that regulates the mechanism for submitting and handling reports;

- The company provides a written violation report channel or email: complaints@ptpn4.co.id or through an electronic room portal managed by the violation complaint management unit (UP3).
- Each reporter will receive proof of receipt of reporting that includes the reporting registration number.
- For reports received, for further processing it will be reported to the Board of Directors and the Board of Commissioners.
- In carrying out verification, if needed, UP3 can communicate with the reporter.
- UP3 verifies the report and decides whether or not it is necessary to further investigate the report within 30 days and can be extended by 14 working days.
- If based on the results of the verification there is an indication of the report, then UP3 (Unit for managing complaints of violations) does not follow up on the report, if there is an indication of a violation, proceed to investigation.

Based on that procedures, the PIC is General and Human Resources Assistant. Protection for whistleblowers is contained in article X of the document. In addition, there are also SOPs for internal communication and handling of employee complaints contained in the RSPO and ISPO SPO 19 documents with an effective date of 2 January 2015. it is also explained that the reporter (employee) can submit complaints in writing or orally through the workers union (SP-Bun) as the third party that provides the solution. conflict. This has also been explained by worker union officials at the time of the public consultation.

In a company-owned mechanism, the reporter can also deliver reports verbally or for those who are unable to speak, can use the media suggestion box found in each company unit. If the problem cannot be resolved at the unit level, it will be continued at the level of the board of directors and then according to the agreement of the parties, including legal channels or other solutions.

From the results of the review of the 2020 Labor Complaint and Complaint Form documents, no complaints have been submitted to the company, either verbally or in writing via the suggestion box in each business unit.

Status: Comply

4.3

The unit of certification contributes to local sustainable development as agreed by local communities.

4.3.1

The company has contributed to community development based on the results of consultations with the surrounding community. The contributions made by the company are as follows:

- Funding assistance for the procurement of goldfish seeds to the Sari Rejo multi-business cooperative, Huta Sipangah Village, Nagori Bandar Selamat, Dolok Batu Nanggar District on October 9, 2020.
- Funding assistance for road repair CSR assistance to Serbelawan Village on September 29, 2020.
- Scholarships for 30 students from elementary to high school levels in Serbelawan and Dolok Batu Nanggar Districts in the January 2020 period.
- Assistance for the construction of the GBKP Runggun Serbelawan Church, Dolok Batu Nanggar District, Simalungun Regency in April 2019.

Status: Comply

4.4

Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).

4.4.1

Evidence of ownership of PTPN IV Dolok Ilir Unit for area covers about 11,411.47 ha is presented through document of Business Permit and Land Titles, as follows:

- **Location Permit**

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

- **Plantation Business Permit (IUP)**

- IUP for **Dolok Ilir Mill** and **Dolok Ilir Estate** of PT Perkebunan Nusantara IV (PTPN IV) is presented in Decree of Simalungun *Bupati* (Head of District) No. 183.45/503/113/BPPT-PM/2014 dated 16 December 2014 for Palm Oil Mill with production capacity about **60 ton FFB/hour** and oil palm plantation with total area about **7,348.81 ha**.
- IUP for **Laras Estate** is presented in Bupati of Simalungun Decree No. 183.45/2767/K-PPT/2012 dated 08 August

2012 for oil palm plantation with total area about **4,062.66 ha**.

• **Land Title (HGU)**

- HGU for **Dolok Ilir Estate** shows through HGU Certificate No. 1 Tahun 2006 for area covers about **7,348.81 ha** as refers to Measurement Letter No. 01/Dolok Ilir I/2006 dated 11 September 2006, where located on Village of Dolok Ilir. HGU of Dolok Ilir Estate is valid up to 31 December 2030.
- HGU for **Laras Estate** shows through HGU Certificate No. 6 Tahun 2008 for area covers about **4,062.66 ha** as refers to Measurement Land Map No. 09/Nagori Malela/2008 dated 18 September 2008 and Decree of National land Agency Head No. 48-HGU-BPN RI-2008 dated 7 August 2008. The HGU was located on Village of Nagori Gunung Malela, Sub District of Gunung Malela, District of Simalungun. HGU of Laras Estate is valid up to 21 September 2033.

4.4.2

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. Furthermore, based on information from Section Head of Legal Register of BPN Agency and Head Village of Afdeling VI, Dolok Tenera and Dobana, it was known that there is no new compensation and planting on local people's land.

4.4.3

Unit of certification shows Operational map with scale 1 : 25,000. The map has clearly informed coordinate line, legal boundary, as well as location of conservation area, occupation area, rivers distribution, mill, building and infrastructures, etc. The map informed that there were occupation areas for about 121,00 ha where situated in Dolok Ilir Estate, claimed by Mekar Jaya Smallholder Group. Based on observation to occupation area in Afdeling 3 Block 98 A, it was known that the occupation area was separated by bamboo/woods made fence, and already planted by cassavas. Furthermore, some non-permanent housing/buildings has existed. This is complied with the map given.

4.4.4

There is no such system of benefit sharing since the operational areas of PTPN IV Dolok Ilir were comes from concession rights that previously owned by Handless Vereeniging Amsterdam (HVA) which taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

4.4.5

Unit of certification has land conflict for about 121.00 ha in Dolok Ilir Estate and about 131.00 ha in Laras Estate. Process of negotiation has conducted through FPIC approach with involving related stakeholder from Government Institutions, that shows in several documents as follows:

Occupation about 121.00 ha with Smallholder Group of Mekar Jaya in Dolok Ilir Estate

- The conflict started in 30 September 2004 proposed by Jumadi Group as occupant. Field checking and verification has conducted involving Occupant representative, Head of Bah Damar Village, Head of Dolok Merawan Sub District, BPN Head from Simalungun and Deli Serdang District, Director of PTPN IV and Estate Manager. However, legal ownership evidence from Jumadi Group (under smallholder group of Karya Mandiri) is not available.
- Physical occupation through land clearing by heavy equipment from Jumadi Group (under smallholder group of Karya Mandiri) has conducted in 2017 to 2018. Total area cleared was about 121.00 ha. As response, mediation had conducted initiated by PTPN IV Dolok Ilir Unit as shows through minutes of meeting dated 02 May 2017 that involving Police Resort Head of Tebing Tinggi.
- Planting of Cassava and Rubber started carried out by occupants on 15 August 2017. Report to Police Resort and Police Province on this matter has been made on 29 December 2017, resulting Police Resort report No. B/251.f/III/2018/RESKRIM dated 09 March 2018.
- Additional report to Police Resort of Tebing Tinggi has also shows through company Letter dated 19 May 2018, 04 June 2018, 03 July 2018 and 10 July 2018.
- Report of BPN of Simalungun No. 2/BAPU/02.09/VII/2018 about field checking and measurement that resulting total occupied area planted in Block 98 AP and 98 AS were about 30.00 ha and 17.10 ha, respectively (or total 47.10 ha).
- Decree of Simalungun District Court No. 27/Pid.B/2018/PN Srh dated 20 May 2019 and Decree of Sumatera Utara Province Court in Medan No. 839/Pid.Sus/2019/PT MDN dated 06 August 2019 stated that the occupants are guilty.

However, field execution has still not carried out by the government authorized parties.

- Based on observation to occupation area in Afdeling 3 Block 98 A Dolok Ilir Estate, it was known that the occupation area was separated by bamboo/woods made fence, and already planted by cassavas. Furthermore, some non-permanent housing/buldings has still existed.

Occupation about 131.00 ha with Smallholder Group of Mekar Jaya in Laras Estate

- Claim on 131.00 ha by Senen as representative of smallholder group of Mekar Jaya has started proposed on May 2018, as bases of claims refers to Governor of Sumatera Utara Decree No. SK.208/HM/LR/1968 together with Collective Map 1968, Decree No. SK 592.1-208/SIM/II/1985 about Land Reform Object and Appointment Letter of Land Ownership for about 10.000 m² that legitimate by Head of Nagori Jaya Village.
- As response, there were mediation process as shows through minute of meeting with related parties (police resort, sub-district head of Bandar Haluan, dated 23 January 2018, 03 February 2018, 07 February 2018 and 09 February 2018. Area of occupation situated in Block 10A, 92 A, 97 AB, 97 AC, 97 AD, 97 AE and 97 AF. On the meeting released that Head of Nagori Jaya Village was under pressure by Smallholder Grup when signing legitimation statement as mentioned in the above point.
- Statement Letter of Head of Nagori Jaya Village No. 474/40/NJI/IV/2018 dated 17 April 2018 mentioned that list of smallholders of Mekar Jaya proposed by Senen is not a true member of Mekar Jaya Group nor part of community of Nagori Jaya Village (outsider from nowhere).
- Statement Letter of Head of Nagori Naga Soppa Village No. 470/40/NS/IV/2018 dated 18 April 2018 which mentioned that community of HUTA IV Sweembath of Nagori Naga Soppa Village do not support Mekar Jaya Smallholder Group movement on occupation for about 131.00 ha.
- Up to December 2020, there is no more movement and legal process conducted by Mekar Jaya Smallholder Group. Furthermore, based on observation to occupation area in Afdeling 2 Block 97 AD Laras Estate, it was known that the occupation area was fully managed and controlled by estate management.

4.4.6

Process of land conflict resolution has conducted through FPIC approach as mentioned in Indicator 4.4.5. Final result through legal process has settled up since 2019. However, field execution towards occupation areas has still not carried out by the government authorized parties.

Status: Comply

4.5

No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.

4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7 and 4.5.8

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. Furthermore, based on information from Section Head of Legal Register of BPN Agency and Head Village of Afdeling VI, Dolok Tenera and Dobana, it was known that there is no new compensation and planting on local people's land. Furthermore, there is no customary right within estate operational areas.

Status: Comply

4.6

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

4.6.1

Procedure of land compensation, identification of land owners and land conflict management is presented in document No. 04 (Rev. 02) dated 02 January 2015, which explaining that the settlement of land disputes is carried out through negotiation process involving deliberation of regional leaders, respective government agencies. Value of compensation should be agreed by both parties and recorded on the agreement. Calculations carried out with reasonable prices in accordance with the taxable value and state of the areas. Procedure do not distinguish the compensation calculation based on gender, local community or ethnic groups. According to Government Regulation No. 19 in 1959, it was explained that the PTPN IV Dolok Ilir unit operational

areas were comes and derived from the land owned by the *Handels Vereeniging Amstredam* (HVA) in 1957, as part of nationalization of ex-Dutch company. Thus, compensation payment process is not applicable. Furthermore, based on information from BPN of Simalungun District, as well as representatives of Afdeling VI Village, Dolok Tenera Village and Dobana Village, it was known that there were no customary rights within estate operational areas. Those matters have settled up since Dutch colonial era. Moreover, land disputes with several smallholder groups have involving government institutions and community representatives through FPIC approach, as verified in Indicator 4.4.5.

4.6.2; 4.6.3 and 4.6.4

Procedure of land compensation, identification of land owners and land conflict management is presented in document No. 04 (Rev. 02) dated 02 January 2015, which explaining that the settlement of land disputes is carried out through negotiation process involving deliberation of regional leaders, respective government agencies. Value of compensation should be agreed by both parties and recorded on the agreement. Calculations carried out with reasonable prices in accordance with the taxable value and state of the areas. Procedure do not distinguish the compensation calculation based on gender, local community or ethnic groups. As mentioned in Indicator 4.6.1, it was known that compensation payment is not applicable since the PTPN IV Dolok Ilir unit was a nationalization company from Dutch Colonial era as mentioned in Government Regulation No. 19 in 1959.

Status: Comply

4.7

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 FPIC and negotiated agreements.

4.7.1; 4.7.2 and 4.7.3

Procedure of land compensation, identification of land owners and land conflict management is presented in document No. 04 (Rev. 02) dated 02 January 2015, which explaining that the settlement of land disputes is carried out through negotiation process involving deliberation of regional leaders, respective government agencies. Value of compensation should be agreed by both parties and recorded on the agreement. Calculations carried out with reasonable prices in accordance with the taxable value and state of the areas. Procedure do not distinguish the compensation calculation based on gender, local community or ethnic groups. As mentioned in Indicator 4.6.1, it was known that compensation payment is not applicable since the PTPN IV Dolok Ilir unit was a nationalization company from Dutch Colonial era as mentioned in Government Regulation No. 19 in 1959.

Status: Comply

4.8

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.

4.8.1

Based on information from Section Head of Legal Register of BPN Agency and Head Village of Afdeling VI, Dolok Tenera and Dobana, it was known that there is no new compensation and planting on local people's land. Land conflict with Karya Mandiri Smallholder Group for about 121.00 ha in Dolok Ilir Estate has resulting that based on District of Simalungun Court Decree Notes No. 27/Pid.B/2018/PN Srh dated 20 May 2019, the occupants (defendant) namely Jalinai @ Ji @ Purba and Alpian Purba @ Pian has committed guilty. The claimant has proposed an appeal case to the Province Court in Medan. Unit of certification shows Decree of Sumatera Utara Province Court in Medan No. 839/Pid.Sus/2019/PT MDN dated 06 August 2019 stated that the occupants are guilty. Thus, there is no land compensation payment needed. However, field execution has still not carried out by the authorized parties. Furthermore, land conflict with Mekar Jaya Smallholder Group for about 131.00 ha in Laras Estate has settled up since April 2018 and no need of compensation payment needed. Up to December 2020, there is no more movement and legal process conducted by Mekar Jaya Smallholder Group. Furthermore, based on observation to occupation area in Afdeling 2 Block 97 AD Laras Estate, it was known that the occupation area was fully managed and controlled by estate management.

4.8.2 and 4.8.3

Based on information from representative of Simalungun BPN Agency and community representative from Afdeling VI Village, Dolok Tenera Village and Dobana Village, it was known that there is no new compensation and planting on local people's land.

4.8.4

in Laras Estate has conducted on 30 September 2004 and 03 February 2018, respectively. Mapping process has involving Claimants, Company representatives, Head of respective Villages, Head of Sub-District, Head of BPN of Simalungun District, Head of Police Resort of Tebing Tinggi, etc.

	Status: Comply	
PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION		
5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.		
5.1.1 until 5.1.4		
<p>Based on interviews with management representatives and document review, it was found that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. Apart from getting FFB from the nucleus estate the company also received FFB from other PTPN IV units and also received FFB from third parties, namely FFB Contractor CV. Rianalim.</p> <p>The determination of FFB prices for third parties is determined by the company in accordance with the Cooperation agreement it has. The cooperation agreement has been agreed by both parties.</p>		
5.1.5 & 5.1.6		
<p>Based on interviews with management representatives and document review, it was found that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. Apart from getting FFB from the nucleus estate, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely the FFB Contractor CV, Rianalim.</p> <p>The determination of FFB prices for third parties is determined by the company in accordance with the Cooperation agreement it has. The cooperation agreement has been agreed by both parties. The company can show a letter of cooperation agreement with the FFB supplier, namely CV. Rianalim with the agreement number PKS DOI / CV.RIA / SP-TBS / 04 / VIII / 2020, the agreement was made on 2 June 2020 which is valid for 5 months. The agreement has been agreed upon and approved by both parties as evidenced by the signing of the agreement by both parties.</p>		
<p>Companies can show proof of payment to FFB suppliers, for example for CV. Rianalim for payments for the July 2020 period made by Bank Mandiri Transfer on August 4, 2020. Based on a document review, it is known that the payment has been in accordance with the amount of FFB and has included the form of deductions such as income tax, etc. Based on interviews with FFB Suppliers, it was found that there were no complaints regarding payments and payments in accordance with the work agreement and the amount of FFB sent.</p>		
5.1.7		
<p>Companies can show a Test Result Certificate Number 510.3 / 705 / ML.PS / X / 2020 from the Office of Cooperatives, Small and Medium Enterprises and Trade UPTD Legal Metrology Pematang Siantar which explains the results of testing the electronic weigh bridge. The results are as follows:</p> <ul style="list-style-type: none"> • Equipment examined: Electronic Bridge Scales with a capacity of 40,000 Kg • Brand: GSC • Type: GST 9600 • Serial number: 967456 • Smallest Capacity / Scale: 40,000 / 10 Kg • Review by: UPTD Legal Metrology Pematang Siantar • Examination Date: October 24, 2020 • Audit Results: Ratified under the Law of the Republic of Indonesia Number 2 of 1981 concerning Legal Metrology. • This Certificate is valid until October 2021. 		
5.1.8 & 5.1.9		
<p>Based on interviews with management representatives and document review, it was found that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. Apart from getting FFB from the nucleus estate, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely the FFB Contractor CV, Rianalim.</p>		
	Status: Comply	
5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.		

5.2.1 and 5.2.2

From the results of document reviews, field observations and interviews with related agencies, there were no scheme or independent smallholder within the scope of the certification unit.

5.2.3 and 5.2.5

Dolok Ilir Mill do not accept FFB from smallholders.

5.2.4

From the results of document reviews, field observations and interviews with related agencies, there were no scheme or independent smallholder within the scope of the certification unit.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS
6.1

Any form of discrimination is prohibited.

