

***Roundtable on Sustainable Palm Oil Certification
RSPO***

[✓] Surveillance

Name of Management : Sei Intan Palm Oil Mill – PT Perkebunan Nusantara V
 Organisation
 Plantation Name : PT Perkebunan Nusantara V – Sei Intan Estate

Location : Village of Kembang Damai, Sub District of Pagaran Tapah Darussalam,
 District of Rokan Hulu, Province of Riau, Indonesia

Certificate Code : **MUTU-RSPO/133**

Date of Certificate Issue : 17 June 2019 Date of License Issue : 17 September 2021
 Date of Certificate Expiry : 16 June 2024 Date of License Expiry : 16 June 2022

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
Remote Audit ASA-1	23 to 24 June 2020	Mohamad Amarullah (Lead Auditor), Arif Faisal Simatupang, Bayu Yogatama and Johannes Pandiangan	M. Rinaldi	Octo H.P.N. Nainggolan
Onsite Audit ASA-1 and ASA-2	28 to 30 April 2021	Ardiansyah (Lead Auditor), Asystasha Aishah Silalahi, Rahmat Abdiansyah and Septian Maulana		

Assessment	Approved by MUTUAGUNG LESTARI on:
Onsite Audit ASA-1 and ASA-2	25 August 2021

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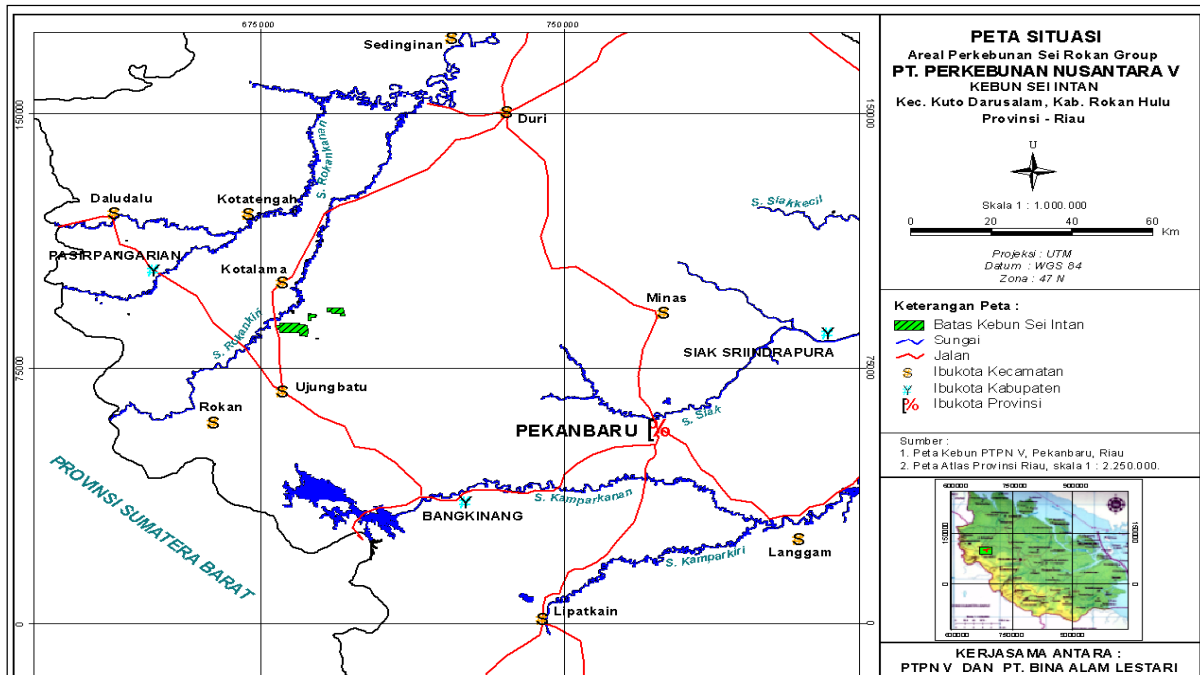
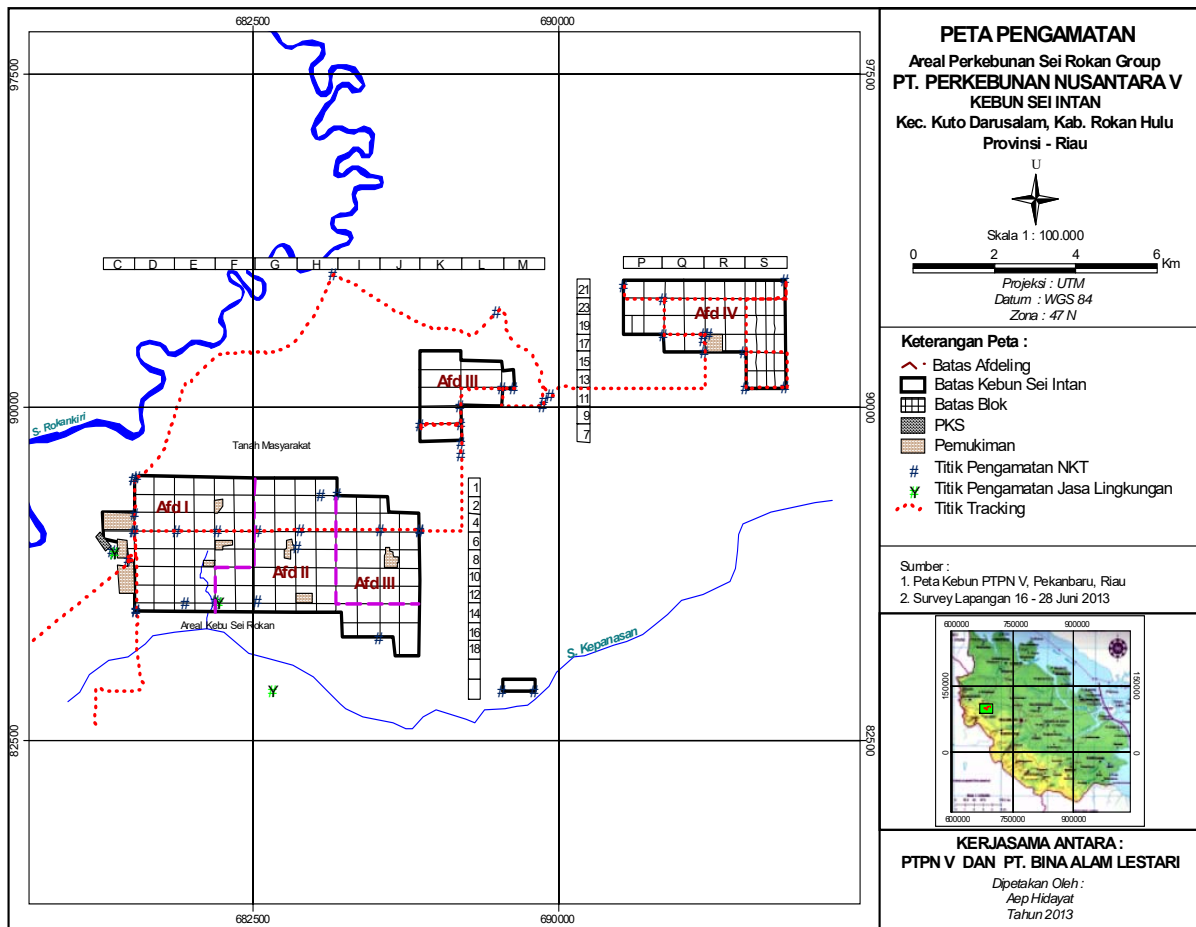


Figure 2. Operational Map of Sei Intan POM – PT Perkebunan Nusantara V



Abbreviations Used

AMDAL	:	<i>Analisis Manajemen Dampak Lingkungan</i>
BAPEDALDA	:	<i>Badan Pengendali Dampak Lingkungan Daerah</i>
BOD	:	Biological oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i>
BPN	:	<i>Badan Pertanahan Nasional</i>
BLH	:	Environmental Agency
COD	:	Chemical Oxygen Demand
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	Commanditaire Vennootschap
DISNAKERTRANS	:	<i>Dinas Tenaga Kerja dan Transmigrasi</i>
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
GAPKI	:	<i>Gabungan Pengusaha Kelapa Sawit Indonesia</i>
GHG	:	Greenhouse Gases
HCV	:	High conservation value
HGU	:	<i>Hak Guna Usaha</i>
HIRAC	:	Hazard Identification Risk Assessment Control
HIRADC	:	Hazard Identification Risk Assessment Determining Control
IOPRI	:	Indonesian Oil Palm Research Institute
IPM	:	Integrated Pest Management
IK	:	Work Instruction
ISPO	:	Indonesian Sustainable Palm Oil
JHT	:	<i>Jaminan Hari Tua</i>
JKK	:	<i>Jaminan Kecelakaan Kerja</i>
JKM	:	<i>Jaminan Kematian</i>
JP	:	<i>Jaminan Pensiun</i>
KAN	:	<i>Komite Akreditasi Nasional / National Accreditation Committee</i>
KER	:	<i>Kernel Extraction Rate</i>
KUD	:	<i>Koperasi Unit Desa</i>
LA	:	Land Application
LD50	:	Lethal Dose 50
LSU	:	Leaf Sampling Unit
MSDS	:	Material Safety Data Sheet
NGO	:	Non-Governmental Organization
OER	:	<i>Oil Extraction Rate</i>
OHS	:	Occupational Safety and Health
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i>
PDBL	:	<i>Penyaluran Dana Bina Lingkungan – kind of CSR that managed by Head Office of PTPN V</i>
PERMENKES	:	<i>Peraturan Menteri Kesehatan</i>
PERMENAKER	:	<i>Peraturan Menteri Tenaga Kerja</i>
PMKS	:	<i>Pabrik Minyak Kelapa Sawit (POM)</i>
POM	:	Palm Oil Mill
POME	:	<i>Palm Oil Mill Effluent</i>
PPE	:	Personal Protective Equipment
PTPN	:	<i>Perseroan Terbatas Perkebunan Nusantara / State Owned Plantation Company</i>
RKL/RPL	:	Environmental Management Plan / Environmental Monitoring Plan
RTE	:	Rare, threatened and endangered species
RSPO	:	Roundtable on Sustainable Palm Oil

SBU	:	<i>Satuan Bisnis Usaha</i>
SCCS	:	<i>Supply Chain Certification System</i>
SEL	:	Environmental Evaluation Study
SIA	:	Study Impacts Assessment
SOP	:	Standard Operating Procedure
SPK	:	<i>Surat Perjanjian Kerja (Agreement Letter)</i>
SK	:	<i>Surat Keputusan</i>
SSU	:	Soil Sampling Unit
UKL	:	<i>Upaya Pengelolaan Lingkungan Hidup</i>
UPL	:	<i>Upaya Pemantauan Lingkungan Hidup</i>
WHO	:	World Health Organization
WI	:	<i>Work Instruction</i>
WTP	:	Water Treatment Plan
WWTP	:	Waste Water Treatment 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 and RSPO Independent Smallholder Standards, Endorsed by the RSPO Board of Governors on 12 November 2020. 	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	PT Perkebunan Nusantara V – Kebun Sei Intan	
1.2.2	Contact person	Jenny Tarigan	
1.2.3	Organization address and site address	Jalan Rambutan, No. 43, Pekan Baru, Riau, Indonesia - 28294	
1.2.4	Telephone	(0761) 66565	
1.2.5	Fax	(0761) 66558	
1.2.6	E-mail	ptpn5@ptpn5.co.id	
1.2.7	Web page address	www.ptpn5.co.id	
1.2.8	Management Representative who completed the application for certification	Jenny Tarigan	
1.2.9	Registered as RSPO member	1-0211-16000-00, 14 May 2016.	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Sei Intan POM and Sei Intan 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
	Sei Intan POM	Kembang Damai Village, Pagaran Tapah Darussalam Sub District,, Rokan Hulu District, Riau Province, Indonesia	N 00° 47' 1.7" E 100° 36' 41"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Sei Intan Estate	Kembang Damai Village, Pagaran Tapah Darussalam Sub District,, Rokan Hulu District, Riau Province, Indonesia	N 00° 46' 50" E 100° 36' 36.5"
1.5	Description of Area Statement		
1.5.1	Tenure		
	• State	3,286.40 ha	
	• Community	- ha	
1.5.2	Area Statement		

	• Total area		3,286.40	ha			
	• Mature area		2,908.92	ha			
	• Immature Area		183.76	ha			
	• Housing		57.83	ha			
	• Office		0.09	ha			
	• Public building		0.45	ha			
	• Mill, reservoir		8.12	ha			
	• Waste water treatment pond		5.64	ha			
	• Football field		1.00	ha			
	• Low land		22.00	ha			
	• Storage		0.12	ha			
	• Roads		93.84	ha			
	• Graveyard		2.00	ha			
	• HCV		2.63	ha			
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Sei Intan Estate	Total				
	1997	179.00	179.00				
	1998	40.00	40.00				
	2004	23.00	23.00				
	2011	1,052.00	1,052.00				
	2012	934.00	934.00				
	2017	680.92	680.92				
	Sub Total Mature	2,908.92	2,908.92				
	2018	183.76	183.76				
	Sub Total Immature	183.76	183.76				
	TOTAL	3,092.68	3,092.68				
1.6.2	New Planting area after January 2010	0 ha					
1.6.3	Planting Cycle	2 nd Cycle					
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sei Intan POM	30	274,490.93	59,922.65	21.83	10,334.96	3.77
	<i>*Production data source from 22 months before assessment (June 2019 to March 2021)</i>						
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)	%
	Sei Intan Estate	3,286.40	2,908.92	129,843.56	22.32	129,843.56	100
	TOTAL	3,286.40	2,908.92	129,843.56	22.32	129,843.56	100

* Production data source from 22 months before assessment (June 2019 to March 2021)								
1.7.3	FFB description from other source							
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tonnes/year)			
	Sei Rokan Estate (Certified)	PTPN V	-	10,253.89	52,185.68			
	Sei Berlian Estate (Certified)	PTPN V	-	4,756.51	34,975.00			
	Ex Plasma Smallholders (NC)	Independent Suppliers	-	-	9,736.20			
	Third Party Suppliers (NC)	Independent Suppliers	-	-	48,210.49			
	TOTAL				145,107.37			
* Production data source from 22 months before assessment (June 2019 to March 2021)								
1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (June 2019 to March 2021) (MT)			
	FFB Processed			255,524	217,004.03			
	CPO Production			56,180	45,948.23			
	Palm Kernel (PK) Production			9,927	7,877.18			
1.8.2	Product selling							
	Type of selling product			Actual selling product period June 2019 to March 2021 (MT)				
	CSPO sold as RSPO certified product			15,020.08				
	CSPK sold as RSPO certified product			6,293.40				
	CSPO sold under other scheme			0				
	CSPK sold under other scheme			0				
	CSPO sold as conventional			29,623.66				
	CSPK sold as conventional			1,566.58				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Sei Intan Estate	3,286.40	2,908.92	78,000	26.80			
	TOTAL	3,286.40	2,908.92	78,000	26.80			
*Projected FFB production for period 17 June 2021 to 16 June 2022								
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 (%)	
	Sei Intan POM	30	78,000	17,160	22.00	3,900	5.00	Mass Balance
*Projected CSPO and CSPK production for period 17 June 2021 to 16 June 2022								
1.9	Other Certifications							

	ISO 9001	SNI ISO 9001:2015/824 100 18098 (Berlaku sampai 23 Juni 2022)				
	ISO 14001	SNI ISO 14001:2015/824 104 18028 (Berlaku sampai 23 Juni 2022)				
	SMK3	REG.SMK3.2019.TUV.SK-693 (Berlaku sampai 29 Maret 2022)				
	ISPO	TNI-ISPO-K-1713 (30 Nov 2017 – 29 Nov 2022)				
	ISCC	EU-ISCC-Cert-DE 129-35285337 (26 Feb 2021 – 25 Feb 2022)				
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	MILL	Time Bound Plan				
	Tandun	2016	Tandun Estate, Sei Berlian Estate and Sei Lindai Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
			Sei Lindai 98 ha	2021	Tapung Hulu District, Kampar District, Riau Province, Indonesia	-
			Sei Berlian 866 ha	2023	Tapung Hulu District, Kampar District, Riau Province, Indonesia	-
	Sei Rokan	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau Province, Indonesia.	Certified
	Sei Tapung	2019	Sei Tapung	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
			Sei Siasam	2019		Certified
			KUD Makarti Jaya	2022		-
			KUD Karya Mukti	2022		-
			KUD Dayo Mukti	2023		-
			KUD Tani Sejahtera	2023		-
	Sei Intan	2019	Sei Intan	2019	Rokan Hulu District, Riau Province, Indonesia	Certified
	Tanjung Medan	2020	Tanjung Medan	2021	Rokan Hilir District, Riau Province, Indonesia	-
	Tanah Putih	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified
	Lubuk Dalam	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified
	Sei Buatan	2021	Sei Buatan	2021	Siak District, Riau Province, Indonesia	-
			Air Molek 1	2023		-
			Air Molek II	2023		-
			KUD Karya Darma	2023		-
			KUD Tunas Karya	2023		-

Sei Galuh	2021	Sei Galuh	2021	Kampar District, Riau Province, Indonesia	-
Sei Pagar	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	Certified
		Sei Pagar, Tanah Putih	2019		Certified
Sei Garo	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified
Terantam	2019	Terantam	2019	Kampar District, Riau Province, Indonesia	Certified
		Terantam 2 (725.44 ha)	2023		-
		Tamora	2023		-
		Sei Kencana	2023		-
Sei Batu Langka	2023	-			
*Sources: document of PTPN V TBP o January 2021					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	Sei Intan POM do not have scheme smallholder or outgrower scheme.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
Remote Audit ASA-1	<ol style="list-style-type: none"> Mohamad Amarullah (Lead Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry with major in Forest Product Technology. Has experiences as Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. 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, etc. very good in conducting RSPO, MSPO and ISPO audit scheme since 2014 on any aspect. Fluent in Malay and English. During this assessment verified BMP, OHS & Worker Welfare aspect. Arif Faisal Simatupang (Auditor) Bachelor of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm plantation company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit, he was assessing the aspects of best management practices of agronomy and processing. During this Assessment has Verified Legality, transparency Grievance and supply chain aspect. Bayu Yogatama (Auditor) Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, SA 8000, RSPO Lead Training, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this assessment has verified environment, conservation and GHG aspect. During this assessment he verified long term management plan, environment, conservation and GHG aspect. Johanes Pandiangan (Observer). Bachelor of Agriculture Department of Social Economics of Agriculture, Faculty of Agriculture. He has 7 years' experience working as operational staff of one of the leading private oil palm plantation companies in Indonesia.
Onsite Audit ASA-1 and ASA-2	<ol style="list-style-type: none"> Ardiansyah (Lead Auditor). Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (SIO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in Bahasa and Malay. During this audit, he assigned to verify legal aspect BMP, OHS, worker welfare and social. Asystasha Aisahah Silalahi (Auditor). Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verifies legality aspects and SCCS. 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 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 assessment, he verified the aspects of environment, conservation and GHG aspect. Septian Maulana (Trainee Auditor). Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health

	<p>and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Awareness Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018); Basic Fire Fighting; Basic First Aid; Understanding the regulations and technical aspects of environmental management; Training of Immobilization after a venomous snake bite; Awareness ISO 19011:2011; Awareness ISO 17065:2012; Awareness ISO 17021:2015. ISPO Auditor Training. During this assessment, he verified the aspects of best management practice under the supervision of the Lead auditor.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
Remote Audit ASA-1	<p>Number of auditors: 3 auditors & 1 Observer Number of days for Remote ASA-1 document review: 2 days Number of working days for Remote ASA-1 document review: 6 Working days</p>
Onsite Audit ASA-1 and ASA-2	<p>Number of auditors: 3 auditors & 1 auditor trainee Number of days for Onsite ASA-1 + ASA-2: 3 days Number of working days for Onsite ASA-1 + ASA-2: 9 Working days</p>
2.2.2	Assessment Process
Remote Audit ASA-1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perkebunan Nusantara V Unit Sei Intan 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>For this section (Remote Audit ASA-1) The assessment was conducted in One method: document review, aiming to observe the sufficiency of types or substances from required documents. Some opportunities for improvement of the results ASA-1 Remote Audit by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1 Onsite Audit. Improvement of findings from recertification findings were observed by auditors at this Recertification assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of Recertification.</p> <p>The opening meeting was held on Tuesday 23 June 2020 at 08 am through a teleconference (zoom meeting). As for the participants who attended the opening meeting included the Sei Intan POM Manager, Sei Intan Estate Manager, Supported Team Pekanbaru and other staff at PT Perkebunan Nusantara V Unit Sei Intan. While the closing meeting will take place on June 24, 2020 at 16 pm. attended by the same participants as the opening meeting.</p> <p>The assessment program please find Appendix 2</p>
Onsite Audit ASA-1 and ASA-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perkebunan Nusantara V – Sei Intan 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 and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</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>Public Stakeholder Notification was made on Mutu International Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions</p>

proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment

During the COVID-19 pandemic, there were several modifications to the audit due to health protocols. There are several activities that are not possible to do face to face, such as public consultations with government agencies, communities or previous land owners so that these activities are carried out by telephone. Interview with workers also carried out by phones. List of Stakeholders contacted is included as Appendix I.

Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel.

Some opportunities for improvement of the results ASA-1 & ASA-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-3).

Improvement of findings from ASA-1 & ASA-2 findings were observed by auditors at this ASA-3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1 and ASA-2.

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
Onsite Audit ASA-1 and ASA-2	<p>Number of units in this certification activity is 1 (one) Mill and 1 (one) estate. The consideration for risk assessment is geographic locations, distance of estate, complexity of labour, landscape setting, presence of HCV, number of communities/conflicts, legality etc. And also, because this assessment is for onsite audit ASA 1 and ASA 2, so auditor team determine to increase the point sample in sample unit (more than 1 Afdeling visited during the field observation. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Sei Intan Mill</p> <ul style="list-style-type: none"> - Weighbridge Station. Observation the activity of weighing FFB - Security. Observation the activity of the acceptance of FFB. - Grading Station. Observations the activity of grading FFB and also PPE used by worker. - Boiler. Observations the activity in the station and also PPE used by worker - Sterilizer. Observations the activity in the station and also PPE used by worker - Kernel Station. Observations the activity in the station and also PPE used by worker - WTP. Observations the activity in the station and also PPE used by worker. - WWTP. Observation about WWTP condition. - Hazardous Waste Temporary Warehouse. Observation the warehouse condition. - Chemical warehouse. Observation about storage condition and material that kept in the storage <p>Sei Intan Estate (Afdeling I)</p> <ul style="list-style-type: none"> • HGU Poles No. 113, 115, and 001 block 4C, and 1D. Observation on boundaries poles, coordinates, maintenance, and demarcation. • Riparian of Kepanasan River, block of 14/12 E, Division of 1. Observation regarding to riparian and HCV area. • Landfill. Field observation related management of domestic waste. • Land application Block 8D & 10 D Afdeling 1. Field observation and interview related management of liquid waste. • Well Monitor block 10 D. Field observation related management of ground water. • Harvesting of FFB, Block 4/6 F Afdeling 1. Observation and interview on procedure implementation, safety dan worker welfare aspect. • Fertilizer storage. Observation about storage condition, fertilizer stock, and interview with storage officer about OHS implementation, worker welfare aspect, and waste management. • Housing of Afdeling I. Field observation and interview related condition, infrastructure, domestic waste, emergency response system and others. • Barn Owl Box, Block 4E Afdeling 1. Observation of biological treatment the infestation of rats by installing and monitoring barn owl boxes.

- **Central storage.** Observation about storage condition and interview with storage officer about OHS implementation, worker welfare aspect, and waste management.
- **Fuel store.** Field observation and interview with management of fuel.
- **Integrated Healthcare Center.** Field observation related management and activity in integrated healthcare center.
- **Replanting of 2018, Block 6C Afdeling 1.** Observation on mechanical land preparation, as well as soil and water conservation.

