

***Roundtable on Sustainable Palm Oil Certification
RSPO*****[✓] Surveillance**

Name of Management Organisation : Pulu Raja Palm Oil Mill PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III
Plantation Name : PT Perkebunan Nusantara IV – Pulu Raja Estate
Location : Village of Orika, Sub-District of Pulau Rakyat, District of Asahan, Province of Sumatera Utara, Indonesia
Certificate Code : **MUTU-RSPO/070**
Date of Initial Registration : 25 August 2015
Date of Certificate Issue : 19 October 2021 Date of License Issue : 19 January 2023
Date of Certificate Expiry : 18 October 2026 Date of License Expiry : 18 October 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed By	Approved by
ASA-1.1	19 to 22 September 2022	Briyogi Shadiwa (Lead Auditor), Rindu Galih Rezza Rachmansyah, Erika Lucitawati, Alexander Sitio	Ardiansyah	Leonada

Assessment	Approved by MUTUAGUNG on:
ASA-1.1	04 January 2023

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Figure 1. Location Map of PT Perkebunan Nusantara IV - Pulu Raja Business Unit

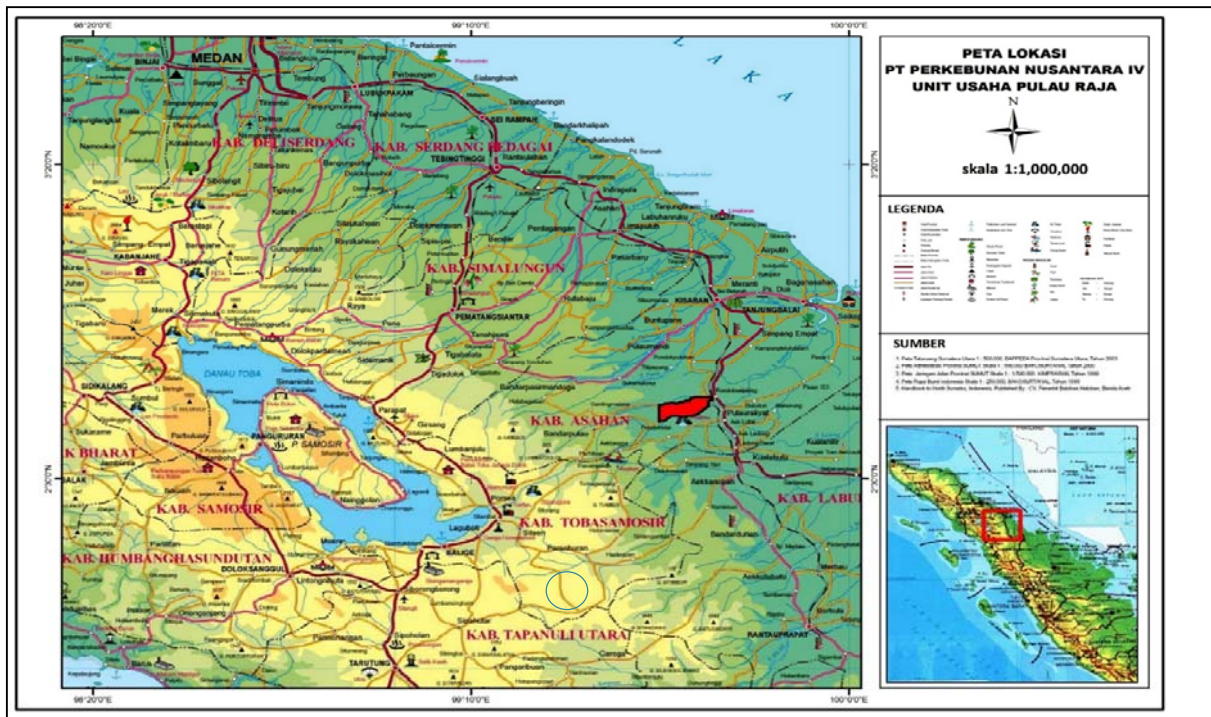
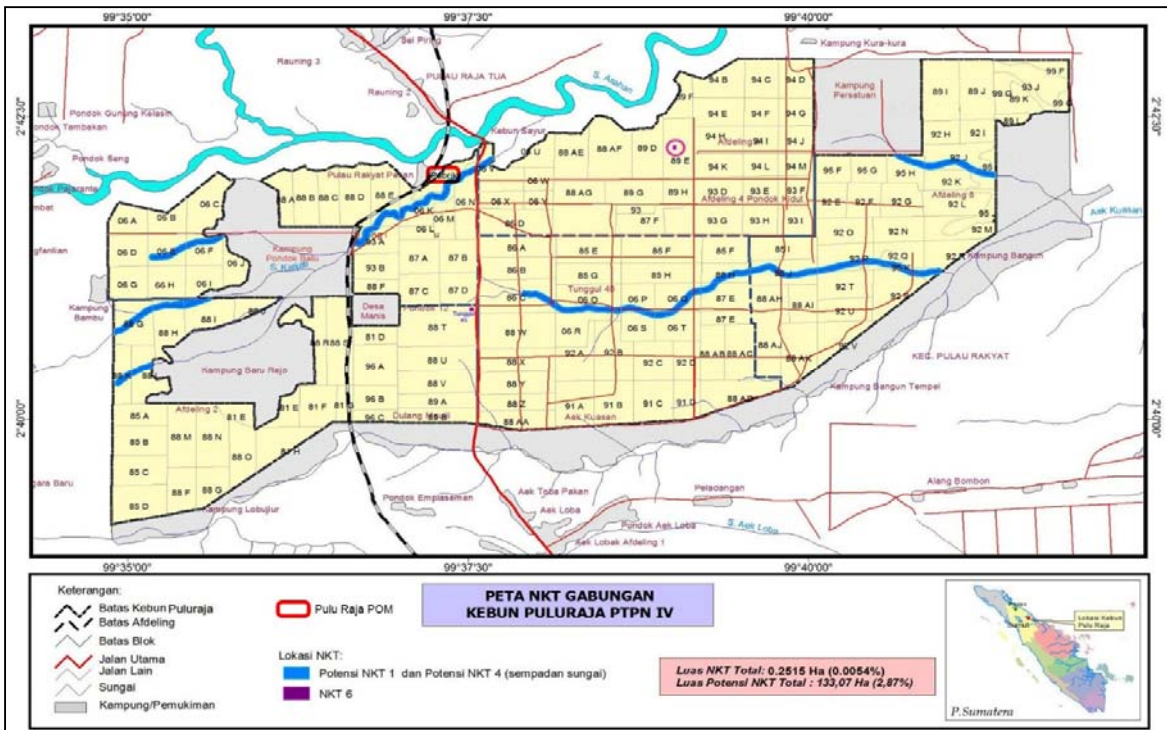


Figure 2. Operational Map of PT Perkebunan Nusantara IV - Pulu Raja Business Unit



Abbreviations Used

ACOP	:	Annual Communication of Progress
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Insurance)
CH	:	Certificate Holders
CITES	:	Convention on International Trade in Endangered Species
CLA	:	Collective Labor Agreement
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CV	:	<i>Commanditaire Vennotschap</i>
EFB	:	Empty Fruit Bunch
EMS	:	Environment Management System
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior and Informed Consent
GHG	:	Green House Gases
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard Identification Risk Assessment and Control
HR	:	Human Resources
INANI-RSPO	:	Indonesia National Interpretation RSPO
IPM	:	Integrated Pest Management
ISO	:	International Standard Organization
ISPO	:	Indonesian Sustainable Palm Oil
KER	:	Kernel Extraction Rate
LCC	:	Legume Cover Crop
LSU	:	Leaf Sampling Unit
MASKEP	:	<i>Manajer Asisten Kepala</i> (Chief Assistant Manager)
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OHS	:	Occupational, Health and Safety
PaPam	:	<i>Pewira Pengaman</i> (Security Officer)
PK	:	Palm Kernel
POM	:	Palm Oil Mill
PPD	:	<i>Petugas Pengendali Dokumen</i> (Document Controller)
PPE	:	Personal Protective Equipment
PPIS	:	<i>Pabrik Pengolahan Inti Sawit</i> (Palm Kernel Crushing Factory)
PTPN IV	:	PT Perkebunan Nusantara IV
QMS	:	Quality Management System
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pantau Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rear, Endangered, Threatened
SA 8000	:	Social Assurance 8000
SEIA	:	Social and Environmental Impact Assessment
SOP	:	Standard Operating Procedure
SPH	:	Stand Per Hectare
SSU	:	Soil Sampling Unit
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit</i> (Palm leaf-eating caterpillars)

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. • Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Pulu Raja Palm oil Mill - PT Perkebunan Nusantara IV	
1.2.2	Contact person	Pirgok Panggabean	
1.2.3	Organisation address and site address	Head Office: JI Sei Batang Hari No. 2, Medan – Sumatera Utara, Indonesia	
1.2.4	Telephone	+62 61-8452244	
1.2.5	Fax	+62 61-8455177	
1.2.6	E-mail	ptb@ptpn3.co.id	
1.2.7	Web page address	http://www.ptpn3.co.id/	
1.2.8	Management Representative who completed the application for certification	Pirgok Panggabean	
1.2.9	Registered as RSPO member	1-0030-06-000-00; 13 December 2006	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One (1) unit of Palm Oil Mill supply by one (1) estate Pulu Raja Mill and Pulu Raja 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
	Pulu Raja POM	Village of Orika, Sub district of Pulau Rakyat, District of Asahan, Province of Sumatera Utara, Indonesia	N 02° 42' 07" E 99° 37' 27"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Pulu Raja Estate	Village of Orika, Sub district of Pulau Rakyat, District of Asahan, Province of Sumatera Utara, Indonesia	N 02° 41' 56" E 99° 37' 31"
1.5	Description of Area Statement		
1.5.1	Tenure		
	• State	4,630.54 Ha	
	• Community	- Ha	

1.5.2	Area Statement						
	• Total area	4,630.54 Ha					
	• Mature area	3,857.00 Ha					
	• Immature area	513.00 Ha					
	• Infrastructure (road and drainage)	134.00 Ha					
	• Emplacement	116.54 Ha					
	• Nursery	5.00 Ha					
	• Hyaten area	5.00 Ha					
	• HCV* (Cemetery)	0.25 Ha					
	HCV area of 0.25 ha is located in the afdeling IV near Housing area (including on emplacement).						
1.6 Planting Year and Cycles							
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					Total
		Afdeling I	Afdeling II	Afdeling III	Afdeling IV	Afdeling V	
	Mature Area						
	1996	-	58.00	-	38.00	72.00	168.00
	1998	1.00	1.00	2.00	6.00	87.00	97.00
	2006	303.00	-	144.00	80.00	2.00	529.00
	2009	-	134.00	-	-	66.00	200.00
	2010	-	131.00	171.00	-	-	302.00
	2011	-	-	148.00	37.00	-	185.00
	2012	104.00	88.00	-	134.00	54.00	380.00
	2013	-	433.00	193.00	-	-	626.00
	2014	165.00	58.00	87.00	177.00	165.00	652.00
	2016	-	-	137.00	-	-	137.00
	2017	-	-	126.00	-	455.00	581.00
	Immature area						3,857.00
	2018	39.00	-	-	143.00	50.00	232.00
	2020	5.00	-	-	276.00	-	281.00
							513.00
	TOTAL	617.00	903.00	1,008.00	891.00	951.00	4,370.00
1.6.2	New Planting area after January 2010		-				Ha
1.6.3	Planting Cycle		3 rd Cycle				
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Pulu Raja	30	179,344.13	38,895.79	21.69	6,837.45	3.81
	*Production data source from 12 months before onsite assessment (September 2021 – August 2022) *The difference between FFB processed and received is due to FFB leftover in the previous month.						
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)	%
	Pulu Raja	4,630.54	3,857.00	109,295.91	28.34	109,295.91	100
<i>*Production data source from 12 months before assessment (September 2021 – August 2022)</i>							
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Berangir Estate (RSPO Certified)	PTPN IV	-	4,222	8,636.84		
	Meranti Paham Estate (RSPO Certified)		-	3,851	4,726.04		
	Ajamu Estate (RSPO Certified)		-	4,485	310.82		
	Air Batu Estate (RSPO Certified)		-	6,896	747.64		
	Tinjowan Estate (RSPO Certified)		-	5,002	487.39		
	Sei Kopas (RSPO Certified)		-	2,343	13,372.96		
	Padang Maninggi (RSPO Certified)		-	-	673.27		
	CV Edi Jaya (RSPO Non-Certified)		-	-	26,004.33		
	CV Doge Doge Star (RSPO Non-Certified)		-	-	6,781.99		
	UD Gintar (RSPO Non-Certified)		-	-	2,530.82		
	PT Fortuna Akam Makmur (RSPO Non-Certified)	Independent supplier	-	-	5,151.36		
	CV Moza Sejahtera (RSPO Non-Certified)		-	-	26.35		
	CV Cipta Karya Mandiri (RSPO Non-Certified)		-	-	547.74		
	CV Dinamika Mandiri (RSPO Non-Certified)		-	-	13.15		
	TOTAL				70,010.70		
<i>*Source Production Data on 12 months before assessment (September 2021 – August 2022)</i>							
1.7.4	Product categories		FFB, CPO, PK				
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT) (September 2021 – August 2022)		
	FFB Processed		137,111		138,250		