6.1.1; 6.1.2 and 6.1.4

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

Based on the results of interviews with representatives of plantation and factory workers, gender committees, and worker unions, it was found that every employee received equal opportunities and treatment in employment opportunities. Employee appraisals are carried out annually based on performance. Also, from the results of interviews with 3 female workers in Dolok Ilir Estate and also representatives of the gender committee, the company has never carried out a pregnancy test during hiring or any other situation without any legal basis.

6.1.5

The company has a gender committee management structure in each unit for the period 2020-2021, with a detailed structure: coach (Unit Manager & Worker Union)> Chair> Deputy Chair I & II> Education, Socio-Cultural & Economic Affairs> Members. The management structure was approved in June 2020 by the unit manager.

The gender committee also has a work program for 2020, including:

- Sexual harassment socialization
- Healthy Gymnastics
- Monitoring of sexual harassment acts

From the results of interviews with representatives of the gender committee, there were no negative issues related to gender.

6.1.3

Based on the verification results of the employee list documents (estate and mills) for the period of November 2020, it was found that the employees of PTPNV - Dolok Ilir and Laras Unit came from various regions, for example: West Java, East Java, and Sumatera (local people).

There are also records of employee recruitment and promotion during the 2019/2020 period for each unit based on the employee assessment set by the company. The auditors did not find the issue of discrimination against the recruitment and promotion of class of employees in the documents reviewed

Observations and interviews with plantation and factory employees show that the company has never discriminated against one religion, ethnicity or race in obtaining employment opportunities or in terms of worship.

6.1.6

The company shows proof of payment for workers with the same coverage, for example: Employees of NIK 4003192 and

employees of NIK 4002678, both of whom are employees of the security department, get wages that are not much different. This difference is due to differences in the class of workers and the value of overtime, where workers are differentiated based on years of service and achievement. This can also be seen from the value of wages for other types of work, for example harvest workers and weigh operators.

Status: Comply

6.2

Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1

The company shows proof of determining the 2020 Minimum Wage for North Sumatra Province with the Decree of the Governor of North Sumatra Number 188.44 / 674 / KPTS / 2019 amounting to IDR 2,499,423.06. This decision is effective since January 1, 2020. The minimum wage for the province of North Sumatra is the lowest wage and only applies to workers who have worked for 0 (zero) years to 1 (one) year, while for workers who have worked more than 1 year / more. Employers are obliged to enforce the structure and scale of wages and are regulated in the work conditions applicable to the company.

In addition, the Company has a Board of Directors Decree (No. 04.08 / Kpts / 32 / IV / 2020) on April 27, 2020 concerning Adjustment of Basic Salary and Special Allowances for Employee Goals. IA –IVD Year 2020 which takes effect from January 1, 2020, including:

- Basic Salary for Class I.A is IDR 1,999,538, Group I.B IDR 2,000,035, Group II.A IDR 2,261,308, etc.
- Special allowances for class I.A amounting to IDR 323,885, Group I.B IDR 324,069, Group II.A IDR 388,987, Group II.B IDR 449,757, etc.

Based on the collective labor agreement, it is also known that workers get a fixed allowance in the form of rice supplies of 16 kg for one worker, 11 kg for the employee's husband / wife and 8 kg for the employee's children (maximum 3 people). For the value of the price of rice supply, the company issued an Adjustment Memo for Rice Money (No. 04.08 / Kol / M-1021 / V / 2020) which was issued by the Head of the HR Department on May 22, 2020. In the letter explained that the value of rice supply was IDR 11,000 / kg.

The wage fixing document is made in Indonesian so that it is easily understood by all employees. From the results of interviews with 6 workers in Dolok Ilir and 7 workers in Laras Estate, they have understood the value of wages earned according to the group they belong to.

The auditors also carry out verification related to the calculation of employee compensation from payroll, through verification of the salary slips for 6 employees (Operators, Security, production employees) along with details for the November 2020 period. From the results of the document review, the employee's salary compensation received by employees is in accordance with the wages. Consistently with corrective action of previous assessment, overtime calculation is in accordance with statutory regulations. Also, based on document review and interview with contractor (CV Riana Lim), payment of contractor workers' wages has followed the Regional Minimum Wage.

6.2.2 and 6.2.3

In document review and interviews with stakeholders, the company currently has a collective work agreement that was approved by the Head of the North Sumatra Provincial Manpower Office (No. 560 / 04-6 / DTK / I / 2020) on 13 January 2020. The Collective Bargaining Agreement is valid from 10 January 2020 to 9 January 2022 and has been registered under number: 6 / DFT / PKB / 6 / SU / I / 2022. The Collective Labor Agreement owned by the company aims to reinforce and clarify the rights and obligations of employees and create harmonious industrial relations within the company, such as those related to: work relations, working hours, wages, health and medical treatment, OSH, social security, worker welfare, skills development, work regulations to termination of employment. The work agreement is published in Indonesian which is easily understood and understood by all employees. From the results of interviews with 6 workers in Dolok Ilir and 7 workers in Laras Estate, they have understood the right and obligations which describe on updated collective labor agreement.

The CLA has explained in detail related to wages and conditions for employment (for example regular working hours, deductions, overtime, sick leave, right to get holidays, maternity leave, regular dismissal, notification period ahead of work termination, etc. In accordance with national legal provisions), such as:

- Working hours are working days that are regulated and determined by the company according to the needs and interests of the company and still comply with the applicable legal provisions, namely Law No. 13 of 2003 Article 77 paragraph 2.a
- The company determines working hours according to the needs and interests of the company and is carried out in accordance with the applicable laws, namely 7 hours a day and 40 hours a week.
- Overtime hours are carried out by workers outside of the normal working time provisions, the calculation of overtime work and the provision of extra fooding based on the Republic of Indonesia's Minister of Manpower and Transmigration Decree no. 102 of 2004.
- Female employees are entitled to maternity leave for 1.5 (one and a half) months before giving birth according to the doctor or company midwife's statement and 1.5 (one half) months after giving birth.
- Providing 12 working days of annual leave for employees for employees who have worked for 12 months continuously.
- Every employee who has worked for 1 week is entitled to weekly rest for 1 day or 2 days depending on the work day arrangement in each work unit. Every employee is also entitled to official holidays set by the government.

The company also shows a work contract for several employees which describes in detail the rights and obligations of the employee, such as: Working hours, rest time, leave, insurance, wages to position.

Based on interview with workers and document verification, there's deduction for workers such as BPJS deduction tax deduction. It has been stated on Collective Labor Agreement. Also, all workers get salary slips with details payment (salary, deduction and abstention).

6.2.4 & 6.2.5

The results of interviews with management representatives and also field observations in the employee housing division 3 and 4 of Dolok Ilir and Division 4 of Laras, that so far, the company has tried to provide the facilities needed by employees and for other needs can also be obtained easily from the surrounding villages. estate area because of the relatively good road access. The location of the certification unit is also quite close and great access to Tebing Tinggi City, so it is very easy for employees to obtain basic commodities.

Based on the PTPN4 Fixed Asset Collection List document for Dolok Ilir and Laras Business Units per November 2020, public facilities available at the company include: employee house, school, well, Laras Hospital, mosque, church, soccer field, and daycare.

6.2.6

The company has not been able to show the calculation of a Living Wage according to the RSPO Guidelines, in relation to the calculation of wages paid and in-kind benefits. Raised **Non-Conformities No. 2020.01 with minor category**.

6.2.7

From the review of existing employee documents in both Laras and Dolok Ilir Units, all workers are permanent employees. The company does not employ employees with daily worker status.

6.2.6 Non Critical

Status: Non-Conformities No.2020.01 with Minor Category

6.3

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

6.3.1 and 6.3.3

Based on the results of the document review, the company has a policy related to freedom of association in the Collective Labor Agreement between PT PN IV and the Plantation Workers Union for the 2020-2022 Period, especially in articles 5, 6, 7, 8 and 9 where the article explains:

- The company / board of directors will not interfere with or obstruct anything related to the development of workers' organizations (SP BUN) as long as they do not conflict with the prevailing laws and regulations.
- The company / board of directors will not exert pressure, either directly or indirectly, on employees who are elected as

union officers.

- In carrying out their duties, each union and company will try to avoid actions that could harm each party.
- The company provides lease-to-use space for offices along with equipment and facilities / infrastructure as well as other facilities and assistance for the smooth running of organizational tasks, according to their interests.

The company also shows a management structure document for each unit which already ratified by related agency. The company has also formed a Bipartite Cooperation Institution (LKS) which has been recorded by the agency in the Proof of Registration document (No.13 / LKS Bipartite-HIJ / 2020) by the Head of the Simalungun Regency Manpower Office on June 17, 2020.

From the results of interviews with trade unions it was also found that there's no conflict of interest with company, this is evidenced that the company did not interfere with the selection and formation of worker union management, including activities therein as long as they did not violate the applicable law.

6.3.2

Companies and SP Management keep records of meeting documents for the 2020 period which were attended by company representatives and trade union officials, for example:

- Minutes of the Dolok Ilir Unit Meeting on January 20, 2020 which discusses evictions of livestock within the company.
- Minutes of the Dolok Ilir Unit Meeting on December 7, 2020 which discussed the 2020 Election National Holidays.
- Minutes of the Laras Unit Worker Union Meeting on October 27, 2020 which discussed re-enhancing cooperative businesses.

The recording contains information such as location of activities, date of activity, chronology of events, documentation and attendance list.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1; 6.4.2 and 6.4.3

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

- The labor recruitment procedure states that the minimum age for workers eligible to participate in the recruitment selection process is 18 years.
- There is a point prohibiting the employment of minors in every Work Agreement (SPK) with a third party.
- SOP document number 03.02 dated August 1, 2012 regarding child labor policies which states that the minimum age to work for a company is 18 years.

In the list of employees in each unit, there are no employees who are under 18 years of age. The auditors also carry out public consultations with representatives of worker unions and also the surrounding community, it is known that currently the company does not employ employees under 18 years of age.

From the results of field observations in both the estate and the factory, the auditors did not visually find child laborers in the field.

Status: Comply

6.5

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

6.5.1; 6.5.2 & 6.5.3

The company's policy on the prevention of sexual harassment and violence is contained in the SOP document number 06.02 dated 1 August 2012 regarding the sexual harassment policy which states that PT Perkebunan Nusantara IV is responsible for preventing sexual harassment in the workplace and taking corrective measures to prevent sexual harassment related to profession.

From the results of interviews with worker union representatives, the union also consults young mothers regarding their needs during working conditions. As a follow-up to these needs, the company has a policy for pregnant and lactating women which is

effective on June 2, 2019.

PTPN IV has a whistleblowing system document that regulates the mechanism for submitting and handling reports;

- The company provides a written violation report channel or email: complaints@ptpn4.co.id or through an electronic room portal managed by the violation complaint management unit (UP3).
- Each reporter will receive proof of receipt of reporting that includes the reporting registration number.
- For reports received, for further processing it will be reported to the Board of Directors and the Board of Commissioners.
- In carrying out verification, if needed, UP3 can communicate with the reporter.
- UP3 verifies the report and decides whether or not it is necessary to further investigate the report within 30 days and can be extended by 14 working days.
- If based on the results of the verification there is an indication of the report, then UP3 (Unit for managing complaints of violations) does not follow up on the report, if there is an indication of a violation, proceed to investigation.

Protection for whistleblowers is contained in article X of the document. In addition, there are also SOPs for internal communication and handling of employee complaints contained in the RSPO and ISPO SPO 19 documents with an effective date of 2 January 2015. it is also explained that the reporter (employee) can submit complaints in writing or orally through the workers union (SP-Bun) as the third party that provides the solution of conflict. This has also been explained by worker union officials at the time of the public consultation.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1 and 6.6.2

From the results of interviews with trade union officials and also some workers in the fields, both factories and estate, there were no retention of employee identity documents when they were accepted for work by the company. Employees are also never forced to work overtime by the company other than the compulsory working hours stipulated by law.

The company also does not employ foreign workers. All workers are citizens of the Republic of Indonesia.

Status: Comply

6.7

The unit of certification ensures that the working environment under its control is safe and without undue risk to health.

6.7.1

The company has a person in charge of OSH for each unit in the form of a P2K3 Organization, for example: The company has a P2K3 structure for Dolok Ilir Estate that has been approved by the relevant agency as indicated by the decision of the Head of the Regional Labor Inspection Unit III of the Department of Manpower of North Sumatra Province (No. : KEP.204-7 / DTK / SU / WIL.III / 2020) which was ratified on March 30, 2020. The secretary is an employee who has a General OSH certificate and license (No.reg: 43042 / AK3 / AJ / 12/2017 / P0).

The organization also done meeting every month to discuss related to OSH implementation and evaluation, such as:

- Dolok Ilir P2K3 Meeting on September 5, 2020 which discussed the anticipation of the spread of Covid-19.
- Laras P2K3 Meeting on 30 November 2020 with discussions related to external audit preparation.

6.7.2

The accident and emergency response procedures are described in:

- Accident Handling and Health Examination Procedures effective April 23, 2013
- Procedure for Handling Emergency and Post-Emergency Situation No. 4.3.16 Document No. Revision 04.
- Emergency Control Documents (No. PKSDOI / K3 / P / 002 dated 1 December 2019).
- Procedure to deal with Land Fires (No. SPO 01 No. Rev. 02 dated 2 January 2015).

These documents discuss the company's procedures in handling emergency situations (fire, natural disasters, riots) along with post-emergency actions that can threaten lives, property, production processes or environmental damage.

Based on field observations and document review, the company shows evidence related to supporting facilities & infrastructure for emergency response within the company, as follows:

- First aid kit list document (static) for Dolok Ilir and Laras Estate. The company also displays inspection documents every month to check the availability of the contents of the first aid kit.
- Inventory of fire extinguishers at Dolok Ilir Estate, consisting of fire hoses, helmets, glasses, gloves, hoes, plastic buckets, hook forks, 6 kg Fire-extinguisher, machetes, along with monthly inspection reports.
- Evacuation routes and gathering points both at the factory and estate.
- OSH warnings and signs in high-risk places, such as: generator houses, chemical warehouses, to material warehouses.
- The company also has employees who already have a first aid license, for example on behalf of Elidawati Nasution (No. Ser.1164 / PK3-P3K / III / 2016) and Norma Bangun (No. Ser.8200 / PK3 = P3K / X / 2018).

Based on field observation at Dolok Ilir Mill, it is known that the contents of first aid box are available as determined by the company. As well as interviews with foreman (who also a first aid officer) of Dolok Ilir and Laras estate, that foreman are also able to explain the function of each tool in the first-aid box. Monitoring first aid kit has been conducted regularly every month, if there is use of it must be noted on the form provided, and first aid kit that is used it must be replenished and reported to assistant.

6.7.3

The company has policies related to personal protective equipment in several documents, including:

- Worker's Personal Protective Equipment Replacement Mechanism Document (No. PKS/SE/Intren/27/XI/2019) issued on September 7, 2019.
- OHS policy set on July 1, 2020.
- The PTPN VI Laras Unit policy which was passed in June 2020 stipulates the mandatory use of personal protective equipment at work sites that have the potential to cause work-related accidents and diseases.

Based on field observations at Dolok Ilir Factory and Laras Estate, it was found that all factory and plantation workers used complete PPE in accordance with their procedures and risk impact analysis. The company can also show the latest PPE handover documents to employees in each unit which inform the replacement of damaged PPE for employees. Consistently with corrective action of previous assessment, all workers who been observed has use PPE based on company procedure, such as safety shoes and helmet for mill workers.

Consistently with corrective action of previous assessment, there's a place for PPE in House Rinse for each estate (for examples on Afdeling VI and VII of Dolok Ilir Estate). The house rinse is equipped with a storage area for PPE, a place for washing PPE, a place for storing work tools, a storage area for workers' clothes and a first aid kit.

From the results of interviews with several workers, it is known that workers still explain that sometimes the PPE provided by the company is used for other activities outside its intended use (outside working hours). Companies are encouraged to create a monitoring mechanism for the use of PPE in accordance with its allocation. **Opportunity for Improvement.**

6.7.4

The company has a policy to include employees in the Collective Labor Agreement Document for the 2020-2021 Period, especially in Chapter VIII on Social Security and Worker Welfare. The document describes some of the following information:

- The company through BPJS *Ketenagakerjaan* registers a social security program for employees in accordance with applicable regulations, which consists of Work Accident Security, Death Security, Golden Age Security and Pension Security.
- The process of obtaining allowances / compensation from the labor social security administering body is the responsibility of the company.

The company shows proof of payment for BPJS *Ketenagakerjaan* and BPJS *Kesehatan* for the last several months, such as:

- Record of payment for BPJS *Kesehatan* Dolok Ilir Unit in October 2020 on November 9, 2020.
- Record of payment of the Dolok Ilir Unit of BPJS *Ketenagakerjaan* in October 2020 on November 13, 2020.