Sei Intan Estate (Afdeling II)

- **Spraying Activity Block H10.** Observation about best practice of spraying and OHS aspect
- **Fertilizer warehouse.** Observation about emergency handling equipment, and OHS warnings
- **Housing Block G6.** Observation about domestic waste management
- **Daycare.** Observation about the condition of daycare
- **Afdeling office.** Observation about evacuation route and assembly point
- **Rinse House.** Observation about environment aspect
- **Barn Owl Block G8.** Observation about the condition of barn owl.
- **HGU Pole No. 24 and 23 Block J18.** Observation about the condition of pole

Sei Intan (Afdeling III)

- **Harvesting Block J4.** Observation about best practice of harvesting and OHS aspect
- **HGU Pole No. 17 Block J6.** Observation about the condition of pole

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Consultation of stakeholders for PTPN V – Sei Intan Estate held by:</p> <ol style="list-style-type: none"> 1. Public announcement in Mutuagung website on 12 April 2021. 2. Public consultation with government agencies of Rokan Hulu District (Agriculture Agency, Labor Agency, and Environmental Agency) on 29 April 2021. 3. Public consultation by interview with locals of the nearby village (Kembang Damai and Kota Lama Village) and local contractor on 28 April 2021. 4. Consultation meeting and interview with Internal Stakeholder (labor union, and gender committee) on 28 April 2021. 5. Consultation with NGO (WWF, Sawit Watch, Wahana Lingkungan Hidup Indonesia, dan AMAN) via email on 27 April 2021. <p>Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara V – Sei Intan</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit ASA-3 will be conducted eight (8) months to twelve (12) month after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Sei Intan POM – PT Perkebunan Nusantara V. Operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators and eight (8) 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 actions that had been reviewed and accepted by Auditors in form of documentation evidence

MUTUAGUNG LESTARI found that Sei Intan POM – PT Perkebunan Nusantara V 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 and RSPO Independent Smallholder Standars, Endorsed by the RSPO Board of Governors on 12 November 2020.*

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

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>The company maintains a list related to information that can be shared in the Internal and External Document List (FOR / MR / 4.01) which explains the types of documents that can or cannot be transparent, for example documents that can be transparent are environmental documents, SIA documents, CSR documents and GHG documents, etc. These documents are kept in the Department of Sustainability and Mill and Plantations Certification. According to interviews with local communities and local contractors, they have received socialization and information disclosure and already know the types and ways of obtaining information from companies. The company holds a stakeholder meeting once a year to communicate and consult procedures and policies.</p> <p>Companies can also show evidence of mandatory reporting to agencies on environmental aspects, for example:</p> <ul style="list-style-type: none"> • Report on the management of hazardous and toxic waste for the 3rd quarter of 2020 to the Environmental Service of Rokan Hulu Regency on October 12, 2020. • Report on the management of hazardous and toxic waste for the 4th quarter of 2020 to the Environmental Service of Rokan Hulu Regency on January 16, 2021. • POME Monitoring Report for the 3rd quarter of 2020 to the Environmental Agency of Rokan Hulu Regency on October 12, 2020. • POME Monitoring Report for the 4th quarter of 2020 to the Environmental Service Office of Rokan Hulu Regency on January 16, 2021. • Electronic Receipt of Information System for Electronic Living Reporting (SIMPEL) of the Ministry of Environment and Forestry regarding reporting on the Implementation of Environmental Management and Monitoring for Semester 1 of 2020 with number TTE 1607584826-1686 with a statement that has been reported. • Electronic Receipt of Information System for Electronic Living Reporting (SIMPEL) of the Ministry of Environment and 	

Forestry regarding reporting on the Implementation of Environmental Management and Monitoring for Semester 2 of 2020 with number TTE 1619624219-1686 with a statement already reported.

1.1.2

The company maintains a list related to information that can be shared in the Internal and External Document List (FOR / MR / 4.01) which explains the types of documents that can or cannot be transparent, for example documents that can be transparent are environmental documents, SIA documents, CSR documents and GHG documents, etc. These documents are kept in the Department of Sustainability and Mill and Plantations Certification. The results of interviews with nearby villages and KUD Sawitra revealed that they were aware of the procedures for requesting information. In addition, the company also has a PIC for communication and consultation with stakeholders, namely a Personnel Assistant.

1.1.3

The company has a Public Information Service Management Work Instruction with document number 39-IK / BSP / PTPN-V / 2016. The Work Instructions describes the time frame for responding to requests for information as follows:

- The company has no later than 12 working days after applications that are open and closed are received by the company.
- In the event that the time allocation for preparing the answer as intended is not sufficient, the superior can extend the time and submit

The company has shown the Mill / Sei Intan Estate external logbook for the period 2021, Examples are as follows:

- Request for data from the Regional Revenue Agency of Rokan Hulu Regency on March 10, 2021 with letter number 973 / BAPENDA / UP.041 and has been responded to by the Personnel Assistant.
- Letter from the ROHUL Police with Number B / 50 / I / 2021 / R2S on January 28, 2021 and has been responded to by the Personnel Assistant.

1.1.4

The company has shown documents related to the consultation and communication procedures contained in the SOP of PT. Perkebunan Nusantara V Document number 33-SOP / PEM / PTPN-V / 2020, issued on March 31, 2020, addressing community complaints and grievances.

The company has conducted outreach to stakeholders on 17 June 2020. The socialization includes socialization of the RSPO and socialization of communication and consultation SOPs. The socialization was attended by 17 participants. Based on interviews with local villagers and KUD Sawitra, it is known that the company has conducted outreach to stakeholders regarding the information request mechanism.

1.1.5

The company has shown documents related to the list of stakeholders owned by the company which was updated on August 10, 2020. The document describes the name of the agency, address, name of the official and the person's contact number. The stakeholders are as follows:

- The government (district, sub-district and village) has 14 stakeholders.
- Suppliers of 21 stakeholders.
- NGOs and youth organizations as many as 5 stakeholders.
- Indigenous peoples as many as 2 stakeholders.
- There are 2 internal stakeholders.

Status: Comply

1.2

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

1.2.1 & 1.2.2

The company has a code of ethics policy established in March 2016 by the President Director which states that PTPN V in building a sustainable palm oil industry is committed to providing the best quality and high value products for all stakeholders by upholding business ethics, avoiding fraud and corruption, collusion, nepotism is based on noble values that grow and develop in the company, namely honesty, integrity, cooperation, discipline and responsibility, by:

- Implementing a code of ethics that includes a system of values and business ethics when interacting with partners and stakeholders.
- Upholding the principles of truth, honesty, responsibility, consistency and harmony.
- Prohibit and do not condone the practice of bribery and commissions, donations, or gifts that create a conflict of interest.

Based on interview with contractor and workers sighted that they already aware about PTPN V code of ethics policy.

The results of interviews with management indicate that the company has an internal audit mechanism to ensure compliance with regulations and compliance with which it is carried out routinely once a year. In addition, the company also has a complaint procedure if there is a complaint related to a violation of company policy. The complaint procedure is also routinely socialized to workers. The results of verification of complaint documents and interviews with workers and trade unions obtained information that there were no violations of company policies or code of ethics.

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.

The company has complied with several environmental laws, for example:

- Holds a valid permit for the Temporary Storage of Hazardous and Toxic Wastes from the Regional Government of Rokan Hulu Regency.
- Already have environmental documents along with environmental document approval from the Government.
- Has a valid permit for the utilization of liquid waste on the ground (Land Application) from the Regional Government of Rokan Hulu Regency.

The company has complied with Land Legality, for example:

Land Use Rights

Land uses rights based on the Decree of the Minister of Agrarian Affairs / Head of the National Land Agency No. 107 / HGU / BPN / 99 for an area of 13,942.158 Ha located in Kampar Regency which was issued on October 14, 1999. This rights is for PTPN V Sei Intan Unit and Sei Rokan Unit.

Plantation Business Permit

The company shows a Plantation Business Permit for PTPN V Riau based on Letter No. 525 / Ekbang / 08.07 dated May 14, 2004 for an area of 76,733.972 hectares. This land includes the Sei Intan plantation with an area of 6,006.301 hectares with a mill capacity of 30 tons of FFB / hour.

Compliance with laws and regulations relevant to aspects of BMP

- Based on the results of field visits to chemical warehouses, for example the Central chemical warehouse in Division 1, it was found that the chemical storage area was in accordance with Government Regulation no. 74 of 2001 concerning Management of Hazardous and Toxic Materials.
- The company is known to use beneficial plants (turnera subulata and antigonon) and tyto alba in the application of biological pest control. P.94 / MENLHK /Secretary General/KUM.1/12/2016 about invasive species.
- The company has a policy regarding no use of fire in operational activities.

2.1.2

CH has identified and listed the relevant rules and regulation which applied to the mill and estate operational activity, namely consist of acts, presidential rules, presidential instruction, presidential decree, decree and rules od ministries. The last evaluation for regulation is conducted on March 2021 and based on the last evaluation not all relevant regulation has been complied 100%. CH also explain the program to comply the regulation and it will be ensure in next assessment (OFI)

2.1.3

The company shows the HGU stakes monitoring document which is carried out every month. HGU stakes monitoring is carried out to see the position of the stakes, the condition of the stakes, and the clarity of the poles number. Based on the monitoring results, all stakes are still in the initial position and in good condition. Then based on the results of the field visit to the HGU stakes no. 113, 115, and 001 it is known that the stakes are in good condition and there is no indication of oil palm planting outside the HGU boundaries.

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.

CH already has a list of contractors and other third parties. Based on the list, there are 7 contractors and 19 FFB suppliers consist of:

List of Contractor

1. PT Daero Gandasaranatama
2. CV Garta Capri Bersaudara
3. PT Wahana Adidaya Pertiwi
4. CV Mujur Karya Sentosa
5. PT Putri Aisyah Sandyna
6. PT Anindya Pratama Cemerlang
7. PT Berkat Maju Sempurna

List of FFB Suppliers

1. KUD Sawitra
2. KUD Tujuh Permata
3. KUD Citra Gemilang
4. KUD Gemah Ripah
5. PT Sugih Indah Sejati
6. Sivia Devi
7. Amanda group
8. Etc

2.2.2; 2.2.3

As review of work agreement with contractor, for example through Agreement Letter with PT Putri Aisyah Sandyna on December 01, 2020 regarding maintenance of mature plant and transportation of chemical fertilizers in PTPN V - Sei Intan, explaining about:

- Clause 7 point 2 explains that it is obligatory to comply with labor regulations regarding the supervision of work safety, occupational health and health facilities according with the work as well as maintaining security, abuse of illegal drugs, gambling and liquor around the work location.
- Clause 23:
 - Comply with applicable laws and regulations.
 - Respect Human Rights.
 - Committed to behaving ethically.
 - Forbid children to work.
 - Implementing the minimum wage and serving PPE.
 - Prevent forced labor practices.

The same clause is also found in agreement with other third parties such as Agreement Letter with PT Anindya Pratama Cemerlang, PT Sugih Indah Sejati and Sivia Devi.

Status: Comply

2.3

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

2.3.1

CH shows a list of direct and indirect FFB suppliers in the document "List of FFB Suppliers to Sei Intan POM Quarter II of

2021". The list describes the name of the supplier, the status of the supplier, the address, and the coordinates. Based on these documents, it is known that there are 5 FFB suppliers directly to Sei Intan POM, including 2 unit from the PTPN V and 3 from a third party.

The company also showed land ownership documents and operational permits for FFB suppliers originating from the PTPN V unit in the form of HGU and IUP, but were unable to show them for suppliers from third parties. Therefore, companies have the opportunity to complete proof of land ownership status documents and operational permits (if relevant) that supply FFB directly to Mill (OFI).

2.3.2

The company shows a list of direct and indirect FFB suppliers in the document "List of FFB Suppliers to Sei Intan Mill Quarter II of 2021". The list describes the name of the supplier, the status of the supplier, the address, and the coordinates. Based on these documents, it is known that there are 5 indirect FFB suppliers to Sei Intan Mill who are FFB collectors.

Of the 5 indirect FFB suppliers, the company showed proof of land ownership documents from 1 indirect FFB supplier. Based on interviews with the company, there are obstacles in collecting evidence of land ownership or relevant operational permits because the supplier is not a permanent supplier (one day it may no longer supply FFB to Sei Intan Mill). However, the company continues to disseminate information regarding the RSPO to its suppliers. In this regard, companies have the opportunity to complete proof of land ownership status for smallholders who supply FFB through collectors / agents to Mill (OFI).

Status: Comply

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 had document of long-term management plan of 2020 to 2024. The document describes operational and financial indicators, such as estimates of FFB production, OER/KER, cost production, as well as financial indicator (price and cost). The document also describes the production indicators from owned estate and third parties. The responsible personal in charge for management plan Director of PTPN V. The long-term plan for the scheme smallholder is included in the plan for Estates because the scheme smallholder is managed in full managed form.

The company can show proof of evaluation of the 2020 long-term plan that has been prepared for the Estate and Factory, as for the things being evaluated, including those related to the achievement of production and the actual costs incurred.

3.1.2

The company has shown documents related to the replanting plan set out in the company's long-term plan for 2020-2024. In the long-term plan, replanting activities will be carried out in 2022 covering an area of 179 ha and in 2023 an area of 40 ha.

3.1.3

The company can show the document of the results of the management review meeting on April 6, 2021. The meeting was attended by 21 participants, while the issues discussed included Quality policy evaluation; Environment and OHS; Changes to internal and external issues; Achievement of goals, objectives and programs; Internal audit results; Legal compliance; Communication with interested parties including complaints; Adequacy of resources; Follow-up on previous management reviews; Non-conformances and corrective actions.

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

The company has taken actions for continuous improvement in environmental aspects, for example:

- Has made efficient use of fossil fuels by using renewable fuels, namely shells and fiber) as boiler fuel.

- Conduct monitoring of river and well water quality tests every 6 months.
- Conduct air quality and emission tests every 6 months.

BMP

- The company has implemented IPM starting from early warning to implementing biological control using beneficial plants (*Turnera subulata* and *antigonon*) as well as natural enemies of pests (*tyto alba*), based on the results of the document review it is known that these species are not classified as invasive species according to the Ministerial Regulation Environment and Forestry No. P. 94/MENLHK/SEKJEN/KUM.1/12/2016.
- Biological rat pest control has been effective, based on the results of field visits to owl box locations, for example Afdeling II Block G8, it is known that the gupons are in good condition and active with the discovery of owl feathers and the remains of rat bones. This is in line with the absence of the use of rodenticides for controlling rat pests based on the results of field visits and review of documents on the use of pesticides.
- Based on the results of the review of the pesticide use document, it is known that the company no longer uses pesticides with the active ingredient paraquat dichloride.

3.2.2

Not applicable, referring to the announcement of the RSPO on 3 February 2021, the annual report using the RSPO template matrix will come into effect for audits carried out after 1 June 2021.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has had procedures/work instructions related all operational activities on agronomy/plantation and FFB processing, that are :

Agronomy

- SOP *Peremajaan/Tanam Ulang* (No. Dokumen No. 03-SOP/TAN/PTPN-V/2010);
- WI *Menumbang dan Mengumpulkan Batang Kelapa Sawit* (No. Dokumen 11-IK/TAN/PTPN-V/2010);
- WI *Pengolahan Tanah Pada Area Peremajaan Kelapa Sawit* (No. Dokumen 12-IK/TAN/PTPN-V/2010);
- WI *Memancang Titik Tanam Tanaman Kelapa Sawit* (No. Dokumen 13-IK/TAN/PTPN-V/2010)
- SOP *Pengadaan Kecambah Kelapa Sawit* (No. Dokumen 01-SOP/TAN/PTPN-V/2010)
- WI *Pembibitan Kelapa Sawit di Pre Nursery* (No. Dokumen 04-IK/TAN/PTPN-V/2010).
- WI *Pemeliharaan Bibit Kelapa Sawit di Pre Nursery* (No. Dokumen 05-IK/TAN/PTPN-V/2010)
- WI *Pembibitan Kelapa Sawit di Main Nursery* (No. Dokumen 06-IK/TAN/PTPN-V/2010)
- WI *Pemeliharaan Kelapa Sawit di Main Nursery* (No. Dokumen 07-IK/TAN/PTPN-V/2010)
- WI *Seleksi Bibit Kelapa Sawit*. (No. Dokumen 08-IK/TAN/PTPN-V/2010)
- WI *Pengukuran Pertumbuhan Vegetative Bibit Kelapa Sawit di Main Nursery* (No. Dokumen 09-IK/TAN/PTPN-V/2010)
- WI *Memancang Titik Tanam Tanaman Kelapa Sawit* (No. Dokumen 13-IK/TAN/PTPN-V/2010)
- WI *Penanaman CC pada Tanam Ulang* (No. Dokumen 14-IK/TAN/PTPN-V/2010)
- WI *Pembuatan Tapak Kuda* (No. Dokumen 21-IK/TAN/PTPN-V/2010)
- WI *Pembuatan Bunket Memanjang* (No. Dokumen 22-IK/TAN/PTPN-V/2010)
- WI *Pembuatan Bunket Individu* (No. Dokumen 23-IK/TAN/PTPN-V/2010)
- SOP *Pemeliharaan Tanaman Belum Menghasilkan Kelapa Sawit* (No. Dokumen 05-SOP/TAN/PTPN-V/2010).
- WI *Pemeliharaan Tanaman Menghasilkan Kelapa Sawit* (No. Dokumen 13-SOP/TAN/PTPN-V/2010).
- WI *Konsolidasi Tanaman Kelapa Sawit* (No. Dokumen 19-IK/TAN/PTPN-V/2010).
- WI *Penyisipan Tanaman Kelapa Sawit* (No. Dokumen 30-IK/TAN/PTPN-V/2010).
- WI *Inventarisasi Pokok Kelapa Sawit* (No. Dokumen 31-IK/TAN/PTPN-V/2010).
- WI *Pemeliharaan Parit* (No. Dokumen 62-IK/TAN/PTPN-V/2010).
- WI *Menyiang Manual Piringan* (No. Dokumen 17-IK/TAN/PTPN-V/2010).
- WI *Pemeliharaan Kacangan* (No. Dokumen 18-IK/TAN/PTPN-V/2010).
- WI *Wiping, Circle Weeding, Dongkel, Babat* (No. Dokumen 63-67-IK/TAN/PTPN-V/2010).
- WI *Penyusunan Rekomendasi Pemupukan* (No. Dokumen 16-SOP/TAN/PTPN-V/2010).
- WI *Pelaksanaan Pemupukan* (No. Dokumen 18-SOP/TAN/PTPN-V/2010).

- WI *Pengendalian Hama ulat mencakup: EWS, pemeriksaan efektif, pengendalian ulat secara kimia, pengutipan kepompong dan suluh kupu-kupu* (No. Dokumen 88-IK/TAN/PTPN-V/2010).
- WI *Pengendalian Hama Kumbang Tanduk* (No. Dokumen 89-IK/TAN/PTPN-V/2010).
- WI *Pengendalian Hama Tikus* (No. Dokumen 90-IK/TAN/PTPN-V/2010).
- WI *Pengendalian Hama Rayap* (No. Dokumen 91-IK/TAN/PTPN-V/2010).
- WI *Pengendalian penyakit Busuk Pangkal Batang Ganoderma sp.* (No. Dokumen 94-IK/TAN/PTPN-V/2010).
- SOP *Pelaksanaan Panen* (No. Dokumen 11-SOP/TAN/PTPN-V/2010)
- WI *Panen dan Pengutipan Brondol* (No. Dokumen 53 IK/TAN/PTPN-V/2010)
- WI *Pemeriksaan Panen Kelapa Sawit* (No. Dokumen 54 IK/TAN/PTPN-V/2010).
- WI *Perhitungan Kerapatan Buah Matang (KBM)*, No. Dokumen 55 IK/TAN/PTPN-V/2010.
- SOP *Pengangkutan TBS/brondolan dari kebun ke PKS* (No. Dokumen 12/SOP/TAN/PTPN-V/2010).
- WI *Pengangkutan TBS dari Kebun ke PKS* (No. Dokumen 59-IK/TAN/PTPN-V/2010).
- SOP *Penerimaan TBS di PTPN V* (No. Dokumen 06-SOP/PGL/PTPN-V/2010).
- WI *Penimbangan TBS* (No. Dokumen 126-IK/PGL/PTPN-V/2010)
- WI *Sortasi TBS di PKS1* (No. Dokumen 27-IK/PGL/PTPN-V/2010)

Mill Processing

- SOP *Perawatan Mesin dan Instalasi Pabrik Secara Berkala* (No. Dokumen 04-SOP/PGL/PTPN-V/2010)
- SOP *Proses Pengolahan Kelapa Sawit di PKS* (No. Dokumen 05-SOP/PGL/PTPN-V/2010)
- SOP *Pengendalian Proses Pengolahan, Mutu, Losis Minyak dan Inti Sawit di PKS* (No. Dokumen 08-SOP/PGL/PTPN-V/2010)
- WI No. 186 IK/PGL/PTPN-V/2010 about *Pengendalian ceceran tankos, fiber dan sludge*
- SPO No. 13-SOP/PGL/PTPN-V/2010 about *Pengelolaan Air Limbah PKS Melalui Sistem LA.*
- SPO No. 15-SOP/PGL/PTPN-V/2010 about *Pengelolaan kolam limbah di PKS.*
- SOP *Pengoperasian Methane Trap IPAL PKS.*
- WI No. 190 IK/PGL/PTPN-V/2010 about *pengelolaan limbah PKS melalui sistem LA.*
- WI No. 197 IK/PGL/PTPN-V/2010 about *Pengelolaan kolam limbah di PKS*

3.3.2

The company has a mechanism to check the implementation of procedures consistently, including:

- The company has a procedure for the Implementation of Operational/ Routine Inspections No. 01-SOP/SPI/PTPN-V/2010.
- To assess the work of contractors listed in the Partner Evaluation Guidelines document no. DP/ADMI/4.01 Revision 0, effective date 02 July 2018.
- As a mechanism for examining the implementation of procedures and knowing the level of discrepancy between the application and the principles and criteria required by the RSPO, the Company already has the ISPO and RSPO Internal Audit SOP No. 17-SOP/TBI/PTPN-V/2017 Edition 1, Revision 2, September 20, 2017. The procedure covers the activities of Audit Planning, Audit Implementation and Follow Up.

3.3.3

Companies can show records of monitoring and follow-up carried out, for example:

- Record of follow-up on Examination Result Sheet No. G-5/SPI/SIN/LHP.Op/13/VII/2020, date of visit 8 – 12 June 2020.
- Non-Conformity Report (NCR) and Corrective Actions on RSPO internal audit activities carried out on 15-19 March 2021, based on the report 4 non-conformities were published and when the ASA1+ASA2 onsite audit activities were carried out, it was found that the non-conformities had been met.
- The results of the evaluation of partners for the second semester of 2020, for example the evaluation results of PT Mujur Karya Sentosa are in accordance with the parameters listed in the Partner Evaluation Guidelines Document No. DP/ADMI/4.01 Revision 0, effective date 02 July 2018, received a very good predicate.

Status: Comply

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 addition of a new operating area. The scope of certification is still the same as the previous assessment. The company already has a social and environmental impact assessment document which is contained in two different documents.

The company already has an Environmental Evaluation Study (SEL) document that was approved by the Ministry of Agriculture of the Republic of Indonesia on February 9, 1994 with Number Re.220 / 273 / B / II / 94. The scope and documents of the SEL include: PKS capacity of 30 tons of FFB / hour, the area for the Sei Intan location is 9,171 hectares.

Environmental Management Plan (RKL) & Environmental Monitoring Plan (RPL) of Palm Oil Plantation and Palm Oil Processing Plant were refined in the Ministry of Agriculture AMDAL central commission letter No. 1244 / AMDAL / I / 1994 dated January 31st, 1994 and approved on June 24th, 1994 with number 001 / RKL-RPL / BA / VI / 94 approved by the Indonesian Agribusiness Agency Republic of Indonesia.

A recommendation for revision of Environmental Management Plan (RKL) & Environmental Monitoring Plan (RPL) matrix by the Environmental Agency of Rokan Hulu District with number 660.2 / BLH-PDL / 200/2007 dated June 25th, 2007. Based on explanation above, the company has permit of environmental in the form of SEL and RKL/RPL document. Revision of the summary matrix Environmental management plans include:

- Decreasing air quality
- Processing of FFB in Mill
- Utilization of POME through a land application system.
- Estate activities, Mill operations, workshop activities, WWTP processing, and used oil management.
- Land clearing, nurseries, Mill processing & replanting activities.
- Pest attacks, decreased water quality, increased dust levels, and damaged roads due to loads exceeding road capacity.
- Labor acceptance in plantations and Mill.