	CPO Production		31,733		30,953			
	Palm Kernel (PK) Production		5,369		5,368			
1.8.2	Product selling							
	Type of selling product	Actual selling product for last year (MT) (September 2021 – August 2022)						
	CSPK sold as RSPO certified product				7,579.77			
	CSPK sold as RSPO certified product				4,075.91			
	CSPK sold under other scheme				-			
	CSPK sold under other scheme				-			
	CSPK sold as conventional				22,500.22			
	CSPK sold as conventional				1,145.92			
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Pulu Raja	4,630.54	3,857.00	104,200	27.01			
	<i>*Projected FFB production for 12 months of certificate.</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Pulu Raja	30	104,200	22,900	21.98	3,750	3.60	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate.</i>							
1.9	Other Certifications							
	ISPO							
	-							
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						
	Pulau Tiga (PTPN I)	2022	Pulau Tiga Estate	2022	Aceh Tamiang District, Aceh Province	Audited on 2022		
	Tanjung Seumantoh (PTPN I)	2022	Lama Estate	2022	Aceh Timur District, Aceh Province	-		
			Baru Estate	2022	Aceh Timur District, Aceh Province	-		
			Tualang Sawit Estate	2022	Aceh Timur District, Aceh Province	-		
			Julok Rayeuk Selatan Estate	2022	Aceh Timur District, Aceh Province	-		
	Cot Girek (PTPN I)	2022	Julok Rayeuk Utara Estate	2022	Aceh Utara District, Aceh Province	-		
			Cot Girek Estate	2022	Aceh Utara District, Aceh Province	-		

Sawit Hulu (PTPN II)	2022	Sawit Hulu Estate	2022	Langkat District, Sumatera Utara Province	-
Kwala Sawit (PTPN II)	2022	Kwala Sawit Estate	2022	Langkat District, Sumatera Utara Province	-
		Air Tenang Estate	2022	Langkat District, Sumatera Utara Province	-
Sawit Seberang (PTPN II)	2022	Batang Serangan Estate	2022	Langkat District, Sumatera Utara Province	-
		Sawit Seberang Estate	2022	Langkat District, Sumatera Utara Province	-
		Tanjung Jati (Rayon) Estate	2022	Langkat District, Sumatera Utara Province	-
Pagar Merbau (PTPN II)	2022	Tanjung Garbus Estate	2022	Deli Serdang District, Sumatera Utara Province	Audited on 2022
		Melati Estate	2022	Deli Serdang District, Sumatera Utara Province	-
		Patumbak Estate	2023	Deli Serdang District, Sumatera Utara Province	-
		Limau Mukur Estate	2023	Deli Serdang District, Sumatera Utara Province	-
		Tandem (Rayon) Estate	2023	Deli Serdang District, Sumatera Utara Province	-
Sisumut (PTPN III)	2015	Sisumut Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
		Aek Nabara Utara Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
Rambutan (PTPN III)	2016	Tanah Raja Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Gunung Monaco Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Silau Dunia Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Sarang Ginting Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Sei Putih Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Rambutan Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Bandar Betsy Estate	2022	Simalungun District, Sumatera Utara Province	-
Sei Daun (PTPN III)	2015	Sei Daun Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
		Bukit Tujuh Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhan Batu Selatan District, Sumatera Utara	Sept 14, 2016 (Certified)

				Province	
Sei Silau (PTPN III)	2017	Sei Silau Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Pulau Mandi Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Ambalutu Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Hutapadang Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
Sei Mangkei (PTPN III)	2017	Dusun Hulu Estate	2017	Batubara District, Sumatera Utara Province	Oct 2017 (Certified)
		Bangun Estate	2017	Simalungun District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Para Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Pamela Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Sei Dadap Estate	2017	Asahan District, Sumatera Utara Province	Oct 2017 (Certified)
Sei Baruhur (PTPN III)	2018	Sei Baruhur Estate	2018	Labuhan Batu Selatan District, Sumatera Utara Province	April 2018 (Certified)
		Sei Kabara Estate	2018	Labuhan Batu Selatan District, Sumatera Utara Province	April 2018 (Certified)
Hapesong (PTPN III)	2020	Hapesong Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
		Batang Toru Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
Aek Nabara Selatan (PTPN III)	2014	Aek Nabara Selatan Estate	2014	Labuhan Batu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Rantau Prapat Estate	2014	Labuhan Batu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Merbau Selatan Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Membang Muda Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Labuhan Haji Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Bandar Selamat Estate	2014	Asahan District, Sumatera Utara Province	May 23, 2014 (Certified)
Aek Torop (PTPN III)	2014	Aek Torop Estate	2014	Labuhan Batu Selatan District, Sumatera Utara Province	June 17, 2014 (Certified)
Aek Raso (PTPN III)	2014	Aek Raso Estate	2014	Labuhan Batu Selatan District, Sumatera Utara Province	June 30, 2014 (Certified)
Pabatu (PTPN IV)	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015

Dolok Ilir (PTPN IV)	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015
		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
Pulu Raja (PTPN IV)	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
Adolina (PTPN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
Bah Jambi (PTPN IV)	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birung Ulu	2022	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
2022	Simalungun, Sumatera Utara		Out of scope Certification 2 nd Stage Audit (30.0 Ha)		
Dolok Sinumbah (PTPN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
		Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang (PTPN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Bukit Lima	2022	Simalungun, Sumatera Utara	Preparation
Gunung Bayu (PTPN IV)	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan (PTPN IV)	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Padang Matinggi	2019	Simalungun, Sumatera Utara	Certified on March 2019
Air Batu (PTPN IV)	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2022	Asahan, Sumatera Utara	Out of Scope certification 2 nd Stage Audit
Berangir (PTPN IV)	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018

		Berangir	2022	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (10.0 Ha)
Sawit Langkat (PTPN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2022	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 Ha)
Pasir Mandoge (PTPN IV)	2020	Pasir Mandoge	2020	Asahan, Sumatera Utara	Certified on October 2018
		Sei Kopas	2020	Asahan, Sumatera Utara	Certified on October 2018
		Tonduhan	2020	Simalungun, Sumatera Utara	Certified on October 2018
		Sei Kopas (HPK)	2022	Asahan, Sumatera Utara	-
Timur (PTPN IV)	2022	Timur	2022	Mandailing Natal, Sumatera Utara	-
		Balap	2022	Mandailing Natal, Sumatera Utara	-
Ajamu (PTPN IV)	2021	Ajamu	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
		Meranti Paham	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
		Panai Jaya	2022	Labuhan Batu Utara, Sumatera Utara	Preparation
Sosa (PTPN IV)	2022	Sosa	2022	Padang Lawas, Sumatera Utara	Preparation
PT Agro Sinergi Nusantara (PTPN IV)	2022	PT Agro Sinergi Nusantara	2022	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara (PTPN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
Tandun (PTPN V)	2016	Tandun Estate,	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		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	Certified
		Sei Berlian 866 ha	2023	Tapung Hulu District, Kampar District, Riau Province, Indonesia	-
Sei Rokan	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau	Certified

	(PTPN V)				Province, Indonesia.	
Sei Tapung (PTPN V)	2019	Sei Tapung	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified	
		Sei Siasam	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified	
		KUD Makarti Jaya	2022	Rokan Hulu District, Riau Province, Indonesia.	-	
		KUD Karya Mukti	2022	Rokan Hulu District, Riau Province, Indonesia.	-	
		KUD Dayo Mukti	2023	Rokan Hulu District, Riau Province, Indonesia.	-	
		KUD Tani Sejahtera	2023	Rokan Hulu District, Riau Province, Indonesia.	-	
Sei Intan (PTPN V)	2019	Sei Intan	2019	Rokan Hulu District, Riau Province, Indonesia	Certified	
Tanjung Medan (PTPN V)	2022	Tanjung Medan	2022	Rokan Hilir District, Riau Province, Indonesia	-	
Tanah Putih (PTPN V)	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified	
		Tanah Putih Plasma	2023	Rokan Hilir District, Riau Province, Indonesia	-	
Lubuk Dalam (PTPN V)	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified	
		Lubuk Dalam Plasma	2022	Siak District, Riau Province, Indonesia	-	
Sei Buatan (PTPN V)	2022	Sei Buatan	2022	Siak District, Riau Province, Indonesia	-	
		Air Molek 1	2025	Siak District, Riau Province, Indonesia	-	
		Air Molek II	2025	Siak District, Riau Province, Indonesia	-	
		KUD Karya Dharma	2023	Siak District, Riau Province, Indonesia	-	
		KUD Tunas Karya	2023	Siak District, Riau Province, Indonesia	-	
Sei Galuh (PTPN V)	2023	Sei Galuh	2023	Kampar District, Riau Province, Indonesia	-	
		Sei Galuh Plasma	2023	Kampar District, Riau Province, Indonesia	-	
Sei Pagar (PTPN V)	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	-	
		Sei Pagar Plasma	2023	Kampar District, Riau Province, Indonesia	-	
Sei Garo (PTPN V)	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified	
		Sei Garo Plasma	2023	Kampar District, Riau Province, Indonesia	-	
Terantam (PTPN V)	2019	Terantam	2019	Kampar District, Riau Province, Indonesia	Certified	
		Terantam 2 (725.44 ha)	2022	Kampar District, Riau Province, Indonesia	-	
		Tamora	2023	Kampar District, Riau	-	

				Province, Indonesia	
		Sei Kencana	2023	Kampar District, Riau Province, Indonesia	-
		Sei Batu Langka	2023	Kampar District, Riau Province, Indonesia	-
Rimbo Dua (PTPN VI)	2018	Rimbo Satu	2018	Jambi Province	Certified
		Rimbo Dua	2018	Jambi Province	Certified
		Batang Hari	2022	Jambi Province	-
Bunut (PTPN VI)	2022	Bunut	2022	Jambi Province	-
Ophir (PTPN VI)	2022	Ophir	2022	Sumatra Barat Province	-
		Pangkalan 50 Kota	2022	Sumatra Barat Province	-
Aur Gading (PTPN VI)	2023	Durian Luncuk	2023	Jambi Province	-
Solok Selatan (PTPN VI)	2023	Solok Selatan	2023	Sumatra Barat Province	-
Tanjung Lebar (PTPN VI)	2022	Tanjung Lebar	2023	Jambi Province	-
		Bukit Cermin	2023	Jambi Province	-
Bekri (PTPN VII)	2022	Bekri	2022	Lampung Province	Audited on February 2022
		Rejosari	2022	Lampung Province	Audited on February 2022
		Padang Ratu	2022	Lampung Province	Audited on February 2022
Betung (PTPN VII)	2022	Betung	2022	Lampung Province	Certified
		Bentayan	2027	Lampung Province	-
Talang Sawit (PTPN VII)	2023	Betung Krawo	2023	Musi Banyuasin District, Sumatera Selatan Province	-
Sungai Lengki (PTPN VII)	2023	Sungai Lengki	2023	Muara Enim District, Sumatera Selatan Province	-
Kertajaya (PTPN VIII)	2022	Kertajaya	2022	Lebak District, Banten Province	-
		Cisalak Baru	2022	Lebak District, Banten Province	-
		Bojongdatar	2022	Lebak District, Banten Province	-
Cikasungka (PTPN VIII)	2022	Cikasungka	2022	Bogor District, Jawa barat Province	-
		Sukamaju	2022	Sukabumi District, Jawa barat Province	-
Gunung Meliau (PTPN XIII)	2022	Gunung Meliau	2022	Sanggau District, Kalimantan Barat Province	-
Rimba Belian (PTPN XIII)	2023	Rimba Belian	2023	Sanggau District, Kalimantan Barat Province	-
		Gunung Mas	2023	Sanggau District, Kalimantan Barat Province	-
		Sungai Dekan	2023	Sanggau District, Kalimantan Barat Province	-
Parindu	2023	Parindu	2023	Sanggau District,	-

	(PTPN XIII)				Kalimantan Barat Province	
	Luwu (PTPN XIV)	2022	Luwu	2022	Luwu Timur, District, Sulawesi Tengah	-
			Keera-Maroon	2022	Luwu Timur, District, Sulawesi Tengah	-
			Malili	2023	Luwu Timur, District, Sulawesi Tengah	-
			Asera	2023	Luwu Timur, District, Sulawesi Tengah	-
Date Approval TBP on 30 June 2022.						
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard					
	Unit management doesn't have smallholders.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 1.1	<ol style="list-style-type: none"> Briyogi Shadiwa (Lead Auditor). Indonesian citizens. Associate Degree of Oil Palm Plantation, Bogor Agricultural University. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark (2018), ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. In this audit, he verified the BMP, OHS, partial, Legal and SCCS aspect. Erika Lucitawati. (Auditor) Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. In this audit, she verified transparency, environmental/conservation and GHG aspects with supervision by Lead Auditor. Rindu Galih Rezza Rachmansyah (Auditor) Indonesian citizen, Bachelor of Agriculture with major in Plant Pest and Disease. Has one year experience as Field Expert in Pesticide Company and 3 years' experience in Industrial Forest Management, Forest Rehabilitation and Reclamation on Indonesia Stated Owned Company as Assistant. Training which had attended including Lead Auditor ISO 9001, ISO 14001, ISO 17021, ISO 19011, SA 8000, Lead Auditor ISPO, Lead Auditor RSPO, RaCP & NPP Awareness and OHSAS 18001:2007. Has involved in several audit activities related to sustainable palm oil since 2017 in the aspects of Best Management Practices (BMP), social, worker welfare and OHS. During this assessment has verified Worker Welfare, Social and Third parties aspect. Alexander Sitio (Auditor Trainee). Indonesian citizen, now in the process of studying Doctoral Program at State University of Jakarta in Human Resource Management, Masters in Human Resource Management, University of Jember. Bachelor of Agriculture, Department of Agricultural Socio-Economics, Faculty of Agriculture, University of Lampung. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011, and participating in several IHT in the field of environment, Best management practices, and OHS. During this assessment has verified best management practices, OHS. In this audit activity performs as an Trainee Auditor supervised by Lead Auditor
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 1.1	<p>Number of auditors: 3 auditors and 1 trainee auditor.</p> <p>Number of days for ASA 1.1 onsite Audit: 4 days.</p> <p>Number of working days for ASA 1.1 on Remote Audit: 12 Working days.</p>
2.2.2	Assessment Process
ASA 1.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perkebunan Nusantara IV unit Pulu Raja to the requirements of RSPO Principles and Criteria For Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 and RSPO Certification Systems For Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>For this section Audit ASA 1.1 the assessment was conducted in document review, aiming to observe the sufficiency of types or substances from required documents. Improvement of findings from Recertification findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.1 Audit report.</p> <p>Some opportunities for improvement of the results ASA 1.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.1).</p>

Improvement of findings from previous assessment findings were observed by auditors at this **ASA 1.1** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA 1.1**

The assessment program please find Appendix 2.