The record of payment shown is also equipped with details of the participant's name according to the employee list document.

From the results of the employee salary slip review in November 2020, it is also known that there is a BPJS for Employment and Health discount for each employee with a deduction according to regulations set by the government.

Certificate holder had recorded of occupational accidents in Work Accident Monitoring Reports that inform date, name of victim, site of accident, number of accidents, loss of work days, and category of an accident and cause of the accident. Related to work accidents that occur, the company has also saved the work accidents of employees and made submissions to related insurance. Submission of BPJS claims has also been equipped with a worker's identity card, BPJS participant card, to the chronology of the accident.

6.7.5

Certificate holder had recorded of occupational accidents in Work Accident Monitoring Reports that inform date, name of victim, site of accident, number of accidents, loss of work days, and category of an accident and cause of the accident.

Status: Comply

PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

7.1

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

7.1.1

In relation to the integrated pest control plan, the Company has a procedure set out in the Basic Guidelines and Work Instructions for Oil Palm Plant Pests and Disease Control with document number: 04.04 / KS / TAN / P / 005 revision 1 on 24 February 2020. Broadly speaking in Pest and disease control is first carried out with a census of pests and diseases (early observation) and then the eradication of pests and diseases is carried out and then evaluated.

The company has shown records related to early observation of pests and diseases, the plan and realization of handling, among others:

- Global telling activities about caterpillar and bagworm pests at Laras Estate on November 9-14 2020 for all Afdeling, global telling about caterpillars and bagworm including eggs, young caterpillars, old caterpillars, cocoons and butterflies.
- For Afdeling 1, the observations show that there are 6 caterpillars and 9 bagworm cocoons from 199 Ha of observation area: For Afdeling II, the observation results show that there are 12 caterpillar cocoons, 4 young bagworms and 8 bagworms butterflies of 172 Ha. observation area. From the results of the global telling, the company carried out eradication by means of extracting cocoons.
- The company has carried out control from the results of global telling for all types of pests and diseases that the company has done at Afdeling II Laras Estate in November 2020 such as: Cordyceps application area is 45 Ha, Light trap area is 84 Ha, Additional predator plants are as large as 548 Ha, the area of the cocoons pick is 15 Ha.
- Recapitulation of attack and pest control at Dolok Ilir Estate in September 2020 the results showed that in afdeling VI 70 caterpillars were detected from all yielding plant observation blocks and 159 Oryctes pests from all immature plant observation blocks. Because the number of bagworm pests and Oryctes has exceeded the economic threshold, treatment is carried out by applying chemicals, to control it, where to control bagworm pests, the chemical type Phosthene is used at a dose of 10gr / principal by injection, for Oryctes pest control the type is used. Capture chemicals at a dose of 15.9-liter or 100cc / Ha.

Based on field visits, there is the addition and maintenance of beneficial plants on the main road and collection road, in addition, based on a document review for the addition of beneficial plants in 2020 with a coverage area of 548 Ha.

7.1.2

In the integrated pest prevention and control that has been planned by the company, one of them is by planting pest predator plants including: *Antigonon leptopus*, *Turnera subulate*, *Turnesa ulmifolia*, *Euphorbia heterophylla*, *Cassia tora* and *Elephantopus scaber*. Of the 6 host plants, the company has identified 5 species of which are invasive based on PermenLHK no 94 of 2016 (*Turnera subulate*, *Turnesa ulmifolia*, *Euphorbia heterophylla*, *Cassia tora* and *Elephantopus scaber*). The company has managed the 5 species of species and controls their distribution.

7.1.3

In controlling pests and diseases, the company has taken countermeasures, including by using manuals and chemicals, the

company does not control using fire. This can be seen in field visits that have been carried out during the audit process and based on interviews with employees and management.

Status: Comply

7.2

Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.

7.2.1

The company already has a procedure for the use of chemicals including pesticides and the waste they produce which is contained in the management and storage of chemicals with No: SPO 23 revision 1 on January 2, 2018 in the SOP, it is explained that in terms of the use / application of pesticides, it must pay attention to these following matters:

1. Before using pesticides, must know the information on the hazards, dosages and methods to prevent them
2. PPE used for pesticide applicators must be in accordance with the hazards that have been identified
3. Work equipment must be suitable for use
4. Work methods / methods of carrying out work are safe and effective
5. Workers who are allowed to apply pesticides must have received training on how to apply pesticides
6. Workers who apply pesticides must pay attention to the time, wind direction and weather
7. Work with pesticides should be in an open space or with good hygiene
8. The application of pesticides in the form of gases or will form gases must be ensured that the PPE used meets the usage standards for gas pesticides.

The company has also shown a Pesticide Identification List document used at PTPN IV (Kebun Dolok Ilir and Kebun Laras). The document details the types of materials used, control targets, LD50, active ingredients and dosage / ha. These documents are as follows:

Name	Registration No.	Active Ingredients	Validity period	LD50	WHO	Target
Top Zone	RI 01030120072992	Glyfosat	19 April 2023	O:4230 mg/kg	III	Imperata, Weeds with wide and narrow leaves
Elang 480 SL	RI 01030119941170	Glyfosat	8 November 2023	O:4230 mg/kg	III	Imperata, Weeds with wide and narrow leaves
Spreader	795/SR.140/A.10/2/2010	Surfaktan	9 March 2023	-	-	Adhesives
Metsulindo 20 WP	RI 01030119991484	M Metsulfuron	6 March 2024	D:2000 mg/kg	U	Broadleaf weeds
Capture	RI. 01010120031874	Sipermetrin	30 August 2022	D:2000 mg/kg	-	Oryctes rhinoceros horn beetle pest
Starane	RI 01030120083155	Floroksipir	02 February 2023	>5000 mg/kg	U	Broadleaf weeds
Manthene 75 SP	RI 01010120072671	Asefat	03 February 2023	945 mg/kg	II	Sieve caterpillar
Phosthene 97 WG	RI. 01010120124498	Asefat	16 April 2023	D:2000 mg/kg	U	Sieve caterpillar
Delta 25 EC	RI. 01010120021684	Deltametrin	06 October 2022	1560 mg/l	-	Sieve caterpillar
Round Up	RI. 01030120134713	Glyfosat	16 April 2023	O:4230 mg/kg		Imperata, Weeds with wide and narrow leaves

Gempur	RI. 01030120041971	Glyfosat	03 September 2023	O:4230 mg/kg	Imperata, Weeds with wide and narrow leaves
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Based on field observations, workers have filed PPE that is suitable for the hazard of chemical risks in accordance with existing MSDSs such as rubber gloves, masks, aprons, boots, protective goggles etc.

7.2.2

The company has shown a document of the Pesticide Identification List Used in PTPN IV (Dolok Ilir and Laras Estate). The document details the types of materials used, control targets, LD50, active ingredients and dosage / ha. As described in criterion 7.2.1 The company has also shown records of pesticide use to control weeds, pests and diseases from 2020 to December 2020 as follows:

Laras Estae

NAME OF PESTICIDES	TYPE OF WORK	DOSAGE / HA	AREA (HA/Trees)	AMOUNT (Litter) (Kg)
CAPTURE	SPRAY ORYCTES	75 cc	8,669	650
SPREADER	ADHESIVE	50 cc	5,056	253
STARENE	SPRAY MUCUNA	50 cc	1,219	61
GEMPUR	Harvesting Path Spraying	300 cc	14,858	4457
METSULINDO	Inter-Row Spraying	150 gr	5,157	774
DELTA 25 EC	SPRAY APOGONIA	50 cc	6,161	308
MANTHETE 75 SP	INJECTION STEM	20 gr/tree	8,828 trees	177 Kg
PHOSTHENE	INJECTION STEM	10 gr/tree	6,700 trees	67 Kg
ROUND UP	Inter-Row Spraying	1333 cc	589	785

Dolok Ilir Estate

NAME OF PESTICIDES	TYPE OF WORK	AREA (HA)	AMOUNT (Litter) (Kg)
ELANG 480 SL	Harvesting Path Spraying	-	1,411
TOP ZONE	Harvesting Path Spraying	-	1,160
SPREADER	ADHESIVE	-	207
METSULINDO	Inter-Row Spraying	-	312
CAPTURE	SPRAY ORYCTES	-	2,038
MANTHENE	STEM INJECTION	-	0.86 Kg
STARANE	SPRAY MUCUNA	-	694
PHOSTHENE	INJECTION STEM	-	765 Kg

DELTA 25 EC	SPRAY APOGONIA	-	243
ROUND UP	Inter-Row Spraying	-	1,304
GEMPUR	Inter-Row Spraying	-	8,653

7.2.3

The company has reduced the use / minimization of pesticides through the planting program for caterpillar predatory plants. The following is an example of a recap of pesticide use in 2019 and 2020 that has been used by the company:

NAME OF PESTICIDES	TYPE OF WORK	AMOUNT (2019)	AMOUNT (2020)
ELANG 480 SL	Harvesting Path Spraying	3,698	1,411
TOP ZONE	Harvesting Path Spraying	1,594	1,160
SPREADER	ADHESIVE	426	207
METSULINDO	Inter-Row Spraying	285	312
CAPTURE	SPRAY ORYCTES	6,896	2,038
MANTHENE	INJECTION STEM	1,509	0.86
STARANE	SPRAY MUCUNA	1,410	694
PHOSTHENE	INJECTION STEM	-	765
DELTA 25 EC	SPRAY APOGONIA	135.60	243
ROUND UP	Inter-Row Spraying	-	1,304
GEMPUR	Inter-Row Spraying	577	8,653

From the table above, it is generally known that the total use of pesticides from 2019 compared to 2020 has decreased. However, there are some pesticides that have increased in use. Based on interviews with management, this occurred because there were certain cases, such as increased pest attacks and unattainable spraying targets due to staff shortages.

7.2.4

The company does not apply pesticides prophylactically, this is evidenced by the pest and disease control mechanisms based on the results of detection and census. The use of pesticides is based on the results of the EWS and the census which is carried out routinely every week. If the results of the census are especially effective in telling above the threshold, then eradication of the pests with the highest priority will be carried out using manual methods and if it is no longer possible to use the manual method then it is done using chemical methods (chemist).

7.2.5

The company has shown a document of the Pesticide Identification List Used in PTPN IV (Kebun Dolok Ilir and Kebun Laras). The document details the types of materials used, control targets, LD50, active ingredients and dosage / ha as described in criterion 7.2.1. In addition, the Company has also shown records of pesticide use to control weeds, pests and diseases from 2020 to December 2020 as described in criterion 7.2.2. Both in the list of identification of pesticides used and records of pesticide use in the field, there are no active ingredients in the type of paraquat or active ingredients in the WHO 1A and 1B categories.

Based on the results of interviews with spraying employees, and visits to the storage area for chemical pesticides, it was found

that the company had not used pesticides with active ingredients of paraquat and pesticides with WHO 1A and 1B categories. From the explanation above, it is known that the company has not used pesticides with active ingredients of paraquat and pesticides with WHO 1A and 1B categories.

7.2.6

The company has shown training records for pesticide applicator workers, including:

- Limited pesticide application training which was held on 2-5 October 2018 located in the Dolok Ilir Unit which was attended by 47 employees (Attendance list and proof of certificate available) such as: limited pesticide certificate from the fertilizer & pesticide supervisory commission (number 521.4 / 428.51 / UPTTPH / X / 2018) dated 17 October 2018.
- Refresher training for all pesticide applicator officers in Dolok Ilir Estate and Laras Estate which was held on 18 and 19 August 2020 with training materials on pesticide regulations and licensing, understanding pesticide symbols and labels, poisoning prevention and pesticide first aid kit, storage and destruction of pesticide waste, safe and effective spraying and spray back calibration,

Thus, the company has ensured that pesticides are handled, used and applied by trained officers.

Based on field visits to the Rumah Bilas Afdeling 3 & 4 Estate Dolok Ilir and Afdeling 4 Estate Laras, it is known that working tools used by pesticide users are stored in a special place/rinse house (Rumah bilas).

7.2.7

The company has several procedures related to the handling of pesticides both as hazardous material and as hazardous waste, these procedures include:

1. SOP for the management of Hazardous and Toxic Waste and Materials (B3) - RSPO and ISPO Document No. SPO 02 dated January 2, 2015 which explains that which includes hazardous waste, among others, jerry cans of used chemical packaging (including pesticides). Procedures include: Temporary storage places (TPS) for hazardous waste, identification of hazardous waste, data collection of hazardous waste, packaging of hazardous waste, placement of hazardous waste, storage period for hazardous waste, submission of hazardous waste to licensed collectors, and procedures for handling washing equipment for chemical spraying or equipment. Chemical Spraying or Chemistry, are as follows:

- Equipment used for spraying in Afdeling is not allowed to be washed in the field, but must be washed in the space provided;
- The floor of the washing area is made of cement which has a higher edge so that water does not spill out;
- In the washing corner, a control tub is made to accommodate the remaining water and a lid for security;
- The remaining water is not allowed to be used for other activities except for mixing the next spraying.

2. SOP for chemical management and storage with No: 23 revision 1 on January 2, 2018 in the SOP explains that in terms of pesticide storage, the following matters must be considered:

- Every procurement of pesticides must be stated clearly on the Purchase Request sheet regarding the completeness of material information in the form of: labeling, information on the impact of hazards, information on first aid, PPE and emergency handling
- Every pesticide container must be equipped with a risk sign as well as the precautions and countermeasures thereof
- Ensure that workers who handle pesticides are aware of the hazards that exist and how to prevent and overcome them
- Any accident, spill, fire, including hazard conditions which cannot possibly be resolved by yourself must be reported as soon as possible to the supervisor
- The warehouse where pesticides are stored must be made in such a way as to be safe from the effects of nature and the surrounding environment
- Arrangement of pesticide placement layout must consider reactivity, maximum arrangement, prohibition of obstruction of objects, pressure tubes, and pesticides must not come in direct contact with the warehouse floor
- Every unauthorized worker is prohibited from entering the pesticide storage warehouse.

Based on field visits to Afdeling housing in both Dolok Ilir Estate and Laras Estate, no traces of pesticide packaging used for other purposes were found.

Based on the results of field visits to Temporary storage for hazardous waste in both Dolok Ilir Estate and Laras Estate, all used pesticide packages have been stored and recorded properly in the log book and hazardous waste balance, besides that the company can also show the delivery of used pesticide packages to transporters, collectors and final managers hazardous waste that has a permit from the Ministry of Environment and Forestry.

7.2.8

The company has a hazardous and toxic waste management procedure with SPO Number 02 dated January 2, 2017 which explains that what is included in hazardous and toxic waste includes used pesticide packaging. The used pesticide packaging must be directly submitted to the storage area while the waste of hazardous and toxic materials. Based on the results of field visits to the Afdeling 3 & 4 rinse house, Dolok Ilir Estate and Afdeling 4 Estate Laras, it was found that there was no trace of pesticide packaging in the Rinse House. The staff of the rinse house understands that the used pesticide packaging is hazardous waste and must be immediately submitted to the temporary storage place for hazardous and toxic waste.

7.2.9

Based on interviews with management and field observations, the company does not apply pesticides by spraying from the air.

7.2.10

The company carries out routine Health checks for employees who are directly related to chemicals, here are the details for each unit:

Laras Estate

Health Checks were carried out from 19 to 23 September 2019 for 75 chemical, technical, welding operators, fertilizers, pest control and warehouse officers. From the results of the examination, it was found that 15 workers were diagnosed with abnormal conditions. The company re-examined the 15 workers on March 4, 2020 at PT Prima Medica Nusantara Unit Laras Hospital. On the second examination, it was found that 2 workers were diagnosed with severe poisoning. The company transferred the two employees to maintenance employees without using chemicals starting March 5, 2020.

Dolok Ilir Estate

Health checks were carried out from 17 to 20 September 2019 for 71 chemical, technical, welding, fertilizer, pest control and warehouse employees. From the results of the examination, it was found that 12 workers were diagnosed with abnormal conditions. The company re-examined the 12 workers on March 16, 2020 at PT Prima Medica Nusantara Unit Laras Hospital. Where the results were, the paramedics advised to always use PPE while working.

According to the explanation in indicator 6.7.4, all employees have been registered to the BPJS program, both BPJS health and also Employment. The program includes health insurance, work accident insurance, life insurance and old age savings. Based on interviews with several field workers, it is known that all health has been covered by the company (including compensation and sick leave).

7.2.11

Policies for not employ pregnant and breastfeeding women in handling pesticides include written in Circular Letter of Dolok Ilir and Laras Business Unit Managers. For example, SE No DOI / SE / 50 / X / 2012 dated October 4, 2012 which states not to employ employees who are pregnant / breastfeeding because it is dangerous to the health and safety of their fetus. From the results of field observations and interviews with 4 sprayers team of Laras Estate and 3 sprayer team of Dolok Ilir Estate, it is known that workers know the prohibition of pregnant and breastfeeding women from working with chemicals. From the observation, there were also no scars or defects on the skin of the spray employees.