Based on document verification, it is known that the scope of environmental document review has covered all operational areas and operational activities including the impact of replanting activities.

The company showed that the SIA documents carried out by the Bina Alam Lestari Team were carried out in 2013. The SIA Compilation Team has experienced in working on Social Impact Assessments since 2002. The total number of villages surveyed was 12 villages in Rokan Hulu Regency, Riau Province. Located in Pagaran Tapah Village, Kembang Damai, Kota Lama, Tandun, Bono Tapung, Dayo, Sei Kuning, Suligi, Air Panas, Pendalian, Bengkolan Salak and Ngaso. Data collection is through secondary data, primary data, focus group discussions and interviews with 2 approaches (structured and semi-structured). The public consultation was held on 12 June 2013 involving the community around SBU Sei Rokan PTPN V located at Mess SRO. 72 Stakeholders who attended consisted of: community leaders from Ngaso Village, Binmas Pagaran Tapah, Ngaso Village Head, Kota Lama Village Head, Kembang Damai Village Head, Polsek, Dayo, Bono Tapung, Air Panas, Pendalian, Tandun, Suligi, Bengkolan Salak, Sei Kuning Village community leaders, District Secretary, Koramil Captain, and others (Documentary evidence of attendance list). SIA documents include:

- Characteristics of the community
- Characteristics of meeting the basic needs of the community around the plantation area.
- Strategic issues.
- Corporate social activities and impact analysis.
- Employment.
- Stakeholder analysis.
- Gap analysis
- Social management plan

The SIA management and monitoring plan for 2020 is compiled based on the results of the review of the social management plan for the previous year carried out together with related stakeholders. SIA management and monitoring plans include: Strengthening the area of the Sei Intan plantation boundary, Increasing Social Assistance to the Community, Increasing employee absorption from local residents, realizing replanting in community plantation, increasing weighing

accuracy, improving employee facilities, socialization of employment, management of riverbanks and springs and water management.

3.4.3

The company has carried out management, monitoring and reviewing the Manage and monitor both social and environmental plans on a regular basis. For reports on the implementation of environmental management and monitoring, it can be seen in the report on the implementation of RKL-RPL Semester 1 and 2 of 2020. Based on the verification results of the RKL-RPL implementation report for semester 2 of 2020, it is known that the implementation of environmental management and monitoring is in accordance with the environmental documents that are owned. The aspects that will be monitored include:

- Air quality testing.
- Testing of liquid waste.
- Monitoring the quality of groundwater / wells.
- River water quality monitoring is located at the Upper and Lower River.
- Management of hazardous and toxic wasted.
- Plant disease pests
- Land fires
- The results of monitoring of the socio-economic and cultural components consist of the level of community income, community perceptions, implementation of the partnership program & environmental development.

In general, the results of environmental monitoring are still in accordance with regulations. For example, environmental monitoring of air quality (ambient), the quality of boiler and generator emissions is still in accordance with the quality standards set by the government. In addition, the results of monitoring the water quality of the Rokan River and the results of testing the quality of monitoring wells are still in accordance with the established quality standards.

The company has also conducted an evaluation of environmental management and monitoring consisting of trend evaluation, critical level evaluation, and compliance evaluation. In general, the results of environmental monitoring are in accordance with the provisions stipulated by the Government.

For the management of SIA, the company has carried out several activities in 2020, including: CSR implementation, socialization of the company's HGU map, management and social monitoring of the community starting from the absorption of labor, community perceptions, community income, documenting complaints and resolving conflicts with the community.

Companies can also show the results of the 2020 SIA management and monitoring plan review which was carried out in December 2020 by involving relevant stakeholders. The review was conducted for the PTPN V Sei Rokan Group including the Sei Intan unit.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1.

The Certificate holder has procedures related to recruitment, selection, hiring promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement (CLA) and Work Instruction (WI), as follows:

- Labor recruitment procedure described in Collective Labor Agreement (CLA) and Work Instruction of Workers Recruitment (IK-SDM-019) dated on January 15, 2020. These procedures explained regarding the recruitment of permanent workers, contract workers (PKWT), daily workers, outsourcing and professional workers.
- Labor selection procedure described in CLA and WI for Workers Recruitment (IK-SDM-019) dated on January 15, 2020
- Labor promotion procedure described in WI of employee performance assessment (IK-SDM-002) dated on January 15, 2020. The procedure explained that the assessment is carried out objectively based on the reality, abilities also the performance of employees.
- Labor retirement procedure described in the CLA
- Labor termination procedure described in the CLA.

In addition, based on interview with several workers, (medical staff, pesticide foreman and main clerk of Sei Intan Estate) they knew about procedures above described in the CLA such as recruitment, promotion, retirement even the termination of employment.

3.5.2

The Certificate holder always documented all labor procedures that have been carried out properly such as recruitment, promotion, performance assessment, and others. The following are some sample labor procedures that have been implemented and are well documented by Certificate holder, such as:

- Assessment of work performance for class IA – IID employees with components of assessment of work rapidity, diligence, behavior, quality of work and honesty. For example, the 2019 labor assessment of E.S (initial) on November 14, 2019 with the results of the assessment being increased by 2 classes from IIA/04 to IIA/06.
- Decree for promotion no. S-5/DBR/SK/15/X/2020 dated on October 6, 2020 which informed the promotion for 4 employees from strata II to strata III.

Based on document's verifications and interview with management units, there is no hiring for 2020.

	Status: Comply
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3.6

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

3.6.1.

Certificate holder has a hazard identification, risk assessment and risk control (HIRAC) document at Sei Intan Mill and Sei Intan Estate. for example:

- Sei Intan Mill : processing section (loading ramp station, stew station, chain station, pressing station, clarifying station, kernel, seed mill station, boiler station, engine room station), engineering, quality control and administration.
- Sei Intan estate : Securing plantation assets, business trips with company cars, plant maintenance, road and waterway maintenance, harvesting, harvesting in the power grid, workshop work, heavy equipment operations, lawn mower operation, and others.

Based on the results of field visits to plantation and mill, it is known that the CH has implemented risk control such as OHS briefing, use of PPE and others. The management unit has the opportunity to conduct an HIRAC review based on accident and the latest OHS issues (OFI).

3.6.2

Certificate holder already has an OHS plan for 2020 which consists of:

- Provide PPE once a year.
- Install OHS signs once a year.
- Develop and socialize SOP and WI OHS once a year
- Provide a rinse house in each afdeling once a year.
- Fire emergency response team training (land, building, riot) once a year
- Simulation of emergency response once a year
- Provision of fire extinguishers for land and building fires once a year
- OHS month campaign once a year
- First aid training for the foreman once a year
- Training on handling hazardous chemicals once a year
- Provide first aid kits once a year
- Inspection of the workplace and working methods every 4 months
- Inspection of emergency response equipment every month
- Occupational Health & Safety Committee (P2K3) is meeting every month
- Training on the use and maintenance of PPE once a year
- Monitoring the work environment and health checks once a year
- Occupational health training once a year
- Clean Friday every month

- To evaluate the OHS program every 3 months
- OHS consultation every month

Certificate holder has shown records of the implementation of OHS programs such as the Occupational Health & Safety Committee (P2K3) meetings, emergency response training, inspection of emergency response equipment, etc.

Status: Comply

3.7

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

3.7.1.

CH already has a training program for 2020 and 2021. In 2020 has informed the type of training, date of time, participants and etc. Based on the document, it is known that the participants who participated in the training consisted of company workers, third party workers, scheme smallholder, FFB suppliers, transportation and local communities. CH has training program for mill workers but not yet implemented due to Covid-19 especially training with relevant authorities for operator license. The implementation of training programs for mill workers, especially those who replace operators who will retire will be observed in next assessment (OFI).

Training program for 2021 consists of:

- OHS training, environment and quality (fire drill simulation and emergency response, handling of hazardous waste, first aid training, OHS of mechanical expert, OHS of electrical expert, risk management training, awareness of SOP/WI).
- RSPO and SCCS training.
- ISCC training.
- Halal assurance certification training.

3.7.2.

Certification Holder has maintained a record of the training, for example;

- Safety use training conducted on June 12, 2020 and was attended by 14 people.
- First aid training conducted on July 2, 2020 and was attended by 18 people.
- Pesticide application training for plasma farmers conducted on August 20, 2020 and was attended by 11 people.

3.7.3

The company conducted training related to SCCS for personnel related to SCCS on April 17, 2021 and was attended by 17 participants, including weighing officers, production crews, sorting foremen, engineering foremen, processing foremen, processing assistants, and others.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

Based on document verification, it is known that the mills receive FFB from plantations that already have an RSPO certificate and those that do not have an RSPO certificate. In this regard, the company has separated the registration of products from certified and uncertified ones. Based on a review of daily and three-month report documents (Mass balance of CPO and PK), it is known that the company sells certified CPO and PK from certified sources.

3.8.3

Mill has an estimated total tonnage of certified CPO and PK for the next 12 months which can be seen in the table below

Product	Last Year Projected Certified Volume (MT)	Actual Production of June 2019 to March 2021 (MT)	Estimate Production of 12 month (MT) further
FFB	255,524	217,004.03	78,000
CSPO	56,180	45,948.23	17,160
CSPK	9,927	7,877.18	3,900

The estimation of FFB, CSPO, and CSPK product only from certification scope of supply base, not including from other source.

3.8.4

The Mill has registered as RSPO member under PT Perkebunan Nusantara V (No. 1-0211-16-000-00), and also registered in RSPO Palm Trace as Sei Intan POM with License ID CB87229, and Member ID RSPO_PO1000006147.

The reporting requirements has been conducted by the Mill through RSPO Palm Trace, such as CSPO and CSPK sales announcement and confirmation from the buyer. Other than that, the CSPO and CSPK sold as non-certified, has been removed.

3.8.5

Mill has a procedure related to SCCS in the SOP Capable of Tracing Certified and Non-Certified Products (Traceability) document number SOP-PEM / 015 published on May 1, 2020. This procedure explains the responsibilities of SCC implementing personnel, details of procedures starting from sending FFB from the plantation to PKS, receiving FFB, and calculating the Mass Balance. This procedure has referred to the RSPO Indonesia National Interpretation, endorsed 20th April 2020.

This procedure was socialized to personnel responsible for SCC on April 17, 2021 and was attended by 17 participants.

3.8.6

The company has conducted internal RSPO P&C audits covering the SCCS criteria which were carried out on March 15-19, 2021. Based on the audit results, there were no non-conformities with the SCC.

3.8.7

POM has documented the receipt of certified and non-certified FFB every month, with the following details

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
April 2020	5,680.33	6,771.21	12,451.54
May 2020	8,286.38	2,672.46	10,958.84
June 2020	10,302.11	3,829.56	14,131.67
July 2020	8,563.19	3,606.86	12,170.05
August 2020	14,460.35	2,286.26	16,746.61
September 2020	15,565.44	1,370.13	16,935.57
October 2020	9,595.81	3,798.80	13,394.61
November 2020	8,609.65	3,992.99	12,602.64
December 2020	10,926.81	3,866.04	14,792.85
January 2021	5,060.04	2,261.68	7,321.72
February 2021	5,437.13	2,874.22	8,311.35
March 2021	9,737.79	2,604.86	12,342.72
Total	112,225.03	38,745.71	150,970.74

Product	Last Year Projected Certified Volume (MT)	Actual Production of June 2019 to March 2021 (MT)	Estimate Production of 12 month (MT) further
FFB	255,524	217,004.03	78,000
CSPO	56,180	45,948.23	17,160
CSPK	9,927	7,877.18	3,900

Based on table above, there is no overproduction of FFB, CSPO, and CSPK.

3.8.8

The CSPO and CSPK from the Mill were sold has met the requirements of certified product information. Supporting documents shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name and address of the seller. Company showed the example for selling document such as contract of CSPO selling No. 0047/HOLDING/CPO-L/N-V/II/2021 by PT Sari Dumai Sejati issued on January 2021 and the shipping announcement for this contract is No. TR-63778a24-78e2. The example for CSPK selling document is contract No. 0003/HOLDING/PKO-L/N-V/II/2021 issued on January 2021. These documents has showed the address of seller and buyer, description product, date of shipping, number of RSPO certificate, product quantity, unique number

3.8.9

CSPO and PK transportation activities are carried out by third parties and the company can showed the work agreements with third parties. The work agreement is made based on contract No. PK / N00E / 2020/375 between PT Dearo Gandasaranatama and PTPN V from January 1, 2021 - December 31, 2021. The contract describes general provisions, objects of work, job specifications, implementation of transportation, prices and transportation rates, permits from government agencies, terms of payment, implementation period, fines and compensation, force majeure, addendum to the agreement letter, performance bond, supervision of work implementation, obligations of the second party, sustainable management system policies, submission of work to other parties, sanctions and termination of agreement letters, and signing of the agreement letter.

The part of the sustainable management system policy explains that the contractor is willing to provide access to the certification body if necessary, as a commitment to fulfill the principles and criteria of sustainable palm oil. The regular dissemination and training of RSPO supply chain to the transporter has been conducted on 17 July 2020.

3.8.10 & 3.8.11

Mill records the contractor's details in the document "List of CPO and PKS Sei Intan PKS Transport Partners" documents. The list explains the name of the partner, contract number and address of the transporter. There were no additional contractors for transporting CPO and PK from previous activities.

3.8.12

Mill has SOP Capable of Tracing Certified and Uncertified Products (traceability) with No. SOP-PEM/015 document. Based on the SOP, it was explained that if the supply of RSPO products is in a negative position, then Mill cannot send products with certified claims. If it is positive, then a transfer is made to become inventory for the next period. Mill also has documents recording FFB receipts and sales of CPO and PK in the "Daily and Three-Month Reports (CPO and PK Mass Balance)" and "MB PKS SIN Balance Sheet".

Based on the RSPO Daily and Quarterly Report documents for 2021, it is known that in the period January - March 2021:

- Stock of CSPK in December 2020: 73,632 Kg
- CSPK production in January 2021: 219,190 Kg
- CSPK Production in February 2021: 220,148 Kg
- CSPK Production in March 2021: 381,187 Kg
- Total CSPK Production January - March 2021: 820,524 Kg
- CSPK Sales in January 2021: 361,900 Kg
- CSPK Sales in February 2021: 369,160 Kg
- CSPK Sales in March 2021: 499,450 Kg
- Total CSPK Sales January - March 2021: 1,230,510 Kg

From this data, it is known that the number of CSPKs sold is greater than the CSPK produced, so that the CSPK stock until March 2021 is -409,986 Kg.

Based on the RSPO Daily and Quarterly Report documents for 2021, it is also known:

- o Total processed FFB on CPO mass balance for the period of January 2021: 7,254,580 Kg
- o Total processed FFB on CPO mass balance for the period February 2021: 8,335,140 Kg
- o Total processed FFB on CPO mass balance for the period March 2021: 12,088,170 Kg
- o Total processed FFB on CPO mass balance for the period January - March 2021: 27,677,890 Kg
- o Total processed FFB on the PK mass balance for the period of January 2021: 7,180,770 Kg
- o Total processed FFB on the PK mass balance for the period February 2021: 8,243,840 Kg
- o Total processed FFB on the PK mass balance for the period March 2021: 12,008,030 Kg
- o Total FFB Olah on PK mass balance period January - March 2021: 27,432,640 Kg

From these data, it is known that there are differences in total processed FFB on the mass balance of CPO and PK for the same period.

Based on the explanation above, it can be concluded:

1. CH sells the CSPK from negative stock
2. Mill has not recorded all aspects of the RSPO SCCS accurately, that is, there is a difference between the total processed FFB on the mass balance of CPO and PK for the same period.

It becomes a non-conformity No. 2021. 01 with the critical category.

3.8.13

Extraction rates from CPO and PK production are based on actual production data. Over the past 12 months, the extraction rate for CPO was 21.75 % and PK was 4.37 %.

3.8.14

Estimates for extraction rates are based on actual production of CPO and PK from the previous month. Apart from production, it is also affected by the age of the oil palm plantations.

3.8.15

The Mill only applying RSPO Supply Chain Module of Mass Balance.

3.8.16

Mill has documented the transaction of CSPO and CSPK selling in document "Daily and Three-Month Reports (CPO and PK Mass Balance)". Based on the daily record, it is known that there are conventional CSPO sales of 29,623.66 tons and conventional CSPK sales of 1,566.58 tons. In this regard, the company has removed the CSPO and CSPK quotas on the palm trace.

The Mill shows the shipping announcement documents for CSPO and CSPK products for the last 12 months. The shipping announcement is made no later than 3 months after the date of shipment. For example:

- o Shipping announcement No. TR-899c1899-5084 for CSPO with shipment volume of 250 Tons shipped on 25 February 2021 and announced on 5 March 2021.
- o Shipping announcement No. TR-e91cb056-ac86 for CSPK with a shipping volume of 238.19 Tons which was delivered on February 15, 2021 and announced on March 2, 2021.

3.8.17

The products are claimed as mass balance and conventional. The Mill does not use RSPO logo on product or off product.

3.8.12	Status: Nonconformity No. 2021. 01 with the critical category
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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
The company has a policy related to human rights which was approved by the President Director in March 2016. The policy describes respect for human rights and respect for race, nation, culture, religion and without forced labor, ensuring that all employees receive fair remuneration, management the fair one. and opportunities for career development. This policy is conveyed through routine socialization every year. The company has shown documentation of the Socialization

of Human Rights Policy to employees and other stakeholders, for example the socialization of human rights policies to employees and contractors on February 5, 2021 to 16 employees. Based on interviews with the Chairman of KUD Sawitra and the FFB supplier, it was found that the company had disseminated the Human Rights Policy and so far, there had never been any human rights violations committed by the Company.

4.1.2

The company has SOP for resolving land dispute problems no: document 30-SOP / UMM / PTPN-V / 2016 and IK for land problem settlement no document 01-IK / UMM / PTPN-V / 2013, the document describes the stages of land dispute resolution, namely if there are reports and demands from third parties or plantation reports regarding occupation or rejection of the issuance of land certificates from BPN, the officer will conduct a field survey to obtain information, report to the board of directors, make resolutions through the approach and communication of consensus deliberations, coordinate with the village head collaborating with related departments and forming an internal PTPN V team, if the final decision is to release the assets, the general department will follow up on the decision-making process, and make an agreement between PTPN V and the 3rd party. The results of field observations and interviews with stakeholders (village communities) it is known that there is no use of paramilitary in the land settlement process.

	Status: Comply	
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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

Procedure of consultation and coordination with stakeholders is presented in document no.: PMT-KBN-SIN-MR-06 dated July 18, 2016 in clause 6.2 explained relate to responses external communications, every letter/information from external is reviewed by manager then submitted to the relevant department, if a solution is needed, the head assistant and field assistant together analyze the problem, find the root cause and take corrective action, if a response of external is needed, manager will send a response to an external party less than 1 month from receipt letter.

The mechanism for dealing with employees is described in CLA Document Chapter XI clause 68 and 69 regarding the settlement of complaints, protection and legal defense of employees. It is explained that every complaint can be submitted directly to his upline, if there is no settlement, it can be submitted through bipartite, and if not resolved then it can be in accordance with the applicable provision.

The company also has a SOP Public Complaints and Dissatisfaction (Doc No: 33-SOP/PEM/PTPN-V/2020) dated March 31, 2020 which explains:

- General assistant/public relations officer is responsible for responding to complaints in each relevant office. If a certain location does not have general assistant/public relations, it can be replaced by an administrative assistant.
- Interested parties can submit a complaint report either verbally or in writing such as by telephone or email to www.ptpn5@ptpn5.co.id.
- If the solution is accepted by the interested parties, then the complaint is considered completed.
- If the solution is not accepted by the interested party or if the general assistant/public relations is not possible to resolve the complaint on their own immediately, then the responsible party will seek recommendation from the district and/or corporate secretary section of the board of directors' office.
- If the report is complete, analysis of each submitted document will be completed soon immediately. The company will endeavor to resolve the complaint within 15 working days.
- If the interested party does not accept the proposed settlement, then the complaint is resolved through legal approach or the courts.

PTPN V already has a human rights policy which is described in point 5, it is explained that PTPN V respects human rights and avoids involvement in human rights violations, and always strives to prevent retaliation, intimidation and violence against human rights defenders as stated in the UN guidance principles on Human Rights and Business. CH also guarantees the protection of whistleblower as stated in code of conduct PTPN V clause 2.13. To cover illiterate parties, CH has conducted direct socialization about SOP Public Complaints and Dissatisfaction such as in 11 Feb 2020 to contractor and FFB suppliers.

4.2.3

CH showed the documentation of the complaint resolution process, among others:

- Letter from PTPN V to Representative of Banja Ladang community No. 5/DPM/X/VIII/2020 on 10 August 2020 which stated that PTPN V is committed to and collaborates with the Banja Ladang Group in searching for clean and clear replacement land that meets the requirements of a banking partnership.
- On 16 September 2020, PTPN V issued decree No. EVP/SK/01/IX/2020 about the team to find land with the KKPA pattern of oil palm plantations for the Banja Ladang Community. This decree includes the composition of the land search team and a description of their duties.

Based on interview with representative of Kota Lama Village, it is known there is no more complaint from Banja Ladang Community and still wait the result of this resolution. The process of resolving land conflicts with communities is still ongoing.

4.2.4

CH does not prevent the public from obtaining legal assistance such as independent parties in the conflict resolution process. In the ongoing land conflict case between the people of Banja Ladang Village with PTPN V Sei Intan, people of Banja Lama Village in practice use several selected figures to represent the community in resolving existing disputes. In addition, this activity has been mediated several times by several stakeholders, consist of Head of Sub District and Rohul Regency's Regional House of Representatives during the negotiation process.

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 local development through CSR assistance provided / given to the community. The assistance / CSR has been based on community needs (based on proposals submitted by the community). The company has also shown some assistance that has been realized in 2019-2020 which is contained in the 2020 CSR activity report along with evidence of its realization such as:

- Flood Disaster Assistance to the people of Pelanduk and Sei Kuti Hamlet, Kunto Darussalam District on December 20, 2019.
- Food packages for people affected by Covid-19 in Ujung Batu village on April 22, 2020.
- Food Packages for Communities affected by Covid-19 in Kembang Damai Village, Intan Jaya Village, Muara Dilam Village, and Kota Lama Village on May 20, 2020.
- Scholarships for Elementary School Students in Kembang Damai Village on 24 September 2020.
- Rehabilitation assistance for places of worship (Musholla) in Kembang Damai Village on September 7, 2020.
- Assistance with the cost of a badminton sport tournament at Kembang Damai Village on 11 May 2020.

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

CH has managed operational area as much as 3,286.40 Ha consist of 3,092.68 Ha as planted area and the rest is supporting facilities. All area has been covered by company's land ownership documents, which consist of:

Land Use Rights

- Land Use Rights based on the Decree of the Minister of Agrarian Affairs / Head of the National Land Agency No. 107 / HGU / BPN / 99 for an area of 13,942.158 Ha located in Kampar Regency which was issued on October 14, 1999. This land use rights is for Sei Intan Unit and Sei Rokan Unit.
- HGU Certificate No. 02 for land area of 4,877,801 Ha issued on April 21, 2001 and valid until April 19, 2036.
- HGU Certificate No. 03 for an area of 235.00 Ha issued on April 21, 2001 and valid until April 19, 2036.
- HGU Certificate No. 05 for an area of 357.00 Ha issued on April 21, 2001 and valid until April 19, 2036
- HGU certificate number 04 for a land area of 748 Ha issued on April 21, 2001 and valid until April 19, 2036

Plantation Business Permit

The company shows a Plantation Business Permit for PTPN V Riau based on Letter No. 525 / Ekbang / 08.07 dated May 14, 2004 for an area of 76,733,972 hectares. This land includes the Sei Intan plantation with an area of 6,006.301 hectares with a mill capacity of 30 tons of FFB / hour.

4.4.2

Sei Intan (PTPN V) is an old plantation that has been operating since 1984/1985. Based on the HGU Decree, the operational area of PTPN 5 is a forest area that has been released. Based on the Decree of the Minister of Forestry dated 21 April 1992 number 390 / Kpts-II / 1992 covering an area of 22.407 Ha and has obtained a change in the use of land reserves based on the Decree of the Governor of the Riau Regional Head on 23 Jan 1985 number Kpts.87 / I / 1985, there is no right customs and traditional rights in HGU that are owned by the company.