2.2.3	Locations of Assessment
ASA 1.1	<p>Pulu Raja Palm Oil Mill</p> <ul style="list-style-type: none"> • Security post. Interview with security about worker welfare, OHS implementation, emergency situation, worker training, FFB supplier, and complaint mechanism. • Grading station. Interview with security about worker welfare, OHS implementation, emergency situation, worker training, best practice, and complaint mechanism. • Dispatch station. Interview with worker about worker welfare, OHS implementation, emergency situation, worker training, SSCS aspect, and complaint mechanism. • Loading Ramp Station. Observation and Interview with worker about worker welfare, OHS implementation, emergency situation, worker training, SSCS aspect, and complaint mechanism. • Sterilizer Station. Observation and Interview with worker about worker welfare, OHS implementation, emergency situation, worker training, SSCS aspect, and complaint mechanism. • Press Station. Observation and Interview with worker about worker welfare, OHS implementation, emergency situation, worker training, SSCS aspect, and complaint mechanism. • Thresher Station. Observation and Interview with worker about worker welfare, OHS implementation, emergency situation, worker training, SSCS aspect, and complaint mechanism. • Boiler Station. Observation and Interview with worker about worker welfare, OHS implementation, emergency situation, worker training, SSCS aspect, and complaint mechanism. • Engine room. Interview and observation related to work procedure, OHS implementation and employment. • WTP. Observation and interview related to waste management, environmental, and OHS aspect. • WWTP. Observation and interview related to waste water processing, environmental, and OHS aspect. • Housing Area. Observation and interview with residents related to worker's facilities and domestic waste management. • Empty Bunch Storage Area. Observation and interview related to environmental and OHS aspect. • Clinic. Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects. • Central/Spare Part Warehouse. Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects. • Chemical and Pesticide Warehouse. Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects. • Fertilizer Warehouse. Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects. • Electrical Workshop. Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects. • Central Workshop. Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects. • Hydrant Simulation. Observations and interviews with factory fire emergency response officers related to emergency response procedures, availability and state of emergency response equipment and handling officers in conducting simulations. <p>Pulu Raja Estate</p> <ul style="list-style-type: none"> • Circle and Path Spraying, Block 2012 J, Afdeling 4. Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE. • Ablation activity, Block 2021 F, Afdeling 4. Observation and interviews with foremen and workers related to work procedures of Ablation, health insurance and labor protection, safe working practices and use of PPE. • Circle and Path Spraying, Block 2012 J, Afdeling 4. Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.

	<ul style="list-style-type: none"> • Harvesting activity, Block 2012 K, Afdeling 4. Observation and interview with worker about worker welfare, OHS implementation, best practice, worker training, and complaint mechanism. • Harvesting activity, Block 2012 I, Afdeling 4. Observation and interview with worker about worker welfare, OHS implementation, best practice, worker training, and complaint mechanism. • FFB loading activity, Block 2012 I, Afdeling 4. Observation and interview with worker about worker welfare, OHS implementation, best practice, worker training, and complaint mechanism. • Harvesting activity, Block 2014 AG, Afdeling 5. Observation and interview with worker about worker welfare, OHS implementation, best practice, worker training, and complaint mechanism. • Beneficial Plant, Block 2014 AG, Divisi 5. Observations related to beneficial plants, physical condition and usefulness in the activity of beneficial plant functions. (Antigonone leptopus, Turnera subulata and Cassia cobanensis) • Immature Area in 2022 at Afdeling 5 Block 1998 I. Observations related to land clearing without burning, paying attention to soil/water conservation principles and planting using seeds derived from certified development seeds. • Empty Bunch Application at Afdeling 4 Block 2020 G. Observations related to the application of EFB as a soil nutrient enhancer for oil palm. • Housing Complex at Afdeling 4. Observations and interviews with residents related to the welfare facilities provided, the actual condition of the facilities and the complaint mechanism. • Housing Complex at Afdeling 5. Observations and interviews with residents related to the welfare facilities provided, the actual condition of the facilities and the complaint mechanism. • Rinse House at Afdeling 4. Observations related to housekeeping, condition of supporting infrastructure, storage of PPE and clean clothes of workers. • Rinse House at Afdeling 5. Observations related to housekeeping, condition of supporting infrastructure, storage of PPE and clean clothes of workers. • Education Facility (Kindergarten, Elementary and Middle School) at Afdeling 4. Observations related to the condition of educational facilities available in the company's operational area. • Education Facility (Kindergarten and Elementary School) at Afdeling 4. Observations related to the condition of educational facilities available in the company's operational area. • Landfill at Afdeling 4 Block 2018 I. Observations related to domestic waste management. • Nursery at Afdeling 1. Observations and interviews related to nursery procedures, types of foster seeds used, employment, environmental management and OHS aspects. • Pole HGU No.78, 77, 76, 74, 73, and 93. Field observation related to company operational boundaries area.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 1.1	<p>Summary of stakeholder consultation process Consultation of stakeholders for PT Perkebunan Nusantara IV Unit Pulu Raja was held by:</p> <ul style="list-style-type: none"> • Public Notification on website of PT Mutuagung Lestari on 5 September 2022 • Public consultation meeting with government institution in Asahan District on 20 September 2022. • Public consultation meeting with surrounding communities on 20 September 2022. • Public consultation meeting with internal stakeholders and local contractor on 20 September 2022. • Public consultation meeting with NGO (Sawit Watch, WWF, WALHI, and AMAN) on 9 September 2022. <p>Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara IV Unit Pulu Raja</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit ASA 1.2 will be conducted eight (8) month to twelve (12) month after Onsite audit will be carrying out after the situation of COVID 19 Global Pandemic is finished and no longer travel restricted from the authority.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Pulu Raja Palm Oil Mill – subsidiary of PT Perkebunan Nusantara IV operation consisting of one (1) mill and one (1) estate.

During the assessment, there were 3 non-conformities were assigned against Minor raised to Major/Critical Compliance Indicators, 5 non-conformities were assigned against Major/Critical Compliance Indicators, and 6 non-conformities were assigned against Minor Compliance Indicators 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 evidences e.g. (document record/photographic/etc.). Those corrective actions taken that consist of three (3) Minor raised to Major/Critical non-conformities, five (5) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Pulu Raja Palm Oil Mill – subsidiary of PT Perkebunan Nusantara IV complied with the requirements of **Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, 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	Company can show Director Decree No. 04.03/Kpts/02/II/2018 regarding the publication of PTPN IV company documents which regulates the types of company documents and the authority over the publication of company documents. PTPN IV document data is divided into Open Document Data, Closed Document Data, and Confidential Document Data. The mechanism for requesting information and responses is listed in the SOP for the Storage Period of Requests for Information and Responses No. SPO 06 No. Revision 03 Effective Date 1 August 2017 with maximum time of responded to information requests is 30 days since mail received.	
1.1.2	Based on Director Decree No. 04.03/Kpts/02/II/2018 regarding the publication of PTPN IV company documents, company has list of documents that can be accessed publicly, such as: <ul style="list-style-type: none"> • Company profile • Annual report • Land use title • CSR data • SIA document • HCV document • Complaint and its respond • And so on 	
	These documents are available in estate and mill office. Company also has monitoring and management report, such as OSH implementation report, environmental management and monitoring report, land use report, and plantation activities report.	

Public document also can be seen in notice board, such as company's vision and mission, public report, or company's website. Based on interviews with workers and representative of Bangun Village, it is known that stakeholder has known the mechanism for communication and consultation with certification unit. Based on document verification, public documents are available in appropriate language which is Bahasa (i.e., SIA document, EIA document, CSR data, etc.) and are accessible to relevant stakeholders.

1.1.3

The mechanism for requesting information and responses is contained in the SOP for Information and Response Requests Storage Period No. SPO 06 No. Revision 03 Effective Date August 1, 2017. The period of responding to requests for information to stakeholders is a maximum of 30 working days. HR Assistant & Security who is in charge of consulting and communication based on the Decree of the Manager of PTPN IV Pulu Raja No PUR / Kpts / 18 / II / 2019 dated February 2, 2019, regarding the appointment of a personnel who is responsible for consultation and communication with the community.

Records of requests for information and responses are available in the Internal and External information summary list. Based on the results of the document review, there was no request for information from external stakeholders to the company. The communication records, for example, include:

No	Date	Media	From	Subject	Response
1	29 December 2021	Letter No. PEMB-106/PAN.182/2021	<i>Pengadilan Pajak Kepaniteraan Republik Indonesia</i>	<i>Notification of Court</i>	11 January 2022
2	18 January 2022	Letter No. 005/103	<i>Tunggul 45 Village</i>	<i>Request for Assistance of Location</i>	Through Letter No. PUR/X.17A/II/2022 on 19 January 2022

1.1.4

The communication and consultation process are listed in the SOP Communication and Consultation with the Community No. SPO 03, Revision 03, Effective Date January 2, 2017. Code of Conduct & SPO Communication and Consultation has been socialized to stakeholders on 5 January 2022 completed with minutes and attendance list. Those activities had been attended by relevant stakeholder such as internal stakeholders and several representatives of stakeholders around plantation. The officer in charge of communicating with stakeholders is HR Assistant. This is explained in the communication and consultation procedures.

1.1.5

Company has shown contact list and detailed stakeholder information in Company's Stakeholder document at the time of surveillance-1.1. The stakeholders included in the list include 2 sub-district government contacts, 9 district agency contacts, 1 banking contact, 1 educational institution contact, 12 local village contacts, 1 internal organizational agency/agency, and 13 partner contacts. From the results of interviews via telephone by auditors with stakeholders referring to the list, it can be connected and the information found is valid. Based on results of document review and interview with management, company cooperates with partners such as environmental quality testing laboratory, hazardous waste transporters, as well as boiler repair and sorting contractors. In addition, company has internal organizations in the form of gender committee and employee cooperative. However, these contacts with partners and internal organizations have not been included in the Company's Stakeholder documents shown during the surveillance-1.1. Therefore, company has not shown evidence that it has an up-to-date list of contacts and detailed stakeholder information that includes (but is not limited to) contacts for environmental quality testing laboratory, hazardous waste transporter, boiler repair and sorting contractor, as well as internal organizations in the form of gender committee and employee cooperative. This becomes **nonconformity No. 2022.1 with minor category**

1.1.5 Status: Nonconformity No. 2022.1 with Minor category

1.2

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

1.2.1

The certification unit has a code of conduct which is stated in the Joint Decree of the Board of Commissioners and Directors of PT Perkebunan Nusantara IV No. DK-03 /KPTSIV/ 2019, No. 04.01 / KPTS / 07 / IV / 2019 signed by the Board of Commissioners and Directors of PT Perkebunan Nusantara IV dated 11 April 2019 concerning the Enforcement of the Code of Conduct of PT Perkebunan Nusantara IV. The code of conduct describes the following:

- Vision, Mission, Values and Company Commitment

- Commitment and Attitude of Business People
- Obligations and Rights of Business People
- Prohibitions for Business Actors
- Ethics with Other Stakeholders
- Compliance and Violation of Guidelines

This policy covers all operational activities of certification unit, including the prohibition of corruption, bribery and fraud in the use of funds and resources as well as compliance with reasonable business practices. Based on the results of interviews with contractor (workers and owner/field officer), workers in the mill and estate who stated that all of them had received socialization related to the company's code of conduct which includes prohibition of corruption, bribery and fraud in the use of funds and resources and adherence to reasonable business practices in all operational areas. The worker (contractors and permanent) explained that it is not permissible to take actions that violate the company's code of conduct, for example committing crimes, gambling, domestic violence, bribery and so on. The company has socialized the company code of conduct policy to all employees and contractors.

Based on the explanation above, it can be concluded that the certification unit has committed to act ethically in all business operations and transactions in accordance with the code of ethics policy that has been approved by the company.

1.2.2

The certification unit has a system for monitoring compliance and implementation of the policy, as well as overall ethical business practices is carried out by means of internal audits. The Company has an Internal Supervisory Unit that conducts audit activities covering all plantation and mill operational activities. The company also showed the results of the Internal Audit for RSPO in 2022 (plantation and mill). The company also has an internal audit mechanism in order to implement the principles and criteria contained in the RSPO scheme. This is done to the certification unit internal and external (stakeholders and contractors). The internal audit that conducted by SPI and the RSPO internal audit, carried out annually covering all SPOs and all RSPO indicators.

In addition, the certification unit has set a PIC to evaluate third parties/vendors, including vendors who provide labor, namely head assistant of plant and head assistant of administrative. One of the evaluations carried out is that third parties are required to comply with the provisions / regulations of the Ministry of Manpower and other agencies authorized / related to the implementation of the work.

In addition, there is a Whistle Blowing System that establishes the flow of complaints/reports of violations in all employees, without worrying, are willing to convey the possibility of fraudulent practices occurring within the certification unit. The complainer or whistleblower can be access certification unit website in www.ptpn4.co.id/wb/ for submitted the complaint or grievance online. Based on the results of interviews with workers in the sampling units such as who stated that all of them was aware of Whistle Blowing System that has been implemented and can be accessed by all workers, including contract workers. In addition, there are statements from third parties in collaboration with the certification unit, namely that they have been given socialization related to the code of conduct and the Whistle Blowing System before ratifying the cooperation agreement. This is done to ensure that before collaborating with the certification unit, his party does not commit a violation or can report a violation when a certification unit commits a violation during the collaboration.

During the past year there have been no reports related to violations committed by internal/external parties and this is evidenced by the results of a document review related to reporting documentation for the Whistle Blowing System.

	Status: Comply	
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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 unit of certification has list of regulation for January 2022, consist of:

OHS regulation

- Sumatera Utara Governor Regulation No. 34 Year 2020 related Increased Discipline and Law Enforcement of Health Protocols in the Prevention and Control of Corona Virus Disease 2019 (COVID-19) in Sumatera Utara Province.

- Equipping operators with required competencies, for example license for lift operators and power plant operators

Worker welfare.