Status: Comply

7.3

Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.

7.3.1

The company has a waste management plan, namely:

Solid waste

Solid waste is reused by companies. The solid waste used is EFB which is used back to the land as fertilizer. Meanwhile, shell and fiber types of solid waste are reused as boiler fuel. Companies can show records of solid waste usage in the period November 2020, namely:

- EFB used as much 3,346.45 tons
- Shells used as much 865.20 tons
- Fiber used as much 2,101.88 tons

Mill Effluent

Mill Effluent Management, namely by reusing it to the Land Application. Before being streamed to the Land Application, Mill Effluent must first be managed at the WWTP. The company also has a permit to utilize palm oil industrial wastewater on the ground. The company can show the number of mill effluent usage that has been applied to the Land Application, for example for the October 2020 period it was 7,101 M³.

Hazardous and toxic waste

In the management of hazardous and toxic waste, the company has a procedure with an SPO Number. 02 dated January 2, 2017 which explains that all hazardous and toxic waste and former pesticide packaging produced cannot be used for other purposes and must be immediately (maximum 1 week) submitted to a licensed temporary storage place for hazardous and toxic waste. In addition, the procedure also explains that the company also records every hazardous and toxic waste sent from the business unit, storage of hazardous and toxic waste is carried out according to the shelf life, and collaborates with licensed Hazardous and toxic waste collectors. The company already has a permit for the temporary storage of hazardous and toxic waste for the Dolok Ilir estate and mill units, as well as the Laras Estate. Based on the verification of the permit document is still valid.

After the hazardous and toxic waste is stored in a temporary storage area, the hazardous and toxic waste is then handed over to a licensed collector. The company has handed over hazardous and toxic waste to a licensed collector, namely PT. Jagar Prima Nusantara. The company can show the minutes of delivery of hazardous and toxic waste to the carrier as follows:

Estate Laras has submitted hazardous and toxic waste to the carrier on August 27, 2020. The types of waste submitted are:

- Used rags of 1,093 Kg with manifest WY 0004427.
- Used oil of 291 Kg with manifest WY 0004428.
- Used packing of 766.6 Kg with manifest WY 0004426
- Electronic waste of 4 Kg with manifest WY 0004429.

Estate and Mill Dolok Ilir submitted hazardous and toxic waste to the carrier on December 13, 2020. The types of waste submitted are:

- Used rags of 3,684 Kg with manifest WY 0004930.
- Used oil of 300 Kg with manifest WY 0004931.
- Used packing of 411 Kg with manifest WY 0004929.

The company has also recorded any hazardous and toxic waste that enters temporary and toxic storage areas. Based on document review and field visits, it is known that the amount of hazardous and toxic waste in the waste registration is in accordance with the actual conditions in the temporary storage place for hazardous and toxic waste.

Domestic waste

Based on the results of document studies and field visits, the following evidence is obtained:

- SOP for Household Domestic Waste Management with SPO Number. 20 dated 02 January 2018 it was explained that one of the waste management that is carried out is periodically picking up waste from the garbage collection point and bringing it to the Landfills using the tools provided.
- Field observations to the Afdeling 3 Estate Dolok Ilir housing area found that there was a pile of domestic waste behind the employee housing.
- Field observations to the Afdeling 4 Estate Laras housing area found that there was a pile of domestic waste behind the employee housing.
- Based on the results of interviews with residential residents, it is known that residents of housing make holes as trash cans behind the housing because there is no schedule for the company to transport domestic waste to the Landfills.

Based on this explanation, the domestic waste management carried out by the company is not in accordance with the SOP it has. This became **NCR No. 2020.02 indicator 7.3.1 with Non-Critical / Minor Category.**

7.3.2 & 7.3.3

Based on interviews with residents of Afdeling 3 & 4 Estate Dolok Ilir's employee housing, Afdeling 4 Estate Laras, and Laras Estate Manager, it is known that employees understand the domestic waste management carried out by the company, such as every house will be given organic and inorganic waste bins and when fully filled will be done disposal of domestic waste to landfills. In addition, there are no activities of residential residents who burn domestic waste and there are no traces of burning

domestic waste in the employee housing area.

Based on interviews with officers of Rumah Bilas Afdeling 3 & 4 Estate Dolok Ilir and Afdeling 4 Estate Laras, it is known that workers understand that the former pesticide packaging must be immediately handed over to the temporary storage place for hazardous and toxic waste.

7.3.1 Non-Critical **Status: NCR No. 2020.02 with Non-Critical / Minor Category.**

7.4

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

7.4.1

The company has procedures and work instructions related to good cultivation practices to manage soil fertility, several SOPs and IK which include:

1. Basic guidelines and work instructions for fertilization management with number: A.10 business unit which comes into force on February 24, 2020. In the IK, it explains about maintaining soil fertility by adding fertilizer to the soil as a substitute for nutrients that have been taken by plants. either with organic fertilizers or single and compound inorganic fertilizers.
2. SOP regarding Analysis of Leaf and Soil Samples with number: 05.4. This procedure explains that soil analysis is carried out 3-5 years or once a year if needed, while leaf analysis is carried out once a year and for young plants, if necessary, leaf sampling can be carried out twice a year with the consideration that changes in nutrients in young plant leaves are very important quickly changed.

In its application in the field to provide complete nutrients into the soil, the company has made use of empty oil palm bunches, palm oil liquid waste, solids derived from Mill waste and fertilization using compound and single inorganic fertilizers.

In order to obtain optimal results in maintaining soil fertility so that the nutrients needed by plants are available properly, the company has also conducted soil analysis and oil palm leaves in collaboration with the Medan Palm Oil Research Center (PPKS).

7.4.2

The company has conducted soil and leaf analysis for Laras and Dolok Ilir Estate periodically in accordance with the stipulated SOPs, namely soil analysis is carried out every 3-5 years while leaf analysis is carried out every 1 year. The following is an example of the results of soil analysis and leaf analysis:

Soil Sample Analysis

The company conducted a soil analysis listed in the Oil Palm Plantation Soil Analysis Report with the scope of PTPN IV in 2018. The realization of the evaluation of soil fertility status in PTPN IV - Dolok Ilir Estate (9 samples), and Laras Estate (8 samples) is that observations are made to determine pH, organic C content, total N (in%), total P and available P content, K content, Mg content, Na content, Ca content and the value of cation exchange capacity (CEC).

For example, taking soil samples, among others:

- Taking soil samples in Afdeling III (Lab No. 484/18) on Block 08A with the results of the N content of 0.15%, P <0.01 ppm, K of 0.52 me / 100g, Mg of 0.72 me / 100g and Ca of 0.79 %
- Taking soil samples in Afdeling VI and VIII (Lab No. 488/18) on Blocks 12F and 12H with the results of N content values of 0.09%, P of 40.77 ppm, K of 1.13 me / 100g, Mg of 0.46 me / 100g and Ca by 0.74%

Leaf Sample Analysis

The company conducted a leaf analysis carried out by the Palm Oil Research Center (PMILL) based on the recommendation report on the fertilization of oil palm plants in the Dolok Ilir and Laras Estate of PT Perkebunan Nusantara IV in 2020 in December 2019. The indicators carried out were observations, among others, the levels of N, P, K, Mg, Ca and B as well as supporting data in the form of visual observations.

The examples include:

- Taking leaf samples from Block 103A, Afdeling I Kebun Dolok Ilir with the results of the N content value of 2.94%, P of 0.164%, K of 0.86%, Mg of 0.63%, Ca of 0.63% and B of 14.82 ppm
- Taking leaf samples from Block 405BM, Afdeling IV Dolok Ilir Estate with the results of the N content value of 2.66%, P of 0.158%, K of 0.90%, Mg of 0.24%, Ca of 0.67% and B of 9, 9 2ppm

7.4.3

Companies can show records of organic fertilizer applications for both Dolok Ilir and Laras Estate, including:

Application of Palm Empty Bunch Laras Estate

The empty bunch application for Laras Estate in 2020 is mostly applied to immature plants. The total number of empty bunches applied in January to November 2020 is 21,959,620 Kg

Mill Solid Application in Laras Estate

The solid application for the Laras Estate in 2020 from January to November is 394,950 Kg

Oil Palm Liquid Waste Application

Liquid waste management, namely by reusing it with land applications. Before being distributed to the Land Application, the liquid waste is first managed in the WWTP pond. The company already has a Permit to Use Palm Oil Industry Wastewater on the land. The amount of liquid waste applied to the Land Application for the October 2020 period was 7,101 M3.

7.4.4

Records of fertilizer use are maintained. Companies (Dolok Ilir Estate and Laras Estate) have shown records of fertilization realization programs. The examples of fertilization planning and realization records in Laras Estate for the second semester are as follows:

Fertilization plan and realization in semester II 2020

AFD	Fertilization plan with dolomite			Actual fertilization with dolomite		
TM	Number of trees	Dosage / tress (Kg)	Amount of fertilizer (Kg)	Number of trees	Dosage / tress (Kg)	Amount of fertilizer (Kg)
I	23,028	1.50	34,542	19,033	1.50	23,791.25
II	13,845	1.50	20,767.5	9,550	1.50	11,937.50
III	93,839	1.50	140,758	92,469	1.50	124,883.75
IV	97,488	1.50	146,232	96,059	1.50	132,737.50

AFD	Fertilization plan with dolomite			Actual fertilization with dolomite		
TBM	Number of trees	Dosage / trees (Kg)	Number of trees	Dosage / tress (Kg)	Number of trees	Dosage / tress (Kg)
I (I)	39,014	0.20	7,802.80	39,014	0.20	7,802.80
II (I)	2,106	0.20	421.20	2,106	0.20	421.20
III (III)	9,229	1.25	11,536.25	9,225	1.25	11,531.25
IV (I)	47,834	0.20	9,566.80	47,834	0.20	9,566.80

Fertilization realization for Dolok Ilir Farm for the period 2020 is:

1. Urea fertilizer in the amount of 3,040.50 Kg
2. Dolomite fertilizer in the amount of 1,207,318.29 Kg
3. NPK 14.8.24 in the amount 1,830,180.25 Kg
4. NPK 18.10.15 in the amount 165,458.20
5. NPK 12.12.17 in the amount of 451,817.50 Kg
6. MOP in the amount 86,758.80 Kg
7. RP in the amount of 12,349.75 Kg

Status: Comply

7.5
Practices minimise and control erosion and degradation of soils.
7.5.1

The company has shown maps that identify the distribution of soil types in Dolok Ilir and Laras Estate soil types with a scale of 1: 25,000, the identified extent of the entire plantation unit is flat with 2-8% coverage dominating around 92% of the total area.

the remaining 8% have a wavy slope of 9-15%. From the map, it is known that in the company's operational area there is no land with steep slopes.

Dolok Ilir Estate

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

Laras Estate

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

7.5.2

The company has demonstrated a management strategy for planting slope areas listed in SPO 01.4 concerning Soil Preparation and Preservation with an effective date of August 1, 2007. In terms of land preparation and preservation, it is also regulated regarding the construction of terraces for contour / horse hooves, flatbed and preservation standards for sloping land, namely as the following:

Degree	Percent	Need
0-2°	0-4	No need for hoofs / terraces
2-6°	4-10	The hoof at a certain place
6-12°	10-20	Tread the horse as needed
12-20°	20-40	The hoof is required - 1 plant follows the contour
20-40°	>40%	A terrace is needed
>40°	-	Don't plant

Based on the results of field visits to the replanting locations of Dolok Ilir and Laras Estate, it is known that in general the area is dominated by flat-sloping to flat-undulating without indicating steep areas.

7.5.3

There was no new land clearing after November 2005, only replanting activities. Since the beginning of the operational activities of PTPN IV Dolok Ilir Estate, and Laras Estate, replanting activities have been carried out three times and have not yet implemented any new land development. The plantation management unit stated that PTPN IV business units Dolok Ilir and Laras had no plans to carry out new land development activities.

Status: Comply

7.6

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.

7.6.1

The company has shown maps that identify the distribution of soil types in Dolok Ilir and Laras Estate soil types with a scale of 1: 25,000, the identified extent of the entire plantation unit is flat with 2-8% coverage dominating around 92% of the total area, the remaining 8% have a wavy slope of 9-15%. From the map, it is known that in the company's operational area there is no land with steep slopes.

Dolok Ilir Estate

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

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12-20°	20-40	The hoof is required - 1 plant follows the contour
20-40°	>40%	A terrace is needed
>40°	-	Don't plant

The SOP contains about making terraces, making flatbed, and treads for horses. For the use of land cover crops the company has procedures for Covering Plantations (Doc. No, SPO 02.3) including land preparation, the need for *Pueraria javanica* (Pj) / *Centrosema pubescens* (Cp), *Calopogonium mucunoides* (Cm) and *Mucuna bracteata* (Mb), how to seed *Mucuna bracteata* (cuttings, breastfed cuttings, and seeds / seeds), legume planting, and legume maintenance / development).

Based on the results of field visits to the replanting locations of Dolok Ilir and Laras Estate, it is known that in general the area is dominated by flat-sloping to flat-undulating without indicating steep areas.

7.6.3
Dolok Ilir Estate

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

Laras Estate

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

Dystropept. Same as Dolok Ilir Estate, main limitation of soil properties in Dolok Ilir was mainly due to low fertility soil.		
	Status: Comply	
7.7		
No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.		
7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6 and 7.7.7		
Based on the results of the soil survey, it is known that there are no peat soil types in the PTPV IV Unit Dolok Ilir and Laras management area. The results of the land survey are as follows:		
Dolok Ilir Estate Estate management has topography, slope and soil map with scale 1:25,000. The map was prepared by IOPRI in 1999. The map informed that in general slope condition in Dolok Ilir Estate were dominantly flat to undulating and there was no presence of hilly to steep area (>40%). Furthermore, soil type was fully mineral, consist of six type, e.g.: Typic Tropopsamment (brown alluvial), Typic Dystropept (yellowish brown podzolic), Typic Hapludult (yellowish red podzolic), Typic Hapludult (yellowish red podzolic), Typic Tropaquent (alluvial) and Typic Dystropept (yellowish brown podzolic) which covers about 1,132 ha; 2,135 ha; 407 ha; 2,080 ha; 673 ha; and 138 ha, respectively. Thus, main limitation of soil properties in Dolok Ilir was mainly due to low fertility soil.		
Laras Estate Information on topography and soil type in Laras Estate is presented in soil survey report which conducted by IOPRI in 1999. Furthermore, it also informed in HCV report which conducted by PT Surveyor Indonesia in 2011. Based on document review, it could be concluded that slope condition in Laras Estate were mainly flat to undulating (0-8 %), followed by rolling. Furthermore, soil type was fully mineral, consist of Typic Hapludult, Fluventic Dystropept, Typic Dystropept and Typic Dystropept. Same as Dolok Ilir Estate, main limitation of soil properties in Dolok Ilir was mainly due to low fertility soil.		
	Status: Comply	
7.8		
Practices maintain the quality and availability of surface and ground water		
7.8.1 & 7.8.2		
The company has a water management plan to support efficient use of water sources and its continuous availability. The water management plan is, for example, as follows:		
<ul style="list-style-type: none"> • To test the quality of river water such as the Bah Bolon, Bah Apal and Waringin rivers every 6 months. Based on the results of tests carried out on May 15, 2020 by an accredited laboratory, it is known that the test results on the Bah Bolon, Bah Apal and Waringin rivers still meet the established quality standards. • Perform clean water testing. The company conducted a clean water test which was carried out on May 15, 2020 by an accredited laboratory at the location of the new coral pennant, umbul lingga, umbul tumorang, Swimbath Nagga Sopa, and Bah Longgur in Nagori Laras Village. Based on the test results, it is known that the test results are still below the established quality standards, namely the Regulation of the Minister of Health of the Republic of Indonesia Number 32 of 2017. • Forged an agreement with the community to protect the area of Swemmbad Naga Soppa spring in Afdeling 2 Estate Laras. 		
Based on interviews with residents of Afdeling 3 & 4 Estate Dolok Ilir and Afdeling 4 Estate Laras, it is known that the company has provided employees with access to clean water that can be used for their daily needs.		
To protect waterways and wetlands the company has taken several management actions. Based on the results of a field visit to the Dolok Ilir HCV Estate (Bahilang River Crossing), it is known that the company has carried out management of the river border area such as marking the spray limit, making signboards prohibiting the application of chemicals on the riverbank, planting bamboo plants to prevent erosion, conducting monitoring the width and depth of the river as well as during field visits did not find traces of chemical spraying in the riverbank areas. In addition, the company also planted bamboo plants and monitored the success of planting. Based on the results of monitoring the planting of bamboo plants for the January-June 2020 period, it is known that the total plants planted and grown were 77.33% or 58 trees. The company also monitors the width and depth of the Bah Apal river. Based on the results of monitoring for the January-June 2020 period, it is known that changes in the width and depth of the river do not change significantly.		