The company shows a document of mutual agreement between PTPN V and the people of Pagaran Tapah Village, Kota Intan, and Kota Lama Village no. 1057.05.SIN / KB / XI / 2002 regarding the agreement on the demands of the villagers of Pagaran Tapah Village, Kota Intan, and Kota Lama Village to return 500 hectares of land to the community. Based on the agreement, it was agreed that the land demanded by the village community was PTPN V Kebun Sei Intan land which was included in the HGU area. Representatives of the village community are responsible if in the future there are people from Pagaran Tapah Village, Kota Intan, and Kota Lama to question the land. This agreement was signed by the village representatives, the management of Pagaran Tapah Village, Kota Intan, and the Lurah of Kota Lama, the Kunto Darussalam sub-district head on November 12, 2002. In addition, there is also an official report on the handover of "Sagu Hat" money to representatives of the three villages on the 12th November 2002.

4.4.3, 4.4.4, 4.4.5, 4.4.6

In the HGU decree of Sei Intan - PTPN V stated that the area controlled is the forest area that was excluded based on Decree of Minister of Forestry dated 21 April 1992 number 390 / Kpts-II / 1992 covering 22,407 Ha and has obtained changes in land use based on the Governor's decree of Riau on 23 Jan 1985 number Kpts.87 / I / 1985, there were no customary and traditional rights within the HGU owned by the company. Shown in a map of land plots with a scale of 1: 30000 issued by BPN on 14 December 1998, for land plot number 23, number 178 and number 12 in 1998 for an area of 6,006.301 Ha (Sei Intan and Sei Rokan).

	Status: Comply	
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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 to 4.5.8

There are no new plantings in the operational area of PTPN V Sei Intan. PTPN V Sei Intan already has a HGU based on the Decree of the Minister of Agrarian Affairs / Head of the National Land Agency No. 107 / HGU / BPN / 99 for an area of 13,942.158 Ha located in Kampar Regency which was issued on October 14, 1999.

In the HGU decree of Sei Intan - PTPN V stated that the area controlled is the forest area that was excluded based on Decree of Minister of Forestry dated 21 April 1992 number 390 / Kpts-II / 1992 covering 22,407 Ha and has obtained changes in land use based on the Governor's decree of Riau on 23 Jan 1985 number Kpts.87 / I / 1985, there were no customary and traditional rights within the HGU owned by the company. Shown in a map of land plots with a scale of 1: 30000 issued by BPN on 14 December 1998, for land plot number 23, number 178 and number 12 in 1998 for an area of 6,006.301 Ha (Sei Intan and Sei Rokan) .

	Status: Comply	
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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 & 4.6.2

The company has a procedure related to the identification of customary / legal rights in the Work Instruction for Problem Solving the PTPN V Area (Occupation and Land Disputes) with document number IK-HKM-003 on the date of issue 15 January 2020. The document describes the process of inventorying and mapping the area, and socializing it to the

cultivators, and the calculation of compensation / for plants or buildings in the cultivated area, up to the compensation payment process.

4.6.3 & 4.6.4

PTPN V Sei Intan already has a HGU based on the Decree of the Minister of Agrarian Affairs / Head of the National Land Agency No. 107 / HGU / BPN / 99 for an area of 13,942.158 Ha located in Kampar Regency which was issued on October 14, 1999.

In the HGU decree of Sei Intan - PTPN V stated that the area controlled is the forest area that was excluded based on Decree of Minister of Forestry dated 21 April 1992 number 390 / Kpts-II / 1992 covering 22,407 Ha and has obtained changes in land use based on the Governor's decree of Riau on 23 Jan 1985 number Kpts.87 / I / 1985, there were no customary and traditional rights within the HGU owned by the company. Shown in a map of land plots with a scale of 1: 30000 issued by BPN on 14 December 1998, for land plot number 23, number 178 and number 12 in 1998 for an area of 6,006.301 Ha (Sei Intan and Sei Rokan).

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

The company has a procedure related to the identification of customary / legal rights in the Work Instruction for Problem Solving the PTPN V Area (Occupation and Land Disputes) with document number IK-HKM-003 on the date of issue 15 January 2020. The document describes the process of inventorying and mapping the area, and socializing it to the cultivators, and the calculation of compensation / for plants or buildings in the cultivated area, up to the compensation payment process.

4.7.3

PTPN V Sei Intan already has a HGU based on the Decree of the Minister of Agrarian Affairs / Head of the National Land Agency No. 107 / HGU / BPN / 99 for an area of 13,942.158 Ha located in Kampar Regency which was issued on October 14, 1999.

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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 to 4.8.4

Complaints (Demonstrations) on January 15, 2019 from representatives of the Kota Lama Banja Ladang Community regarding land disputes covering an area of 320 hectares that have not been compensated. Complaints and conflicts related to land disputes were continued with deliberations between the company and community representatives on October 14 2019 after which a meeting was continued with representatives of the Directors of PTPN V in Pekanbaru on October 22, 2019.

The minutes of the first meeting on 14 October 2019 with representatives of the Sei Intan Unit were recorded as follows:

- PTPN V said that the area disputed by the community representatives of Banja Ladang Kota Lama Village, covering an area of 320 hectares, was the company area that was included in the company's HGU No. 05 of 2001 covering an area of 357 hectares.
- Community demands for an area of 320 hectares, PTPN V said that they could not make the compensation expected by the community.

- As PTPN V's concern for the 320 Ha area demanded by the community, a KKPA scheme will be developed.
- The Banja Ladang Sialang Pasungan community agreed to develop a 320ha KKPA scheme
- The Banja Ladang Sialang Pasungan community wants a meeting with the board of directors at the PTPN V.

The minutes of the first meeting on 22 October 2019 with representatives of the Directors of PTPN V are as follows:

- PTPN V is unable to fulfill the application for compensation for an area of 320 hectares considering that the PTPN V Kebun Sei Intan area has been certified HGU number 05 of 2001. The HGU certification process has gone through the stages according to the applicable laws and currently the area has become a state asset.
- The two parties agree to form a team consisting of elements from PTPN V and the Banja Ladang community group.
- The team formed in point 2 agreed to seek 320 hectares of land outside the company's HGU area. Henceforth, the KKPA pattern is drawn up with funding coming from banks. PTPN helps facilitate this banking administration.
- The process of resolving land conflicts with communities is ongoing.

Update on ASA 2.

Company showed the documentation of the complaint resolution process, among others:

- Letter from PTPN V to Representative of Banja Ladang community No. 5/DPM/X/VIII/2020 on 10 August 2020 which stated that PTPN V is committed to and collaborates with the Banja Ladang Group in searching for clean and clear replacement land that meets the requirements of a banking partnership.
- On 16 September 2020, PTPN V issued decree No. EVP/SK/01/IX/2020 about the team to find land with the KKPA pattern of oil palm plantations for the Banja Ladang Community. This decree includes the composition of the land search team and a description of their duties.

Based on interview with representative of Kota Lama Village, it is known there is no more complaint from Banja Ladang Community and still wait the result of this resolution. The process of resolving land conflicts with communities is still ongoing.

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

Based on document review and interviews, it is known that the Company accepts FFB from third parties, namely ex-plasma farmers and independent parties (agents and collectors) whose price fixing mechanism is determined by the company's internal mechanism. The suppliers consist of seven (7) ex-plasma smallholders (cooperative Subur Makmur, Gemah Ripah, Intan Makmur, Citra Gemilang, Sapta Manunggal, Tujuh Pertama, and Sawitra). For former plasma / plasma farmers, the agreement has ended because the credit has been paid off and now they have become independent smallholders. In addition, the company also receives FFB from agents or collectors whose price fixing mechanism is determined by the internal company and by mutual agreement.

The company can show the current and previous FFB prices. Based on the results of field visits to Sei Intan POM, it was found that the FFB price information was publicly available, which was posted on the information board located at the entrance to the Mill. In addition, based on an interview with KUD Sawitra, it is known that the price of FFB will be informed by the company via SMS to the KUD management.

The company still in progress to cooperate with Cooperative of KNES (Koperasi Nenek Eno Senamanenek) in order to build scheme smallholder of KKPA Sei Intan (95,3 ha). Due to still there is no contractual agreement of plasma yet, the FFB pricing still follow the market mechanism.

5.1.5 & 5.1.6

The company can show several examples of Cooperation Agreement Letters with FFB suppliers, for example the Cooperation Agreement Letter with Number 5.PLS-STA / SP / 45 / I / 2021 between PT Perkebunan Nusantara V and Silvia Devi (Agent) on January 1, 2021 regarding the Sale agreement buy FFB and loose fruit with a validity period until

March 31, 2021. The cooperation agreement has been approved by both parties and is in accordance with the applicable law.

Based on the review of the Supplier's FFB payment documents, it is known that the payment period is reasonable and acceptable. Based on interviews with suppliers (Silvia Devi), it was found that there were no complaints regarding prices and payments made by the company.

5.1.7

The company can show a certificate on the results of the examination of the electronic bridge scales number 510.3 / Perindag-Metro / 02.05.70 / VII / 2020 from the Department of Industry and Trade in the Legal Metrology Sector of Rokan Hulu Regency on 27 July 2020 with the results of the examination meeting the requirements for recalibration 2020 and will be re-recorded on July 27, 2021.

5.1.8

The company receives FFB from third parties (FFB suppliers) whose price fixing mechanism is determined by the company's internal mechanism. The suppliers consist of seven (7) ex-plasma smallholders (cooperative Subur Makmur, Gemah Ripah, Intan Makmur, Citra Gemilang, Saptu Manunggal, Tujuh Pertama, and Sawitra). For former plasma / plasma farmers, the agreement has ended because the credit has been paid off and now, they have become independent smallholders.

5.1.9

Complaint mechanism has been set in the SOP of communication for consultation and coordination with stakeholders (No. PMT-KBN-SIN-MR-06 dated 18 July 2016). This procedure is generally applied to all complaint's aspects, including complaints and non-conforming products from customers / buyers. During the audit, there is no written complaint from smallholders.

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

Based on the results of interviews with management, it is known that consultation activities are carried out when plasma assistants visit Plasma management or other FFB suppliers. Based on the results of interviews with FFB suppliers, information was also obtained that the company had socialized related to the RSPO.

The company can show the recording of the meeting with the management of the Sei Tapung Plasma KUD which briefly discussed the following matters:

- Sei Tapung plasma management is expected to introduce management/farmers to ISPO and RSPO certification
- Equip supervisors in the field with best practice training
- Socialization of the community's palm oil rejuvenation program
- Provide training to chemical officers in the field

5.2.2

The company can show the program and realization of the empowerment of plasma farmers within the Sei Tapung Plasma plantation in 2020 – 2021, including the following:

- The 2018 RSPO P&C introduction training was conducted in January and August 2020
- SCCS introduction training, has been held in January and August 2020
- Training on the use of pesticides and hazardous chemicals, held in September 2020
- Hazardous waste handling training
- Training on best plantation practices (SOP and WI) for harvesting; fertilization; and chemist, has been carried out in June – July 2020.
- Introduction of community palm oil program
- Crop conversion program

- Socialization of land legality

For example, the training related to the introduction of the 2018 RSPO P&C and the SCCS Introduction Training on 28 August 2020 was attended by 30 participants consisting of KUD representatives, consultants, assistants and field coordinators.

5.2.3

As part of its support to promote the legality of FFB production, the company can show a recording of a meeting with the KUD (Plasma Sei Tapung) on 20 November 2020 to discuss matters related to land legality. Companies can also show records of activities including:

- Submission of certificates to farmers who have paid their credit obligations
- Reviewing the location of farmers' land regarding its legality
- Mapping and measuring land in partnered KUD

5.2.4

The company has provided training related to pesticide handling to plasma farmers by showing the training records, for example:

- Socialization of SOP and WI for oil palm plantations covering harvesting, fertilizing and chemical activities on June 6, 2020 at the Joint Farmer Group Office which was attended by 15 participants.
- Spray officer training on 20 August 2020 which was attended by 11 participants consisting of representatives of KUD Makarti Jaya and KUD Karya Mukti.

5.2.5

Reports on the development of farmer support programs are evaluated periodically through the Plasma unit Management Review Meeting and attended by Plasma PICs, for example the plasma management review meeting on January 28, 2021 in the Operation Room of the Sei Tapung Plasma Office which was attended by 7 participants. The activity briefly discussed matters including:

- Evaluation of the production of the Sei Tapung plasma plantation
- Preparation of an external RSPO audit
- Conduct a review of the ISPO and RSPO certification plans for the Plasma KUD
- Realization of farmer empowerment program

Based on the results of interviews with plasma assistants, it was found out that communication related to the plasma farmer program and its evaluation is conveyed to farmers every time they visit farmers' land locations or during other activities, not limited to gatherings.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1, 6.1.2 and 6.1.3

Certificate holder showed Sustainability Palm Oil Policy of PT Perkebunan Nusantara V Point 13 dated on 1 March 2020, which stated that the company respecting human rights by treating all employees equally, in terms of recruitment, assessment, working treatments and environment, regardless of race or ethnicity, belief, disability, gender, sexual orientation, union membership, political affiliation also age. This policy was signed by the Director on November 1, 2020.

The results of interviews with representatives of the gender committee and Labour Union revealed that the company has implemented a non-discrimination policy and provides gender equality to workers.

There's no recruitment on 2020 when assessment has been done. Certificate holder has carried out regular assessments of workers, for example the 2020 and 2021 assessments. In the promotion procedure, assessment also considered from the previous 2 years. Based on the results of the 2021 assessment, there were several workers who were promoted in

class, for example in Estate Technical Department there were 21 workers who were promoted.

6.1.4

The results of interviews with the gender committee revealed that pregnancy testing was not as a basis for discriminating against these workers. Pregnancy tests have been carried out in accordance with applicable regulations.

6.1.5.

Gender committees have been formed and are still active in the Certificate holder operational area. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations/complaints of workers (especially women), as company partners in carrying out the activities of socialization related to gender and other policies related to workers' reproductive rights. The gender committee organization has routine activities and showed its realization in 2020, such as: monthly meeting gender committee socialization, counseling to young mothers about the importance of breastfeeding, counseling about immunization to toddlers, socialization of compost fertilizer from household waste, socialization about human rights and protection of minors, and socialization about the importance of prenatal care.

6.1.6.

Based on the results of document review it was found that the Certificate holder already has a wage scale structure for each worker based on position, class, work performance, and not based on gender differences or origins. For example, sterilizer operator assistants with IB/00 class and chain operator assistants with IB/00 class got a basic wage of Rp. 2,186,973, fixed allowance of Rp. 728,991 and rice allowance according to worker status.

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.

Certificate holder provides wages to workers who have followed the minimum wage in accordance with the minimum wage for the agriculture/plantation sector (UMSP). At the time of the audit the UMSP paid was UMSP Riau Province in 2020. Based on interviews with representatives of the Labor Union, it was stated that the regulation regarding the 2021 minimum wage has not been issued by the regional government and if it has been issued, the company will pay the wages as of January 2021.

Provisions related to wages are also explained in several other documents, such as:

- Guidelines for the Provision of Employee Transfer Allowances for Group IA – IID in accordance with Decree No. 5/SDM/15/IV/2020 dated April 21, 2020. Provision of transfer allowance for IA-IID group employees based on table rates x position weight x monthly work assessment results.
- Harvest premium and inspection of oil palm harvest in accordance with Decree No. 5/SDM/15/IV/2020 April 21, 2020
- Premiums for transportation equipment, heavy equipment and general workshops for implementing employees in the District, Plantation and Factory in accordance with SK No. 5/SDM/15/IV/2020 April 21, 2020
- Guidelines for the implementation of processing premiums in PKS in accordance with Decree No. 5/SDM/15/IV/2020 April 21, 2020
- Provisions for the implementation of annual/long stealing in accordance with Decree No. 5/SDM/15/IV/2020 April 21, 2020
- Employee compensation/motorcycle operation allowance in accordance with Decree No. 5/SDM/15/IV/2020 April 21, 2020
- Social compensation to employees in accordance with Decree No. 5/SDM/15/IV/2020 dated April 21, 2020. The compensation consists of housing rent, water and electricity allowances; assistance for boarding school children for employees' children; moving costs for active employees; the cost of vacating the house for employees entering the MBT; tuition fees and allowances represent.
- Provisions for official travel expenses (BPD) for employees of class IA to IVD in accordance with Decree No. 5/SDM/15/IV/2020 dated April 21, 2020.
- Employee health social security in accordance with Decree No. 5/SDM/15/IV/2020 dated April 21, 2020.
- Pregnancy check-up and delivery assistance in accordance with Decree No. 5/SDM/15/IV/2020 April 21, 2020

Based on the results of interviews with workers, it is known that the wages received are in accordance with the applicable minimum wage regulations.

6.2.2.

Policy related to manpower implementation as refers to Indonesian regulation is presented in document of *Perjanjian Kerja Bersama (PKB)* or Collective Working Agreement for period 2020-2021 dated 09 April 2020, arranged by the unit of certification and Labour Union "*Federasi Serikat Pekerja Tingkat Perusahaan Perkebunan PTPN V (SPTP-BUN PTPN V)*". The PKB has registered to the Manpower Agency of Riau Province as shows through Decree No. Kpts.936/IV/2020 dated 09 April 2020. Work agreement with employees were available in premises. The PKB provided in Bahasa. This PKB also explain about penalty for worker and interview with worker sighted that worker already aware about the penalty.

Based on the results of interviews with workers in estate and mill, it is known that workers have understood the rights and obligations as stipulated in the PKB.

Payroll document has inform the accurate information, which inform basic wage, allowance, deduction and takehome pay. Based on interview and document verification, sighted that information from worker has been meet with information in payroll.

6.2.3.

Certificate holder has demonstrated evidence of legal compliance related to employment, such as:

- Wages according to government regulations
- Provide maximumly 2 days of H1 (menstrual) leave, for example. One employee who is menstruating is given 2 days of leave on April 14-15, 2021.
- Provide H2 leave (maternity leave) for a maximum of 3 months (90 days) with details of 45 days before giving birth and 45 days after giving birth, for example one of the employees is given 90 days of leave from May 1, 2020, to July 29, 2020.

Based on interview with female worker who get H1 and H2, informed that worker was paid in accordance with their basic wage and allowance. This is also in line with payroll verification for female worker who obtain maternity leave (H2) such as in June 2020.

Based on these explanations, it can be concluded that the certification unit has carried out work requirements in accordance with applicable laws and regulations in Indonesia.

6.2.4

Certificate holder have provided welfare facilities to employees in the form of housing, sanitation facilities, water supplies, medical needs, educational facilities and other public facilities. The results of interviews with housing residents who stated that the facilities provided by the certification unit were housing, sanitation facilities, water supplies, medical needs, school transportation, Junior High Schools & Senior High Schools (for elementary schools located outside the plantation with affordable distances), child care with treatment rooms for places of worship (mosques & churches), sports facilities and others. In general, the facilities provided by the company are good/fit for use by workers and their families.

6.2.5

The results of interviews with employees show that employees have many choices in meeting their daily needs, for example, there are several stalls in the employee housing area that provide basic necessities and other necessities as well as traditional markets around the company. In general, workers have access to adequate, adequate and affordable food.

6.2.6.

In Indonesia there is no set standard of living wages, so the unit of certification still applies the national minimum wage for all workers. The unit has calculated the Prevailing Wage Contract worker (PKWT) by considering the components of housing, electricity & water, education, child care, health, food as well as sports and recreation. In general, the certification

unit has conducted an assessment of the prevailing wages and benefits provided to workers in the certification unit in line with the applicable regulations.

6.2.7

Based on the 2021 WLTk reporting data reported on 6 February 2021, it is known that the number of workers is 357 people. Based on worker data for January 2021, it is known that there are 399 workers consisting of 302 permanent workers and 97 PKWT. Based on the data, it is known that all PKWT are harvest workers with an agreement for 2 years from January 1, 2020 to December 31, 2021. CH need to evaluate the PKWT which will be expired in Dec 2021. **OFI**

Status: Comply

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.

Certificate holder showed the policy towards recognizing the right to freedom of association presented in document of "Kebijakan Minyak Sawit Lestari PT Perkebunan Nusantara V" or Sustainability Palm Oil Policy of PT Perkebunan Nusantara V Point 17 dated on 01 March 2020, issued by Managing Director, Operational Director and Commercial Director. This policy has approved through the existence of labor union of Sei Intan POM. The organization structure for period 2016-2021 was available. The Labor Union has registered to the Cooperative, Transmigration and Manpower Agency of Rokan Hulu District through Decree No. 13/560/TK/2002 (12 November 2002) dated on 10 October 2017.

6.3.2

Certificate holder has recorded the meetings between labor unions and management, for example the meeting between labor unions (SPBUN) conducted on June 17, 2020 related to coordination to improve production and company performance. This meeting was attended by 16 people.

6.3.3

Based on the interview with the chairman of labor union (SPBUN), it was explained that he had been elected from 2017 as a chairman and was carried out by deliberation. The management did not interfere directly with the taking decisions and activities carried out by labor unions.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1.

PTPN V already has a policy on child protection, including the prohibition of child labor, as explained in previous audit report. Policy on minimum age for recruitment is presented in the document of "Kebijakan Minyak Sawit Lestari PT Perkebunan Nusantara V" or Sustainability Palm Oil Policy of PT Perkebunan Nusantara V Point 15 dated 01 March 2020, issued by Managing Director, Operational Director and Commercial Director.

6.4.2

According to list of employees as periode January-March 2021 review, it was known that nobody accepted as employees below 18 years old. Moreover, based on interview with worker and third party sighted that they are aware of the prohibition hiring workers under the age of 18.

6.4.3.

Similar with indicator 6.4.2. According to list of employees as periode January-March 2021 review, it was known that nobody accepted as employees below 18 years old. Moreover, based on interview with worker and third party sighted that they are aware of the prohibition hiring workers under the age of 18.

6.4.4.

Based on field observation, it is known that CH has installed a notice board regarding the minimum age for workers. Moreover, based on interview with worker and third party sighted that they are aware of the prohibition hiring workers

under the age of 18.	
Status: Comply	
6.5	
There is no harassment or abuse in the workplace, and reproductive rights are protected.	
6.5.1 and 6.5.2.	
Certificate holder has a policy to protect reproductive rights and prevent all forms of sexual harassment and violence. The policy showed in Sustainability Palm Oil Policy of PT Perkebunan Nusantara V Point 13 and 16 dated on 01 March 2020, issued by Managing Director, Operational Director and Commercial Director. Gender Committee has appointed to involved, as shown through Manager Decree No. 02.U.SIN/Skep/1/2019 dated on 02 January 2019.	
6.5.3	
Certificate holder has conducted an assessment of the mother's needs during the period January to June 2021 which consists of permission to breastfeed children during working hours (2 times per day for 10 minutes), getting nutritious food so that breastfeeding can run smoothly and prohibiting pregnant/breastfeeding women workers from working with chemicals (being employed in a safe place and not in contact with pesticides/ hazardous chemicals)	
Based on interview with the gender committee revealed that the needs of young mothers have been carried out and the Certificate holder has taken management actions for young mothers.	
6.5.4.	
Complaint mechanism of workers was described in the Collective Labor Agreement period 2020-202 chapter XI article 68, as follows:	
<ul style="list-style-type: none"> • All employee's complaints are first discussed with their supervision • If the complaints in the first point above have been reached without giving satisfactory, it will be resolved in a bipartite way through labor union • Industrial Action is carried out in accordance with labor law no. 13 of 2003 and its implementation guidelines as well as Law no. 2 of 2004 concerning the settlement of industrial relations disputes 	
In addition, the certificate holder showed a PTPN V Code of Conduct document in Chapter 2 point 2.13 regarding reporting of violations and protection for whistleblowers, at that point it is explained that the company must prepare regulations that guarantee the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower).	
Status: Comply	
6.6	
No forms of forced or trafficked labour are used.	
6.6.1 and 6.6.2	
According to list of employees as per March 2021, it was known that there were no migrant workers in the unit of certification. Based on interview with workers, it is known that workers accept work voluntarily and freely and without coercion. The majority of workers in Sei Intan are local people, but there are some workers who are not local people where they have lived around the CH operational area prior work in Sei Intan.	
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 the OHS program in the organizational structure of the Occupational Safety and Health Committee (P2K3). The Occupational Safety and Health Committee (P2K3) team has received approval from the Head of the Riau Province Manpower and Transmigration Office and Occupational Safety and Health Committee secretary is a certified occupational health and safety expert.	
The OHS Committee regularly holds monthly meetings on OHS issues in the workplace. The last meeting was held on December 11, 2020.	