- The implementation of the minimum wage in 2022 is in accordance with the Minimum Wage Decree of the City or Regency in Sumatera Utara Province established by the Governor of Sumatera Utara in 20 November 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.
- *Permenaker* No.14 year 2020 regarding Guidelines for Providing Assistance Government in the form of subsidized salaries / wages for workers / laborers in handling the Impact of Corona Virus Disease 2019 (COVID-19).

Agriculture and Best Management Practices

- Regulation of republic of Indonesia No. 44 year 2020 related Indonesia's Sustainable Oil Palm Plantation Certification System.
- Doesn't use any pesticide that has been classified in Class 1A and 1B since 2019.

Environment

- Environmental Management and Monitoring Plan (RKL-RPL) for PTPN IV Pulu Raja Unit

Legal

- Have a Business Registration Number.
- Land Utilization Report to the Land Office of Asahan Regency on 18 May 2022.

2.1.2

Monitoring of legal compliance is presented in document of "*Laporan Evaluasi Kepatuhan terhadap Peraturan Perundang-undangan, Peraturan Dan Persyaratan Lainnya Yang Terkait Dengan Penerapan RSPO/ISPO*" or "Report of Legal/Law/Regulation Compliance Related to RSPO/ISPO Implementation" dated 7 January 2022. Evaluation divided into several type, such as:

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

Internal compliance audit of law is carried out by PTPN4 strategic planning department which evaluates compliance at all business units under PTPN IV and is carried out on January 2022.

Related to contractor evaluation compliance, the company has carried out monitoring as stated in Work Basic Guidelines for Identification of Legislation and other Requirements no. document 04.01 / KOL / P / 034 dated 31 August 2018. In the letter the company is obliged to conduct routine evaluations every 6 months to contractors to ensure compliance with regulations (manpower, OHS and environment). As evidence that the evaluation is appropriate, the company shows evidence of compliance as a reference for evaluating the evaluation. As an example of compliance with relevant regulations for CV Aljuzira, such as List of workers for the period of June 2022 with a total of 26 workers, all of whom are over 18 years of age at the time of work.

2.1.3

Procedure of Land Title (HGU BPN) Poles monitoring is presented in document No. SPO 12.0 (Rev. 02) dated 02 January 2015,

that mentioned that monitoring shall be carried out every semester by Foreman 1 of Division, Division Staff, Legal Staff, Assistant and Unit Manager. The monitoring and maintenance were conducted every semester (last updated on July 2022). The auditor made field observations related to HGU No.78, 77, 76, 74, 73, and 93, it is known that the condition of the stakes is maintained and there is no indication of opening outside the limit.

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

Non-Conformity No. 2022.02

- The company has a Stakeholder List document which was shown at the time the audit assessment was carried out, where there were 5 partners/contractors who worked with the company in the past year. However, for a list of other third parties who cooperate with the company, such as labor service providers (PT Karyawan Nusantara Jaya), CPO/PK transporters (CV Wahana Adidaya Pertiwi), laboratory partners (PT Mutuagung Lestari), seed suppliers (PPKS), suppliers FFB (CV Doge Doge Star) and others have not been listed in the list of Stakeholders.
- Based on field visits, 3 third parties/contractors were found working in the field, such as PT Karyawan Nusantara Jaya (labor service provider), CV Aljuzira (FFB transport) and PT Gatlee Nusantara Mandiri (factory machine replacement and repair). The company can also show work agreements with PT Karyawan Nusantara Jaya (labor service provider) and CV Aljuzira (FFB transport), but for PT Gatlee Nusantara Mandiri it cannot be shown.

The company has not been able to prove that all third parties/contractors working with the company have been listed in the list of third parties/contractors along with work agreements that have been agreed upon by both parties.

2.2.2

Non-Conformity Rise to Major from RC Remote Audit No. 2020.02

- The results of a field visit to Afdeling 4 Block 2012 I found that there were 2 contractor workers (drivers) from CV Aljuzira who did not use PPE (boots and helmets) when working during loading activities. The results of the interview, the workers did not get PPE from the contractor since they first started working.
- The results of field visits to process activities in Pulu Raja POM found that there were 2 contractor workers smoking in the factory area and 1 worker not using PPE (safety shoes) at the Boiler Station. These workers come from PT Gatlee Nusantara Mandiri.
- There are results of monitoring the duties and responsibilities of vendors/contractors of PTPN IV – Pulu Raja Unit for PT Gatlee Nusantara Mandiri (August – September 2022), CV Aljuzira (January - September 2022) and PT Employee Nusantara Jaya (April – September 2022). Things that are assessed in the monitoring are the use of PPE, BPJS payments, minimum wage payments, SIO/SIM, child labor, forced labor and record assessment. From these points, the vendor/contractor has carried out all of them. However, the evidence from the monitoring results cannot be fully proven.
- There is evidence of BPJS Ketenagakerjaan payments for the August 2022 period for 26 CV Aljuzira workers on August 30 2022. However, from the list of paid workers there were no workers with the initials IFN working as CV Aljuzira drivers interviewed at Afdeling 4 Block 2012 I .
- Field visits found 3 third parties/contractors doing work in the field, such as PT Karyawan Nusantara Jaya (labor service provider), CV Aljuzira (FFB transport) and PT Gatlee Nusantara Mandiri (factory machine replacement and repair). The company can also show work agreements with PT Karyawan Nusantara Jaya (labor service provider) and CV Aljuzira (FFB transport), but for PT Gatlee Nusantara Mandiri it cannot be shown. In each cooperation agreement there are clauses related to compliance with laws and regulations such as employment, environment, code of ethics and others.
- The company does not yet have procedures related to monitoring/evaluating compliance with relevant regulations for vendors/contractors and a list of relevant regulations to be complied with by vendors/contractors.

The company has not been able to prove that all third parties/contractors that work with it have separate clauses related to fulfilling relevant legal obligations and can be proven by these third parties.

2.2.3

In each work agreement between the certification unit and the third parties, there are clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractor. Some of these obligations are related to disallowing

child, forced and trafficked labor to be employed by the third party (contractors, suppliers and transporters), and where young workers are employed, the contracts include a clause for their protection. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the third parties does / starts work.

The results of the interview with the contractor workers revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker worked. This is in accordance with the results of document verification to contractors (PT Karyawan Nusantara Jaya and CV Aljuzira) stating that no child laborers have worked up until now, there are no forced laborers / workers resulting from trafficking because all workers have understood the work agreement at the start of work and payment for the work is always equal.

The certification unit has proven that all contracts have clauses disallowing child, forced and trafficked labor to be employed by the third party, and where young workers are employed, the contracts include a clause for their protection.

2.2.1	Status: Non-Conformity No. 2022.02	
2.2.2	Status: Non-Conformity No. 2020.02 Minor Rise to Major	

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

2.3.1
During onsite assessment, the results of verification of documents such as weigh tickets, letters of introduction to fruit (SPB), basic info and interviews with management representative are known that direct FFBs supplier that enter the Pulu Raja Palm Oil Mill are sourced from own estates (Pulu Raja Estate), and other estate which managed by PTPN IV such as Ajamu, Tanah Itam Ulu and Berangir Estate. The company receives FFB directly from plantations which are also managed by PTPN IV as well as several collecting agents such as CV Edi Jaya, CV Doge Doge Star, PT Fortuna Alam Makmur. The supplier list is also equipped with information related to the location (coordinates) of the FFB source as well as legality information.

2.3.2
During onsite assessment, the results of verification of documents such as weigh tickets, letters of introduction to fruit (SPB), basic info and interviews with management representative are known that FFBs that enter the Pulu Raja Palm Oil Mill are sourced from third parties agent (CV Edi Jaya, CV Doge Doge Star, PT Fortuna Alam Makmur).

- From the results of the document review, the following evidence was found:
- The company shows records of FFB receipts for the period January 2021 to August 2022. In the recordings it is known that there are FFB originating from third parties such as: CV Edi Jaya, PT Fortuna Alam Makmur and CV Doge Doge Star.
 - Based on the results of public consultations with FFB suppliers on behalf of CV Edi Jaya, it is known that these suppliers also act as collectors of FFB from other parties.
 - The company has not been able to show evidence of further information related to FFB received by the collector as requested by indicator 2.3.1.

Based on that objective evidences, the company has not been able to show evidence of information for FFB obtained indirectly.

2.3.2	Status: Non-Conformity No. 2022.03	
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PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE

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

3.1.1
The company has shown the Long-Term Plan document for the 2020-2024 period of PTPN IV Pulu Raja Unit. m The document contains a projected area statement, projected production (FFB), oil (CPO), core (Kernel), plantation costs, factory costs, oil prices, core prices, revenues from oil sales and core sales, expenses (production costs) and profit/loss (revenue vs cost). For example some projections are shown in the table below:

DESCRIPTION	2020	2021	2022	2023	2024
FFB Production (ton)	82,441	93,543	100,188	98,773	99,348
CPO (ton)	19,951	22,637	24,346	24,101	24,241
PK (ton)	3,792	4,303	4,609	4,642	4,669
CPO Price (Rp/kg)	7,468	7,654	7,846	8,042	8,243

PK Price (Rp/kg)	5,720	5,863	6,010	6,160	6,314
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Based on the information from the document review that the Company has conducted regular evaluations to see the realization/achievement of the budget or activity plans that have been made. Evaluation is carried out regularly every month or every year. Monthly evaluation is contained in the Manager's Report every month. The annual evaluation is carried out through a management review meeting. The management review meeting was held on January 4, 2022. which discussed the results of the internal audit, evaluation of compliance, process performance, achievement of objectives and others.

3.1.2

Pulu Raja Estate has shown a projected replanting plan document for the next 5 years (2020 - 2024 period). The following table shows the planning for replanting activities at Pulu Raja Estate :

Plan activities	2020 (Ha)	2021 (Ha)	2022 (Ha)	2023 (Ha)	2024 (Ha)
Replanting	281.00	174.00	4.00	91.00	-

Based on the information from the results of the documentation review and the realization of the replanting plan, it is available at the management unit office. Documentation and replanting planning program for the 2020-2024 period, followed by the availability of seeds to be distributed. The types of seeds planned to be used are Socfindo and PPKS.

3.1.3

The certification unit has carried out regular evaluations to see the realization and achievement of the budget or activity plans that have been made. Evaluation is carried out regularly every month or every year. Monthly evaluation is contained in the Monthly Management Report every month. The annual evaluation is carried out through a management review meeting. The company showed the Minutes of the Management Review Meeting held on January 4, 2022, which was attended by the Plantation Manager Assistant Ka. Plants, MASKEP, HR/General and Security Assistant, PaPam, Technical Assistant, Engineering/Processing Assistant, PPD, Foreman, Crew.

The agenda for the Pulu Raja POM and Pulu Raja Estate management review meeting for the 2022 period, among others, discussed:

- Internal audit results,
- Customer feedback, process performance/product conformance,
- Environmental performance,
- Achievement of quality/environmental goals and objectives,
- Concern for the implementation of QMS and EMS
- Status of corrective and preventive actions,
- Changes that may affect QMS/EMS.

As for the results of the management review, one of which is the status of corrective actions, conducting prevention and monitoring according to the process, if there are still discrepancies in the performance process, immediately request for corrective and preventive actions, report to management.

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

Best Management Practice Aspect

The Company has implemented a commitment to continuous improvement, including:

- Biological control of oil palm leaf-eating caterpillars (UPDKS) by planting and maintaining (conserving) host plants for natural enemies of leaf-eating pests, such as Antigonon leptosus, Cassia cobanensis and Turnera subulata.
- The company provides house rinse and house washing equipment and spray PPE. This is in order to minimize chemical contamination of the environment and the company's strong commitment to the motto of going to work clean and coming home from work clean.
- Monitoring the quality of surface water sources by routinely monitoring the quality of river water per semester including upstream and downstream of the Asahan and Brombos rivers, monitoring well quality and monitoring the quality of liquid waste

in outlet ponds on a regular basis.

- The unit of certification re-uses palm oil waste such as empty fruit bunches, shells and fiber.
- Pulu Raja Estate unit does not use a limited pesticide containing Paraquat.

The company also showed the results of the Internal Audit for RSPO in 04-07 July 2022 and Internal Audit for Operational in 02-11 February 2022. The company also has an internal audit mechanism in order to implement the principles and criteria contained in the RSPO scheme. This is done to the certification unit internal and external (stakeholders and contractors). The internal audit that conducted by SPI and the RSPO internal audit, carried out annually covering all SPOs and all RSPO indicators.

3.2.2

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Based on team auditor's review, the information has been matched with others document, such as supply chain record, demographic workers, work accident, etc.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The Certification Unit already has SOP procedures regarding factories and plantations as set out in the Standard Operating Procedures (SPO) for Plants/Palm Oil Mills, Tea Plants/Factories, PPIS and Organic Compost Factory issued by PT. Perkebunan Nusantara IV in July 2007. The procedure is available in Indonesian and kept at both the plantation and mill offices, SPO is written in Indonesian and is stored in the Pulu Raja POM and Estate business units.