The auditor team has conducted verification related to OFI at ASA-4. Based on field observations to Block 97 AP Afdeling 3 (Bahilang River), it is known that there is already a limit to the application of chemicals with a red (X) mark on oil palm plants. In addition, there are no traces of application in the area.

7.8.3

The company has tested the mill effluent quality every month. The company can show the results of mill effluent quality testing for the period May-November 2020 carried out by an accredited laboratory. Based on the results of testing parameters such as BOD, COD and pH are in accordance with applicable regulations. For example, for the November period the BOD value is 481 mg / l; COD: 623 mg / l and pH 7.80.

The company has a land application permit from the Regent of Simalungun Number: 188.45 / 3439 / LINGHUP-2015 on 23 October 2015 and is valid for 5 years. The permit has expired and the company has extended the permit, but the extension has not been issued. This has become OFI in indicator 2.1.1. The location of the liquid waste application has been in accordance with the permit owned, one of which is in block 97 A Afdeling 5.

Based on the results of the field visit to the WWTP, it was found that there were no leaks and overflows in the pond and the company recorded mill effluent that was flowed to the Land application, the flow meter has been functioning and the WWTP officer records the discharge of liquid waste that is flowed to the Land Application. Based on the results of field observations in the area of Land application block 97 A afdeling V, it is known that the location of the mill effluent utilization on the ground is in accordance with the permitted location and there is no indication of pollution to the environment.

7.8.4

The company has been monitoring and recording water use for the FFB processing. the company can show water usage records for the period January-November 2020. Based on the usage records, it is known that water usage is 17,502.18 m³ and the average water use for processing is 1.26 m³ / ton FFB. based on field observations in the water source area of Dolok Ilir POM, it is known that the company records the water intake from the water source. The company has a water resources exploitation permit in accordance with the Decree of the Governor of North Sumatra Number 610/326 / DIS PM PPTSP / 5 / XI.1 / III / 2019 on March 5, 2019 with a validity period of 3 years. In addition, the company can also show proof of payment of surface water charges for the period of October 2020 to the Regional Revenue Agency of Simalungun Regency via Bank Mandiri Transfer on December 4, 2020.

The auditor team has conducted verification related to OFI at ASA-4. Based on a field visit to the water source (Bah Bolon River) Dolok Ilir Mill, it is known that a flow meter is available and has functioned to see the amount of water taken from the water source.

Status: Comply

7.9

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

7.9.1

The company improves the efficiency of non-fossil fuels such as shells and fiber as boiler fuel. The company has monitored and documented the use of renewable energy as boiler fuel for the January - November 2020 period which has been recognized by the Manager of Dolok Ilir POM. The use of renewable energy has been optimized by the company. Companies can show records of shell and fiber utilization as boiler fuel for the period January - November 2020.

Period (2020)	FFB Processed (Tonnes)	Use of the Shell (Tonnes)	Use of the Fiber (Tonnes)
January	9,893	556.73	1,385.02
February	10,413	615.96	1,457.82
March	12,635	758.10	1,754.90
April	15,390	866.43	2,154.60
May	15,581	934.86	2,240.42
June	15,270	916.20	2,137.80
July	15,770	946.20	2,207.80

August	11,350.56	679.52	1,655.57
September	16,432.08	982.45	2,387.13
October	14,352.96	890.27	2,009.41
November	14,433.48	866	2,101.88
Total	151,521.08	9,012.72	21,492.35

FFB production was 151,521.08 tons with shells as much as 9,012.72 tons and fiber usage as much as 21,492.35 tons. The efficiency of using shells and fiber until November 2020 is 0.05t / tFFB shell and 0.14t / tFFB fiber. CPO produced from processed FFB with an OER of 22.89% becomes 34,683.17 tonnes. The efficiency of using the shell is 0.25 ton / tonnes of CPO while the fiber is 0.61 ton / tonnes of CPO.

Status: Comply

7.10

Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.

7.10.1

CH has conducted GHG emission calculations period January-December 2019 use of Calculator Palm GHG version 4.0. Accurate data has been input to the RSPO Palm GHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from Palm GHG calculator of the audit report which calculation option is applied "Apply full Version". The GHG calculations are as follows:

Summary Emissions:

Emission per product	tCO2e/tProduct
CPO	1.59
PK	1.59

Extraction	%
OER	23.16
KER	3.32

Land use	Ha
Planted area on mineral soil	27,632.63
Planted on peat	0.00
Total oil palm planted area	27,632.63
Conservation Area (Forested)	0.00
Conservation Area (Non-Forested)	608.24
FFB Production per hectare	18.04 t/ha

Production	t/yr
FFB Processed	139,339.42
CPO Produced	32,265

Estate/Plantation field emission and Sinks

Description	Own		Group		3 rd Party		Total
Emissions Sources	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB	tCO2e	tCO2e/ tFFB	
Land conversion	98302.38	0.81	126535.77	7.14	0.00	0.00	224838.15
CO2 emissions from fertilizer	6697.61	0.06	9364.20	0.53	0.00	0.00	16061.82
N2O emissions from peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N2O from Fertilizer	4638.01	0.04	6613.06	0.37	0.00	0.00	11251.07
Fuel consumption	943.40	0.01	778.32	0.04	0.00	0.00	1721.73
Peat oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sinks							
Crop sequestration	-93177.58	-0.77	-119849.88	0.00	0.00	0.00	-213027.46

Sequestration in Conservation area	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	17403.83	0.14	23441.48	1.32	0.00	0.00	40845.31

Mill Emissions and Credits

Emission Source	tCO ₂ e
PK from own mill	0.00
PK from other source	0.00
Fuel Consumption	0.00
Total Crusher Emissions	0.00

Palm Oil Mill Effluent (POME) Treatment

Divert to compost	0 %
Divert to anaerobic digestion	100 %

POME Diverted to Anaerobic Digestion:

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

Dolok Ilir Mill receives FFB from several sources, namely Laras Estate and Dolok Ilir Estate which are Own Plantation; Bah Birung Ulu Estate, Estate Balimbing, Estate Bukit Lima; Estate Marihat, Estate Marjandi and Estate Tanah Itam Ulu which is a Group Plantation. All sources of FFB that supply FFB to Dolok Ilir Mill are on mineral lands with a total planted area of 27,632.63 hectares with FFB production per hectare of 18.04 t / ha. The FFB production of Per hectareage is small because in 2018 to 2020 Estate Dolok Ilir and Estate Laras have been replanting.

7.10.2 & 7.10.3

PTPN IV Dolok Ilir did not conduct any new land clearing after January 1, 2015. Based on interviews with management and document review, it is known that the operational area of the Dolok Ilir business unit is land that has been managed as plantation land (Cocoa, Rubber and Palm Oil) since the Dutch colonial administration and became National company since 1959.

List of pollutant identification includes listed in the RKL / RPL and SOP for GHG Mitigation. The emission sources cited include fertilization and spray, use of diesel, transportation, processing of FFB, POME.

To reduce or minimize GHG emissions listed in the GHG Mitigation document, for example the use of fertilizers and agrochemicals in the right dosage, application of empty lengths on the soil, utilization of fiber and shells as boiler fuel, utilization of factory waste water on the ground and conducting regular emission testing. Based on the results of testing ambient emissions, generator set emissions and boiler emissions for semester 1 of 2020, it is known that the test results are still in accordance with the established quality standards.

Status: Comply	
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7.11

Fire is not used for preparing land and is prevented in the managed area.

7.11.1 & 7.11.2

The company does not develop new land but carries out replanting activities. Based on field visits to the replanting areas of Estate Dolok Ilir and Estate Laras, it was found that the company carried out replanting mechanically, there were no burn marks and had planted ground cover crops.

The company has also established fire prevention and control measures for directly managed lands. The actions taken are as follows:

- Monitoring fire prone areas regularly. This is shown by the monthly land fire monitoring records. Based on the results of the document review, it is known that there are no indications of fires occurring during 2020.
- Perform a fire team simulation. The company can demonstrate a simulation training for ground fire extinguishing which was

conducted on 4 June 2020 which was attended by 36 participants consisting of firefighters, security officers and Estate Assistants.

- Perform maintenance of firefighting facilities and infrastructure. The company can show the results of monitoring of fire prevention and control infrastructure in the Laras and Dolok Ilir estates for the period of Semester I 2020 (June 2020). The results of the monitoring stated that the facilities owned were in good condition and could be used if needed.
- Fire Monitoring Reporting to Agencies. The company routinely reports the results of fire monitoring, for example the Land Fire Monitoring Report of Semester I 2020 PT Perkebunan Nusantara IV Estate Dolok Ilir to the Plantation Office of Simalungun Regency on July 9 2020 via post office delivery (proof of delivery is attached) and on July 18 2020 for Estate Laras.
- Existence of a fire emergency response team and land fire control SOP.

7.11.3

To carry out fire prevention and control measures, the company also involves stakeholders such as the community in locations adjacent to the company. The company has disseminated fire prevention and control to stakeholders such as the community, trade unions, NGOs and Mass Media which was held on August 9, 2020 which was attended by 34 participants. In addition, the company also conducted a simulation training to extinguish land fires which was held on June 4, 2020 which was attended by 36 participants consisting of the company's firefighting team, security officers and community representatives.

Status: Comply

7.12

Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.

7.12.1 & 7.12.8

The oil palm plantation area of PTPN IV (Unit Dolok Ilir) is land that has been managed as plantation land (Cocoa, Rubber and Palm Oil) since the Dutch colonial administration and has been a National company since 1959. Based on document verification, the planting year of oil palm shows that planting was after November 2005 is a replanting activity of previous rotational oil palm crops. The youngest crop in the previous rotation was the 1990 crop.

In addition, there is an email from the RSPO secretariat (Dilon Sarim) on 21 July 2017 stating that this unit has been disclosed as zero non-compliant clearance. It may proceed with the RSPO Certification Process.

7.12.2

As explained in indicator 7.12.1, the company did not clear any new land after November 2018, so the existing HCV assessment is still valid. Estate Dolok Ilir has conducted an HCV identification assessment in collaboration with PT Surveyor Indonesia and the Indonesian Sustainable Palm Oil Foundation. Based on the results of HCV identification, there are 16 protected species with a total area identified as an HCV area of 51.45 Ha with the identified HCV types being HCV 1, 4 and 6. As for Estate Laras, the HCV identification assessment was carried out in 2011 in collaboration with PT Surveyor Indonesia. Based on the results of HCV identification, there are 11 protected animal species with a total identified HCV area of 200.52 hectares with the identified HCV types being HCV 1, 4, 5 and 6.

7.12.3

Indonesia, especially the part of North Sumatra, is not a High Forest Cover Landscape (HFCL), so this indicator is not applicable.

7.12.4

There is no peatland in the operational area of Estate Dolok Ilir and Laras. The company has a management and monitoring plan to enhance / protect the HCV area which is being developed together with stakeholders such as communities, workers, contractors and trade unions.

Estate Laras

There is a 2020 HCV management and monitoring plan based on the results of consultations with stakeholders conducted on 06 March 2020. The HCV management and monitoring plan is as follows:

- Monitoring and Inventory of the existence of Flora and Fauna. Based on the results of monitoring conducted in the period January to June 2020, it is known that there are 17 types of Aves, 5 types of mammals, 8 types of reptiles and amphibians and 37 types of trees (plants).
- Measurement of the width and depth of the river. Based on the results of measurements and river depth from January to

June 2020, it is known that changes in the width and depth of the river do not change significantly.

- The level of security disturbance in the HCV area. Based on the results of monitoring carried out on 27 June 2020, it was found that there were no disturbances in the HCV area such as tree cutting activities, fish poisoning, animal trapping and animal hunting.
- Level of understanding and community awareness of the HCV area. This activity is carried out by disseminating the HCV and Flora & Fauna areas in the company area. The socialization activity was carried out on March 6, 2020 which was attended by 70 participants from workers, contractors, the community and trade unions.
- The success rate of river border rehabilitation. Based on the results of monitoring the planting of bamboo plants for the period January-June 2020 with a total plant planted and growing of 77.33% or 58 trees.
- Traditional cultural identity is by monitoring pilgrims' activities, the cleanliness of the graves and the condition of the planted vegetation. Based on the implementation of the activity, it is known that there are still many pilgrims who come to the grave, the company also provides labor to maintain the HCV area.

Estate Dolok Ilir

There is a 2020 HCV management and monitoring plan based on the results of consultations with stakeholders which was conducted on 11 May 2020. The HCV management and monitoring plan is as follows:

- Monitoring and Inventory of the existence of Flora and Fauna. Based on the results of monitoring conducted in the period January to June 2020, it is known that there are 15 types of Aves, 4 types of mammals, 4 types of reptiles and amphibians and 31 types of trees (plants).
- Measurement of the width and depth of the river. Based on the results of measurements and river depth from January to June 2020, it is known that changes in the width and depth of the river do not change significantly.
- The level of security disturbance in the HCV area. Based on the results of monitoring carried out in semester 1 of 2020, it is known that there are no disturbances in the HCV area such as tree cutting activities, fish poisoning, animal trapping and animal hunting.
- Level of understanding and community awareness of the HCV area. This activity is carried out by disseminating the HCV and Flora & Fauna areas in the company area. The socialization activity was carried out on September 4, 2020 which was attended by 20 participants from workers, contractors, the community and labor unions.
- The success rate of river border rehabilitation. Based on the results of monitoring the planting of bamboo plants for the period January-June 2020 with a total plant planted and growing of 57.89% or 22 trees.

7.12.5

There is a company HCV area which is used by the surrounding community as a spring. To protect the HCV area there is an agreement between the company and the community, namely an agreement between the Company and Naga Soppa Village, Bandar Huluan District and Bandar Huluan District Head on June 28, 2019. This agreement explains that the company gives Nagori Karang Anyar the right to manage the Company's springs. . This agreement agreement is made by both parties and signed by both parties.

Based on field observations at Sweembath Naga Soppa Afdeling II Estate Laras, it is known that the spring is used as a public bath by the surrounding community with management carried out by the Naga Soppa village community. In addition, there is an information board regarding the existence of the spring area as the Company's HCV area.

7.12.6

To provide education to workers about HCV areas and the status of animal protection, the company conducts direct socialization to workers. Socialization was held on March 6, 2020 and September 4, 2020 to employees at Laras estate and Dolok Ilir estate. In addition, the company also has an SOP for the identification and protection of flora and fauna (No. SPO 09 Revision 02 dated 01 August 2017) which states that it is not allowed to capture, maintain or kill protected or unprotected animals, not allowed to trade wild animals, the company does supervision in the form of regular monitoring. If there are still employees and non-employees who catch, keep or kill animals, they will be reported to the authorized agency.

Based on interviews with chemical workers at Estate Laras and Dolok Ilir, it was found that these workers understood that the company was protecting the flora and fauna in the company's operational areas. In addition, employees are prohibited from hunting wildlife and are prohibited from poisoning fish in river areas.

7.12.7

The company has monitored the biodiversity of flora and fauna in the first semester of 2020. Based on the monitoring results of flora and fauna, several types were found, namely:

- 17 species of Aves, for example *Perenjak* (*Orthotomus atrogularis*), *Kacer* (*Copsychus saularis*), *Terocok* (*Pycnonotus goiavier*), and *Jalak* (*Sturnus contra*).
- 5 Species of Mammals such as *Monyet Ekor Panjang* (*Macaca fascicularis*), *Musang* (*Paradoxurus hermaphroditus*), *Tupai* (*Tupaia javanica*), *Musang* (*Prionodon linsang*) and *Kalong* (*Pteropus vampires*).
- 4 Species of Reptile and Amphibians such as *Biawak* (*Varanus salvator*), *Kadal* (*Mabouia multifasciata*), *Katak* (*Bufo Sp*), and *Bunglon* (*Myrmeleon sp*).
- 31 Species of Vegetations.

In addition, the company has conducted monitoring of HCV areas. Based on the monitoring of the HCV area for the period of June 2020, it was found that there were no indications of fire, no hunting of animals, and no animal traps. The company has also installed a signboard for prohibiting hunting, poisoning fish, and a prohibition on destroying HCV areas.

The company has evaluated the previous year's HCV management and monitoring plan. For example, the results of an evaluation conducted by the company added a program for installing chemical application boundaries on riverbanks. This program is carried out in conjunction with the river border rehabilitation program. Based on interviews with company representatives, the results of the evaluation are used as input to prepare a HCV management and monitoring plan for the following year. The monitoring program for the presence of flora and fauna is still carried out as a company effort to ensure the presence of flora and fauna around the company.