6.7.2.

Certificate holder has made efforts to prevent emergencies and accidents. The company has procedures related to emergency response (SOP/MR/7/03 dated 1 August 2018.) and work accidents. (SOP/K3/15 dated 1 October 2019.)

Certificate holder has a first aid officer who has a first aid officer certificate at work, and the certification unit has emergency facilities and infrastructure such as a first aid box, evacuation route and other facilities.

Based on the results of the field visit, it is known that the contents of the first aid kit are available as determined by the company. As well as interviews with the foreman that the foreman was also able to explain the function of each tool in the first aid kit.

6.7.3

PTPN V already has SOP/HR/03 regarding Personal Protective Equipment where one of the clauses states that "6.72. If there is damage to PPE, employees can request replacement by reporting to their respective unit assistants to be forwarded to the P2K3 Secretary for follow-up, using the PPE replacement request form (FOR/SDM/09)". Interviews with workers revealed that workers were aware of this procedure and had applied for a replacement, but it did not materialize. This procedure is not rule about PPE lifetime, but information from worker normally CH will provide PPE every six months.

Sei Intan mill has shown recordings of the distribution of PPE which was carried out on 30 December 2020 to 11 processing workers and on 28 Mar 2020 to 11 processing workers.

The results of field visits at mill found that workers use different types of PPE even though they work at the same station. Interviews with workers stated that the last time PPE was distributed was about 1.5 – 2 years ago and it was stated that there were workers who bought their own PPE because it was damaged.

The Sei Intan Unit has requested a budget for the procurement of goods and materials (AU-31.4) for the 2020 which was requested on October 23, 2019. However, until the 2021 audit activity was carried out, the realization of the procurement of goods had not been implemented.

The management unit has not been able to demonstrate that PPE has been provided free of charge to all workers in the workplace. This is become **Non-conformity No. 2021. 02 with Major category.**

Based on field observation in afdeling II, found CH has had rinse house for pesticide applicators. There is locker for keep the clean cloths and there is bathroom. Interview with management representative known that there is spraying activity but not using all pesticide applicators. Ensure workers use the rinse house facility according to its function (OFI).

6.7.4

Certificate holder has registered all workers in the work accident insurance program (*BPJS Ketenagakerjaan*). In addition, the certification unit also registers workers' families for the health insurance program (*BPJS Kesehatan*). The certification unit can show examples of medical insurance/ BPJS Employment payments for permanent workers for example for the February 2021 period launching on 10 Mar 2021, medical insurance/ BPJS Employment payments for Contract workers (PKWT), for example for February 2021 on 4 March 2021 as well as employment insurance protection for example lawn machine operator accidents that reported to medical insurance/ BPJS Employment on June 25, 2020.

6.7.5.

Certificate holder has recorded work accidents in the form "Occupational Safety and Health Statistics." Based on data for the period Jan – March 2021, it is known that there were no work accidents that occurred.

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

The company has shown documents related to the IPM plan contained in the identification of potential pests and diseases and their control plan at Sei Intan Estate :

No	Names of pests and diseases	Control Options	Explanation
1	Nettle caterpillar and Bag worm attack	Hand Picking	Quoting bagworms on affected oil palms below the economic threshold (<5 caterpillars / midrib from the EWS results)
		Fruit Trap	catching moths as imago from bagworms on the affected blocks
		Lamp Trap	catching moths at night
		Planting of host plants	Planting <i>Turnera subulata</i> and <i>Antigonon</i> as host plants from the natural enemies of caterpillars and bagworms (<i>Sycanus sp</i>)
		Use of chemicals	The last option is to use chemicals if the results of the early warning system show the attack exceeds the economic threshold(>5 caterpillars / midrib from the EWS results)
2	Oryctes attack	Hand Picking	quote larva and imago oryctes
		Use of chemicals	spraying using cypermetrin and carbosulfan sprinkling
3	Rat Attack	utilization of natural enemies using <i>Tyto alba</i>	Making Barn owl as a breeding ground for rat predators

Based on the results of the study of weekly pest census documents, for example for the period 1 – 6 December 2020, it was found that there was an attack of bagworms covering an area of 22.56 ha which was heavily attacked and an area of 37.82 ha was moderately attacked and there were no attacks of Nettle Caterpillars, Rats, Oryctes, Termites and Apogonia.

The company also uses beneficial plants and natural enemies of pests (*tyto alba*) in biological pest control. Based on the beneficial plant inventory, it is known that in the company's area there are 545 meters of *turnera subulata* and 114 meters of *antigonon*.

Based on the barn owl monitoring data, it is known that in the company area there are 85 units and all of them are in an active condition. The results of the field visit to the barn owl location in Afdeling 2 Block G8, it was found that the barn owl was in a well-maintained condition, around the barn owl were found owl feathers and remains of rat bones which indicated that the barn owl was active.

7.1.2

The company has shown documents related to the cultivation of *Turnera subulata* and *Atigonon* as host plants for natural predators of nettle caterpillar/bagworm and the development of *Tyto alba* as rat predators. In accordance with the applicable regulations in Indonesia, it is known that the three species are not included in the category of invasive species.

7.1.3

Based on the study of the Pest Control SOP document, it is known that there are no stages of using fire in the pest control process, pest control is carried out manually, chemically and biologically.

Based on the study of PT Perkebunan Nusantara V's Sustainable Palm Oil Policy document dated November 1, 2020, point 5 states "Performing zero burning plantation practices, especially in plant maintenance in controlling plant pests and diseases".

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 has shown a list of the pesticides used and the target of the pesticides used. The pesticides used are as follows:

No	Pesticide	Active Ingredients	Unit	Class	Target
1	Nara Up 490 SL	Isopropil amina glifosat	g/ltr	IV	Broadleaf weed: Borreria alata, Mikania micrantha, leafy weed narrow: Ischaemum timorense, Ottochloa nodosa
2	Amcofur 20 WP	Methyl metsulfuron	%	III	Broadleaf weed: Ageratum conyzoides, Chromolaena odoratum, Synedrella nodiflora
3	Starane 290 EC	Fluroksipir meptilheptil ester	g/ltr	IV	Broadleaf weed: Mikania micrantha, Chromolaena odorata, Asystasia gangetica, Borreria alata
4	Santrino 100 EC	Sipermetrin	g/ltr	III	Setora nitens, Oryctes rhinoceros
5	Marshal 5 GR	Carbosulfan	%	III	Oryctes rhinoceros

Based on the results of the table above, it is known that the company has justified the use of pesticides according to the target.

7.2.2

The company can show a record of pesticide use, for example the period January – December 2020 that informs the active ingredient used and the LD50 of the active ingredient, the treatment area, the amount of use of the active ingredient per Ha and the number of applications, for example the following pesticide use of Nara Up:

Active Ingredients: Isopropyl Amine Glyphosate 363 g/l
 LD50: > 5,000 mg/kg
 Area: 14,149.42 Ha
 Active Ingredients per Ha: 163.35 g/ha
 Number of Applications per Ha: 0.45 l/ha

7.2.3

The company integrates biological control in controlling pests as part of reducing the use of pesticides, for example the company has effectively reduced the use of rodenticides for controlling rodents and replaced them with natural enemies of pests (tyto alba). This is in accordance with the results of the study of pesticide use documents, for example in 2020 and the results of field visits to chemical warehouses, it is known that there is no use of rodenticides.

7.2.4

Based on the results of the document review, it is known that there is no use of pesticides with prophylactic purposes, the company applies pesticides based on the results of the census that has been carried out, for example, there was the use of chemical santrino in December 2020, this was due to the results of the bagworm pest census for the period 1-6 December 2020 It was found that an area of 22.56 ha was heavily attacked and an area of 37.82 ha was moderately attacked.

7.2.5

Based on the results of the field visit to the pesticide storage warehouse, it was found that there were no pesticides with the active ingredient paraquat or those belonging to WHO classes 1a and 1 b.

7.2.6

Based on the pesticide list document used by the company, it is known that no pesticide has been used with the active ingredient paraquat. However, the company has conducted training for employees to improve the understanding and quality of the workers' performance. The examples of training provided are:

1. Training / socialization for chemist officers which was held on February 4, 2020, which was attended by 14 participants

2. Integrated pest control training / outreach which was held on June 8, 2020 which was attended by 21 participants

7.2.7

Based on the results of field visits to chemical warehouses, for example the Central chemical warehouse in Division 1, it was found that the chemical storage area was in accordance with Government Regulation no. 74 of 2001 concerning the Management of Hazardous and Toxic Materials in which the warehouse is equipped with ventilation, warnings and symbols of OHS hazards, MSDS, emergency response facilities such as fire extinguishers, eye washes, and first aid kits.

7.2.8

Pesticide solutions are stored in the pesticide warehouse. All precautionary measures have been implemented to reduce the possibility of contamination and risk to workers, such as providing chemical traps and providing MSDS and first aid kits. After work, the knapsack sprayers and PPE were stored in a special warehouse in Afdeling.

Pesticide waste is stored and recorded in a temporary warehouse for hazardous and toxic waste, transported and managed by a licensed third party. The results of field visits to the residential areas of Afdeling 1 and 2 Sei Intan Estate showed that there were no traces of pesticide packaging that were reused, for example as water reservoirs or flower pots.

7.2.9

Based on interviews with the company, it is known that the company does not carry out spraying activities by air.

7.2.10

Certificate holder has carried out the 2020 health examination conducted by Nusa Lima Medika in November 2020 to 128 workers. The health checks carried out included audiometry, cholinesterase and general examinations. Based on the results of the medical examination, all pesticide operator is fit to work.

7.2.11

The company can show a Memo from the Manager dated January 1, 2020 to the Afdeling Assistant and the Sei Intan unit regarding the prohibition of employing female employees who are pregnant and breastfeeding and minors for chemical work. may be done by pregnant and lactating women and the worker will be diverted to do other work. Based on the results of interviews with assistants and representatives of the gender committee, it is known that there are no child laborers and pregnant or lactating women who work related to chemicals. This is also inline with interview result of pesticide operators and foreman.

	Status: Comply	
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**7.3
Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.**

7.3.1

The company shows identification of waste sources for the 2020 period with details: ex sacks of fertilizer, inner plastic of fertilizer sack, used oil from generator, used neon/lights, wastewater, EFB, Shell, fiber, dash of incinerator, dash of boiler, domestic waste, ex cartridges, paper and others.

Sources of emissions include:

- CO2 Gas: Transportation of FFB, CPO Shipping, Operation of heavy equipment, operation of generator & electric pumps, management of WTP, boilers, laboratory activities, waste ponds and Mill processes.
- Gas NO2 & SO2: Activities in the laboratory.
- Gas CH4: Fertilizing activities and WWTP ponds.

Hazardous and Toxic waste

The company already has an extension of the Temporary Storage Permit for Hazardous and Toxic Waste Number: Kpts.503 / DPMPSTP-IPSLB3 / 12 / IX / 2018 from the Regent of Rokan Hulu dated 27 September 2018, valid for 5 years. The company can show the manifest of the transportation of hazardous and toxic waste to a licensed carrier (PT Primanru Jaya) which was carried out on January 11, 2021 using vehicle B 9657 IC. The details of hazardous and toxic waste transported include:

- Used Oil as much as 0.117 tons with a manifest KLHK-1611613116.
- Used batteries as much as 0.06 tons with manifest KLHK-1611613043.
- Used filter as much as 0.005 tons with manifest KLHK-1611613877.
- Used lights as much as 0.0295 tons with the manifest KLHK-1612106977.
- Former packaging of chemicals as much as 0124 tons with a manifest KLHK-1611612795.

Companies can show the stock of Hazardous and Toxic Wastes to March 2021, as for Hazardous and Toxic Waste stocks stored in Temporary Storage Places for Hazardous and Toxic Waste such as:

- Used batteries as much as 60 Kg
- Used Oil as much as 49.5 kg
- Used chemical packaging as much as 3 kg
- Used Filters –
- Used lamp as much as 4 kg

Solid Waste

Solid waste is reused by the certification unit. The solid waste that is reused is EFB which is reused back into the land as fertilizer. Shells and fiber are reused as boiler fuel.

Domestic Waste

Domestic waste is managed by providing a place as a storage container at home and then discharged to landfills.

Mill Effluent

Mill Effluent management, namely by reusing it with land applications. Before being distributed to the Land Application, the Mill Effluent is first managed in the WWTP pond. Permit for Disposal of Wastewater to the Palm Oil Industry on Soil Number: KPTS.503 / DPMPTSP-IPAL / 04 / V 2020 from the Regent of Rokan Hulu dated May 20, 2020, valid for 5 years.

7.3.2

Based on interviews with company management and the Head of the Hazardous and Toxic Waste Warehouse, it is known that they already understand the handling of waste disposal, especially hazardous and toxic waste and non-hazardous and toxic waste in accordance with the procedures owned by the management unit. Based on the results of field visits to the residential areas of Afdeling 1 and 2 Sei Intan Estate, it was found that there was no use of hazardous and toxic waste as water storage. In addition, domestic waste management is in accordance with company procedures.

7.3.3

Based on the results of field visits to the residential areas of employees afdeling 1 and 2 Sei Intan Estate as well as in warehouses, both estate and mill, it was found that there was neither burning nor open burning for waste disposal. In each housing has provided a trash can for domestic waste such as organic and inorganic. Hazardous and toxic waste will be collected in a temporary storage place for hazardous and toxic waste.

Status: Comply

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 had procedures and WI's related fertilizer/manuring activities, such as :

- SOP *Pemeliharaan Tanaman Belum Menghasilkan Kelapa Sawit* (No. Dokumen 05-SOP/TAN/PTPN-V/2010).
- SOP *Pemeliharaan Tanaman Menghasilkan Kelapa Sawit* (No. Dokumen 13-SOP/TAN/PTPN-V/2010).
- WI *Pemeliharaan Kacangan* (No. Dokumen 18-IK/TAN/PTPN-V/2010).
- SOP *Penyusunan Rekomendasi Pemupukan* (No. Dokumen 16-SOP/TAN/PTPN-V/2010).
- WI *Kerjasama pembuatan Rekomendasi Pemupukan* (No. 81-IK/TAN/PTPN-V/2010)
- WI *Pengambilan Contoh dan Analisa Daun* (No. 82-IK/TAN/PTPN-V/2010)
- SOP *Pelaksanaan Pemupukan* (No. Dokumen 18-SOP/TAN/PTPN-V/2010).

The company has demonstrated the implementation of good cultivation practices. Examples include soil analysis and leaf analysis as the basis for fertilizer recommendations and the application of empty bunches and POME

7.4.2

The company has conducted soil, leaf and visual analysis periodically in accordance with WI of the arranging of fertilizer recommendation (No. 81-IK/TAN/PTPN-V/2010). The WI describes that the LSU conducted yearly simultaneously with visual analysis, while SSU conducted every five years, and used as consideration to arrange fertilizer recommendation. The company has shown documents related to the results of soil analysis and leaf analysis, which are as follows:

- Laboratory Analysis Results from the Lab. of Soil Science, Bogor Agricultural Institute (No. 513 / LHP / Lab DITSL / XII / 2017 dated 15 December 2017), with texture parameters (sand / dust / clay), pH, C, N, C / N, P, K , CEC, Ca, Mg, K, Na, Base saturation.
- The results of leaf analysis 2020 are contained in the fertilization recommendation book 2021 with parameters N, P, K, Ca, Mg, and B.

7.4.3

The company has presented documents related to nutrient recycling strategies including recycling empty bunch and POME. For example:

- POME application on Mei 2020 for 7,442.26 M³
- EFB application on Januari 2021 sejumlah 46,240 Ton at Block G-14 for 1.54 Ha

7.4.4

Companies can show records of fertilizer use, for example fertilizer use during 2020 as follows:

Fertilizer	Kg
NPK 15.724+1TE	1,463,499
UREA	812,502
RP	26,689
TSP	381,804
MOP	766,427
DOL	933,341
BORATE	44,952
Total	4,429,214

Based on production data, it is known that the total production of FFB in 2020 is 73,900,930 Kg, so that the use of fertilizer is 59.93 Kg/Ton FFB.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

The company has had the maps that describes the soil condition in operational area. The making of maps was in cooperative with PT Bina Alam Lestari (consultant). Those maps are (in scale 1:100.000) :

- Map of soil type. In the operational area are Dytropepts, Kahapludults, Hapludox, and Tropaquepts.
- Map of river (on HCV map)
- Map of slope class : all of operational area was 0 – 8 % (flat)
- Map of topography. The contours shown that the area was flat.
- Map of geology. The soils were formed from old aluvium, formasi Minas, formasi petani, formasi telsa.

Based on those maps and field observations during the audit, known that all operational area consists of mineral soil, there is no peat soil or marginal/fragile soil, and the topography is flat, there is no application of contour terrace.

7.5.2

At the time the audit activities were carried out, there were no replanting activities. The company carried out replanting in 2017 and 2018 and based on the replanting plan document, it is known that replanting activities will be carried out again in 2022 and 2023. Based on the results of the study of the slope class map document and field visits, it is known that the condition of the company area is flat with a slope of 0-8% and there is no application of contour terraces.

7.5.3

Based on the results of the study of the area statement document, it is known that the company did not carry out new plantings, the company only carried out replanting activities and the last one was carried out in 2018.

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

Based on the results of the document review of the statement area and interviews with company management, it was found that there was no development of new oil palm plantations. The planting years for Sei Intan Estate were 1997, 1998, 2004, 2011, 2012, while the planting years for 2017 and 2018 were replanting.

7.6.2; 7.6.3

There is no new area development.

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 – 7.7.7

There is no peatland managed by PT Perkebunan Nusantara V. The company has shown a land type map document for PT Perkebunan Nusantara VI Sei Intan Estate with a scale of 1: 100,000. Based on the map, it is known that the soil types contained in PT Perkebunan Nusantara V Sei Intan Estate are Dytropepts, Kahapludults, Hapludox, and Tropaquepts.

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 and has implemented the water management plan which consists of:

- Do not apply chemicals in river boundaries.
- Do not dispose of Mill Effluent into rivers, but instead use it back into plantation land. Before being used, Mill Effluent is first managed at WWTP so that its quality meets the standards set by the government.
- Utilizing water for factory processing in accordance with the standards set by the company.
- Test the quality of river water and monitor wells

The company has tested the quality of river water, namely the Rokan river (Upstream and Downstream) which was carried out on December 12, 2020 by a KAN accredited laboratory (LP-516-IDN). The results of river water quality testing are in accordance with the provisions of Government Regulation No. 82 of 2001. In addition, the company has also tested the quality of monitoring wells for land applications with locations of monitoring wells for land application areas, monitoring wells for non-land application areas, and monitoring wells for residential areas. The test was carried out on December 12, 2020 by a KAN accredited laboratory (LP-516-IDN) with the test results in accordance with government regulations.

The company has carried out replanting in 2018, but the replanting location is not in a river border area. Based on the results of field visits to the Kepanasan Tributary of Block 14 E Afdeling 1, it is known that the riverbanks have been planted with plants such as *rumpun raja*, *Matoa*, *Waru*, *Jati*, Mahogany and *Jambu Air*. In addition, there are no traces of chemical applications on the riverbanks.

7.8.3

The company has an extension of the Permit for Disposal of Wastewater to the Palm Oil Industry on the Ground Number: KPTS.503 / DPMPSTP-IPAL / 04 / V 2020 from the Regent of Rokan Hulu dated May 20, 2020, valid for 5 years.

In the practice of liquid waste management, the company conducts periodic testing of the quality of liquid waste every 1 month in a KAN accredited laboratory, besides that the company conducts water quality testing in monitoring wells every 6 months. Based on the results of the document review, it is known that the results of the liquid waste quality test during 2020 did not exceed the quality standard according to the applicable regulations, as well as for the test results during 2021. for example the test results in September 2020 with the results of pH: 7.76 and BOD: 360.42. For the period January 2021 the results of testing pH: 8.15 and BOD: 150.39.

Based on the results of field visits to the 8 D and 10 D Afdeling 1 Land Application Areas, it is known that the location of the liquid waste application is in accordance with the permit owned, besides that there is no indication of environmental pollution from the company's liquid waste operations.

7.8.4

The company already has a Water Resources Concession Permit from the Ministry of Public Works and Public Housing Number 454 / KPTS / M / 2020 dated May 6, 2020 which is valid for 5 years. The provisions provided in accordance with the permit include:

- Method of collection: pumping
- Water / debit quota: 14.88 liters / second
- Pickup schedule: 20 hours / day for 28 days / month
- Location: *Rokan Kiri* River.

The company has recorded the use of water for the FFB processing which is carried out every month. The company can show water usage records for the January-December 2020 period and the previous year period. Companies can show water usage data for 2019 as follows:

FFB Process (ton)	Water Used (m ³)	Water Used/FFB Process (m ³ /ton)
151,562	203,794	1.34

While the use of water for the period 2020 is as follows:

FFB Process (ton)	Water Used (m ³)	Water Used/FFB Process (m ³ /ton)
149,113	199,272	1.34

From the data on water use during 2019 and 2020, it is known that the average water use for the production process is 1.34 m³ / ton FFB, which is still below the set average of 1.48 m³/ton FFB.

Status: Comply

7.9

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

7.9.1

The plan to increase the efficiency of the use of fossil fuels and optimize the use of renewable energy by the company is to use shells and fiber as boiler fuel which is used to generate turbines to generate electricity. The use of energy generated from the turbine is monitored every day.

Companies can show records of the use of shells and fiber used as boiler fuel along with the KWH generated by the turbine from using shells and fiber, for example for the period December 2020 as follows: Processed FFB is 14,556 tonnes, fiber used is 1,883 tonnes and shells are 1,001 tonnes. The total KWH of the turbine generated from the use of shell and fiber is 363,973KWH (25.0 kWh / Ton FFB and KWH using a Genset / Generator of 12,869 KWH (0.88 kWh / Ton FFB).

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

The company did not add new areas (still the same as the previous year), The company also has conducted GHG emission calculations period 2020 use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

Summary of Net GHG Emissions.

Emissions per product	tCO2e/tProduct
CPO	0.55
PK	0.55

Production	t/yr
FFB processed	149,112.02
CPO produced	32,001.53
PK produced	5,703.74

Extraction	%
OER	21.46
KER	3.83

Land use	Ha
Planted area on mineral	18,103.08
Planted on peat	0
Total area planted	18,103.08
Conservation Area (Forested)	0
Conservation Area (Non-Forested)	24.40
FFB Production per hectare	26.30

Summary of field emission and Sinks

Description	Own crop		Group		3rd	Total
	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB		
Land conversion	30545.25	0.41	16977.74	0.47	0	47522.99
CO2 emissions from fertilizer	4497.91	0.06	939.44	0.03	0	5437.35
NO2 emissions from peat	0	0	0	0	0	0
NO2 from Fertilizer	3677.80	0.05	494.33	0.01	0	4172.13
Fuel consumption	238.47	0.00	264.68	0.01	0	503.15
Peat oxidation	0	0	0	0	0	0
Sinks						
Crop sequestration	-28952.84	-0.39	-16092.65	-0.44	0	-45045.49
Sequestration in Conservation area	0	0	0	0	0	0
Total	10006.59	0.14	2583.55	0.07	5838.07	18428.22

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	2324.42	0.02
Fuel consumption	256.63	0
Grid electricity	0	0

Credits		
Export of grid electricity	0	0
Sales of PKS	-158.36	0
Sales of EFB	0	0
Total	2422.69	0.02
Palm Oil Mill Effluent (POME) Treatment		
Divert to compost (%)		0
Divert to anaerobic digestion (%)		100
POME Divert to Anaerobic Digestion		
Divert to anaerobic pond (%)		100
Divert to methane capture (flaring) (%)		0
Divert to methane capture (electricity generation) (%)		0
<p>The auditor team has verified the palm GHG that the company has done. Based on the verification results, it is known that the palm GHG input data is in accordance with the actual conditions. This is evidenced by the results of verification of the total FFB production from Sei Intan plantation, total production from third parties, total production from Group Plantations, Sei Intan planted area and distribution of planting years for Sei Intan plantation, and the area of HCV area that is in accordance with actual conditions.</p>		
<p>7.10.2 & 7.10.3</p> <p>There are no additional new areas in the company's management area and it is still the same as the previous year's assessment. The company has identified the source of pollution in the mill and plantation, the document informs the source (station / activity), sources of pollution and emissions, impacts (humans, work equipment, environment) and impact control. For example, from a boiler it produces boiler ash, steam and chemical pollution, from the engine room it produces noise pollution. The company has SOP for inventory, calculation and mitigation efforts of GHG in document no. : 23-SOP / PGL / PTPN-V / 2013, which describes the procedures for inventorying GHG sources, GHG calculations and GHG mitigation efforts.</p>		
<p>Efforts to reduce pollutants by companies include:</p> <ul style="list-style-type: none"> • Monitor air quality and emissions from Boilers and Generators • Managing POME at WWTP before it is used in plantations. • Perform regular machine maintenance. • Optimizing the use of fertilizers as recommended. • Use of fiber and shells at the Mill to reduce diesel fuel. 		
<p>The company has tested emissions from boilers and generators, as well as ambient air quality which was carried out on December 12, 2020 by a KAN accredited laboratory (LP-516-IDN). Based on the results of the document review, it is known that the results of the testing carried out are in accordance with the provisions stipulated by the Government.</p>		
Status: Comply		
7.11		
Fire is not used for preparing land and is prevented in the managed area.		
<p>7.11.1</p> <p>The company already has PT Perkebunan Nusantara V Work Instructions with document number 11-IK / TAN / PTPN-V / 2010 which was endorsed by the Production Director, which explains that the piles of chopped oil palm stems cannot be burned or zero burning. The trunks of trees that have been felled are chopped first and then collected / stacked on the predetermined pathway.</p>		
<p>The company did not carry out any new plantings or add to the scope of the previous assessment. Based on the review of the replanting plan document, the Company carried out the last replanting in 2018 and will be replanting it again in 2022.</p>		

Field visits to ex-replanting areas in 2018 found that there was no indication that palm oil felling was carried out using the burning method.