The document is in the form of Standard Operating Procedures (SPO) for Plants and company policies regarding:

- SPO for Oil Palm Plants (SPO 00 on Background):
About : regarding oil palm agribusiness in Indonesia, biological review of oil palm and oil palm agribusiness in Indonesia with an effective date of 01 August 2007
- SPO for Oil Palm Plants (SPO 01 on Land Development):
Regarding: regulates the Management of Development, HGU, Development Time Table, Design and mapping, Land Clearing, Land Preparation and Preservation, as well as Road and bridge construction with an effective date of 01 August 2007. In terms of land preparation and preservation, preservation standards are also regulated. sloping land are as follows:

Degrees	Percentage	Requirement
- 0-2 ^o	- 0-4	- No need for treads/terrace
- 2-6 ^o	- 4-10	- Tread the horse at a certain place
- 6-12 ^o	- 10-20	- Horse tread as needed
- 12-20 ^o	- 20-40	- Horse tread required – 1 plant following the contour
- 20-40 ^o	- >40%	- Terrace needed
- >40 ^o	- -	- Don't plant

- SOP for Oil Palm Plants (SPO 02 on New Plants)
About : regulates Replanting, Under Replanting, Peatland Management, Ground Cover Crops and Planting with effective date on August 1, 2007
- SOP for Oil Palm Plants (SPO 03 on Nurseries)
About: regulates the management of nurseries, pests in seedlings, and diseases in seedlings effective from August 1, 2007
- SPO for Oil Palm Plants (SPO 04 on Immature Plants)
Regarding: management of immature plants maintenance, fertilization of immature plants, weeding of immature plants, pests and diseases in immature plants, castration and sanitation in immature plants as well as aid pollination effective from 1 August 2007
- SOP for Oil Palm Plants (SPO 05 on Mature Crops)
About : regarding management of mature plants, maintenance of roads and bridges, fertilization of mature plants, fertilization organization, analysis of leaf and soil samples as well as instrument calibration effective from August 1, 2007
- SOP for Oil Palm Plants (SPO 06 on Harvest)
About: regulates harvest management which regulates harvest management, harvest supervision and fines, FFB transportation, harvest premiums, and cultivation technique factors that affect yields effective from August 1, 2007

The document is in the form of Standard Operating Procedures (SPO) for Palm Oil Mills and company policies regarding

- Palm Oil Mill SOP (SPO-01, Weighbridge)
About: regulating functions, machines/equipment, operating procedures, operating supervision and recording and control
- Palm Oil Mill SOP (SPO-02, Loading Ramp)
About: regulating functions, machines/equipment, operating procedures as well as sampling and analysis
- Palm Oil Mill SOP (SPO-03, Boiling Station)
About: regulating functions, machines/equipment and operating procedures
- Palm Oil Mill SOP (SPO-04 on threshing)
About: regulating functions, machines/equipment, operating procedures, recording processes and MPD analysis procedures
- Palm Oil Mill SOP (SPO-05, Empty Fruit Bunch Handling)
About regulating the functions and operating procedures
- Palm Oil Mill SOP (SPO-06, Press Station)
About: regulating functions, machines/equipment, operating procedures, and process supervision
- Palm Oil Mill SOP (SPO-07, Oil Processing and Refining)
About: regulating functions, machines/equipment, operating procedures and process observations
- Palm Oil Mill SOP (SPO-08, Oil Delivery Tank and Palm Kernel Delivery Storage)
About: regulating functions, machinery/equipment, production oil pipes, flow meters, filters and valves as well as shipping procedures
- Palm Oil Mill SPO (SPO-09, How to produce low ALB CPO; ALB <2.5 %, Super CPO/Golden CPO)
About: regulates functions, machines/equipment and operating procedures
- Palm Oil Mill SOP (SPO-10, Quality)
About: regulates the function, quality of FFB, quality of palm oil and quality of palm kernel
- Palm Oil Mill SOP (SPO-11, Laboratory Equipment and Regents)
About: contains goals and procedures
- Palm Oil Mill SOP (SPO-12, Treatment and Use of Analytical Scales)
About: regulates the functions and procedures for care and use
- Palm Oil Mill SOP (SPO-13, Security/Protection of Laboratory Equipment/Materials)
About: contains the objectives and procedures for handling chemicals, fire safety and first aid
- Palm Oil Mill SOP (SPO-14, Depericarater)
About: regulating functions, machines/equipment, operating procedures and recording processes
- Palm Oil Mill SOP (SPO-15, Seed Mill)
About: regulating functions, machines/equipment, operating procedures and process observations
- Palm Oil Mill SOP (SPO-16, Steam Boiler)
About: regulates functions, machines/equipment and operating procedures
- Palm Oil Mill SOP (SPO-17, Water Purification)
About: regulates functions, machines/equipment and operating procedures
- Palm Oil Mill SOP (SPO-18, Engine Room)
About: regulates functions, machines/equipment and operating procedures
- Palm Oil Mill SOP (SPO-19, PKS Electricity System)
About: regulates functions, machines/equipment and operating procedures
- Palm Oil Mill SOP (SPO-20, Workshop Machinery/Equipment)
About regulating functions, machines/equipment, operating procedures, recording processes and MPD analysis procedures
- Palm Oil Mill SOP (SPO-21, Liquid Waste Treatment)
About: regulating the functions and equipment of waste treatment

Based on information from interviews with estate and factory workers, it is known that workers have been able to explain / describe their duties and responsibilities in carrying out work activities according to the established SOP rules.

3.3.2

Based on information from the results of the document review, there is a mechanism to check the implementation of procedures consistently. Some examples include:

- Pulu Raja POM and Pulu Raja Estate certification units have an RSPO Internal Oversight Unit that conducts audits covering all plantation and mill operations. The Certification Unit has shown a record of corrective actions for non-compliance with the RSPO Internal Audit Report on 6-10 September 2022.
- The company also has an internal audit mechanism in order to apply the principles and criteria contained in the RSPO scheme. This is done to the company's internal and external companies (stakeholders and contractors).
- EWS detection checks and IPM census activities are carried out every month.
- Inspection of fire facilities including: Hydrant and fire extinguisher is carried out every month.
- Monitoring activities in the program activities of the Plan and Realization of fertilization and pesticide use for the 2022 period.
- The unit of certification has documented plantation operational reports such as daily reports, supervisors' workbooks, etc. Field visits to plantations showed that the unit had documented daily production report activities which were documented using a computerized reporting system.

In addition, the company also has an SOP which aims as a guide for companies in implementing, monitoring and evaluating agronomic and factory recommendations. Based on information from interviews and document reviews, the management unit provides a mechanism to check the consistency of the implementation of procedures. Each unit has documented the operational activities of the plantation and factory products such as daily reports, supervisors' workbooks, etc. The field visit to the factory shows that the unit has documented daily activities in daily production reports which are documented using a computerized system

3.3.3

The Certification Unit has carried out RSPO internal audit activities. For example, based on the internal audit of the RSPO in 2021/2022, it was found that there were 3 Findings of Major status, and 6 Findings of Minor status. When the RC-RSPO remote audit was carried out, it was discovered that all non-conformities had been met and records of non-conformities were shown.

The Certification Unit has shown a record of corrective actions for non-compliance with the RSPO Internal Audit Report on 6-10 September 2022, for example:

Non-compliance 2.1.2: There is a documented system in place to ensure legal compliance. The system has the means to track changes to applicable regulations, and includes lists and evidence of legal compliance evaluations by all contracted third parties, including: recruitment agencies, service providers and workers

Findings: Vendor evaluation only includes an assessment from a technical point of view, but does not include legal compliance that must be implemented, such as: payment of BPJS, provision of PPE, health checks for vendor workers who are in contact with pesticides.

Corrective/Preventive Actions to be taken:

Conduct vendor evaluations which include legal compliance that must be carried out by vendors, namely: BPJS payments, provision of wages according to conditions (UMR/UMP), provision of PPE, health checks for vendor workers who are in contact with pesticides

Based on the information from the document review and interviews with the management unit, that the company has recorded records of monitoring and follow-up carried out, maintained and available. There is a report on the Explanation of the Audit Results of Pulu Raja POM (Internal Supervisory Unit) on 6-10 June 2022 and Pulu Raja Estate on 13 -17 June 2022. The report explains the findings and explains the causes of the findings. The findings based on the Explanation of the SPI Audit Results include the following: POM performance; *PPIS* performance; FFB, Palm Oil and Palm Kernel Inspection; Operational Sector; Human Resources and General Finance. The document explains the reasons for the findings.

Related to performance for contractors, there are results of monitoring the duties and responsibilities of vendors/contractors of PTPN IV – Pulu Raja Unit for PT Gatlee Nusantara Mandiri (August – September 2022), CV Aljuzira (January - September 2022) and PT Employee Nusantara Jaya (April – September 2022). Things that are assessed in the monitoring are the use of PPE, BPJS payments, minimum wage payments, SIO/SIM, child labor, forced labor and record assessment. From these points, the vendor/contractor has carried out all of them. However, the evidence from the monitoring results cannot be fully proven (become NC on 2.2.2).

	Status: Comply	
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3.4

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

operations.**3.4.1**

Company has conducting environmental impact assessment for oil palm plantation and processing which endorsed by the Minister of Agriculture as presented in Minister Decree No. RC 220/275/B/III/1994 dated February 9th 1994. Company has also conducted Environment Management and Monitoring Plan study (RKL/RPL) in 2006 which carried out by consultant namely PT Emesi Konsultan which endorsed by Environment and Tourism Agency of Asahan District on 21 September 2006, as presented in letter No. 001/IX/AS/RKL-RPL/2006. Scope of area were plantation for 4,636 ha and palm oil mill with capacity of 30 tonFFB/hours. Environmental assessment study has recommended several management and monitoring plan which obliged to be conducted by company. Besides, company has social impact assessment which was conducted in July 2009 in collaboration with PT Surveyor Indonesia involving local communities. In this document is described positive and negative effects as a result of a credible form of plantations in both operational and social impact management recommendations by the company.

Both environmental impact assessment and social impact assessment have been done by the participation of stakeholders. PTPN IV Pulu Raja was carried out replanting in 2011. Prior to the implementation of replanting, company has conducted socialization to the village heads who were in the fields, invited directly to the location of replanting, there are some things presented by Integration to the village head, among others: Socialize that will be replanted, farm animals from entering the site and to keep each other replanting the area.

3.4.2

Company has managed and monitored social and environmental impacts that are carried out independently by involving affected stakeholders. Some evidence of documentation of activities that have been carried out are as follows:

Social Impact Assessment (SIA)

Social monitoring and management plan included The Social Impact Assessment conducted in July 2009. Based on document verification, management and monitoring plan social impact that the company has implemented based on participatory results with affected parties. The program has included an issues management schedule and PIC. Social and environmental management and monitoring plan has been developed with the participation of affected stakeholders. The form of stakeholder involvement is through discussions and interviews. There is recorded evidence in the form of the attendance list of activities public hearing in July 2009. Based on the interviews with the surrounding community, relevant agencies, and internal stakeholders, the company has identified and managed environmental and social impacts such as public and social facility, employment opportunities as well as business opportunity and education improvements. During the audit, the company has shown a document of social impact management and monitoring plan activities for the period 2021-2022. Based on the results of field visits and external stakeholder interviews related to the management of social impacts carried out by the company for 2021, it can also be concluded that there are no issues related to the social effects that the company has not identified. All potential social impacts have been managed and included in the management plan.

Environmental Impact Assessment (EIA)

Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report (RKL-RPL) report for PT Perkebunan Nusantara IV Pulu Raja Business Unit. Company is consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly. This is one of effort of the company to develop its management and monitoring plan by participatory manner with affected party. This report described the realization of monitoring and management of the environment in accordance with environmental parameters in monitoring and management implementation report (RKL-RPL) report based on document verification Second Semester 2021 and First Semester 2022.

The significant impacts that are managed and monitored based on company's environmental management and monitoring plan. Company has management and monitoring plan which is contained in environmental management include: erosion management and monitoring; surface water management and monitoring; ground water (wells) quality management and monitoring; air quality and odor management and monitoring; water biota management and monitoring; opportunity of employment for locals; community income; public facility and social; community fidgetiness; community perception and attitude; health community monitoring; disturbance of land use for oil palm planting; social fidgetiness; and waste management. Results of monitoring are listed on regular environmental management and monitoring report which is in accordance with management and monitoring plan in environmental impact assessment document. For examples, implementation report of second semester of 2021 which has been delivered to Environmental Agency of Asahan Regency and Environmental Agency of Sumatera Utara on 2 March 2022 and 17 March 2022

respectively, and Environmental Ministry through environmental electronic reporting system (*SIMPEL*) with ID number of 1649046095-2164. Besides, implementation report of first semester of 2022 which has been delivered to Environmental Agency of Asahan Regency on 31 August 2022 respectively, and Environmental Agency of Sumatera Utara Environmental Ministry through environmental electronic reporting system (*SIMPEL*) with ID number of 1660015496-2164.

Besides, company has also evidence of implementing environmental and social impact management and monitoring plan, reviewed and updated in a participatory manner. Participants for SIA adequate compare to their operational activities. This can be shown based on results of stakeholder questionnaires document regarding management and monitoring of social and environmental impacts review in 2022, which was carried out on 5 January 2022, to internal stakeholders, including gender committee, labor union and worker cooperative, and also surrounding community such as Villages of Manis, Pulau Rakyat Pekan, Baru, Labojiur, Aek Loba, Aek Nagaga Plantation, Tunggul 45, Ofa Padang Mahondang, Persatuan, Bangun, Padang Mahondang, Orika. Based on this document, the implementation of monitoring and management of social and environmental impacts have been reviewed.

3.4.3

Company has made efforts to implement the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, company also periodically updates the administration in a participatory manner. Some documentary evidence of the actions that have been made are as follows:

Social Impact Assessment (SIA)

Company has shown evidence of implementing the social impact management plan, reviewed and updated in a participatory manner. Based on results of stakeholder questionnaires document regarding management and monitoring of social and environmental impacts review in 2022, which was carried out on 5 January 2022, to internal stakeholders, including gender committee, labor union and worker cooperative, and also surrounding community such as Villages of Manis, Pulau Rakyat Pekan, Baru, Labojiur, Aek Loba, Aek Nagaga Plantation, Tunggul 45, Ofa Padang Mahondang, Persatuan, Bangun, Padang Mahondang, Orika. Based on this document, the implementation of monitoring and management of social and environmental impacts have been reviewed.