Status: Comply

3.2 Conformity Checklist of Certificate and Trademark Use

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

3.3 Summary of RSPO Partial Certification.

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

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

MUTU has verified partial certification for un-certified unit's subsidiary of PTPN IV based on their Time Bound Plan. There is four (4) uncertified mills and twelve (12) uncertified estates of PTPN IV, MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

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 is internal audit that has been conducted for management units of Bah Birung Ulu Estate, Bukit Lima Estate, Timur Estate, Balap Estate, Panai Jaya Estate, Sosa Estate, PT Agro Sinergi Nusantara and PT Sinergi Perkebunan Nusantara.</p> <p>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 which is PT Sinergi Perkebunan Nusantara.</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</p>

		statement in accordance with the supporting evidence provided.
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>There is new planting/ land clearing after 1st January 2010 in subsidiary of PTPN IV (SPN, Timur Estate, ASN, Panai Jaya Estate, Balap Estate, Bah Birung Ulu Estate).</p> <p>Auditor verification</p> <p>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 seven (7) unit that has non-compliant land clearance without NPP and this unit is become object of sanction.</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 are land conflicts in Bukit Lima Estate, Balap Estate, Sosa Estate and PT SPN. To resolve the land conflict, company use legal manner, mediation with local government or negotiate with complainant.</p> <p>Auditor verification</p> <p>The company has procedure of conflict area management No. 4 (revise 3) January 2, 2017 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</p> <p>There is no information from public source and RSPO website on any labor 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 Rev 3 on 6 November 2018), SOP Handling Customer Complaints and Environment (external) (No. 13 Rev. 1 on 2 January 2015) and there are SOP of Communication and Public Consultation (No. SPO 03, Rev. 02, on 2 January 2015).</p> <p>The Company has a policy to protect the identity of the Whistle Blowing that stated in the documents of Infringement Complaint</p>

		Management System (Whistle Blowing System) PT Perkebunan Nusantara IV (Persero) on 2013 in Article 10: Protection for Reporter.
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is legal non-compliance is being processed i.e. HGU, consist of:</p> <ol style="list-style-type: none"> 1. Marjandi Estate: 30 Ha 2. Dolok Sinumbah Estate: 35.94 Ha 3. Air Batu Estate: 459.02 Ha 4. Berangir Estate: 10 Ha 5. Sawit Langkat Estate: 301.50 Ha 6. Sei Kopas Estate: 763 Ha 7. Panai Jaya Estate <p>Auditor verification</p> <p>The company has a complete list of regulations in 2020 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 in 2020 at the Head of General Affairs and Human Resources Department and has distributed to each division office in hardcopy and softcopy.</p>

3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

<i>NCR No.</i>	: 2019.01	<i>Issued by</i>	: Haikal R Kharismansyah
<i>Date Issued</i>	: 06 September 2019	<i>Time Limit</i>	: 05 December 2019
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 24 September 2019
<i>Standard Ref. & Requirement</i>	2.1.1 Evidence of compliance with relevant legal requirements shall be available.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none">- Based on the results of document review and interviews, it is known that the company cooperates with several contractors, for example for upkeep activities (CV Wira Mandiri), security (PT Jaya Wira Manggala), FFB transport (UD Merbau), and others- Based on the public consultations with the Section Head of Work Requirements for the Simalungun District Manpower Office, it is known that in June 2018 the Simalungun District Manpower Office once gave an appeal to record every third party cooperating with the company. Evidence has not yet been shown of the response and progress of record keeping as a result of public consultation.- Referring to Minister of Manpower regulation Number 19 of 2012 concerning Conditions for Submission of Partial Job Execution to Other Companies, article 10 states that the contract of employment must be recorded with the agency responsible for the Regency / City employment where the contract is done.			
Non-Conformance Description (filled by auditor):			
The company has not been fully consistent in fulfilling relevant laws and regulations, for example Minister of Manpower regulation Number 19 of 2012.			
Root Cause Analysis (filled by organization audited):			
The absence of special officers who monitor the fulfillment of the RSPO Principles and Criteria including evaluation of regulatory compliance			
Correction (filled by organization audited):			
<ol style="list-style-type: none">1. Resocialization information regarding document fulfillment in accordance with RSPO principles and criteria2. Recording work contract agreement in the Laras business unit and reporting it to the Simalungun District Manpower Office3. Evaluate staff who have received information about fulfilling documents in accordance with the application of RSPO principles and criteria			
Corrective Action (filled by organization audited):			
<ul style="list-style-type: none">• Monitor document requirements that are consistent with the application of RSPO principles and criteria.• Establish a PIC that monitors the requirements of documents in accordance with the application of the RSPO principles and criteria.			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on September 23, 2019			
The company shows evidence of improvements in the form of:			

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

However, it hasn't shown:

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

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

Verification on September 24, 2019

There is additional evidence of improvement in the form of:

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

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

Verified by : **Haikal Ramadhan Kharismansyah**

NCR No.	:	2019.02	Issued by	:	Satria Adi Putra
Date Issued	:	06 September 2019	Time Limit	:	Re-Certification
NC Grade	:	Minor	Date of Closing	:	17 December 2020
Standard Ref. & Requirement	:	4.1.2 Examination or monitoring activities are carried out according to operating procedures at least once a year.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">Based on the document review, it is known that there is a collaboration between PT Perkebunan Nusantara IV and several contractors including UD Merbau (Transport of FFB), CV Ardhan Sirait Jaya (Transport & EFB Application), CV Wira Mandiri (Maintenance of Immature), CV Era Cipta Karya (Transport & EFB Application), CV Karya Teknik (Maintenance of Immature), PT Jaya Wira Manggala (Security), PT Risa Agina Sara (replanting), etc.Work Order No. 04.14/SPMK/003/IV/2019 dated 5 April 2019 which contains orders to start security work as well as proof of payment of BPJS labor in June 2019.					

<ul style="list-style-type: none"> The company has presented the document Agreement Letter No.0404/S.PERJ/011/VII/2018 dated 12 July 2018 regarding the Work on Land Processing and Advanced Maintenance of Oil Palm Plantations in 2018 to Contractor PT Risa Agina Sara. The document provides evidence on the evaluation of replanting such as the assessment of the quality of chipping, the quality of tillage, the quality of planting seeds and so on. <p>Non-Conformance Description (filled by auditor): The company has not been able to demonstrate that inspection or monitoring activities are available to all contractors / third parties.</p>
<p>Root Cause Analysis (filled by organization audited): Lack of understanding of the unit in evaluating vendor performance.</p>
<p>Correction (filled by organization audited): Socializing vendor performance evaluation procedures and completeness, namely: Memo No 04.01/Kol/M-702/VII/2017 dated 10 July 2017 concerning Track Records of Goods and Services Providers, as well as Circular Letter No. 04.Dir HR and No. General/SE/16/VI/2015 dated 19 June 2015 concerning BPJS Employment Partner Contributions, Memo No. 04.03/Kol/M-15/II/2019 date 14 February 2019 Concerning BPJS Employment Partners.</p>
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> Make a list of vendors in the unit. Conduct vendor evaluations shown through work supervision report documents, track records, payment of workers' salaries, BPJS Employment contributions from workers, and so on.
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification 17 December 2020 The company has shown evidence of improvement in the form of a record of the vendor performance evaluation on 14 November 2020 at the Dolok Ilir Business Unit. The evaluation record informs about contractor / vendor performance to comply with regulations such as wages, use of PPE, BPJS payments and quality of work. Based on interview with local contractor (FFB transport and FFB supplier/Agent), its known that company always evaluate them before contract extended.</p> <p>Based on above explanation, the non-conformities have been closed with observation.</p>
<p>Verified by : Briyogi Shadiwa</p>

<i>NCR No.</i>	: 2019.03	<i>Issued by</i>	: Satria Adi Putra
<i>Date Issued</i>	: 06 September 2019	<i>Time Limit</i>	: 05 December 2019
<i>NC Grade</i>	: Major (Re-Curring)	<i>Date of Closing</i>	: 26 September 2019
<i>Standard Ref. & Requirement</i>	4.6.5 Evidence of pesticide application must be available by trained personnel and in accordance with the instructions for use on the product label and storage instructions. Adequate work safety equipment must be provided and used. Warnings about products must be observed, understood and applied correctly by workers (see Criterion 4.7).		
Evidence observed (filled by auditor): <ul style="list-style-type: none">Based on the Afdeling Daily Work Plan document 1-8, Dolok Ilir Estate is known that there is no spraying activity.Limited pesticide training documents and the name list of chemical officers of Dolok Ilir Estate employees stated that there were 7 spray workers for Afdeling II (including the foreman) and Afdeling 5 for 6 worker (including the foreman)			

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

Non-Conformance Description (filled by auditor):

Not enough evidence is available that all work tools used by the pesticide applicator are stored in a special place that has been provided by the company.

Root Cause Analysis (filled by organization audited):

- The dissemination of chemistry work instructions that have been conducted has not been effective
- An evaluation of workers who have received chemistry work instructions has not yet been evaluated
- Monitoring the completeness of the PPE chemist officer at the rinse house has not run optimally
- The absence of a mechanism that regulates the supervision of PPE storage chemist officers

Correction (filled by organization audited):

- Give a letter of reprimand to the Assistant in each afdeling for negligence in carrying out supervision/monitoring of the completeness of PPE that is in the rinse
- Re-socializing chemistry work instructions to chemists in each department
- Monitoring the completeness of the PPE of the chemist at the rinse house to the maximum
- Evaluating officers who have received socialization

Corrective Action (filled by organization audited):

- Evaluate officers who have received PPE placement / storage socialization to measure the level of understanding of workers
- Establish PIC who is responsible for monitoring PPE management within the plantation operational area.
- Applying the provisions contained in Chapter X (Rules of Work) Article 63 concerning the Development of Work Discipline and Article 64 concerning the Type of Work Discipline in the Joint Work Agreement (PKB) between PTPN 4 and PTPN 4 SPBUN 2018-2019.
- Make and ensure the mechanism that regulates the supervision of PPE storage by chemists (attached files point 8-10).

Assessor Evaluation and Conclusion (filled by auditor):

Verification 23 September 2019

Based on the results of field visits and interviews at Dolok Ilir POM, it is known that:

- Documentation of a reprimand to the Assistant Plant Afdeling II and V Dolok Ilir Estate dated September 11, 2019 regarding negligence in supervision of the Chemist Work Instruction.
- Daily PPE monitoring per type of operational activity (harvesting, hulling, road maintenance, chemical workers and pests) in September 2019 at Afdeling II Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (harvesting, sliding, road maintenance, chemical workers and pests) September 2019 at Afdeling V Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (fertilizer, harvesting, hulling, road maintenance, chemical workers and pests) September 2019 at Afdeling VI Dolok Ilir Estate
- Daily PPE monitoring per type of operational activity (fertilizer, harvesting, hulling, road maintenance, chemical workers and pests) September 2019 at Afdeling VII Dolok Ilir Estate

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

Verification 24 September 2019

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

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

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

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

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

Panel Results 26 September 2019

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

Verification September 26, 2019

The company has revised and added corrective actions, including:

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

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

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

Evidence observed (filled by auditor):

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

Dolok Ilir Estate

Type of Pesticide	Total Usage (a)	Packing Size (b)	Number of Hazardous Waste Ex Packaging (a:b)
Metsulindo	107.52	0.25 Kg	430.08
Santafuron	384.63	0.25 Kg	1538.52
Sun Up 480 SL	7724.28	20 Liter	386.21
Elang 480 SL	279.85	20 Liter	13.99
Topzone	242	20 Liter	12.10
Starane	946.64	0.5 Liter	1893.28
Capture	4518.78	0.5 Liter	4518.78
Total Packaging			8,792.97

Laras Estate

Type of Pesticide	Total Usage (a)	Packing Size (b)	Number of Hazardous Waste Ex Packaging (a:b)
Decis	31.50	0.25 Liter	126.00
Elang 480 SL	1469.35	20 Liter	73.47
Topzone	583.83	20 Liter	29.19
Gempur	1066.31	20 Liter	53.32

Starane	128.55	0.5 Liter	257.10
Capture	46.21	0.5 Liter	92.42
Metsulindo	490.87	0.25 Kg	1963.48
Rally	132.24	0.25 Kg	528.96
Ally	19.24	0.25 Kg	76.96
Total Kemasan			3,200.89

Non-Conformance Description *(filled by auditor):*

Not enough evidence is available that all former packaging used by the company has been stored and managed according to applicable regulations.

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

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

Correction *(filled by organization audited):*

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

Corrective Action *(filled by organization audited):*

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

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

The company has shown evidence of improvements including:

- Evidence of Hazardous Management Dissemination, PPE Replacement Mechanism and Implementation of Chemist Officer Work Instructions on September 9, 2019 attended by the Estate Unit Manager, Head of Plant Service, Plant Assistant, Assistant for general human resources and security, supervisor, Clerk, worker and Document Control Officer. The socialization was attended by 49 people.
- Recapitulation Form for the Evaluation of Waste Management Socialization, PPE Mechanisms and the implementation of the Dolok Ilir Chemical officer on September 10, 2019 to 33 maintenance workers, maintenance foremen and foreman 1.
- Decree of Manager of Dolok Ilir Estate Unit No DOI/SK/IX/2019 dated September 13, 2019 concerning the

Appointment of Special Officer Monitoring Management of Hazardous at Dolok Ilir Estate to 9 worker.

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

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

Verified by : **Satria Adi Putra**

<i>NCR No.</i>	:	2019.05	<i>Issued by</i>	:	Haikal R Kharismansyah
<i>Date Issued</i>	:	06 September 2019	<i>Time Limit</i>	:	05 December 2019
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	24 September 2019
<i>Standard Ref. & Requirement</i>	:	4.7.1 A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.			
Evidence observed (filled by auditor):					

- One of the work safety and health plans carried out by the company is to conduct periodic medical checkup for high-risk workers
- The company has shown the results of periodic medical checkup for the Dolok Ilir Business Unit (Mill and Estate) and the Laras Business Unit for the period 2018
- The results of the Audiometry test at Dolok Ilir POM on July 31, 2019 conducted by the Medan Occupational Health and Safety Office revealed that there were 5 workers with NIHL (Noise-induced hearing loss) status. Based on the recommendations of the examination results stated that employees with NIHL status are upholding the doctor recommendations and rotating to places that are not exposed to noise - However, there has not been any follow up on the results of the medical checkup
- A report on the health examination results of the Dolok Ilir Business Unit on January 2, 2019 carried out by PT Prima Medica Nusantara stated 7 people were slightly poisoned and were advised to avoid contact and re-examine. However, there has not been any follow up on the results of the medical checkup.
- Report on the results of the Laras Business Unit Medical Checkup dated January 9, 2019 from PT Prima Medica Nusantara stated the following results:
 - One person is moderate poisoning and recommended. Take a break from pesticide and re-check cholinesterase
 - One person is severely poisoned and recommended Rest from insecticide and double-check cholinesterase
 - One person suspects TB and is recommended to consult a doctor
 - Based on the list of pesticide handlers in July 2019, it is known that the names of the applicators are still registered as pesticide applicator
 - Has been shown the results of the MCU follow-up dated September 3, 2019 which was signed by a doctor PT Prima Medica Nusantara with the results of all healthy and fit to work as usual - Follow-up MCU conducted \pm 9 months after the results of the first MCU

Non-Conformance Description (filled by auditor):

The company has not been fully consistent in implementing and monitoring the effectiveness of the established occupational safety and health plans

Root Cause Analysis (filled by organization audited):

- a. Lack of understanding in following up the results of workers medical checkup
- b. The company does not yet have a mechanism / procedure for a complete health check that regulates starting from the identification of high risk workers, the type of health examination in accordance with the risk of work, the period of health inspection, the time to follow up on the results of the examination, the determination of the officer responsible starting from the implementation of the MCU, monitoring up to following up on the results of examinations or recommendations from company doctors.

Correction (filled by organization audited):

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

Corrective Action (filled by organization audited):

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

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

Verification on September 23, 2019

The company shows evidence of improvements in the form of:

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

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

Verification on September 24, 2019

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

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

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

Verified by : **Haikal Ramadhan Kharismansyah**

NCR No.	: 2019.06	Issued by	: Haikal R Kharismansyah
Date Issued	: 06 September 2019	Time Limit	: 05 December 2019
NC Grade	: Major	Date of Closing	: 24 September 2019
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.