7.11.2 & 7.11.3

In determining land fire prevention and control measures, the company carries out several activities, namely:

- Fire emergency response simulation training for employees, for example on December 14, 2020 a fire emergency response simulation training was conducted for 25 employees.
- The company has an emergency response team to handle fire emergencies.
- Has emergency response facilities and infrastructure for prevention and control of land fires.
- Outreach land fires to the surrounding community.

The company has involved stakeholders around the company's operations in taking fire prevention and control measures by disseminating it to the public. Companies can show records of socialization of control and prevention of land fires, for example on 26 November 2020 to 36 Village Communities around the Company, the Village Guidance Officer (Babinsa), and the Civil Service Police Unit (Satpol PP).

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

There are no new openings after November 2018. Scope of certification is still the same as IC, there is no additional area. The company shows a disclosure of liability report for the Sei Intan unit on August 2, 2018 (date of submission) which states that land clearing was carried out in 1986 so that until now there has been no new land clearing. The activities carried out by the company are replanting activities (Second cycle).

An email is available from PTPN V - unit Sei Intan to rspocompensation@rspo.org on 3 August 2018 and has been responded to by rspocompensation@rspo.org on 6 August 2018 stating that PTPN V - Unit Sei Intan did not plant above November 2005 with status No liability so that the certification process can be continued.

7.12.2

The company has carried out an HCV assessment with the scope of SBU Sei Rokan covering an area of 19,716.64 ha where the details for the Sei Intan plantation are 3,286.40 ha (areas that already have HGU concession permits) HGU Number 04 dated 21 April 2001 covering an area of 748 ha; No. 5 dated 21 April 2001 covering an area of 357 ha and HGU No. 02 dated 21 April 2001 covering an area of 2,157.85 ha. Total 3,286.40 ha. The assessment was carried out by the consultant of PT Bina Alam Lestari on 16-23 June 2013. In this document, the HCV area is determined to be 2.63 Ha in the form of Sempadan tributaries of the Kepanasan River (HCV 4.1). Public consultation was held on 12 June 2013 involving the community around SBU Sei Rokan PTPN V located at Mess SRO. 72 Stakeholders who attended consisted of: community leaders from Ngaso Village, Binmas Pagarar Tapah, Ngaso Village Head, Kota Lama Village Head, Kembang Damai Village Head, Polsek, Dayo, Bono Tapung, Air Panas, Pendalian, Tandun, Suligi, Bengkolan Salak, Sei Kuning Village community leaders, District Secretary, Koramil Captain, and others (Documentary evidence of attendance list). The peer review of the HCV report was conducted on 21 August 2013 by Dr. Jarwadi Budi Hernowo (Independent Consultant).

7.12.3

Based on the notice on the RSPO website it is known that the High Forest Cover Landscapes and High Forest Cover Countries have not been established by the RSPO. So that this standard has not yet been assessed.

7.12.4

The company can show a 2020 HCV management and monitoring plan with the following details:

- Patrolling and monitoring the intensity of disturbance (fire / occupational / encroachment) in the Kepanasan river area.
- RTE species monitoring.

- Maintenance of river boundaries marking.
- Rehabilitation and enrichment in river border areas.
- Marking of spray limits along riverbank areas and not applying chemicals to riverbank areas.
- Prohibition of hunting for flora / fauna.
- Outreach to the community and employees.

The management plan is prepared based on the evaluation of the previous year's management and monitoring plans. HCV management activities are monitored periodically according to the plan they have, besides that every 1 year periodic monitoring is carried out by an independent party and the results are published in the monitoring report of High Conservation Value Areas in the SBU Sei Rokan area, the last monitoring was carried out in November 2020.

Implementation of an HCV management and monitoring plan, for example:

- The company has conducted patrols to monitor the intensity of potential hazard disturbances in the river border area, which is carried out every month. Based on the results of monitoring for the December 2020 period, it is known that there are no disturbances such as encroachment and destruction of river boundaries.
- Based on the results of field visits to the HCV area of the Kepanasan Tributary in Block 14 E Afdeling 1, it is known that there is a boundary mark with a red (X) mark on the 5 main rows of the river border palms.
- Outreach on the management and care of HCV including RTE species on 10 March 2020 to employees which was attended by 26 Participants.

7.12.5

The results of interviews with the Kembang Damai village community and field visits did not contain any community areas that were designated as HCV areas. The company's HCV area is within the scope of the PTPN V HGU located in Afdeling I, namely the Kepanasan River Tributary.

7.12.6

Based on the 2013 HCV assessment document at SBU Sei Rokan (including the Sei Intan unit) there are 4 types of protected animals based on PP 7/1999 including, *Elanus caeruleus*, *Spilornis cheela*, *Halcyon smyrnensis*, *Todirhampus chloris* and *Anthreptes malacensis*.

Companies can show HCV management plans including RTE species by 2020. One of the activities carried out is monitoring RTE species from hunting and conducting socialization to the community about the presence of protected animals. In addition, the company also conducts outreach to employees in an effort to educate workers about the status of RTE species in the company.

Implementation:

- Minutes of HCV socialization including the presence of protected animals to employees and the community around afdeling on 23 March 2019 attended by 25 participants.
- Outreach on the management and care of HCV including RTE species on 10 March 2020 to employees which was attended by 26 Participants. In addition, the company also conducts outreach by making Signboards of protected animal species around the company, such as company entry access, HCV areas, etc. as an effort to educate workers to find out about RTE species.
- Report on the monitoring of HCV areas including protected animals for 2019 which was carried out with the assistance of an external consultant. Based on the results of the 2019 monitoring, it is known that the HCV area is in good condition, planting of woody plants has been carried out in the riverbank area. As for fauna monitoring, 6 types of mammals, 38 species of Aves, and 3 reptiles were found, of which 5 of all animal species are protected species.
- Report on monitoring of HCV areas including protected animals for 2020 which is carried out with the assistance of an external consultant. Based on the results of 2020 monitoring, it is known that the HCV area is in good condition, planting of woody plants has been carried out in the riverbank area. Several types of wildlife that were still found in this area in the previous year were still encountered during this year's monitoring, including: Elang tikus (*Elanus caeruleus*), Kerak kerbau (*Acridothers javanicus*), Bondol peking (*Lonchura punctulata*), Gagak hutan (*Corvus enca*), Merbah cerukcuk (*Pycnonotus goiavier*), Cucak kutilang (*Pycnonotus aurigaster*), Bentet kelabu (*Lanius schach*), Ciri-cirik biru (*Merops viridis*), Bentet kelabu (*Lanius schach*), Cekakak belukar (*Halcyon smyrnensis*); Bajing kelapa

(*Callosciurus nottatus*); Burung madu kelapa (*Anthreptes malacensis*); Biawak (*Varnaus salvator*); kadal (*Eutropis multifasciata*), Tiong-lampu biasa (*Eurystomus orientalis*), Kepudang kuduk-hitam (*Oriolus chinensis*), Kucica kampung (*Copsycus saularis*), Gelatik batu-kelabu (*Parus major*) and Takur ungu-ungku (*Megalaima haemacephala*).

7.12.7

The company has monitored the management of HCV which is monitored periodically according to its plan, besides that every 1 year, periodic monitoring is carried out by an independent party and the results are included in the monitoring report of High Conservation Value Areas in the SBU Sei Rokan area, the last monitoring was carried out in December 2020 The results of monitoring HCV management include:

- The management implementation process still needs support from all parties, starting from management employees and implementing employees.
- The existence of HCV areas and their management activities need to be socialized regularly (maximum once a year) with target participants from community elements (village government, community leaders etc.).
- The results of field observations and tracing of hotspot monitoring from related institutions indicate that in the SBU Rokan area, no hotspots were observed that led to land fires.
- Rehabilitation or enrichment plant maintenance activities have been carried out well, but sometimes there are excessive efforts to clear the enriched plants which are considered too dense and inhibit plant growth.

In general, the results of the previous year's HCV monitoring showed no damage to the HCV area. This is evidenced by the results of field visits to the HCV area tributary border *Kepanasan* in Block 14 E Afdeling 1, it was found that there were no disturbances such as encroachment and destruction of river border areas.

The management plan that has been implemented has been effective although there are some things that need to be improved based on the results of the annual monitoring carried out by the company. This has been evaluated by the company. The results of the annual evaluation of the HCV management plan show that the management implementation process still needs the support of all parties, starting from management employees and implementing employees.

The company has followed up on the results of monitoring the implementation of the 2020 HCV management plan by compiling a 2021 HCV management and monitoring plan prepared on January 4, 2021. The 2021 HCV management and monitoring plan includes:

- Patrol intensity of the interference potential fire hazard and the encroachment of river border.
- Maintenance of river boundaries area markings.
- Rehabilitation and enrichment in damaged riverbank areas.
- Maintenance of the main dish in the river boundary area to a minimum to prevent erosion.
- Prohibition of hunting and capturing animal / fauna in river border areas.
- Outreach to the community about the management and monitoring of HCV riverbanks.
- Organizational improvement / refinement focuses on PIC to support efforts for management and monitoring of riverbank HCV.

	Status: Comply	
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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 ✓
ASA-1 & ASA-2	The Mill did not use RSPO trademark.	✓
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or ✓
ASA-1 & ASA-2	The Mill did not use RSPO trademark.	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or ✓
ASA-1 & ASA-2	The Mill did not use RSPO trademark.	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or ✓
ASA-1 & ASA-2	The Mill did not use RSPO trademark.	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

PT Perkebunan Nusantara V Time Bound Plan (TBP) is explained in table 1.10. PT Perkebunan Nusantara V has 12 (twelve) management units with 12 (twelve) mills. PT Perkebunan Nusantara V has informed the TBP progress, MUTU has considered that PT Perkebunan Nusantara V is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PT Perkebunan Nusantara V on January 2021.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Perkebunan Nusantara V based on their Time Bound Plan. There are 6 uncertified mills and 16 uncertified estates of PT Perkebunan Nusantara V. 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 is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are 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?	Yes and positive assurance is developed under PT Perkebunan Nusantara V. <i>Auditor verification</i> Based on the document review, there is a company internal audit that was conducted on January 2021 and the positive assurance is at this table that is also been verified.
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	- RACP is not applied to all unit under PT Perkebunan V because the last land clearing was conducted before November 2005. There is no evidenced the company (PT PN V) changed the primary forest and/or HCV area into palm oil plantation since November 2005. All planted area after November 2005 was come from replanting process without NPP replacement. This company was old company under State Owned (Ministry of BUMN). <i>Auditor verification</i> Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) all uncertified units conduct land

		clearing before November 2005 and there is no new land clearing of new planting. Liability of disclosure has been sent to ke RSPO Compensation Team.
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>There is non new planting/land clearing after 1st January 2010 in all business unit under PT Perkebunan Nusantara V, all areas has been clearing before November 2005.</p> <p>Auditor verification Based on internal audit, Sei Kencana and Tamora Estate were opened in the 80s with rubber commodity. Sei Kencana and Tamora Estate already have HCV documents that are incorporated into the Tandun Estate HCV document. Sei Kencana Estate has completed NPP documents covering an area of 432 hectares due to the conversion of rubber to oil palm in 2017, 2019, and 2020. The rest have not been completed with NPP documents.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>There is no land conflict.</p> <p>Auditor verification Based on evidence provided, the company merely conducted planting on the area that has been compensated from the land owner by FPIC. The documentation of each land compensation/leasing is documented.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p>There is no labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>Auditor verification There is no indication of labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries and also from stakeholder consultation during initial audit of the Sei Intan.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p>The company has a list of regulation updated in November 2020.</p> <p>Auditor verification</p> <ul style="list-style-type: none"> - Tandun Estate, Sei Berlian Estate, Sei Lindai Estate: HGU No 01, issued 01 Aug 1997 – 31 Dec 2023 - Sei Rokan and Sei Intan, HGU No 02, issued 21 April 2001 – 19 April 2036

		<ul style="list-style-type: none"> - Terantam ang Tamora, HGU No 159, issued on 2001 – 2036 - Rokan, HGU No 1, issued on 2001 – 2036 - Sei Berlian, HGU No 157 issued on 2001 – 2035 - Kencana, Berlian and Terantam, HGU No 158, issued on 2001 – 2036 - Sei Intan, HGU no 03, 04 and 05, issued on 2001 – 2036 - Sei Tapung I, HGU No 154 and 155, issued on 2001 – 2036 - Sei Galuh, HGU No. 153, issued on 2001 – 2036 - Sei Garo, HGU No.: 175 (issued 2006-2041), 151 (issued 2001-2036), 176 (issued 2006-2041), 186 (issued 2009-2044), 187 (issued 2009-2044), 188 (issued 2009-2044), 189 (issued 2009-2044), 190 (issued 2009-2044), and 191 (issued 2009-2044). - Sei Pagar, HGU No 152, issued 2001-2036 - Sei Sasam, HGU No 06 and 07, issued on 2001 – 2036 - Tanjung Medan, HGU No.: 07, issued 2003 – 2038 - Tanjung Putih, HGU No.: 01, issued on 1990-2024 - Lubuk Dalam, HGU No 01, issued on 1996 – 2031 - Sei Buatan, HGU No 01, issued on 1996 – 2031 - HGU Sei Batu Langka Estate is currently in the process of being submitted to Land National Office.
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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 IC

<i>NCR No.</i>	: 2018.1	<i>Issued by</i>	: Yudhi Yuniarto Tallutondok
<i>Date Issued</i>	: 29 November 2018	<i>Time Limit</i>	: Recommended 9 months
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 10 May 2019
<i>Standard Ref. & Requirement</i>	: 2.1.1 Evidence of compliance with relevant legal requirements shall be available		
<p><u>Outsourcing Workforce</u> The company is known to use labor from third parties, namely CV Rezky Arensa for activities:</p> <ol style="list-style-type: none"> 1. Harvesting with the number of work agreement 113/5.DSRO/SPER/NP/279/V/2018 dated 29 June 2018. 2. Mature Upkeep with the number of work agreement 143/5.DSRO/SPER/NP/486/V/2018 dated July 9, 2018. 3. Transport of FFB with the number of work agreement 100/5. DSRO/SPER/NP/280/V/2018 dated 29 June 2018. <p>Based on the above, several things are known as follows:</p> <ol style="list-style-type: none"> 1. The company has not been able to show the proof of employment agreement registration to the district/city Manpower Agency in place as required by the Regulation of the Minister of Manpower and Transmigration No. 19 of 2012 Article 20. 2. The company uses an outsourced workforce for harvest activities which incidentally is not a supporting activity but the main activity (based on the GAPKI Decree No. SK/002/PPG/II/2013 concerning the Flow of Work Implementation Process Activities in the Palm Oil Business Sector), so that This is not in accordance with the Regulation of the Minister of Manpower and Transmigration No. 19 of 2012 Article 3 and Article 17. 			
<p><u>Operator License</u> There is an operator license that has expired as follows:</p> <ol style="list-style-type: none"> 1. Electricity OHS Technician with MD initials and Ser.0477 / TK3-LIST / X / 2011 certificate number with a validity period of 5 years. 2. Tractor operator with HS initials and license number 13.P.08.27612-OPK3-PAA / X / 2013 with a validity period up to 29 October 2018. 3. Operator Road Roller with the initials DS and license number 13.P.08.27600-OPK3-PAA / X / 2013 with a validity period until 29 October 2018. 			
<p><u>HGU</u> The company has not been able to show proof of the annual use of HGU to the National Land Agency as required by Minister of Agraria Regulation and Spatial Planning No. 7 of 2017</p>			
<p><u>Root Cause Analysis</u> <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Management has not fully understood the company's obligation to register the work agreements to the Manpower Agency at Regency / Province. 2. The harvester have already entered retirement and the company is late in conducting harvesting / rejuvenation. 3. Responsible personnel do not routinely monitor the validity period of operator licenses. 4. Minister of Agriculture Regulation and Spatial Planning No. 7 of 2017 has not been socialized to the legal department of PTPN V's head office, as a division responsible for meeting the latest regulations. For information, reports on the use of HGU have been routinely reported in reports on the Development of Plantation Businesses that are routinely sent to Agriculture Agency. 			
<p><u>Correction</u> <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Registering a Work Agreement to the Manpower Agency of Rohul Regency with No. 560/Diskoptransneker-TKHI/2018/03 dated 28 February 2018. (Attached) 			

2. Fulfilling the need for harvester in stages, namely through an internal mutation scheme (Attached) and external recruitment adjusted to the company's ability.
3. Managing the extension of operator licenses to the Ministry of Manpower.
4. Make a report on the use of HGU in 2018 and send it to the National Land Agency with number 05/HKM/X/07/III/2019 dated March 22, 2019 (attached).

Corrective Action (filled by organization audited):

1. Appoint one of the employees responsible for reporting each work agreement letter to the Manpower Agency of Rokan Hulu District.
2. Coordination with the Head of Human Resources of the Head Office to identify the needs of harvesters and fulfillment of harvesters with the scheme of Internal Mutations and external recruitment in accordance with the needs and capabilities of the company
3. Ensure that all operators already have license and monitor the validity period with an employee expertise certificate (FORM/ADMI/4.08) form.
4. Ensure that reports on the use of HGU are sent annually to the National Land Agency by making a list of monitoring reports that must be sent to the relevant agencies.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Evaluation May 10, 2019

The company shows evidence of improvement as follows:

1. Report on the types of work supporting CV Rezky Arensa to the Manpower Agency with number 560 / Diskoptransnaker-TKHI / 2018/03 dated 28 February 2018.
2. Memo from the Head of HR with number G-5 / SDM / PST / M / 180 / XI / 2018 dated November 6, 2018 regarding the need for harvesting power in the 2019 RKAP. In the memo, it is explained that there will be mutation of excess harvesters in other estates and there are 244 new employees to receive new harvesters for 2019.
3. Decree (SK) of Directors with number 5 / SDM / SK / R / 01 / I / 2019 dated January 31, 2019 concerning the transfer of executive employees in PT Perkebunan Nusantara V. In the decree, it was explained that 3 executing staff from Sei Kencana Estate were transferred to Sei Intan Estate as a harvest power.
4. Memo from Estate Manager Sei Intan with number U-5 SIN / BB / M / 09 / II / 2019 dated February 16, 2019 regarding the extension of License Operators. In the memo, it was explained not to operate a tool / machine whose operator is being extended, in an urgent situation, it can borrow an operator from another unit that has a license.
5. Document extension of operator license for Employees on behalf of MD with No. License 2836 / TK3-List / III / 2019-P01 is valid until March 12, 2022 and DS. No. Reg.P.13.27600-OPK3-LP / PAA / III / 2019 Valid March 18, 2024. HS is not re-employed as a tractor operator and will be replaced with FT with No. 50585-OPK3-LT / PAA / IV / 2015 is valid until 10 April 2020.
6. Monitoring operator licenses for Sei Intan work units (Estate and Mill). Monitoring includes employee names, certificate / license numbers, validity periods and information.
7. Report on the Use of HGU in 2018 which is sent to the National Land Agency with number 05 / HKM / X / 07 / III / 2019 dated March 22, 2019. There is a receipt from the relevant agency.

Based on the above, the auditor states that the discrepancies are stated to have been fulfilled with observational notes on the next assessment.