Environmental Impact Assessment (EIA)

Company involves Environment Service and the Ministry of Environment and Forestry to monitor the results of environmental management by presenting Management and Monitoring (RKL-RPL) reports and other environmental management documents that are sent every certain period, which can be proven in indicator 3.4.2. Company also does not block access to all environmental agencies if they carry out field verification in their management areas. It aims to obtain advice and advice in carrying out environmental management by the vision, mission, and government programs so that they can run synergistically. Monitoring and updating related to environmental impact management are also carried out in conjunction with an evaluation of HCV management described in more detail in indicator 7.12.4. However, in general, all recommendations from the assessment of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

Based on the verification results of the Management and Monitoring (RKL-RPL) Implementation Report document for Second Semester of 2021 and First Semester of 2022, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. Several things can be concluded from the results of the review of the RKL-RPL document for Second Semester of 2021 and First Semester of 2022, including erosion management and monitoring; surface water management and monitoring; ground water (wells) quality management and monitoring; air quality and odor management and monitoring; water biota management and monitoring; opportunity of employment for locals; community income; public facility and social; community fidgetiness; community perception and attitude; health community monitoring; disturbance of land use for oil palm planting; and social fidgetiness. Based on document review result of those documents, all environmental parameters have met quality standards set out in the applicable regulations, such as air quality and odor, as well as water surface quality.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labour Agreement written in Bahasa (has been ratified by Manpower Agency of Sumatera Utara Province with Decree No. 568/20-6/DTK/II/2022 in 19 January 2022 and valid until 31 December 2023).

In general, these procedures describe:

- Recruitment of workers is based on needs and adjusted to the ability of the company.
- The age of the prospective worker is a minimum of 18 years at the time of recruitment of workers.
- Recruitment of workers is based on the ability, expertise and assessment of prospective workers.
- The company is authorized to carry out the placement, transfer and promotion of workers in accordance with applicable regulations.
- Termination of employment can occur when a worker retires, dies, resigns, and terminates an employment agreement due to a serious violation and others.

In addition to being publicly listed in Collective Labour Agreement, the certification unit has other procedures in the form of Policies, SOP, Internal Memorandums and others related to recruitment, transfer, promotion, retirement, termination of employment and others. These procedures have been documented to all workers and their representatives. One of the socializations given to workers was related to Company Policies and Regulations in 07 July 2022 which was attended by all workers on muster morning. For example, some procedures that are owned by the company include:

- The recruitment procedure is based on the workforce requirements according to the company's organizational development.
- The procedure for the appointment of employees listed in article 13
- Mechanism for promotion is described in articles 15 and 16
- The payroll system is listed in article 32 which states that the employee's payroll system is stated in categories.
- Retirement mentioned in chapter XII

The certification unit did not have workers with contract status for daily worker (BHL), the current employee status is contract workers (PKWT), permanent workers and Staff. All the rights for each employment status have been distinguished. Based on the results of interviews with workers in the estate and mill units and representatives of the worker union, it is known that the workers have understood the recruitment, selection, promotion and other employment procedures contained in the Collective Labour Agreement and in other procedures.

Related to the Day Laborers/Casual Workers

Based on the results of verification of employment documents and interviews with workers and management, it is known that currently there are only 3 statuses of workers working in the company, namely:

- Permanent workers are workers who have become permanent workers in accordance with the Decree of the Board of Directors of PTPN IV for the Appointment of Permanent Workers. Where workers with this status are divided into 2, namely Implementing Workers (Karpel) and Leadership Workers (Karpim).
- Contract workers (PKWT), are workers employed by the company on a contract basis for a certain period of time and only for harvest work. (this has become a non-compliance with indicator 6.2.7)
- Contractor workers are workers employed by contractors in collaboration with the company for operational activities in plantations and factories such as FFB transportation, plant maintenance and others.

For Day Laborers/Casual Workers, it is no longer used by the company and was not found during field observations, interviews or document verification. This is because the company only has 3 status workers at this time as described above. The last use of daily worker/casual worker based on information from previous reports and information from management was at the end of 2019, when entering 2020-2022 the company no longer used it.

From this explanation it can be concluded that the certification unit has procedures for recruitment, selection, employment, promotion, retirement and termination of employment must be documented / available to workers and their representatives in accordance with applicable laws and regulations.

3.5.2

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

- Work Agreement Letter No. PUR/S.Perj/16/VIII/2022 dated 01 July 2022 between the company and workers (NGD) for harvesting work activities for 3 months (01 August until 31 October 2022). Where in the agreement explains the rules, scope, type of work, wages, social security, health insurance and others. The agreement has also been held by each party with the

same legal force.

- Promotion of workers with NIK 406808003 (clerk) from group ID/06 to IIA/00 in accordance with the Decree of the Senior Executive Vice President (SEVP) of PT Perkebunan Nusantara IV No. 04.07/Kpts/R/19/III/2022 dated March 31, 2022. This is based on the results of the assessment of the work performance of class 1A-IID employees for the period 2021 according to Memo No. 04.07/Kpts/R/19/III/2022 dated March 31, 2022. 04.07/KOL/eM-26/I/2022 dated 04 January 2022.
- Promotion of workers with NIK 406804001 (clerk) from group ID/06 to IIA/00 in accordance with the Decree of the Senior Executive Vice President (SEVP) of PT Perkebunan Nusantara IV No. 04.07/Kpts/R/19/III/2022 dated March 31, 2022. This is based on the results of the assessment of the work performance of class 1A-IID employees for the period 2021 according to Memo No. 04.07/Kpts/R/19/III/2022 dated March 31, 2022. 04.07/KOL/eM-26/I/2022 dated 04 January 2022.
- Appointment of workers with NIK 4024298 (harvester) from contract workers (PKWT) to permanent workers in accordance with the Decree of the Board of Directors of PT Perkebunan Nusantara IV No. 04.11/Kpts/R/05/I/2020 dated January 30, 2020 regarding the Appointment of Group IA-IID Employees. This is based on the acceptance process that has been completed, namely from the stage of submitting a job application letter, selection process, announcement of selection results, medical check-up results until passing a probationary period of 3 months. The company has been able to show the supporting documents in accordance with the procedures they have.
- Appointment of workers with NIK 4024300 (harvester) from contract workers (PKWT) to permanent workers in accordance with the Decree of the Board of Directors of PT Perkebunan Nusantara IV No. 04.11/Kpts/R/05/I/2020 dated January 30, 2020 regarding the Appointment of Group IA-IID Employees. This is based on the acceptance process that has been completed, namely from the stage of submitting a job application letter, selection process, announcement of selection results, medical check-up results until passing a probationary period of 3 months. The company has been able to show the supporting documents in accordance with the procedures they have.
- Letter No. PUR/X/116/VII/2022 dated 04 July 2022 regarding Retirement Employees with NIK 4016631 (upkeep worker) who has worked since 01 April 1996 and has retired on 01 August 2022. The company can show complete documents for pension management starting from the pension application, employment documents (ID Card, Family Card and others), proof of account management for pension payments and others.

The results of interviews with workers (harvesting, spraying and mill operators) in note that the certification unit has carried out labor procedures starting from recruitment, selection, acceptance, promotion and retirement procedures in accordance with existing regulations, as well as all the application is assessed in accordance with the abilities and competencies of the employees. For example, workers who initially entered were selected before being accepted, workers who received promotion / class promotion had received an assessment from their superiors and workers who retired received all their rights as retirees. During January until August 2022 there were no labor issues that occurred at certification unit, this was in accordance by the results of consultations with the workers union, the Manpower Agency of Asahan Regency which stated that the application of existing labor procedures certification unit is in accordance with the regulations and since January 2022 until now there have been no labor issues.

Based on the description above, it can be concluded that the certification unit already has labor procedures implemented and records are maintained for each worker.

Status: Comply

3.6

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

3.6.1

Certification Unit has a Risk Management Document (HIRAC) for the Mill which is prepared by the Risk Management Team and approved by the Pulu Raja Plantation/Factory Manager. The document describes the activities at each station, the risks, dangers, and control measures ranging from water treatment, empty bunch hoppers, laboratories, weighbridges, loading ramps, workshops, electrical workshops, sterilizer stations, factory stations. ore, clarification station, crane hoisting station, sewage pond, chain station, press station, steam boiler station engine room and others. The document was completed revised on January 5, 2022.

The Company already has a Risk Management document that is documented and approved by the management unit including:

- Risk Management for plantations prepared by the Risk Management Team and approved by the Pulu Raja Plantation/Factory Manager. The document describes the activities of harvesting FFB, harvesting FFB under electricity poles, procurement of fertilizer warehouses, loading and unloading of FFB, shoots, maintenance of waterways, etc. The document was completed revised on January 5, 2022.
- Risk Management for Mills prepared by the Risk Management Team and approved by the Pulu Raja POM Manager on January

3, 2022. Some examples of risk management documents include, among others, explaining the activities of receiving fruit from the weighbridge, sorting, processing FFB at the loading ramp, sterilizer, boilers, engine rooms, workshops, and others. SOP for Accident First Aid and SOP for Personal Protective Equipment. In addition, the company has also prepared OHS Committee programs, such as routine OHS Committee meetings, HIRAC evaluations, employee MCU periodicals, FR/SR work accident data, OHS Committee quarterly reporting and others.

The company monitors the effectiveness and mitigation plan of the OHS plan to handle OHS risks in people, which are shown OHS program 2022 issued by Estate/Mill Manager. The program consists of regulation compliance, medical check, monitoring of program implementation and reporting, training, and socialization, and inspection.

NC 2022.4

The Company has HIRAC Documents for plantations which were ratified on January 5, 2022 and HIRAC Documents for mills which were ratified on January 3, 2022 which were prepared by the Risk Management Team and approved by the Plantation/Mill Manager. In the HIRAC document, the company has not identified the hazards and risks of several activities (but not limited to) as follows:

- Circle Path Spraying activity.
- Passing FFB to collection area using motorbikes/along-along as a means of passing FFB which can cause an accident risk to employees
- Pump house activities in the WTP area that cause noise from the engine sound which results in an OHS risk to the machine operator.
- Monitoring activities for HGU stakes
- Patrol activities to safeguard company assets
- Monitoring activities for potential HCV areas and flora and fauna
- Replanting activities
- Etc

Based on the explanation above, it is concluded that the company has not been able to show evidence that all operational activities in the field have been assessed for risk to identify OHS problems.

3.6.2

The company has also demonstrated SIO OHS license monitoring, such as:

- Have a class I welder training certificate No. S.457/BBLKI-MDN/XII/2010 dated 20 December 2010
- Have a OHS license for power and production aircraft operators, for example:
 - Power and production aircraft operator license No. 7849/PM/PTP/X/2019 dated 18 October 2019 and valid until 18 October 2024
 - Power and production aircraft operator license No. 7847/PM/PTP/X/2019 dated 18 October 2019 and valid until 18 October 2024
- Has a OHS license for pressure vessel and storage tank officers. For example :
 - License No. 286/PK3/D-A/12/IX/2019/PO dated 23 September 2019 and valid until 23 September 2024
 - License No. 285/PK3/D-A/12/IX/2019/PO dated 23 September 2019 and valid until 23 September 2024
- Have a certificate & license for a steam aircraft OHS operator, for example:
 - Class I Steam aircraft operator license No. reg 13644.OPK3-PUBT-B.II/2018 dated 12 September 2018 and valid until 12 September 2023.
 - Class I Steam aircraft operator license No. reg 13642.OPK3-PUBT-B.II/2018 dated 12 September 2018 and valid until 12 September 2023.
 - Class I Steam aircraft operator license No. reg 13649.OPK3-PUBT-B.II/2018 dated 12 September 2018 and valid until 12 September 2023.
 - Class I Steam aircraft operator license No. reg 12234.OPK3-PUBT-B.II/2017 dated December 29, 2017 and valid until December 29, 2022.
 - Class II Steam aircraft operator license No. reg 13.5288.OPK3-PUBT-B.II/IV/2019 dated 30 April 2019 and valid until 30 April 2024.
 - Class II Steam aircraft operator license No. reg 13.5289.OPK3-PUBT-B.II/IV/2019 dated 30 April 2019 and valid until 30 April 2024.

The company also regularly conducts P2K3 meetings every month, for example: P2K3 Meetings for the 2022 period on August 8, 2022. The company has also submitted P2K3 Reports to relevant agencies, for example the P2K3 Report for the 2nd quarter of 2021 submitted to the UPT supervision of the Manpower Office on July 14, 2022.

NC 2022.5

Evidence observed:

- The company showed the documents of 7 first licensed first aid officers, for example in the name of Suryadi (Authority card number: Ser.27//PK3-P3K/X/2018, 20 September 2018). The company already has a first aid officer who already has a first aid certificate & license, for example:
 - Certificate No. Ser.6193/PK3-P3K/X/2018 license expires until September 2021
 - Certificate No. Ser.8161/PK3-P3K/X/2018 license expires until September 2021
 - Certificate No. Ser.8195/PK3-P3K/X/2018 license expires until September 2021
 - Certificate No. Ser.8196/PK3-P3K/X/2018 license expires until September 2021
- The company has not been able to show proof of the first aid officer's license renewal document whose license has expired in September 2021.
- During the field visit, there was a hosting crane operator who did not have a hosting crane operator license with the initials M.A. the company showed a training plan letter for hosting crane operator staff on November 29, 2021. However, until September 2022 no training has been carried out to have a hosting crane operator certificate and license.
- However, the company has not been able to demonstrate the effectiveness of the OHS plan/program, such as monitoring the condition of factory machines, inspections on the application of PPE, extension/training programs related to OHS competency obligations for workers, as well as periodic and special health check programs.

Based on the explanation above, it is concluded that the company has not been able to show evidence regarding the monitoring of the effectiveness of the OHS plan to handle OHS risks in people.

3.6.1	Status: Nonconformity No. 2022.4 with Major category	
3.6.2	Status: Nonconformity No. 2022.5 with Major category	

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

3.7.1 & 3.7.2

Certification unit has training identification and program for workers for period of 2021/2022 which was made based on the training needs of the workers during the period and was approved by the Unit Manager on 31 December 2021. The aspect in the training program are such as environment, labor best management practice aspect, and others. Some of training program, namely:

- Foreman's Functions and Duties
- Plant Protection Management
- Functions and Duties of DSS Officers (Documents System and Certification)
- Understanding the Use of SAP System (System Analysis and Product)

In addition, the certification unit has an identification and training program for relevant stakeholders (contractors and local communities). These programs include the following:

- Socialization of company policies such as code of conduct, human rights, no child worker and others.
- Training for best practices to smallholders.
- Training for OHS and PPE.