Evidence observed (filled by auditor):

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

Non-Conformance Description (filled by auditor):

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

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

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

Correction *(filled by organization audited):*

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

Corrective Action *(filled by organization audited):*

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

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

Verification on September 23, 2019

The company shows evidence of improvements in the form of:

1. Daily monitoring of the completeness of PPE for the Laras Business Unit, Dolok Ilir Business Unit and Dolok Ilir POM
2. The socialization of PPE replacement mechanism and PPE storage instructions especially for chemical and fertilizer workers on September 9, 2019 which was attended by 36 people
3. Letter of appointment of the officer responsible for monitoring PPE Number: LAR / MU / KPTS / 06/2019 from the manager of the Laras Business Unit. The officer in charge is the selection team and all the foremen for each afdeling
4. Letter of appointment of the officer responsible for monitoring PPE Number: DOI / SK / 15 / IX / 2019 from the Dolok Ilir POM manager. The officers in charge are the General Human Resources and Security Clerks and the Central Warehouse Clerks
5. Recap of PPE granting for all workers given in August 2019
6. The results of field visits in Dolok Ilir POM especially in the part of the process from sorting and grading to processing workers have used the appropriate PPE. Likewise with contractor workers
7. There are examples of letters of reprimand to workers who are not disciplined in using PPE
8. There are examples of letters of submission for workers whose PPE are found to be damaged

Verification on September 24, 2019

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

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

Verified by : **Haikal Ramadhan Kharismansyah**

NCR No.	: 2019.07	Issued by	: Brigitta Prita
Date Issued	: 06 September 2019	Time Limit	: 18 March 2021
NC Grade	: Minor raised to Major	Date of Closing	: 24 February 2021
Standard Ref. & Requirement	: 5.1.3 Environmental monitoring plan documents and implementation reports are available as well as plans for improvement of the monitoring results if a discrepancy is found. This plan is reviewed at least every two years.		
Non-Conformance Description & Evidence observed (filled by auditor): <ul style="list-style-type: none">Environmental Impacts Assessment (AMDAL) Revised for Dolok Ilir Mill and Plantation in accordance with the recommendations of the Pematang Raya Environmental Agency in Simalungun District No. 213/LINGHUP-2010 dated 27 October 2010. Types of monitored include:<ul style="list-style-type: none">Ambient air quality is located in Mill and Nagari Village Housing every 6 months.Odor monitoring is located in Mill, Nagari Village Housing & Land Application Locations every 6 months.Noise level monitoring is located in the steak boiler in accordance with Environmental Regulation No. 7 of 2007 every 6 months.Surface water quality every 6 months is located in the Bah Apal River, Bah Apal River near the hydropower, and the Babolon River Dam before the hydropower tunnel.Environmental Evaluation Document (DELH) established by the Decree of the Environment Agency Simalungun No. 188.45/759/Linghup/2011 for PT Perkebunan Nusantara IV (Persero) - Laras Estate. The types monitored include:<ul style="list-style-type: none">Ambient air quality is located on the road around Laras Estate every 6 months.Noise testing is located on the road from the Laras Estate to DOI MILL every 6 months,Groundwater pollution is located in the plantation area and workshops every 6 months.Surface water pollution is located in the estate area and workshops every 6 months.In the 2019 RKL/RPL implementation report, Mill & Dolok Ilir Estate and Laras Estate have not been listed on air quality testing (emissions and ambient), immovable source disturbance (Noise, Odor and Vibration), surface water quality, groundwater and surface water.Based on interviews with management representatives test results for the first semester of 2019 encountered problems due to parameters that have not been owned by the Laboratory so the test was postponed in August 2019. The results sampling was carried out on 13 August 2019 and received by the Laboratory on 19 August 2019 with an estimated testing of 20 work days (from 20 August to 13 September 2019).			
Non-Conformance Description (filled by auditor): <p>Based on the explanation above, the company has not been able to show evidence that all parameters of environmental impacts have been monitored in accordance with the Company RKL/RPL matrix (Dolok Ilir Mill, Dolok Ilir Estate and Laras Estate).</p>			
Root Cause Analysis (filled by organization audited): <p>There are administrative constraints for sampling Semester I of 2019. Furthermore, there is no PIC for monitoring of completeness of RKL/RPL report. Unit of certification has appointed two (2) Documentation System and Certification Staff as person in charge of these monitoring.</p>			
Correction (filled by organization audited): <ul style="list-style-type: none">Testing of samples based on parameters for inclusion in the RKL/RPL for Semester I of 2019 report and the forward coming report.			

- Socialization to the PIC on monitoring of RKL/RPL report mechanism.
- Documentation System and Certification Staff to conduct monitoring on several parameters required on the RKL/RPL Matrix every semester before send/deliver the report to the Environment Agency.

Corrective Action (filled by organization audited):

- Monitoring and coordinating with the Laboratory so that sample testing can be carried out on schedule.
- The PIC to monitor completeness of RKL/RPL data as required by the RKL/RPL Matrix, consistently.
- Superior of PIC will crosscheck the evaluation checking monitoring that conducted by System and Certification Staff.

Assessor Evaluation and Conclusion (filled by auditor):
Verification 04 October 2019

Unit of certification shows RKL/RPL Report for Period Semester I 2019 for Laras Estate which already included several parameter analysis and evaluation that carried out on 08 August 2019 and 10 August 2019 by the Accredited Laboratory (KAN Ref. No. LP-001-IDN), summarized as follows:

- Air ambient quality in front of several Office of Nagori Laras, Nagori Silau bayu and Nagori Huta Dipar, when carried out on 10 August 2019 by Accredited Laboratory (KAN No. LP-001-IDN), resulted that parameter such as SO₂, CO, NO₂, O₃ Amoniac and H₂S were not passed the threshold limit as required by Government Regulation (PP) No. 41 in 1999.
- Noise quality on the same location as above has resulted the Noise Level has still bellow the threshold as required by Minister of Environment Decree (KepmenLH) No. 48 in 1996.
- Ground Water testing has conducted on 08 August 2019 in Umbul Lingga, Umbul Bah Longgur, Umbul Swembath, Umbul Tumorang, Umbul Lingga, Office Well, Nagori Silau Bayu Well and Nagori Huta Dipar Dipar Well. Furthermore, there is a results of Water Quality on the Upstream and Downstream in the River of Waringin and Bahapul.

However, document of RKL/RPL Semester I 2019 report for Dolok Ilir Mill and Estate is not available. Thus, this NCR is still remain **Open**.

Verification 17 December 2020

According of RKL/RPL Semester I 2020 report for Dolok Ilir Mill and Estate review, it was known that there were several testing and/or parameters which not available as refers to RKL.RPL Matrix, for example as follows:

- Odor level.
- Soil fertility.
- Hazardous Materials.
- Replanting.

Based on explanation above, this NCR is still open and raised to **Major**.

Verification 23 February 2021

Unit of certification has shows several correction evidence, as follows:

- Memorandum of Dolok Ilir Mill Manager No. PKSDOI/DOI/05.I/2021 dated 23 January 2021 about invitation on socialization and coordination towards RKL/RPL report monitoring to the Dolok Ilir Estate team. According to minutes of socialization dated 25 January 2021, it was known that there are eleven (11) important notes on monitoring mechanism of RKL/RPL Semester report, before delivered to the Environment Agency. The agenda has attended by nine representatives from Mill and Estate, included Technical Assistant, Administration Assistant, Plantation Assistant and Staffs.
- Monitoring and Evaluation of RKL/RPL dated 02 February 2021 which confirmed that all RKL./RPL matrix had been carried out by the unit of certification, as required by the RKL/RPL Matrix. Document of monitoring signed by Document System and Certification Staff, Had of Masinis, Assistant of Plantation Division, Mill Manager and Estate Manager.

To prove that the monitoring of the completeness of the RKL / RPL reports is in accordance with the RKL / RPL Matrix, companies are required to show the RKL / RPL document for Semester 1 or Semester 2 of 2020, along with proof of submission of the report to the relevant agencies. Based on this explanation, the discrepancies in this indicator are

stated as **Unfulfilled**.

Verification 24 February 2021

The certification unit has sent evidence in the form of a report on the implementation of RKL / RPL for Semester II 2020 and proof of receipt for reporting on the implementation of RKL / RPL for Semester II 2020 to the Environmental Service of Simalungun Regency on February 10, 2021. The RKL / RPL Implementation Report is in accordance with environmental document matrix owned. Based on this explanation, the nonconformity on this indicator is declared **fulfilled**.

Verified by : **Brigitta Prita, Rahmat Abdiansyah and Mohamad Amarullah**

NCR No.	: 2019.08	Issued by	: Brigitta Prita
Date Issued	: 18 December 2020	Time Limit	: Re-Certification
NC Grade	: Minor	Date of Closing	: 17 December 2020
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 (filled by auditor): Dolok Ilir Estate.			
<ul style="list-style-type: none">Field observations at landfill Block AU 97 Afdeling III Dolok Ilir Estate, it is known that the location of landfill is 50 meters from Housing area.Procedure for managing domestic household waste number SPO 20 Revision 03 dated January 2, 2018 explained the distance of the landfill from the nearest workers / community housing at least 300 meters.Republic of Indonesia Government Regulation Number 81 of 2012 concerning management of household. The letter (e) is explained the distance from the settlement is more than 1 km. Considering leachate pollution, odor, the spread of disease vectors and social aspects.			
Dolor Ilir Mill			
<ul style="list-style-type: none">Field observations at schedule waste contained Nalco packs of 5 pieces.The company shows the hazardous waste logbook for the 2019 period of the Dolok Ilir unit with details:<ul style="list-style-type: none">1000 pieces of used sacks (August 22, 2019).25 packs of used pesticide (August 15, 2019).2 packs of used drums (August 14, 2019).			
Non-Conformance Description (filled by auditor): Based on the explanation above, it is known that:			
<ul style="list-style-type: none">The company has not been able to show that the distance of the landfill is in accordance with applicable regulations.Nalco's packaging has not been recorded in the latest hazardous waste logbook.			
Root Cause Analysis (filled by organization audited):			
<ul style="list-style-type: none">Lack of workers understanding of procedures for managing domestic or household wasteThe warehouse clerk's negligence in recording the schedule waste logbook.			
Correction (filled by organization audited):			
<ul style="list-style-type: none">Re-socialize to workers related the procedure for managing domestic or household wasteMaking landfill in accordance with applicable procedures or regulationsTo socialize the management of schedule waste to store keeper.Record all schedule waste entered at the schedule waste storage.			

Corrective Action (filled by organization audited):

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

Assessor Evaluation and Conclusion (filled by auditor):

Verification 24 September 2019

The company has shown evidence of improvements including:

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

Organic and inorganic waste is collected separately in each container

Do not burn domestic waste

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

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

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

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

Verification 17 December 2020

The company can show the following evidence:

- SOP for Household Domestic Waste Management with Number SPO 20 with Revision Number 02 dated January 2, 2018 explains that the distance of the Final Disposal Site (TPA) from the nearest employee / community housing is \pm 1000 meters.
- Documentary evidence of the closure of the landfill hole in Block AU 97 Afdeling III Dolok Ilir Estate.
- The Logbook Document for Storage of Hazardous and Toxic Waste at TPS LB3 for the period November 2020 is as follows:
 - a. 84 pcs of used jerry cans
 - b. 84 Pcs Jute / Used Sack
 - c. 78 pcs of used Nalco jerry cans
 - d. 100 Pcs of Used Paint Cans
 - e. Used Oil as much as 300 Liters
 - f. Jute Plastics Ex. Fertilizer of 55,014 Pcs
 - g. Ex. Bottle. 320 Pcs of Chemistry
- Based on field visits to TPA Blok 98 AY Afdeling 3, it was found that the TPA location was far from residential areas and water sources.

Based on the explanation above, the Non-Conformity in this indicator is declared Fulfilled.

Verified by : **Brigitta Prita and Rahmat Abdiansyah**

NCR No.	: 2019.09	Issued by	: Trismadi Nurbayuto
Date Issued	: 06 September 2019	Time Limit	: 18 March 2021
NC Grade	: Minor raised to Major	Date of Closing	: 23 February 2021
Standard Ref. & Requirement	: 6.1.4 The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.		
Non-Conformance Description & Evidence observed (filled by auditor): The CH has evaluated each of the Social Impact Management Plans as follows: Evaluation was carried out on 22 November 2018 in Dolok Ilir Estate. Involving external stakeholders from 16 surrounding villages and also in Laras Estate dated 8 July 2019 with involving stakeholders from 17 surrounding villages. There are several social impacts that must be managed, for example: public facilities and social facilities; employment opportunities; business opportunities, scholarship for student; conflict with cattle raiser and replanting activities.			
Non-Conformance Description (filled by auditor): <ul style="list-style-type: none">• Evaluation of Social Impact Management and Monitoring Plan doesn't yet involve internal stakeholders such as employees, worker union, and gender committees.• Evaluation of Social Impact Management and Monitoring Plan has not been explained the issues on the mill.			
Root Cause Analysis (filled by organization audited): There is a lack of understanding of officers in the management and monitoring procedures for social impacts so that all stakeholders do not involve them.			

Correction (filled by organization audited):

Involving all internal and external stakeholders around the Dolok Ilir Estate, Dolok Ilir Mill and Laras Estate so that they can represent the affected parties in the preparation of social impact management and monitoring programs.

Corrective Action (filled by organization audited):

- Disseminating the procedures for the preparation of social impact management and monitoring documents in the Human Resources, General and Security Unit.
- Monitoring the social impact management and monitoring program.

Assessor Evaluation and Conclusion (filled by auditor):
Auditor verification dated 17 December 2020

Unit of certification has shows several correction evidence, as follows:

- Evaluation and social impact management program carried out on January 20, 2020 for Dolok Ilir Estate which involved employees, communities, religious leaders, gender committee, village heads and labor unions. This is evidenced by the company showing a questionnaire from each stakeholder.
- Evaluation and social impact management program carried out on 27 July 2020 for Laras Estate which involved Employees, Community, Religious Leaders, Gender Committee, Village Heads and Trade Unions. This is evidenced by the company showing a questionnaire from each stakeholder.
- Evidence of Dissemination of SIA Program Preparation to 11 Participants consisting of Plantation Personnel Assistants, Estate Personnel Crews, and PPD (Document Control Officers) on April 7, 2020.
- Monitoring document Completeness of the implementation of the SIA management and monitoring program which was carried out on July 10, 2020.
- However, the company has not been able to show evidence of an evaluation of the social impact management and monitoring plan on issues in the mill.

Based on the explanation above, the Non-conformity is declared unfulfilled and the status is Raised to Major.

Auditor verification dated 23 February 2021:

Unit of certification has shows several correction evidence, as follows:

- Socialization Minutes The procedure for making and evaluating the social impact management program which was carried out on January 25, 2021 to 9 participants consisting of the Administration Assistant, Technical Assistant, Plant Assistant and Clerk from Dolok Ilir Mill and Dolok Ilir Estate.
- The results of the socialization of the making of environmental management and monitoring reports with all participants Successfully understanding the material.
- Evaluation and social impact management programs carried out on January 4, 2021 PKS Mill and Dolok Ilir Estate which involved employees, communities, religious leaders, gender committees, village heads and labor unions. This is evidenced by the company showing a questionnaire from each stakeholder.
- The results of the evaluation and social impact management program have been compiled based on the results of a questionnaire from affected stakeholders. The social impact management and monitoring program compiled includes:
 1. Road in the plantation area. Improve infrastructure connecting roads to enter and exit the village.
 2. School Children Scholarships. Providing scholarships and other forms of assistance to communities around the plantation and factory.
 3. Palm Trees. Palm fronds and leaves can be used by residents for tepas and sticks.
 4. Job Opportunities. There are opportunities for work and business provided to the community.
 5. The perpetrator of the FFB theft.
 6. Dolok Ilir Mill processing. There is disruption to the community due to the noise generated from the PKS processing process.

Based on this explanation, the nonconformity on this indicator is declared **fulfilled**.

Verified by : **Rahmat Abdiansyah**

<i>NCR No.</i>	: 2019.10	<i>Issued by</i>	: Haikal R Kharismansyah
<i>Date Issued</i>	: 06 September 2019	<i>Time Limit</i>	: 05 December 2019
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 20 November 2019
<i>Standard Ref. & Requirement</i>	6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.		

Evidence observed (filled by auditor):

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

Overtime calculations shown by the company

NIK : 038401010

Dated	Hour			Weekday	
	From	to	Sum	Firts Hour	After First Hour
1	1	3	2	1	1
2	1	3	2	1	1
3	1	3	2	1	1
4	1	3	2	1	1
5	1	3	2	1	1
6	1	3	2	1	1
7					

8	1	4	3	1	2
9	1	4	3	1	2
10	1	4	3	1	2
11	1	4	3	1	2
12	1	4	3	1	2
13	1	4	3	1	2
14					
15	1	2	1	1	0
16	1	2	1	1	0
17	1	2	1	1	0
18	1	2	1	1	0
			34	24	36
				Overtime paid	60

NIK : 038401010

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

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

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

Correction *(filled by organization audited)*:

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

Corrective Action *(filled by organization audited)*:

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

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

Verification on September 23, 2019

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

Verification on September 24, 2019

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

1. Honorary workers for the September 2019 payment period
 2. Security Guard Team for the payment period September 2019
- Please confirm the wage component for honorary workers.
 - Please indicate the SE again on incentive number: 04.15 / SE / 07A / III / 2014
 - Please ensure that the wages referred to by the UMP or UMK; the validity period of the stipulation; and for which workers the wage is determined
 - Please indicate the determination of the rupiah value of the rice supply for temporary workers

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

Verification on November 12, 2019

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

- Letter No: DOI / 04.11 / 107A / X / 2019 dated October 3, 2019 from the Dolok Ilir Estate Manager regarding the salary component of honorary staff by adjusting the value of the rice supply from 9,500 Idr / Kg to 10,500 Idr / Kg.