Verified by : Yudhi Yuniarto Tallutondok

NCR No.	: 2018.2	Issued by	: Sandra Purba
Date Issued	: 29 Nov 2018	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: February 22, 2019
Standard Ref. &	: 2.1.2		

Requirement	A documented system, which includes written information on legal requirements, shall be maintained
<p>The organization has identified and listed the relevant rules and regulation which applied to the mill and estate operational activity, namely consist of acts, presidential rules, presidential instruction, presidential decree, decree and rules od ministries. Based on document verification, it was observed that the organization yet not comply with the requirements below:</p> <ul style="list-style-type: none"> - Not yet evaluate the compliance to the relevant regulation and rules listed (presidential rules, presidential instruction, presidential decree, decree and rules od ministries) - Not yet identify and evaluate the relevant regulation and rules which issued by the governor, regent, sub district, villages head and rules of BAPEDALDA. - There was a national regulation which not listed and evaluated yet, such as: UU No 39 year of 2014, Inpres no 8 year of 2018, Permen ATR No 7 year of 2017, Permenaker no 12 year of 2015, Permenkes No 32 year of 2017. 	
<p>Root Cause Analysis (filled by organization audited): The PIC of the head office that will send regulatory updates to the unit of estate and mill has not been confirmed, so that updated data delivery regarding the list and evaluation of applicable laws and regulations relevant to plantation and mill operations from the head office's legal section has not been conducted before the audit.</p>	
<p>Correction (filled by organization audited): Regulatory updates have been made by the Legal Department, the Head Office as a PIC that conducts regulatory evaluations at the corporate level. For estate/mill, level the regulatory updates are carried out by the General Assistant. Which refers to IK-36 / BSP / PTPN-V / 2016. (IK attached).</p> <p>The plantation unit and factory are coordinated with the legal section in the head office to submit the updated regulations and evaluations per newest law.</p>	
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Coordinating the updating of regulations and it evaluation to the head office is carried out by the General Assistant 2. The mechanism and schedule of coordination to the head office is conducted every year in accordance with IK IK-36 / BSP / PTPN-V / 2016, through a coordination meeting between the legal department and the estate representative. 	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Verification on 6 Feb 2019, The company shows a compliance evaluation document of PTPN V that has included evaluations of the latest regulations, for example Law No. 39 of 2014 concerning Plantation, Presidential Instruction No. 8 of 2018, ATR No. 7 in 2017, Permenaker No. 12 of 2015, No. 32 of 2017 .</p> <p>Verification on February 22, 2019, The company has shown evidence of improvement, namely:</p> <ul style="list-style-type: none"> • WI regarding the identification and evaluation of company compliance with statutory regulations no .: 36-IK / BSP / PTPN-V / 2016 which describes the stages of identification and evaluation of applicable laws and regulations that inform the stages of activities, the person in charge, documents out put and a measure of performance, it is stated that evaluation is conducted once a year • Decree number U-6.SIN / SKEP / 02 / PP / SIN / 2018 concerning the establishment of a team for identification and evaluation of the laws and regulations in estate which stipulates that 28 people are in charge and responsible for updating the applicable regulations, divided into fields of identification, acquisition and updating fields, distribution fields and application evaluation fields <p>Based on the evidence sent, nonconformities are stated to be fulfilled</p>	
Verified by	: Sandra

NCR No.	: 2018.3	Issued by	: Sandra Purba
Date Issued	: 29 Nov 2018	Time Limit	: ASA 1
NC Grade	: Minor	Date of Closing	: 24 June 2020
Standard Ref. & Requirement	: 2.1.3 A mechanism for ensuring compliance shall be implemented		
<p>The organization has an SOP to identify and evaluation the compliance to the applicable regulation namely SOP No.: 36.IK/BSP/PTPN-V/2016, explained that identification and listing of regulation carry out by Head and Assistant of General Affair Legal and compliance, Head of Licensing and Agrarian, Assistant of Management Representative and Assistant of Estate and Mill. However, there was no mechanism to ensure the implementation and compliance to the applicable rules and regulation.</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> • There is no mechanism that regulates the implementation of compliance with regulations implemented systematically. • Weak coordination between the legal team at the head office and related units, regarding inspection the implementation of compliance with regulations. 			
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> • Creating procedures that regulate the update mechanism, inspection, PIC coordination at the head office and units, as well as the frequency of inspections related to compliance with regulations for certification units and contractors. • Socialization of regulatory compliance procedures to related PICs. <p>Evidence of implementation of procedures.</p>			
<p>Corrective Action (filled by organization audited):</p> <p>The PIC is appointed to carry out procedures for updating and evaluating regulatory compliance consistently every year.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p><u>Verification 24 June 2020</u></p> <p>The company shows some evidence of improvement, including the following:</p> <ul style="list-style-type: none"> • Procedure document No. 01-SOP / HKM / PTPN V / 2019 dated 02 January I 2019 concerning monitoring and evaluation of compliance with regulations which explain, among others, PIC at the head office and units, mechanisms for updating and obtaining the latest regulatory information, implementing regulatory evaluation, distribution and dissemination of the latest regulations, as well as the frequency of monitoring and evaluation which is carried out at least once a year • The regulatory compliance report is presented in the document Form No. FM-01 / HKM / PTPN-V / 2019 (Rev. 0) dated January 2020. Meanwhile, regulatory compliance for contractors is presented in document No. FOR / ADMI / 4.10 (Rev. 0). For example, for CV Citra Renia on June 8, 2020. <p>Based on a description of the root cause and corrective action, as well as evidence of improvement shown, Non-conformance No. 2018.03 was declared fulfilled.</p>			
Verified by	: Johannes Pandiangan dan Mohamad Amarullah		

NCR No.	: 2018.4	Issued by	: Sandra Purba
Date Issued	: 29 November 2018	Time Limit	: ASA 1
NC Grade	: Minor	Date of Closing	: 24 Juni 2020

Standard Ref. & Requirement	: 2.1.4 A system for tracking any changes in the law shall be available and implemented
The company has an SOP to identify and evaluate company compliance with laws and regulations, document No: 36.IK / BSP / PTPN-V / 2016, but the SOP has not yet explained the methodology and mechanism for updating / updating regulations, sources, and frequency of implementation.	
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"> • There is no mechanism that regulates monitoring of changes and / or additions to regulations, which is carried out systematically. • Weak coordination between the legal team at the head office and related units regarding the implementation of monitoring regulatory updates. 	
Correction (filled by organization audited): <ul style="list-style-type: none"> • Creating procedures that regulate the update mechanism, inspection, PIC coordination at the head office and units, as well as the frequency of inspections related to compliance with regulations for certification units and contractors. • Socialization of regulatory compliance procedures to related PICs. <p>Evidence of implementation of procedures.</p>	
Corrective Action (filled by organization audited): The PIC is appointed to carry out monitoring related to regulatory updates consistently every year, based on existing procedures.	
Assessor Evaluation and Conclusion (filled by auditor): Verification 24 June 2020 The company shows some evidence of improvement, including the following: <ul style="list-style-type: none"> • Procedure document No. 01-SOP / HKM / PTPN V / 2019 dated 02 January I 2019 concerning monitoring and evaluation of compliance with regulations which explain, among others, PIC at the head office and units, mechanisms for updating and obtaining the latest regulatory information, implementing regulatory evaluation, distribution and dissemination of the latest regulations, as well as the frequency of monitoring and evaluation which is carried out at least once a year • The regulatory compliance report is presented in the document Form No. FM-01 / HKM / PTPN-V / 2019 (Rev. 0) dated January 2020. Meanwhile, regulatory compliance for contractors is presented in document No. FOR / ADMI / 4.10 (Rev. 0). For example, for CV Citra Renia dated June 8, 2020. Some of the latest regulations are presented in the regulatory compliance evaluation form. <p>Based on a description of the root cause and corrective action, as well as evidence of improvement shown, Non-conformance No. 2018.04 is declared fulfilled.</p>	
Verified by	: Johannes Pandiangan

NCR No.	: 2018.5	Issued by	: Brigitta Prita
Date Issued	: 28 November 2018	Time Limit	: Recommended 9 months
NC Grade	: Major	Date of Closing	: March 5 th 2019
Standard Ref. & Requirement	: 4.4.2. Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated		

The company has HCV map with scale of 1: 75.000; map legend; map source and others. Based on field observation in block 14/12 E riparian area Kepanasan its known border area for riparian it's 2 palm oil in left and right riparian. It's not accordance with President Discussion number 32 year 1990 article 16 and government regulation number 26 year 2008 its stated at least the border is 50 meter from left and right from riparian area.



Riparian Anak Kepanasan River Afdeling I Blok 14/12 E

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

Work instruction and monitoring HCV area has not been effective due to the inaccurate method of socialization and insufficient frequency of socialization, considering HCV is a new knowledge for workers.

Correction *(filled by organization audited):*

1. Make a 200 m long embankment left and right of riparian area.
2. Installing chemist boundaries at a distance of 50 m from riparian area.

Corrective Action *(filled by organization audited):*

Socialization is by meeting in the classroom, in the form of installation of information boards and distribution of work instruction Number 37 to the Foreman and workers (attached the socialization plan) and putting chemist boundaries in the right places.

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

Verification, February 6th, 2019.

The company showed corrective action in the form of embankments in riparian area of 200 meters left and right and installed a chemist limit of 50 meters. This will be verified again during surveillance audit.

Verification, March 5th, 2019.

The company shows training program period 2019 which informs the description of activities, months and information. For example chemist training and HCV area management. In addition, there is available information to workers, especially the foreman regarding the riparian area was held on September 1st, 2019. The company also shows HCV management & monitoring plans for 2019 such as measuring riparian boundaries & marking border boundaries, maintaining riparian boundaries, riparian border protection and so on.

Based on the explanation above, this Non-conformance is stated to be fulfilled and will be observed in surveillance audit.

Verified by : Brigitta Prita

NCR No.	: 2018.6	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 29 November 2018	Time Limit	: Recommended 9 months
NC Grade	: Major	Date of Closing	: 10 May 2019
Standard Ref. & Requirement	: 4.7.6	All workers shall be provided with medical care, and covered by accident insurance	

	(see criterion 6.5.3)
<p>The company is known to use labor from third parties namely CV Rezky Arensa for mature activities up to (No SPK 143/5.DSRO/SPER/NP/486/V/2018 dated July 9, 2018) and transportation of FFB (No SPK 100/5.DSRO/SPER/NP/280/V/2018 dated 29 June 2018), but in this case the company has not been able to show proof of evaluation for CV. Rezky Arensa related to health services protected by work accident insurance for all of its employees.</p>	
<p>Root Cause Analysis (filled by organization audited): The company has not yet implemented procedures regarding partner evaluations and has not been socialized to work partners..</p>	
<p>Correction (filled by organization audited): Make a partners evaluation for CV Rezky Arensa for mature upkeep (No SPK 143 / 5.DSRO / SPER / NP / 486 / V / 2018 dated 9 July 2018) and transportation of FFB (No SPK 100 / 5. DSRO / SPER / NP / 280 / V / 2018 dated June 29, 2018), use the contract review form with the partner no FOR / ADMI / 4.10 form (attached)</p>	
<p>Corrective Action (filled by organization audited): Ensure that all partners who do work at Sei Intan Estate and Mill are evaluated before doing work and after the work is done</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor Evaluation May 10, 2019 The company shows proof of improvement as follows: <ol style="list-style-type: none"> 1. Evidence of contractors evaluation with CV Rezky Arensa partners for mature upkeep and transport FFB on December 10, 2018. In the evaluation there were 11 points which were the subject of discussion, one of which was related to the inclusion of CV Rezky Arensa employees in the BPJS Employment program. 2. Membership Certificate of CV Rezky Arensa in the Labor Social assurance Program number 18000000536597 and company registration number 18215543 dated September 26, 2018. <p>Based on the above, the auditor states that the non-conformity has been fulfilled with a note of observation in the next assessment.</p> </p>	
Verified by	: Yudhi Yuniarto Tallutondok

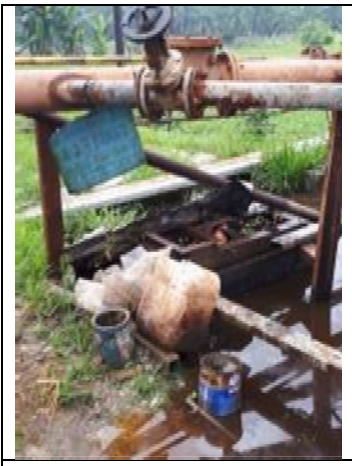
NCR No.	: 2018.7	Issued by	: Brigitta Prita
Date Issued	: 28 November 2018	Time Limit	: ASA 1
NC Grade	: Minor	Date of Closing	: 24 June 2020
Standard Ref. & Requirement	<p>5.2.2 Wherever, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, an appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan</p>		
<p>The company has shown a HCV management and monitoring plan for 2019 period but has not included a management plan for the type of wildlife in Sei Intan Estate.</p>			
<p>Root Cause Analysis (filled by organization audited): Lack of knowledge of the relevant PIC regarding the wildlife in the Sei Intan Estate area.</p>			
<p>Correction (filled by organization audited): Adding the Flora Fauna monitoring program to the 2019 HCV management and monitoring program at Sei Intan Estate.</p>			

Corrective Action (filled by organization audited): Conducting training accompanied by direct reviews of protected flora & fauna accompanied by relevant field consultants. with the hope that knowledge transfer can occur.	
Assessor Evaluation and Conclusion (filled by auditor): Verification 24 June 2020	
<ul style="list-style-type: none"> • The company shows its 2019 and 2020 HCV management and monitoring plans which include a flora and fauna monitoring program in the Sei Intan plantation area. • Minutes of training on monitoring and observation of flora and fauna techniques which were held on 12 September 2019 attended by 6 related staff. • Minutes of HCV socialization including the presence of protected animals to employees and the community around afdeling on 23 March 2019 attended by 25 participants. 	
Based on the root cause analysis, corrective action and evidence of improvement shown, non-conformities are closed	
Verified by	: Bayu Yogatama

NCR No.	: 2018.8	Issued by	: Brigitta Prita
Date Issued	: 28 November 2018	Time Limit	: ASA 1
NC Grade	: Minor	Date of Closing	: 24 June 2020
Standard Ref. & Requirement	5.2.3 Program(s) to socialize the status of protected, rare, threatened or endangered (RTE) to all workers shall be available, including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species.		
Based on HCV documents, there are 4 protected species under Government Regulation Number 7/1999, but the company has not been able to show the status of protected, rare, threatened and endangered species socialization programs to all workers and records of sanctions given to individuals who work in company if proven catch, hurt, collect or kill the species.			
Root Cause Analysis (filled by organization audited): The PIC's lack of knowledge regarding the request for RSPO indicators as well as a lack of understanding regarding the animals that are in the Sei Intan Estate area.			
Correction (filled by organization audited):			
<ul style="list-style-type: none"> • Conducting outreach to all employees regarding protected species in the Sei Intan Estate area. • Provide a circular (memo) to employees or advise not to hunt protected animals by imposing sanctions if they are found to be hunting or possessing the animal in question. 			
Corrective Action (filled by organization audited):			
<ul style="list-style-type: none"> • Conduct training related to management of HCV areas including protected wildlife with external consultants. • Make socialization activities a routine program in HCV area management. 			
Assessor Evaluation and Conclusion (filled by auditor): Verification 24 June 2020			
<ul style="list-style-type: none"> • The company shows the 2019 and 2020 HCV management and monitoring plans which include a flora and fauna monitoring program in the Sei Intan plantation area. • Minutes of training on monitoring and observation of flora and fauna techniques which were held on 12 September 2019 			

<p>attended by 6 related staff.</p> <ul style="list-style-type: none"> News of the HCV socialization event including the presence of protected animals to employees and the community around Afdeling on March 23, 2019 attended by 25 participants. <p>Based on the root cause analysis, corrective action and evidence of improvement shown, non-conformities are closed</p>	
Verified by	: Bayu Yogatama

NCR No.	: 2018.9	Issued by	: Brigitta Prita
Date Issued	: 28 November 2018	Time Limit	: ASA 1
NC Grade	: Minor	Date of Closing	: 24 June 2020
Standard Ref. & Requirement	<p>5.2.4. Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.</p>		
<p>Based on the document review, the Company has not been able to show documentation and continuous monitoring reports on RTE animals and HCV areas that exist in PTPN V - Sei Intan units and follow-up improvements for subsequent management plans.</p>			
<p>Root Cause Analysis (filled by organization audited): The PIC's lack of knowledge regarding the request for RSPO indicators and lack of understanding regarding HCV areas including protected animals in the Sei Intan Estate area.</p>			
<p>Correction (filled by organization audited): Conduct periodic monitoring of the HCV area in accordance with the Manage and monitor plans, including monitoring the flora and fauna around the Sei Intan Estate.</p>			
<p>Corrective Action (filled by organization audited): Conduct training related to management of HCV areas including protected wildlife with external consultants.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification 24 June 2020</p> <ul style="list-style-type: none"> Minutes of training on monitoring and observation of flora and fauna techniques which were held on 12 September 2019 attended by 6 related staff. Monitoring Report on HCV areas including protected animals in 2018. In the animal monitoring report, it was found that 16 species of animals were found. Report on the monitoring of HCV areas including protected animals for 2019 which was carried out with the assistance of an external consultant. Based on the results of the 2019 monitoring, it is known that the HCV area is in good condition, planting of woody plants has been carried out in the riverbank area. As for fauna monitoring, 6 types of mammals, 38 species of Aves, and 3 reptiles were found, of which 5 of all animal species are protected species. <p>Based on the root cause analysis, corrective action and evidence of improvement shown, non-conformities are closed.</p>			
Verified by	: Bayu Yogatama		

NCR No.	: 2018.10	Issued by	: Brigitta Prita
Date Issued	: 29 November 2018	Time Limit	: Recommended 9 months
NC Grade	: Major	Date of Closing	: May 8 th 2019
Standard Ref. & Requirement	5.3.1 A documented identified source of all waste and pollution, shall be available.		
<p>The company has not been able to show evidence that all schedule waste produced has been identified and documented. Based on field observations in WWTP, there were paint cans placed on the WWTP embankment, based on a document review in the schedule waste Management SOP, it was found that the paint packaging was not included in the schedule waste category.</p>			
			
<p>POME Pond</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> It's because the person in charge who was neglected in the inclusion of hazardous waste identification, to avoid this Management had appointed a team tasked with monitoring and management of hazardous waste.</p>			
<p>Correction <i>(filled by organization audited):</i> 1. Placing traces of paint cans into hazardous storage (attached the picture, Logbook and hazardous waste balance sheet) 2. Reviewing hazardous waste identification list.</p>			
<p>Corrective Action <i>(filled by organization audited):</i> A once-year review is carried out to ensure that there is still new hazardous waste produced that has not yet been included in the list of hazardous waste produced. A review is carried out by the hazardous waste management team appointed by the Manager. Attached: Decree for appointment of hazardous waste management and monitoring team.</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification, January 22nd 2019. The company shows evidence of improvement including: 1. Identification documents for sources of hazardous waste, especially paint cans, are managed by being submitted to hazardous storage. 2. Hazardous waste balance sheet dated January 6th, 2019 as many as 6 cans of paint (1 kg).</p> <p>To avoid the same incident, repeated management of the Estate and Mill Sei Intan has formed a team for Handling hazardous waste and if this is repeated the management will provide sanctions in accordance with applicable regulations in the company.</p> <p>Verification, May 8th, 2019.</p>			

The company shows the establishment of hazardous waste handling team dated February 11th, 2019 in accordance with Decree Number 01 SKEP / RSPO / 05.SIN / II / 2019 passed on February 12th, 2019. The task of the team is to identify, collect and record hazardous waste sources in the Company. Based on the explanation above, this non-conformance is stated to have been fulfilled and its will be verified in the next surveillance.

Verified by : Brigitta Prita

NCR No.	: 2018.11	Issued by	: Sandra Purba
Date Issued	: 29 November 2018	Time Limit	: ASA 1
NC Grade	: Minor	Date of Closing	: February 22, 2019
Standard Ref. & Requirement	: 5.6.3 A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.		
The company has not been able to show the result of GHG emissions calculations using the RSPO Palm-GHG calculator V3.0.1 or the latest version or other similar program that has been approved by RSPO.			
Root Cause Analysis (filled by organization audited): Data of GHG emission sources from estate and mill have not all been collected properly, due to the PIC not yet specified			
Correction (filled by organization audited): Conducting the GHG calculation using RSPO PalmGHG V3.0.1 calculator			
Corrective Action (filled by organization audited): Ensuring that the PIC are collecting the related data and calculate the GHG emission every year			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 6 Feb 2019, The company shows the results of the GHG calculation using the RSPO PalmGHG calculator V3.0.1, however the company has not filled all the data in the tab calculator such as POME, electricity and compost data, so the results of the calculation cannot be shown in the application: Verification on Feb. 22 2018, The company has performed GHG calculations using the RSPO PalmGHG calculator V3.0.1, and all required input data has been entered, the auditor has verified the calculation of extraction, MCC, POME to calculation summary. Based on the evidence shown, discrepancies are stated to be fulfilled			
Verified by	: Sandra		

NCR No.	: 2018.12	Issued by	: Brigitta Prita
Date Issued	: 29 November 2018	Time Limit	: Recommended 9 months
NC Grade	: Major	Date of Closing	: May 8 th 2019
Standard Ref. & Requirement	: 6.1.3 Plans for management and monitoring of social impacts to avoid or reduce		

	<p>negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.</p>
<p>Based on document review, the company has not been able to show plans for management and monitoring of social impacts to avoid or reduce negative impacts and increase the positive impact based on the results of social impact analysis through a process of consultation with affected parties, documented and scheduled including the implementation responsibilities</p>	
<p>Root Cause Analysis <i>(filled by organization audited):</i> The person in charge of monitoring the social work plan has been delegated to Assistant and has not been included in Job Description, so that the personnel doesn't know on their duties and responsibilities.</p>	
<p>Correction <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Make a social management plan in accordance with the results of the 2016 social work plan monitoring for the 2017-2019 period. 2. Implementing programs that have been made in scheduled social work plan including implementation responsibilities. 	
<p>Corrective Action <i>(filled by organization audited):</i> Management of Sei Intan Estate has formed a team whose task is to carry out social management and monitoring, to ensure that the Social Work Plan Program can be implemented.</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification, March 4th, 2019. The company shows a social management plan matrix in 2019 that informs the management plan, activities, PIC, target parties, implementation plan or period, for example: Socio-Economic: Planning programs and implementing Community Development assistance PTPN V, planning the use of local communities as Partners, planning coaching programs local community entrepreneurs. Activities are carried out once a year, once every 3 months and at least once a year with PC that has been pointed.</p> <p>Verification, May 8th, 2019. The company has shown the establishment of a team responsible for monitoring social management plans in Sei Intan Estate with the number U-7.SIN / SKEP / 03 / PRKS / SIN / 2019 approved by Sei Intan Estate Manager on February 15th, 2019 as many as 9 members. Based on the explanation above, this non-conformance is stated to have been fulfilled.</p>	
<p>Verified by</p>	<p>: Brigitta Prita</p>

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1 (Remote Audit)

NCR No.	: 2020.01 (Remote)	Issued by	: Arif Faisal Simatupang
Date Issued	: 24 June 2020	Time Limit	: 16 September 2020
NC Grade	: Major	Date of Closing	: 31 August 2020
Standard Ref. & Requirement	<p>3.8.7 (Critical) Purchasing and Goods in</p> <ul style="list-style-type: none"> i. The mill shall verify and document the tonnage and sources of certified and the tonnage of noncertified FFBS received. ii. The mill shall inform the CB immediately if there is a projected overproduction of certified volume. i. The mill shall have a mechanism in place for handling of non-conforming FFB and/or documents 		
<p>Evidence observed (filled by auditor): Based on Mass Balance data for the 12-month period prior to the audit (June 2019 to May 2020), it is known that:</p> <ul style="list-style-type: none"> - Production of certified FFB has reached 105,723 mt, exceeding the permitted quota in the license (Palm Trace) of 89,602 mt. - CPO certified production has reached 23,805 mt, exceeding the permitted quota in the license (Palm Trace) of 18,839 mt. 			
<p>Non-Conformance Description (filled by auditor): The company has not been able to demonstrate the effectiveness of monitoring certified FFB production with existing quotas, and report to certification bodies if there is a projection of excess production of certified products (FFB, CPO, PK).</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> - The current Mass Balance Record does not include the certified product quota balance variable as stated in the certificate, so it is not monitored. - Sei Intan Mill certified production exceeds the quota in the palm trace because certified FFB originating from Sei Berlian and Sei Rokan Estate, is included in Sei Intan Mill certified products. - Sei Intan Mill has submitted an additional quota application to the certification agency on May 6, 2020 which was addressed to the certification body, but it has not been approved by the certification body because the additional quota requested is considered too large. - Approval of additional quota approved by the certification agency is only for FFB originating from Sei Intan Estate, according to an email from the MAL certification agency on May 29, 2020. 			
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> - Submit additional quota on 29 July 2020 to the certification body as the authority to verify the additional quota by including Sei Berlian and Sei Rokan Estate as additional supply chains. - The additional quota was approved on 21 August 2020 by the RSPO - Remove the quota on the palm trace of 11,883 tons has been carried out by the Jakarta Joint Marketing Office (KPB) as an authorized institution in the PTPN group to remove it. (Attached, proof of position before and after the removal) 			
<p>Corrective Action (filled by organization audited): Creating a Mass Balance Record that includes the certified product quota balance variable as stated in the certificate, thus simplifying the monitoring system.</p>			

Assessor Evaluation and Conclusion (filled by auditor):

Verification on 31 August 2020:

The company shows evidence of volume extension approval on 21 August 2020, amount 53,000 MT of FFB, 11,000 MT of CPO and 1,500 MT of PK. Other than that, shows the MB Record that includes the remaining balance of certified product (FFB, CSPO and PK). **Based on evidences shown, this non-conformity stated as comply.**

Verified by : Arif Faisal Simatupang

NCR No.	: 2020.02 (Remote)	Issued by	: Arif Faisal Simatupang
Date Issued	: 24 June 2020	Time Limit	: 16 September 2020
NC Grade	: Major	Date of Closing	: 8 September 2020
Standard Ref. & Requirement	<p>3.8.6 (Critical) Registration of Transactions</p> <ul style="list-style-type: none"> i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. i. Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform. 		

Evidence observed (filled by auditor):

Based on Mass Balance data for the 12-month period prior to the audit (June 2019 to May 2020), it is known that:

- Non-certified CPO stock (balance) minus from July 2019 - May 2020. The final stock as of May 2020 is minus 13,609 mt.
- Stock (balance) of non-certified PK minus in March 2020 is minus 278 mt.

The minus CPO / PK non-certified stock status means taking positive stock from CPO / PK certified, i.e. the sale of CPO / PK certified product as Non-certified.

Based on the SOP Capable of Tracing Certified Products and Not Certified (traceability) (No. SOP-PEM / 015 dated May 1, 2020), it is stated that the 'remove' of the products in Palmtrace is done every three months according to the quarterly accounting period at Mass Balance.

Non-Conformance Description (filled by auditor):

The company has not been able to demonstrate the implementation of product traceability monitoring and remove certified production sales as non-certified in Palmtrace.

Root Cause Analysis (filled by organization audited):

Lack of understanding of KPB Jakarta as PTPN V's PIC Palm Trace, regarding remove certified products being sold as conventional.