The certification unit has properly documented every training activity and socialization that has been carried out to workers and related stakeholders. The following is an example of training/socialization documentation that has been carried out during 2022, namely:

- Socialization of Collective Labour Agreement and Company Policies to workers on 21 March 2022 conducted by SPBUN management and company representatives.
- Socialization of company policies such as sustainability, human rights, environment and others on 8 July 2022 which was attended by 8 participants from contractors.
- Socialization of CLA (Collective Labour Agreement) and company policies to workers on 07 July 2022 which was attended by 18 participants.

- Socialization related to gender policies to workers and residents of housing on 08 August 2022 which was carried out in conjunction with housing hygiene inspection activities by the Gender Committee management.
- Socialization of company policies such as sustainability, human rights, environment and others on 8 June 2022 which was attended by 18 participants from related stakeholder (contractors and surrounding communities).

Based on field observations and interviews with workers (harvesters, pesticide applicators and mill operators), it is known that workers have understood their work in accordance with the procedures set by the company and their understanding of the duties and responsibilities for each job has been carried out quite well, because the certification unit has routinely conducted training every year according to the type of work each. Meanwhile, the results of interviews with representatives of contractors, contractor workers in field and the surrounding community revealed that they had received routine socialization related to company policies, code of conduct, PPE, communication procedures and complaints were routinely provided by the certification unit which causes stakeholders to understand the procedures and work methods that already exist in the certification unit operational area.

Based on the explanation above, it can be concluded that the certification unit has an identification and training program for all workers including stakeholders (contractors, suppliers, local communities and smallholders) related to the RSPO P&C and all of them have been well documented.

3.7.3

During onsite assessment, the certification unit has shown latest training records related to the RSPO SCCS on 17 February 2022 and was attended by 8 employees including weigh operators, laboratory staff, dispatch crew, sorting employees to security staff.

The auditors also conducted direct interviews with these employees, and the employees claimed to have attended training related to SCCS and were able to demonstrate the SCCS procedures.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

Pulu Raja POM is used SCC Module E (Mass Balance) its supply based from certified and non-certified FFB (Group plantation PTPN IV).

Based on surveillance-1.1 assessment, there's no changed information related to SCCS scheme module on Pulu POM (Mass Balance).

3.8.3.

During onsite assessment, estimates of CPO and PK produced by Pulu Raja Palm Oil obtained from the projection based on actual data before audit activities, here's the detail:

	Last Year Projected Certified Volume (MT) (20 February 2021 – 19 October 2022)	Actual certified volume (September 2021 – October 2022) (MT)	Estimation for the next 12 months
FFB Processed	137,111	138,250	104,200
CPO Production	31,733	31,260	22,900
PK Production	5,369	5,368	3,750

3.8.4.

Pulu Raja POM - PT Perkebunan Nusantara IV has registered in RSPO membership 1-0082-09-000-00 since 29 June 2009.

Pulu Raja POM has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Pulu Raja Palm Oil Mill
- Member ID: RSPO_PO 1000002335.
- License ID: CB93654

Based on onsite assessment, there's no changed information related to RSPO Membership on Pulu Raja POM.

3.8.5.

Based on onsite assessment, there's no changed information related to Supply Chain Procedures on No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 March 2020. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to latest RSPO SCCS (RSPO Supply Chain Certification Standard on 1 February 2020). This procedure includes delivery of certified FFB from the estate to receipt of certified FFB at Mill, delivery of certified CPO / PK from mill and others.

The procedure also describe each personnel in charge:

- Field assistant managed certified FFB in estate.
- Mill manager registered mill in RSPO IT platform and documented book keeping.
- Weighbridge operator recapitulated amount of FFB received from certified/non-certified area.
- Staff of planning and strategic department monitored a certification period and quota.

3.8.6.

Based on onsite assessment, documents of supply chain procedures for Mass Balance models No. document 04.03/UNIT/SUS/P/001 dated 1 Augustus 2018, revised 1 March 2020 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit is done annually. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements.

During assessment, the latest internal audit was held on 4 to 6 April 2022 for all business unit and there is 4 nonconformity related to supply chain indicators. All non-conformities has been closed before onsite assessment done.

Based on the results of the verification of the recording of the management meeting review held on 9 July, 2022, one of the discussions is related to the implementation of SCCS, which will always be reviewed every month related to mass balance.

3.8.7.

The unit of certification has basic guidance and work instruction of PTPN IV regarding Certified Palm Oil Product Handling (document number 04.03/KS/SUS/P/001 revised dated on March 1, 2020. This procedure has covered the implementation of certified and non-certified handling, personnel in charge, book keeping and announce and confirm trades in the RSPO IT platform etc.

Personnel in charge:

- Field assistant managed certified FFB in estate.
- Mill manager registered mill in RSPO IT platform and documented book keeping.
- Weighbridge operator recapitulated amount of FFB received from certified/non-certified area.
- Staff of planning and strategic department monitored a certification period and quota.

The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance

with supply chain requirements including responsibilities of each key personnel involved, handling of FFB certified, receiving FFB certified at Mill, handling of CPO, CSPK, CSPO & CSPK delivery, monitoring stock of CSPO & CSPK, record keeping, control of CSPO, CSPK, CSPK & CSPK (Certified Products) not appropriate, RSPO IT Platform, traceability, market communication and claim.

Based on document verification on latest assessment, here's the detail of FFB receipt record:

	FFB (MT)
Certified Sources	138,250.87
Uncertified Sources	41,100.74

The company has submitted an additional quota for certified products to Certification Bodies on September 20, 2022 regarding excess production from the existing quota.

3.8.8.

During onsite assessment, unit management shows the receipt of submission of CSPO and CSPK which informs, such as: The name and address of the buyer; The name and address of the seller; Shipment / delivery date; A description of the product RSPO certified MB model; The date on which the documents were issued; And the quantity of the products delivered (weighbridge record).

The company shows documentation of certified products, such as sales contracts, shipping announcements, delivery orders, etc. These documents describe the names and contacts of the buyers and sellers, delivery dates, product descriptions, quality, quantity, member ID, and others. For examples: Product delivery record No. 04 05/PUR/MS/132/II/2022I for CSPO, unique number (23*****), Driver name (Initial FJS), product specification (FFA 2.91%), buyer name (PT Musimas), address of buyer, shipping date on 27 January 2022, volume as amount as 27.94 MT and stamped of RSPO Certified MB.

3.8.9 & 3.8.10.

Pulu Raja mill shows the contractors CLA for CPO transporters for 2021/2022 period, such as:

No	Transporter name	Type	Address	Contract number
1	PT Wahana Adidaya Pratiwi	CPO transporter	Jalan Putri Merak Jingga/Gudang No. 2-A Kota Medan	04.05/S.Perj/Pem/02/II/2022
2	CV Karya Mandiri	PK transporter	Dusun I Blok II No. 3B Desa Sei Rampah Kec. Sei Rampah Kab. Serdang Bedagai	04.05- Peng/S.perj/02/II/2022

During onsite assessment, there's no new contractor who handled certified product. The contractor's agreement period valid thru December 31th, 2022, for examples namely CV Karya Mandiri with agreement document No.: 04.05-Peng/S.perj/02/II/2022. Based on the document verification, it informs that the contractor is willing to be audited at any time by an independent certification body.

3.8.11.

Based on interview with management representative, its known there were no new contractors.

3.8.12.

During onsite assessment, Pulu Raja Palm Oil Mill has record of all CSPO and CSPK, as well as presented in the table bellows:

Crude Palm Oil

September 2021 – August 2022	RSPO Certified	Non Certified	Certified (Physical)	Other Scheme	Conventional
Opening	692.60	-	-	-	-
Total (MT)	32,260.62	6,635.16	7,579.77	-	24,500.22

Based on those records, there's CSPO had been sold as physical as amount as 7,579 MT. There's no CSPO sold as other scheme.

Palm Kernel

September 2021 – August 2022	RSPO Certified	Non Certified	Certified (Physical)	Other Scheme	Conventional
Opening	384.71	-	-	-	-
Total (MT)	5,183.50	1,654.04	4,075.91	-	1,145.92

Based on those records, there's CSPK had been sold as physical as amount as 4,075 MT. There's no CSPK sold as other scheme

The company has coordinated with the sales (marketing department) in showing sales record data for certified products, where the recorded sales balance is in accordance with sales department data.

3.8.13 & 3.8.14.

Pulu Raja POM has performed FFB processing to produce CPO and PK only. Conversion factors are based on total processing extraction, through average of all FFB processed.

3.8.15.

Pulu Raja Mill has only implemented RSPO mass balance supply chain system. Separation has only conducted through administrative recording.

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

3.8.16.

During onsite assessment, whole transaction of CSPO/CSPK has been declared in RSPO IT Platform. For examples:

- CSPK volume sold as physical as amount as 4,005.01 ton.
- CSPO volume sold as physical as amount as 9,250 ton.
- CSPO volume sold as credits as amount as 5,000 ton.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example in 14 March 2022, where there was a sale of 500 ton of CSPO with details of 19 recordings of weighing cards on that date to PT Musimas, and this was in accordance with the transactions made at RSPO Palmtrace. Where, the shipping announcement was made on 14 March 2022 and confirmed by the recipient on 18 March 2022.

Regarding consistency in previous reviews, the company has made transactions no more than 3 months. Regarding conventional sales, the company sells on credit the existing product balances (does not remove).

3.8.17

Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.

Based on management representative interview and document review, the mill not use trademark on its sales activities and communication.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1 & 4.1.2

A human rights policy document that defines basic human rights, including reproductive rights, privacy rights, women's rights and children's rights. Issued on 2 January 2015. The policy describes respecting human rights and respecting race, nation, culture, religion and without forced labor, ensuring that all employees receive fair remuneration, fair management and opportunities to develop careers. The company has socialized this policy to all workers and contractor on each unit. In addition, the policy explicitly states that the company has a commitment to safeguard human rights and prohibits retaliation against Human Rights Defenders (HRD).

The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and mill. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit. This policy has been socialized to surrounding community in 08 June 2022, for examples socialization of all company policies, code of ethics, communication procedures and complaint handling.

Based on the results of interviews with community representatives, it is known that so far from 2021 until now (August 2022) there has never been any intimidation/act of violence committed by the certification unit against workers, communities, contractors, or other parties who cooperate with the company. If there is a problem, usually the unit of certification will negotiate in a good manner and without resorting to violence. This is in line with the results of interviews with representatives of the workers union and gender committee who stated that there had never been any incidents or issues related to human rights violations that occurred in the certification unit operational areas.

Based on the explanation above, during the past year there were no issues / incidents of human rights violations that occurred in the vicinity or the operational area of the certification unit so that there were no acts of intimidation / violence carried out by the certification unit including contracted services such as security services that were contracted and others.

Status: Comply

4.2

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

4.2.1; 4.2.2; & 4.2.3

There are no changes related documented system for dealing with complaints and grievance. Company has Procedure for conflicts, complaints, grievance has been maintained and contained in documents as follows:

- SOP for Internal Communication and Handling of Employee Complaints (No. 19 Rev. 2, effective from 02 January 2015). The procedure states that employee complaints are submitted verbally and in writing to the Labor Union. Then the Labor Union Management examines the problem being complained of and as far as possible the problem is resolved at the Labor Union level.
- SOP for Handling Customer and Environmental Complaints (No. 13 Rev. 01 dated January 2, 2015). Includes complaints from customers and the surrounding environment received by the head office, complaints received by business units, handling of social unrest in the community, securing demonstrations at the head office. A flow chart is available.

Based on the results of the review of the list of documents for incoming and outgoing letters in 2022 (January-August), it is known that, there is no complaint submitted by the relevant stakeholders to the certification unit. This is evidenced by the logbook in 2022 (January-August) there has been no letter of grievance and complaint submitted by stakeholders during the period. This document

in accordance with statements from stakeholders interviewed when the audit was carried out, with the Agencies in Asahan Regency, representatives of the surrounding village communities and contractors who collaborated with the certification unit stating that they had never sent a letter for complaint to certification unit.

Based on an interview with the Surrounding Village Representative (Bangun Village), it was found that the certification unit had conducted socialization to the Village regarding the mechanism for submitting complaint to the certification unit. If there is a submitting complaint, the village will send a letter or tell the complaint to the certification unit and the response of the request will be provided by the certification unit. In accordance with this explanation, the certification unit already has a record of complaint and there is no existing complaint. Certification unit have person that served as communicators between the company and community so that people who cannot read / write can be informed by the related communicators. In order to conduct consultation and communication with the community, a delegation is appointed with the given authority (in this case, public relation staff for internal/external parties).

Based on this explanation, it can be concluded that the certification unit has procedures/communication systems, complaints and conflict resolutions available for all affected parties, can resolve disputes effectively, in a timely and appropriate manner, and ensure the protection of the identity (anonymity) of the complainant, human rights defenders, community representatives, whistleblowers, if requested, as long as the report is supported by sufficient preliminary evidence. In addition, if the resolution is not found mutually, the complainant can continue the complaint to RSPO through the RSPO Complaints System, and this has been known to the parties interviewed (because the company has informed them).

This system ensures there is no risk of retaliation or intimidation, and follows the RSPO policy of respect for human rights and it can be concluded that the certification unit has procedures to ensure the system is understood by affected parties, including those who cannot read and write that are well documented. In addition, if no resolution is found to resolve it, the complainant can submit a complaint through the RSPO Complaints System.

4.2.4

Based on the results of the review of the list of documents for incoming and outgoing letters in 2022 (January-August), it is known that, there is no complaint submitted by the relevant stakeholders to the certification unit. This is evidenced by the logbook in 2022 (January-August) there has been no letter of grievance and complaint submitted by stakeholders during the period. This document in accordance with statements from stakeholders interviewed when the audit was carried out, with the Agencies in Asahan Regency, representatives of the surrounding village communities and contractors who collaborated with the certification unit stating that they had never sent a letter for complaint to certification unit.