- Memo Number 04.11 / KOL / M / 2271 / X / 2019 concerning the supply of honorarium dated October 1, 2019 to 10,500 Idr. The letter was made by the Head of Human Resources
- October salary payroll of Honorary employees whose rice supply value has been adjusted to 157,500 Idr / employee salaries or 10,500 Idr / Kg
- Thus the wages of temporary workers who previously had a difference with the Provincial Minimum Wage had become in accordance with the Provincial Minimum wage

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

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

Verification on November 19, 2019

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

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

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

Verified by	: Haikal Ramadhan Kharismansyah
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NCR No.	: 2019.11	Issued by	: Trismadi N
Date Issued	: 06 September 2019	Time Limit	: 05 December 2019
NC Grade	: Major	Date of Closing	: 01 October 2019
Standard Ref. & Requirement	General chain of custody requirements for the supply chain 5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping 		

Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.

- **Trace:** When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- **Remove:** RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- **Confirm:** Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Evidence observed (filled by auditor):

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

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

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

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

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

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

Correction (filled by organization audited):

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

Corrective Action (filled by organization audited):

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

Assessor Evaluation and Conclusion (filled by auditor):

Verification on 1 October 2019

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

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

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

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

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

Conclusions:

Based on above explanations, this nonconformity has been closed.

Verified by : **Trismadi N**

3.4.2. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment

NCR No.	: 2020.01	Issued by	: Briyogi Shadiwa
Date Issued	: 18 December 2020	Time Limit	: Surveillance-1.1
NC Grade	: Minor	Date of Closing	: -
Standard Ref. & Requirement	6.2.6 Non-Critical A decent living wage (DLW) is given to all workers in accordance with applicable regulations, including workers who work on a piece / quota basis whose wages are calculated based on a quota that can be reached during regular working hours.		
Evidence observed (filled by auditor): -			
Non-Conformance Description (filled by auditor): The company has not been able to show the calculation of a Living Wage according to the RSPO Guidelines, in relation to the calculation of wages paid and in-kind benefits.			
Root Cause Analysis (filled by organization audited): -			
Correction (filled by organization audited): -			
Corrective Action (filled by organization audited): -			
Assessor Evaluation and Conclusion (filled by auditor): -			
Verified by	:		

NCR No.	: 2020.02	Issued by	: Rahmat Abdiansyah
Date Issued	: 18 December 2020	Time Limit	: Surveillance-1.1
NC Grade	: Minor	Date of Closing	: -
Standard Ref. & Requirement	7.3.1 Non-Critical A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.		
Non-Conformance Description & Evidence observed (filled by auditor): <ul style="list-style-type: none"> SOP for Household Domestic Waste Management with SPO Number. 20 dated 02 January 2018 it was explained that one of the waste management that is carried out is periodically picking up waste from the garbage collection point and bringing it to the Landfills using the tools provided. Field observations to the Afdeling 3 Estate Dolok Ilir housing area found that there was a pile of domestic waste behind the employee housing. Field observations to the Afdeling 4 Estate Laras housing area found that there was a pile of domestic waste behind the employee housing. Based on the results of interviews with residential residents, it is known that residents of housing make holes as 			

trash cans behind the housing because there is no schedule for the company to transport domestic waste to the Landfills.	
Non-Conformance Description (filled by auditor): Domestic waste management has not been carried out in accordance with established procedures.	
Root Cause Analysis (filled by organization audited): -	
Correction (filled by organization audited): -	
Corrective Action (filled by organization audited): -	
Assessor Evaluation and Conclusion (filled by auditor): -	
Verified by	: -

3.4.3. Opportunity for Improvement

No	Ref.	Description
1	2.1.1	Opportunity to monitor permit extension process towards effluent for land application.
2	2.3.2	Opportunity to continue process of geo-location collection data from third party FFB suppliers (Agents).
3	6.7.3	Opportunity to monitor PPE usage in accordance with its designation.
-	-	-

3.4.4. Noteworthy Positive Components

No.	Description
1	Good commitment on implementing sustainable palm oil production.
2	Good team work, competency of each PIC and communication among team on the unit and HO Medan.
3	Has provide comprehensive document requested.
4	Zero accident for Dolok Ilir Estate and Laras estate for period 2020.
-	-

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Gender Committee of Dolok Ilir Estate and Gender Committee of Dolok Ilir Mill Date of interview: 14 December 2020 Interviewee: Chief, Vice Chief and Head of Education</p> <p>Notes:</p> <ul style="list-style-type: none"> The committee has start since the beginning of 2020. The previous committee has retired. Organization has developed since the first time of RSPO assessment, around 2013/2014. Gender committee of Dolok Ilir Mill and Dolok Ilir Estate has separated since 2018. However, the activities were conducted simultaneously between estate and mill. Among the program carried by the committee out are weekly morning exercise on Friday, Qur'an recitation, development of "<i>Taman Gizi</i>" or nutrient park in every Afdeling and socialization towards Covid-19 issues. The company has provided paid leave for menstruation period (H-1). Those who pregnant or breastfeeds were not allowed to works with agrochemicals and will be transferred into manual works the Human Resources Department. There are no negative issues relate to women and children abuse, as well as discrimination. The company has support gender committee program through provide extra foods during Friday exercise, transportation, meeting room, to facilitate socialization in coordination with Laras Hospital, etc. 	<p>In general, there are no negative issues related to women and children abuse, force labor, as well as discrimination. Women right has provided by company management in accordance with applicable regulation, such as paid leave for reproduction and maternal matters.</p>
<p>National Land Agency of Simalungun District Date of Interview: 15 December 2020 Interviewee: Section Head of Land Register</p> <p>Auditor Notes:</p> <ul style="list-style-type: none"> Unit of certification has cleaned and clear land right legality evidence, as shows through Land Title. There is no abandoned land. There is no new proposal for land expansion. There is no presence of overlapped with forest area and other business activities, for example mining and other plantation companies. Unit of certification has considered transparent and cooperative in providing data information requested. Furthermore, Annual Land Right Usage Report has delivered on schedule. In term of legal aspect, there were no more customary right within unit of certification operational areas. Composition of village was heterogen, consist of several tribe such as Melayu, Batak, Jawa, etc. Any problem related to legal occupation has involve BPN for 	<p>Unit of certification implementation towards land right regulation pursuance has considered in accordance with relevant regulation in Indonesia. The Land Title (HGU) has fully used for oil palm plantation operational activities. Furthermore, relationship with Agency is considered satisfactory. Moreover, occupation case for about 121 ha in Dolok Ilir Estate Afdeling 3 Block 98 A has involving BPN and other respective parties through FPIC approach and proper mediation process.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>mediation process. Occupation case with Petani Jaya Smallholder Group has resulting the land is belonging to PTPN IV Dolok Ilir Unit. However, the claimant has propose an appeal case to the Province Court. This matter is still ongoing.</p>	
<p>Environmental Agency of Simalungun Regency</p> <ul style="list-style-type: none"> • The company has reported mandatory reports to the Environment Agency such as management and environmental plans (RKL-RPL), Mill Effluent Monitoring Reports and Hazardous and Toxic waste Management Reports. • Hazardous and Toxic waste temporary storage Permit and Mill Effluent Permit are still valid. • During 2020 there were no environmental issues carried out by the company. • During 2020 there were no landfires issues carried out by the company. • The environmental office carries out supervision every year. 	<p>There's no negative issue needs to further verification</p>
<p>Village Representatives Date of Interview: 15 December 2020 Interviewee:</p> <ol style="list-style-type: none"> 1. <i>Pangulu Nagori</i> (Head) of Afdeling VI Village (direct) 2. <i>Pangulu Nagori</i> of Dolok Tenera 3. Cleric of Dobana Village <p>Auditor Notes:</p> <ul style="list-style-type: none"> • There is no more customary community(-ies) on the village. Village occupant were mixed, consist of people from Melayu, Batak, Jawa, etc. • There is no land conflict and occupation within estate operational areas, which claimed by village members. The claimants were mostly from Village of Penggalan and Bangun Rejo that identified came from Lampung or not local people. Pro process of mediation has gone through the Court, resulting land right has belonged to PTPN IV Dolok Ilir. • Presence of PTPN IV Dolok Ilir Unit has considered gave a positive impact for economic and social community life. There were a lot af village people works for third generations. • Head of Village and other village representative has been involved on annual CSR program, through participatory ways such as socialization and meeting. • There is no negative issues related to land fire and environment pollution or contamination, caused by company operational activities. 	<p>In general, the presence of PTPN IV Dolok Ilir Unit has positively contribute on village development. There were no negative issues caused by plantation activities towards social and environmental matters. Relationship between company ad surrounding communities is considered satisfactory and comply with RSPO principles and criteria.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
OSH Supervisor of Manpower Agency of Sumatera Utara <ul style="list-style-type: none"> The company sent routine mandatory reports such as <i>P2K3</i>, work accident reports and <i>WLTK</i>. The company has implemented wages and overtime in accordance with applicable regulations. There are no complaints or reporting regarding violations of the implementation of employment. There's no accident on period 2019/2020. The company routinely communicate with the Labor Agency. 	<p>There's no negative issue needs to further verification.</p>
Labour Union Representative <ul style="list-style-type: none"> The company has paid wages and employee rights in accordance with applicable regulations. There are no serious or fatal work accidents in each unit business. There are no employee complaints that have not been completed. The company has provided PPE to workers. The company has conducted periodic health checks on high-risk workers. All harvester workers are permanent worker. Worker union has a good relationship with company. 	<p>There's no negative issue needs to further verification.</p>
UD Merbau (FFB Transport vehicle for EFB in Dolok Ilir Estate). <ul style="list-style-type: none"> The cooperation between the company and the contractor has been established for 15 years. The cooperation contract is for 3 months and will oversee the agreement between the two parties. Payments to contractors are made monthly on the 20th of each month. The contractor has provided its workers with employment insurance. PPE is provided free of charge by the contractor and is given accordingly. The company has implemented PPE, K3 and code of conduct information. There are no complaints from contractors to the company regarding work agreements, payments, etc. 	<p>There's no negative issue needs to further verification.</p>
CV. Riana Lim (Supplier FFB) <ul style="list-style-type: none"> The cooperation between the company and the contractor has been established for 15 years. The cooperation contract is for 3 months and will oversee the agreement between the two parties. FFB from contractors is FFB that comes from local farmers and agents. 	<p>There's no negative issue needs to further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
There are no complaints from contractors to the company regarding work agreements, payments, etc.	
Employee Cooperative Representative <ul style="list-style-type: none"> • The cooperative already has a deed of establishment and AD-ART • The cooperative has a new management structure in 2020 • Employees are not required to join the cooperative but voluntarily • The annual Members' Meeting was held on August 5, 2020 • SHU has been distributed to cooperative members in early 2020 • Cooperative activities run well under company supervision • The cooperative has kept a member list document properly. 	There's no negative issue needs to further verification

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perkebunan Nusantara IV Dolok Ilir Unit Management Representative</p>  <p>Dison Girsang Wednesday, 24 February 2021</p> </div> <div style="text-align: center;"> <p>PT Mutuagung Lestari Lead Auditor</p>  <p>Mohamad Amarullah Wednesday, 24 February 2021</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	Section Head of Land Register of National Land Agency (BPN) of Simalungun District	Simalungun District, Sumatera Utara	-	Interview (via phone)	15 Dec 2020	✓	
2	OSH Supervisor of Manpower Agency of Sumatera Utara	Simalungun District, Sumatera Utara	-	Interview (via phone)	15 Dec 2020	✓	
3	Environment Agency	Simalungun District, Sumatera Utara		Interview (via phone)	16 Dec 2020	✓	
4	Agriculture/Plantation Agency	Simalungun District, Sumatera Utara		Interview (via phone)	16 Dec 2020	✓	
5	Labour Union of PTPN IV representative	Simalungun District, Sumatera Utara	-	Interview (via phone)	14 Dec 2020	✓	
6	Gender Committee of Dolok Ilir Estate and Gender Committee of Dolok Ilir Mill (Chief, Vice Chief and Head of Education)	PTPN IV Dolok Ilir Unit	-	Interview (direct)	14 Dec 2020	✓	
7	Surrounding Villages Representatives 1. Pangulu Nagori (Head) of Afdeling VI Village 2. Pangulu Nagori of Dolok Tenera 3. Cleric of Dobana Village	Simalungun District, Sumatera Utara	-	Interview (direct and via phone)	15 Dec 2020	✓	
8	Aliansi Masyarakat Adat Nusantara (AMAN)	Indonesia	rumahaman@cbn.net.id	Questionnaire by Email	08 Dec 2020		X
9	Sawit Watch Indonesia	Indonesia	info@sawitwatch.or.id	Questionnaire by Email	08 Dec 2020		X
10	Wahana Lingkungan Hidup Indonesia	Indonesia	informasi@walhi.or.id ; info@walhi.or.id	Questionnaire by Email	08 Dec 2020		X
11	WWF Indonesia	Jakarta	wwf-indonesia@wwf.or.id	Questionnaire by Email	08 Dec 2020		X
12	Dolok Ilir Mill: 1. Weighbridge op. 2. Security officer 3. 1 Worker WWTP 4. 1 Worker water source 5. 1 Worker Land Application 6. 1 Worker Housing complex 7. 1 worker Chemical	Dolok Ilir Mill, PTPN IV	-	Interview (direct)	15 Dec 2020	✓	

	Warehouse						
13	Dolok Ilir Estate <ul style="list-style-type: none"> • 1 worker Housing Complex • 1 Worker Landfill area • 2 Worker House rinse • 1 worker Chemical warehouse 1. 1 worker fertilizer warehouse 	Dolok Ilir Estate, PTPN IV	-	Interview (direct)	15 Dec 2020	√	
14	Laras Estate <ul style="list-style-type: none"> • 1 Worker House rinse • 1 worker Chemical warehouse • 1 worker fertilizer warehouse • 1 worker Housing Complex • 1 Worker Landfill area • 3 worker Emergency Response Groups • 1 worker Temporary storage of hazardous waste 1. 1 worker Oil Warehouse. 	Laras Estate, PTPN IV	-	Interview (direct)	16 Dec 2020	√	

Appendix 2. Assessment Program

DATE	14 – 18 December 2020	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 14 December 2020		
05.10 – 07.45	• Jakarta – Medan (GA 180)	All Auditor
08.00 – 12.00	• Medan – PTPN IV Dolok Ilir Unit Site	
12.00 – 14.00	Break	All Auditor
14.00 – 15.00	• PTPN IV Dolok Ilir Unit presentation • Opening meeting	PTPN IV unit team MAH + Team Auditor
15.00 – 16.30	Internal stakeholder consultation • Labour Union • Gender Committee • Employee Cooperative • Local contractor and FFB Supplier (external)	BSH MAH SSS RAB
16.30 – 17.00	Daily audit progress	All Auditor
Tuesday, 15 December 2020		
08.00 – 11.00	Field observation to Dolok Ilir Estate • BPN Poles and conservation area • BMP (manuring, field upkeep (pesticide application), IPM, harvesting and by-product application) • Warehouse and Housing facilities (Agrochemicals Store, Pesticide Mixing Area, PPE Store, Scheduled/Hazardous Waste Store, Fire Management Facilities, Clinic, Child Care, Sanitation System, Landfill, Domestic Waste Management, etc.)	MAH SSS / BSH RAB
11.00 – 12.00	External stakeholder consultation • BPN of Simalungun District and surrounding villages representative • Plantation Agency of Simalungun District • Environment Agency of Simalungun District • Manpower Agency of Simalungun District	MAH SSS RAB BSH
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Field Observation to Dolok Ilir Mill • Security Post, Weigh Bridge Station, CPO Storage Tank, Kernel Storage and SCCS implementation • Loading Ramp, FFB Processing Stations, Engine Room, Boiler Station and Hydrant simulation. • Workshop, Chemical Storage, WTP, Effluent Ponds (IPAL), Hazardous Waste Store, EFB heaps and drainage system	MAH SSS / BSH RAB
16.30 – 17.00	Daily audit progress	All Auditor
Wednesday, 16 December 2020		
08.00 – 12.00	Field observation to Laras Estate • BPN Poles and conservation area • BMP (manuring, field upkeep (pesticide application), IPM, harvesting and by-product application) • Warehouse and Housing facilities (Agrochemicals Store, Pesticide Mixing Area, PPE Store, Scheduled/Hazardous Waste Store, Fire Management Facilities, Clinic, Child Care, Sanitation System, Landfill, Domestic Waste Management, etc.)	MAH SSS / BSH RAB

12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Document verification	
16.30 – 17.00	Daily audit progress	All Auditor
Thursday, 17 December 2020		
08.00 – 12.00	Document verification	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Document verification	All Auditor
16.30 – 17.00	Daily audit progress	All Auditor
Friday, 18 December 2020		
08.00 – 10.00	Closing meeting	All Auditor
10.30 – 14.00	PTPN IV Dolok Ilir Site → Medan	All Auditor
17.15 – 19.40	Medan → Jakarta (GA 121)	All Auditor