Correction (filled by organization audited):

Remove quota on palm trace of 11,883 tonnes was carried out on August 21, 2020 by the Jakarta Joint Marketing Office (KPB) as an authorized institution in the PTPN group to remove it. (Attached, proof of position before and after removing)

The Jakarta KPB has removed the PK stock of 269,71 tonnes on September 7, 2020 according to the mass balance report that was submitted. (Attached stock position before, process and after removing)

Corrective Action (filled by organization audited):

Submitting the latest revised SOP-PEM / 015 dated May 1, 2020, to the Jakarta KPB, so that 'remove' products in Palmtrace is done every three months according to the three-monthly accounting period in Mass Balance, via email dated July 16, 2020.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on 31 August 2020

The company shows evidence of CSPO remove, also shown in the Palm Trace on 21 August 2020 amount of 11,883 mt.

However, still there is no evidence remove of CSPK product amount of 259 mt in accordance with non-conformity evidence.

Based on evidences shown, this non-conformity stated as Open

Verification on 08 September 2020:

The company shows evidence of CSPK remove, also shown in the Palm Trace on 7 September 2020 amount of 269 mt, including the sold as conventional until the date of removing.

Based on evidences shown, this non-conformity stated as Comply.

Verified by : Arif Faisal Simatupang

NCR No.	: 2020.03 (Remote)	Issued by	: Mohamad Amarullah
Date Issued	: 24 June	Time Limit	: Surveillance-2
NC Grade	: Minor	Date of Closing	: 30 April 2021
Standard Ref. & Requirement	6.2.6 A DLW is paid to all workers in accordance with applicable regulations, including workers who work on a piece rate/quota basis, the calculation of which is based on a quota that can be achieved during regular working hours		
Evidence observed (filled by auditor): The unit of certification can show the calculation of the prevailing Wage for workers with grade IB/0 to IB/13. However, the calculation results for non-class workers (PKWT) cannot yet be shown.			
Non-Conformance Description (filled by auditor): The unit of certification has not been able to ensure that a living wage has been calculated and given to all workers			
Root Cause Analysis (filled by organization audited): The calculation of a decent life for PKWT has not been calculated, because the HR department of the Board of Directors has not provided direction regarding the calculation of a decent life for PKWT			
Correction (filled by organization audited): Calculating a decent living wage for PKWT			

Corrective Action (filled by organization audited):

Coordinate with HR to conduct a decent living wage review for PKWT

Assessor Evaluation and Conclusion (filled by auditor):**Verification 30 April 2021**

The unit has calculated the Prevailing Wage for PKWT by considering the components of housing, electricity & water, education, child care, health, food as well as sports and recreation. Based on the calculation of the prevailing wage for PKWT workers is Rp. 3,560,125. Based on the explanation, non-conformity is closed.

Verified by	:	Ardiansyah
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3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-1 & ASA-2 (Onsite Audit)

NCR No.	: 2021.01	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 1 May 2021	Time Limit	: 30 July 2021
NC Grade	: Critical	Date of Closing	: 21 July 2021
Standard Ref. & Requirement	<p>3.8.12 Record Keeping</p> <ol style="list-style-type: none"> i. Mill is required to keep records and reports covering all aspects of the RSPO SCCS requirements accurate, complete, current and accessible. ii. All records and reports must be kept for at least 2 (two) years and comply with legal requirements as stipulated in laws and regulations and be able to ensure the certified status of raw materials or products in storage. iii. For the IP Module, PKS is required to record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK in real time. iv. For MB Modules: <ol style="list-style-type: none"> a) Mill must record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK in real time and / or every three months; b) All volumes of certified CPO and PK shipped are subtracted from the material counting system according to the conversion ratio stated by RSPO; c) Mill can only send MB sales from positive stock. Positive stocks can include products ordered to be shipped within 3 (three) months. However, a Certification Unit is allowed to sell short where the product can be sold before it goes into stock. 		
<p>Evidence observed (filled by auditor):</p> <p>Based on the document review, the following evidences are known Mill has SOP Capable of Tracing Certified and Uncertified Products (traceability) with No. SOP-PEM/015 document. Based on the SOP, it was explained that if the supply of RSPO products is in a negative position, then Mill cannot send products with certified claims. If it is positive, then a transfer is made to become inventory for the next period.</p> <p>Based on the RSPO Daily and Quarterly Report documents for 2021, it is known that in the period January - March 2021:</p> <ul style="list-style-type: none"> o Stock of CSPK in December 2020: 73,632 Kg o CSPK production in January 2021: 219,190 Kg o CSPK Production in February 2021: 220,148 Kg o CSPK Production in March 2021: 381,187 Kg o Total CSPK Production January - March 2021: 820,524 Kg o CSPK Sales in January 2021: 361,900 Kg o CSPK Sales in February 2021: 369,160 Kg o CSPK Sales in March 2021: 499,450 Kg o Total CSPK Sales January - March 2021: 1,230,510 Kg <p>From this data, it is known that the number of CSPKs sold is greater than the CSPK produced, so that the CSPK stock until March 2021 is -409,986 Kg.</p> <p>Based on the RSPO Daily and Quarterly Report documents for 2021, it is also known:</p> <ul style="list-style-type: none"> o Total processed FFB on CPO mass balance for the period of January 2021: 7,254,580 Kg 			

- o Total processed FFB on CPO mass balance for the period February 2021: 8,335,140 Kg
- o Total processed FFB on CPO mass balance for the period March 2021: 12,088,170 Kg
- o Total processed FFB on CPO mass balance for the period January - March 2021: 27,677,890 Kg
- o Total processed FFB on the PK mass balance for the period of January 2021: 7,180,770 Kg
- o Total processed FFB on the PK mass balance for the period February 2021: 8,243,840 Kg
- o Total processed FFB on the PK mass balance for the period March 2021: 12,008,030 Kg
- o Total FFB Olah on PK mass balance period January - March 2021: 27,432,640 Kg

From these data, it is known that there are differences in total processed FFB on the mass balance of CPO and PK for the same period.

Non-Conformance Description (filled by auditor):

Based on the explanation above, it can be concluded:

1. The company sells the CSPK from negative stock
2. Mill has not recorded all aspects of the RSPO SCCS accurately, that is, there is a difference between the total processed FFB on the mass balance of CPO and PK for the same period.

Root Cause Analysis (filled by organization audited):

- There are differences in the interpretation of input sources in the mass balance report, the recording of the mass balance when referring to records in the palm trace according to the shipping announcement is still in positive stock, where shipments according to the contract as of April 2021 were recorded at 970.37 MT, while PK received in PKO storage (buyer) in the year 2021 amounting to 940.94 MT while certified PK production is 949.8 MT with the following details:

Shipping Announcement	Volume (Ton)
14-01-2021	287,41
23-01-2021	102,87
15-02-2021	238,19
9-03-2021	341,9
Total	970,37

- Error recording processed FFB on the mass balance of CPO and PK due to errors in inputting FFB from production workers when updating PK production data.

Correction (filled by organization audited):

- Improved the mass balance report by ensuring that the input data source refers to the palm trace.
- Improved reports of FFB production in PK production sheet.

Corrective Action (filled by organization audited):

- Coordinate with the PKO tandun that issues BA PK events sent through the RSPO scheme and the marketing division that issues the contract.
- Conduct SCCS socialization for production clerks and delivery clerks, to ensure that these personnel are familiar with SCCS procedures.
- Socialization to the Production clerk and the SCCS team was carried out on May 6-2021, which was attended by 8 participants and Mr. JP Sitanggang as the speaker (Documentation attached).

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification 18 July 2021

The company has shown evidence of improvement in the form of:

- Daily and quarterly reports for the period of 2021 (Mass Balance CPO / PK) showing that the total production of

<p>certified PK was 949,800 kg and sales of certified PK were 940,940 kg, which means sales of certified PK came from positive stocks.</p> <ul style="list-style-type: none"> • CSPK shipping announcement for the period January - March 2021 <p>The company has also demonstrated root cause analysis, correction, and corrective action. However, there are still some things that need to be clarified again by the company in the correction and corrective action section. In this regard, the discrepancies have not yet been fulfilled.</p> <p>Verification 21 July 2021</p> <p>The company shows evidence of additional improvements in the form of:</p> <ul style="list-style-type: none"> • Revised CPO / PK Mass Balance Report which shows that the total FFB processed by CPO and PK are the same. • Documentation of the socialization of SCCS procedures to SCC implementing personnel on 6 May 2021. <p>Based on this explanation, the discrepancy No. 2021. 01 is declared fulfilled</p>	
Verified by	: Asystasya Aishah Silalahi

NCR No.	: 2021.02	Issued by	: Ardiansyah
Date Issued	: 1 May 2021	Time Limit	: 30 July 2021
NC Grade	: Major	Date of Closing	: 30 July 2021
Standard Ref. & Requirement	<p>6.7.3 Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p>		
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> - Sei Intan mill has shown recordings of the PPE distribution to 11 processing workers on 30 December 2020 and to 11 processing workers on 28 Mar 2020. - The results of field visits at mill found that workers use different types of PPE even though they work at the same station. - Interviews with workers stated that the last time PPE was distributed was about 1.5 – 2 years ago and it was stated that there were workers who bought their own PPE because it was damaged. - PTPN V already has SOP/HR/03 regarding Personal Protective Equipment where one of the clauses states that "6.72. If there is damage PPE, employees can request replacement by reporting to their respective unit assistants to be forwarded to the P2K3 Secretary for follow-up, using the PPE replacement request form (FOR/SDM/09)". Interviews with workers revealed that workers were aware of this procedure and had applied for a replacement but it was not realized. - Sei Intan Unit has requested a budget for the procurement of goods and materials (AU-31.4) for PPE of Sei Intan estate and mill in 2020 which was requested on October 23, 2019. However, until the 2021 audit activity was carried out, the realization of the procurement of goods had not been carried out. <p>Non-Conformance Description (filled by auditor):</p> <p>The management unit has not been able to demonstrate that PPE has been provided free of charge to all workers in the workplace.</p> <p>Root Cause Analysis (filled by organization audited):</p>			

The need for PPE in 2020 has been proposed but has not been realized due to the increase in the price of PPE in the market, so that the proposed cost for the fulfillment of PPE is not sufficient.

Correction (filled by organization audited):

The first semester of PPE procurement is held in stages specifically for safety shoes, while the second semester of PPE procurement (complete PPE) is in the tender process. Attached are PPE data submitted in semester I and approved AU31.

Corrective Action (filled by organization audited):

Sei Intan Mill and Estate will submit a budget for the procurement of PPE on an ongoing basis and will be submitted at the beginning of the first semester of the following year.

Assessor Evaluation and Conclusion (filled by auditor):

Verification July 8, 2021

CH has shown the procurement and provision of safety shoes for semester 1 as many as 8 pairs on June 22, 2021. So the total of all workers who have received safety for is 30 people (22 people submitted in December 2020 and 8 people submitted in June 2021). Meanwhile, based on the request for the non-plant exploitation budget, goods (form AU-31.4) for the July – December 2021 procurement period, it is known that plantations and mills procure PPE for:

- Safety shoes: 155 pairs
- Gloves: 215 pairs
- Aprons: 12 pieces
- Masks: 158 pieces
- Respirators: 8 pieces
- Safety full body harness: 6 pieces
- Ear muffs: 4 pieces
- Ear plugs: 50 pieces
- Helmets: 155 pieces
- Raincoats: 108 pieces
- Glasses: 18 pieces
- Woven hats: 8 pieces
- Welding glasses: 10 pieces

Based on worker data in March 2021, it is known that the Mill workers are 104 people consisting of 26 quality controllers, 20 technical, 29 processing shifts 1 and 29 processing shift 2. Based on document submission data and worker data, it is known that there is a difference between workers who have received PPE and the total number of workers. Meanwhile, based on procurement data, it is known that there is a plan to procure 155 pairs, but there is no information whether the remaining workers who have not received PPE (especially safety shoes) in the mill will receive PPE or not, because the procurement of PPE is intended for estate and mill workers.

Based on this explanation, the non-conformance is declared not fulfilled.

Verification July 30, 2021

The company has shown the details of the PPE requirements for each unit, which consists of:

- Safety shoes: 155 pairs consisting of 118 mill workers and 37 estate workers
- Gloves: 215 pairs consisting of 189 mill workers and 26 estate workers
- Apron: 12 pieces consisting of 12 mill workers
- Masks: 158 pieces consisting of 121 mill workers and 37 estate workers
- Respirators: 8 pieces consisting of 8 estate workers
- Safety full body harness: 6 pieces consisting of 6 mill workers
- Ear muffs: 4 pieces consisting of 4 mill workers
- Ear plugs: 50 pieces consist of 50 mill workers
- Helmets: 155 pieces consisting of 118 mill workers and 37 estate workers

- Raincoats: 108 pieces consisting of 108 mill workers
- Glasses: 18 pieces consisting of 18 mill workers
- Woven hats: 8 pieces consisting of 8 mill workers
- Welding glasses: 10 pieces consisting of 8 mill workers and 2 estate workers

Based on this explanation, the discrepancy is closed with observation.

Verified by	:	Ardiansyah
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3.4.4. Opportunity for Improvement

No	Ref.	Description
1	2.1.2	Ensure the follow-up of the results of the verification of the contract assessment with partners
2	2.3.1	Complete proof of land ownership status for smallholders who supply FFB directly to the mill
3	2.3.2	Complete proof of land ownership status for smallholders who supply FFB indirectly to the mill
4	3.6.1	The management unit has the opportunity to conduct an HIRAC review based on accident and the latest OHS issues
5	3.7.1	Implement training programs for mill workers, especially those who replace operators who will retire
7	6.7.3	Ensure workers use the rinse house facility according to its function
8	-	Ensure that the documents provided to the Auditor Team have been validated by the relevant parties

3.4.5. Noteworthy Positive Components

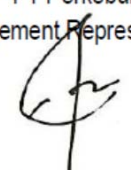

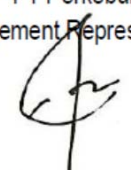

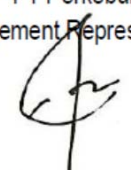

No	Ref. Std.	Description
1		The company's commitment to implementing a sustainable palm oil management system.
2		Presentation of documents, staff competence in relevant aspects and good communication.
3		The company has received ISO 9001, 14001, SMK3, and ISCC certificates.
4		Improve the economic development of the surrounding community by receiving FFB from local communities and independent smallholders

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Sawitra Village Unit Cooperative Narasumber: Chairman of the cooperative.</p> <ul style="list-style-type: none"> • Communication between the cooperative and the company is going well. • The land status of the cooperative members already has a Ownership Certificate. • Currently there are 406 members of the cooperative. • Currently there are no complaints, if there are complaints, they will be submitted verbally or in letters to the appointed PIC. • The price of FFB is always informed by the company via SMS or posted on the information board located at the entrance to the Mill. • The company once provided pesticide training to cooperative members. • The company has also conducted outreach on the RSPO to the cooperative, but there has been no decision from the cooperative whether it is interested in joining RSPO certification. 	<p>Has been described in the report.</p>
<p>Kota Lama Village</p> <p>The complaint regarding land disputes covering an area of 320 hectares in 2019 is still in process of resolution. There is no more complaint from Banja Lama Community regarding this issue.</p> <p>There is no issue related to environment pollution. Village has received social assistance from company, for example assistance for Covid-19, mosque renovation, etc.</p>	<p>Company has showed the follow up of the resolution conflict process.</p> <ul style="list-style-type: none"> - Letter from PTPN V to Representative of Banja Ladang community No. 5/DPM/X/VIII/2020 on 10 August 2020 which stated that PTPN V is committed to and collaborates with the Banja Ladang Group in searching for clean and clear replacement land that meets the requirements of a banking partnership. - On 16 September 2020, PTPN V issued decree No. EVP/SK/01/IX/2020 about The team to find land with the KKPA pattern of oil palm plantations for the Banja Ladang Community. This decree includes the composition of the land search team and a description of their duties.
<p>Kembang Damai Village</p> <p>In 2008/2009, there were land conflict, but this has mediated by the Village head at that time. Kembang Damai Village also has submitted an assistance proposal about normalization of water source (lake) in 2020. However, the company still not granted the request.</p> <p>Besides, company also give assistance during Covid-19 pandemic, worker recruitment, and provision of basic food.</p>	<p>Based on interview with management, the documentation of mediation with Head of Kembang Damai Village could not be discovered anymore. Therefore, regarding the proposal of normalization water source, the proposal from village will be carried out in rotation every year.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>FFB Supplier (Sukri)</p> <ul style="list-style-type: none"> • Have collaborated since 2014 and have submitted a list of farmers' names along with information on the area and location, this has also been verified by the company regarding its legality. • The company has also disseminated information regarding the RSPO whenever there is an opportunity to meet with the management and disseminate information regarding best practices. • So far, the collaboration has gone smoothly and there have been no complaints from either the payment side or otherwise. • There are no issues related to child labor and related to the provision of PPE and work tools provided by land owners to workers. 	<p>There is no negative issues.</p>
<p>Head of Union</p> <ul style="list-style-type: none"> • During 2020/2021 there were no complaints related to employment • Has been elected from 2017 as chairman and is carried out by deliberation and there is no intervention from the company. Including intervention in operational activities. • Wages have been paid in accordance with applicable regulations, namely UMSP. For UMSP 2021 until now it has not been published by Government. • There is already a PKB that is valid until 2021 • PPE has been provided by the company and is used while working • Regular meetings with company representatives are held every 3 months. • No child labor issues occur in the field 	<p>There is no negative issue and CH has comply with RSPO PnC</p>
<p>Gender Committee</p> <ul style="list-style-type: none"> • Gender meeting is held once every 3 months with outreach activities related to posyandu and family health • It has been socialized regarding pregnant women not being allowed to work with pesticide, not being allowed to employ children. This has been communicated to employees and third parties. • There are programs for young mothers, for example, given time to breastfeed their children. • There are no cases of harassment and violation of policies related to women's rights • The rights of women workers have been given such as menstrual leave (H-1) given max 2 days and maternity leave (H-2) given 45 days after giving birth (for a total of 90 days). 	<p>There is no negative issue and CH has comply with RSPO PnC</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> No complaints in the last 1 year 	
<p>Local Contractor (CV Mujur Karya Sentosa)</p> <ul style="list-style-type: none"> The work carried out is FFB transportation A copy of the contract has been provided to the contractor There is monitoring related to the performance of contractor workers such as production, OHS. There is also a pre-work inspection by the contractor's foreman. CH have conveyed related to the mechanism for submitting complaints 	<p>There is no negative issue and CH has comply with RSPO PnC</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <table border="0" data-bbox="406 777 1299 1071"><tr><td data-bbox="406 777 893 1071"><p>Sei Intan POM - PT Perkebunan Nusantara V Management Representative</p><p>Hendra SP Friday, 30 July 2021</p></td><td data-bbox="893 777 1299 1071"><p>Mutuagung Lestari Lead Auditor</p><p>Ardiansyah Friday, 30 July 2021</p></td></tr></table>	<p>Sei Intan POM - PT Perkebunan Nusantara V Management Representative</p>  <p>Hendra SP Friday, 30 July 2021</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p>Ardiansyah Friday, 30 July 2021</p>
<p>Sei Intan POM - PT Perkebunan Nusantara V Management Representative</p>  <p>Hendra SP Friday, 30 July 2021</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p>Ardiansyah Friday, 30 July 2021</p>		

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	Sawitra Village Unit Cooperative	District Rokan Hulu, Prov. Riau	-	Via Telephone	28 April 2021	✓	
2	Kota Lama Village	Kota Lama Village	-	Via Telephone	28 April 2021	✓	
3	Kembang Damai Village	Kembang Damai Village	-	Via Telephone	28 April 2021	✓	
4	FFb Supplier (Sukri)	District Rokan Hulu, Riau Province	-	Via Telephone	28 April 2021	✓	
5	Sei Intan <ul style="list-style-type: none"> • Worker Poles • 1 Assistance Afdeling • 1 Worker Land Application • 1 Harvesting Worker. • 1 Worker Storage • 1 rinse house worker • 3 pesticide operator 	District Rokan Hulu, Riau Province	-	Via Telephone	28 April 2021	✓	
6	Head of Union	District Rokan Hulu, Riau Province	-	Via Telephone	28 April 2021	✓	
7	Gender Committee	District Rokan Hulu, Riau Province	-	Via Telephone	28 April 2021	✓	
8	Local Contractor (CV Mujur Karya Sentosa)	District Rokan Hulu, Riau Province	-	Via Telephone	28 April 2021	✓	
9	Agriculture Agency	District Rokan Hulu, Riau Province	-	Via Telephone	29 April 2021		✓
10	Labor Agency	District Rokan Hulu, Riau Province	-	Via Telephone	29 April 2021		✓
11	Environmental Agency	District Rokan Hulu, Riau Province	-	Via Telephone	29 April 2021		✓
12	WWF	Indonesia	-	Email	27 April 2021		✓
13	Sawit Watch	Indonesia	-	Email	27 April 2021		✓
14	Wahana Lingkungan Hidup Indonesia	Indonesia	-	Email	27 April 2021		✓
15	AMAN	Indonesia	-	Email	27 April 2021		✓

Appendix 2. Assessment Program

Remote Audit

DATE	23 – 24 June 2020	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Tuesday, 23 June 2020		
08.00 – 09.00	Remote Audit Opening Meeting (recorded video conference): <ul style="list-style-type: none"> • Auditee speech. • Team Auditor opening speech, introduction, audit objective, audit scope, remote audit mechanism, audit plan discussion, transparency and confidentiality clarification. 	Auditee rep. team. Lead Auditor and team.
09.00 – 12.00	Document verification.	Auditor Team.
12.00 – 13.00	Break.	Auditor Team.
13.00 – 15.30	Document verification and review.	Auditor Team.
15.30 – 16.00	Daily progress delivery and discussion.	Auditor Team.
Wednesday, 24 June 2020		
08.00 – 12.00	Document verification and review.	Auditor Team
12.00 – 13.00	Break.	Auditor Team.
13.00 – 15.00	Auditor internal discussion and closing meeting preparation.	Auditor Team.
15.00 – 16.00	Remote Audit Closing Meeting (recorded video conference): <ul style="list-style-type: none"> • Presentation of audit summary (complaint mechanism, noteworthy positive component, NCR, OFI, timeline of CAR's, conclusion). • Comments, responses and questions. 	Lead Auditor and team

Onsite Audit

DATE	27 April – 1 May 2021	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Tuesday, 27 April 2021		
10.50 – 12.00	Medan – Pekanbaru	AAS
09.30 – 11.30	Jakarta – Pekanbaru	RAB, SMN, ARD
12.30 – 17.00	Pekanbaru – PT Perkebunan Nusantara V Sei Intan	All Auditor
Wednesday, 28 April 2021		
08.00 – 09.00	Opening Meeting <ul style="list-style-type: none"> Auditee speech (Introduction of PIC, Profile of Certified Management Unit) Auditor speech (introduction , audit objective, audit scope, audit plan discusion, determine od audit sample, transparency and confidentiona clarifiation) 	All Auditor
09.00 – 12.00	<ul style="list-style-type: none"> Verification of basic information Mill and Estate Confirmation Time Bound Plan Review of Partial Clarification Consultation with stakeholder to relevant agency Interview with gender committee, worker's union, worker cooperative, loacl contractor and ffb supplier 	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Document review and completing audit checklist	All Auditor
Thursday, 29 April 2021		
08.00 – 12.00	Observation to Sei Intan POM <ul style="list-style-type: none"> Supply chain verification, (FFB receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Occupational health and safety aspect (inspection to chemical storage, hazardous waste storage, fire control simulation, POME pond Implementation of employment procedure and mechanism aspect Observation to Sei Intan Estate <ul style="list-style-type: none"> Implementation of legal aspect (land ownership, legal boundaries) Implementation of agronomy aspect Implementation of of environmental aspect, concervation/ HCV and waste management aspect Implementation of OHS aspect Observation of worker facilities 	AAS RAS, ARD, SMN
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Document review and completing checklist	All Auditor

Friday, 30 April 2021		
08.00 – 11.00	Completing Checklist and document verification.	All Auditor
10.00 – 12.00	Internal discussion by auditor team for closing meeting	All Auditor
11.00 – 13.00	Break	All Auditor
13.00 – 14.00	Closing Meeting <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy positive componen, non conformities, OFI, Timeline of CAR's, Conclusion. • Comment, rensponses and questions 	All Auditor
14.00 – 18.00	PT Perkebunan Nusantara V Sei Intan - Pekanbaru	All Auditor