Based on an interview with the Surrounding Village Representative, it was found that the certification unit had conducted socialization to the Village regarding the mechanism for submitting complaint to the certification unit. If there is a submitting complaint, the village will send a letter or tell the complaint to the certification unit and the response of the request will be provided by the certification unit. In accordance with this explanation, the certification unit already has a record of complaint and there is no existing complaint. Certification unit have person that served as communicators between the company and community so that people who cannot read / write can be informed by the related communicators. In order to conduct consultation and communication with the community, a delegation is appointed with the given authority (in this case, public relation staff for internal/external parties).

In Indonesia, giving freedom to the reporting party to obtain legal and technical assistance from an independent party is allowed and there is none regulation/procedure in certification unit that forbids it. This was further strengthened by the results of interviews with surrounding village which stated that when if their residents had disputes or land claims to the certification unit, the community was given the freedom to ask for legal and technical assistance from independent parties such as lawyers and other parties to manage this matter. This proves that the certification unit in general has carried out its procedures to give the reporting party the freedom to obtain legal and technical assistance from a third party in the event of a dispute.

Based on the explanation and description above, it can be concluded that the certification unit has a conflict resolution mechanism/procedure which includes the option to obtain legal and technical assistance from an independent party, where the reporting party has the freedom to choose a person or group who can support it and/or act as observers as well as the parties may choose the option of involving a third party mediator.

Status: Comply

4.3	
The unit of certification contributes to local sustainable development as agreed by local communities.	
4.3.1	
<p>The company has carried out development around the plantation, among others, through various activities documented in the Social Impact Analysis Monitoring and Management Plan for Semester I of 2021. Based on this document, several CSR programs have been implemented, such as:</p> <ul style="list-style-type: none"> - Food assistance to the community around the company. - Assistance for road repairs for Desa Persatuan in April 2021. - Paving and upgrading of roads in Desa Manis Village. <p>The CSR activities carried out were based on proposal submissions from the surrounding community, this was in line with the results of public consultations with representatives from Bangun Village.</p> <p>Based on the results of the document review, the company has also contributed to improving the welfare of the community around the plantation by conducting business partnerships such as collaborating with local contractors in the work of transporting fresh fruit bunches (FFB) to the factory.</p> <p>Based on the results of public consultations with representatives from Bangun Village, it is known that the surrounding community also feels the CSR programs created by the company and their proposal submissions are often fulfilled by the company.</p>	
	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.	
<p>PTPN IV – Pulu Raja has managed totaling area for about 4,630.54 Ha as scope of certification. The plantation of Pulu Raja is a former of dutch colonial era plantation that has been nationalized by Government Law No. 86/1958 dated 27 December 1958 and Government Regulation No. 19/1959 dated 2 May 1959. On that area the unit management of Pulu Raja has the documents of land ownership <i>HGU</i> No. 2 issued in 13 October 2006 valid until 31 December 2030 for 4,630.54 Ha.</p>	
4.4.3.	
<p>PTPN IV Pulu Raja Business Unit is a Dutch colonial heritage plantation which was nationalized based on government regulation No. 19 of 1959 dated May 2, 1959. There is a legal right map in the map plot No. 24/07/1999 dated March 13, 2006 scale 1: 20,000.</p>	
4.4.2 – 4.4.6.	
<p>During onsite assessment, the company has no new land acquisition. The results of interview with local communities (Bangun Village) are known that there are no indigenous rights or customary rights.</p> <p>In conclusion, the company is a nationalization program for foreign companies by government that already have previous land rights, there is no acquisition of land belonging to the surrounding community or other rights that use the FPIC process in its acquisition.</p>	
	Status: Comply
4.5	
No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.	
4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7 and 4.5.8	
<p>The history of Pulu Raja Estate areas comes from concession rights owned by Dutch (Netherland Indie) Government Company, which was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. Furthermore, based on information from Head Village of Orika, Tunggul 45 and Baru, it was known that there is no new compensation and planting on local people's land. Furthermore, there is no customary right within estate operational areas.</p>	
	Status: Comply

<p>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.</p>	
<p>4.6.1 – 4.6.4. As explained in Indicator 4.5.1, it was mentioned that PTPN 4 Pulu Raja Business Unit operational areas were ex concession from Dutch (Netherland Indie) Government Company, as mentioned and described in Government Law (UU) No. 86/1958 dated December 27th 1958, Government Regulation (PP) No. 19/1959 dated May 2nd 1959 and Land Book (on the 1st Land Title Certificate) dated July 1st 1982. Hence, CH operational areas were not derived from indemnity land. Operational area map was available in a proper scale (1:6,300).</p> <p>Based on consultation public information from Head Village of Bangun Village, it was known that there is no any negotiations concerning compensation for loss of legal, customary or user rights.</p> <p>In conclusion, there's no any compensation conducted right now by certificate holder.</p>	
<p>Status: Comply</p>	
<p>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.</p>	
<p>4.7.1 – 4.7.3. As explained in Indicator 4.5.1, it was mentioned that PTPN 4 Pulu Raja Business Unit operational areas were ex concession from Dutch (Netherland Indie) Government Company and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.</p> <p>Based on consultation public information from Head Village of Bangun Village, it was known that there is no any negotiations concerning compensation for loss of legal, customary or user rights.</p>	
<p>Status: Comply</p>	
<p>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.</p>	
<p>4.8.1 – 4.8.4. As explained in Indicator 4.5.1, it was mentioned that PTPN 4 Pulu Raja Business Unit operational areas were ex concession from Dutch (Netherland Indie) Government Company and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.</p> <p>Based on consultation public information from Head Village of Bangun Village, it was known that there is no land disputes issues on company operational area.</p> <p>In conclusion, there's no land dispute issues on certificate holder operational area.</p>	
<p>Status: Comply</p>	
<p>PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION</p>	
<p>5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.</p>	
<p>5.1.1 The company has sale and purchase agreements with several outside FFB suppliers, for example:</p> <ul style="list-style-type: none"> - CV Doge Doge Star (No. PKS PUL/SP.02/V/2022) - PT Fortuna Alam Makmur (No. PKS PUL/SP.01/V/2022) <p>In the agreement there is an explanation related to the price and payment of FFB, where the purchase price of FFB is determined and announced regularly to the seller every Tuesday, Wednesday, and Friday. FFB prices follow fluctuations in the prices of palm</p>	

oil and palm kernel in the market, for example the purchase price of FFB in the August 2022 period is IDR 1,850/kg while for September 2022 it is IDR 2,032/kg. For the payment process, the certificate holder pays via money transfer to the FFB seller's account. Based on interviews with representatives of CV Edi Jaya, the seller had no difficulty in obtaining FFB price information and there were no negative issues related to payment. The company has also shown proof of FFB payment to the seller for the period 14 – 15 September 2022, which is accompanied by proof of transfer and details of the FFB quantity along with the selling price which has been signed by both parties.

5.1.2

Based on the results of interviews with FFB suppliers (CV Edi Jaya), it is known that the company as the FFB buyer always informs the FFB price to the supplier on a regular basis, either via telephone or multimedia message.

5.1.3

In the agreement between company and FFB supplier, there is an explanation related to the price and payment of FFB, where the purchase price of FFB is determined and announced regularly to the seller every Tuesday, Wednesday and Friday. FFB prices follow fluctuations in the prices of palm oil and palm kernel in the market.

5.1.4

Currently the company does not have contracts with independent smallholders or plasma smallholders.

5.1.5

The company has cooperation with local contractors, such as transporting FFB and upkeep activities. All contracts have been agreed between management and the contractor concerned. From the results of the review of the agreement document (CV Doge Doge Star with No. PKS PUL/SP.02/V/2022), the document contains the rights and obligations of each party from the implementation procedure, payment process, price, scope of work, conditions for termination of employment, to the term of the agreement agreed upon and signed by both parties.

5.1.6

For the payment process, the certificate holder pays via money transfer to the FFB seller's account. Based on interviews with representatives of CV Edi Jaya, the seller had no difficulty in obtaining FFB price information and there were no negative issues related to payment. The company has also shown proof of FFB payment to the seller for the period 14 – 15 September 2022, which is accompanied by proof of transfer and details of the FFB quantity along with the selling price which has been signed by both parties. There are no issues related to late payments, the supplier's why the price has been known transparently and there is no indication of harm to the supplier.

5.1.7

During onsite assessment there is only one weighbridge at the factory site, the certificate holder has shown evidence of the calibration results of the weighing equipment in Pulu Raja POM in the Test Result Information Record (No.: 136/SKHP-MT/ASH.59/2022) in the Legal Metrological Sector of the Asahan Regency Government Industry and Trade Office on March 24th, 2022. The third party stated the test results, *"Validated by affixing a valid calibration mark "21 and JP8" in accordance with Law of the Republic of Indonesia No. 2 of 1981"*.

5.1.8.

Currently the company does not have contracts with independent smallholders or plasma smallholders. However, based on the results of interviews with village and community representatives, the company often discusses with independent smallholders regarding support for the legality of land owned by farmers. From this evidence, the company has attempted a land legality and support campaign for farmers as mentioned in the opportunity to improvement of the previous assessment.

5.1.9.

<p>Company has grievance mechanism for external stakeholder, including for smallholder in procedure No. 13 Rev. 01 dated January 2, 2015. However, based on document review of complaint book, there is no complaint from independent supplier.</p>	
<p>Status: Comply</p>	
<p>5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.</p>	
<p>5.2.1, 5.2.2, 5.2.3, 5.2.4 & 5.2.5 The company has conducted training activities for several farmer groups around the company, for example in the recording of best plantation practice training activities for independent smallholders on January 31, 2022. In these activities, the company provides training related to oil palm cultivation starting from seeding, plant maintenance, use of chemicals (including pesticides), harvesting to the legality of land ownership. From this evidence, the company has attempted a land legality and support campaign for farmers as mentioned in the opportunity to improvement of the previous assessment.</p> <p>The company has an annual report that is posted on the PTPN4 website, where the report contains complete information related to the company's business development and other information, such as support from plasma farmers and third party FFB suppliers.</p>	
<p>Status: Comply</p>	
<p>PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS</p>	
<p>6.1 Any form of discrimination is prohibited.</p>	
<p>6.1.1; 6.1.2; & 6.1.3 The certification unit already has an Equal Employment Opportunity Policy No. 04 Rev 02 dated 02 January 2015 as follows:</p> <ul style="list-style-type: none"> • PT Perkebunan Nusantara IV (Persero) eliminates all forms of discriminatory practices of ethnicity, religion, race, gender, age, disabilities in work, control of the masses and between groups in all business processes / company management. • PT Perkebunan Nusantara IV (Persero) is actively and continuously implementing a systematic and modern business transformation policy in developing human resources. • PT Perkebunan Nusantara IV (Persero) is responsible for preventing legal violations of the equal employment opportunity policy, then immediately takes corrective action to stop discriminatory practices in every work process and work unit of the company. <p>Other than that, certification unit policy towards non-discrimination and equal opportunity is presented in document of Collective Labour Agreement 2022-2023 Chapter II Article 15 and 16. This policy has been communicated to worker. Implementation on policy has reelected in several documents such as employee's performance and evaluation, promotion letter and selection of process on job recruitment.</p> <p>Based on the policy and Collective Labour Agreement that has been explained above, the certification unit will always provide the same opportunities for everyone to work and develop a career in accordance with the competencies and opportunities that exist and do not tolerate discrimination of race, ethnicity, religion and belief. The fundamental aims is to ensure diverse and representative profiles of workers through the promotion equality of labor.</p> <p>The results of the employment document review prove that certification unit does not discriminate and treat all workers equally, the following is evidence that can be shown by the company:</p> <ul style="list-style-type: none"> • The composition of workers consisting of various ethnic groups, religions, gender and workers' origins. The existing workers do not only come from one area but come from several areas spread throughout Indonesia such as Java, Sumatra, and others. During the audit, there was no information regarding migrant or AKAD workers (<i>Angkatan Kerja Antar Daerah</i>) in certification unit. • Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers. For example, harvesting worker who have initial HDK and FPD received based on the results of the selection of job application files, results of health checks and results of interviews. The worker also passed the test and has been accepted as permanent worker in 2020. • Worker placement and training are carried out in accordance with their expertise / type of work, such as prospective harvest 	

workers are placed as harvest workers and receive regular harvest training.

- Women workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example there are several upkeep foremen who are female workers.

Based on the results of interviews with workers (harvester, pesticide applicator, upkeep and mill operator), it is known that workers have never felt that the certification unit has discriminated against since they first working until now. This is because all activities from recruitment, performance appraisal, promotion, and union, each worker is given the same opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in worker unions, affiliations, politics, or age. There is no difference between the communication between superior and workers because of the things mentioned above, so that the workers do not feel isolated or discriminated against by the superiors. This has resulted in the absence of discrimination issues from 2021 to the present (August 2022).

Based on the results of the study of labor documents, it is known that since 2021 until now there have been no migrant workers, no daily contract workers (BHL), all workers working in the certification unit are contract worker (PKWT), permanent workers and staff. All the rights for each employment status have been distinguished.

These explanations can conclude that the certification unit has policy and treated all workers equally (based on skill, quality and eligibility) without discrimination based on gender, ethnicity, religion, health conditions or others and has carried out all recruitment activities in accordance with applicable policies and procedures owned without any act of discrimination.

6.1.4

A pregnancy test for workers is carried out just to ensure that pregnant workers are not allowed to do work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a safer job but still equal in terms of wages and other benefits, so that there is no discriminatory action. This is made clear by the results of interviews with women workers in spraying and upkeep activities stating that female workers are required to have monthly pregnancy testing at the clinic to ensure that no female workers working with chemicals are pregnant / breastfeeding and testing the pregnancy is not a discriminatory measure given by the certification unit. However, based on the results of interviews with management and a review of labor documents, currently all female workers who work as pesticide applicators and upkeep workers are over 40 years old and not in their productive period (menopause). Therefore, the company has not carried out pregnancy checks since several years ago.

6.1.5

The certification unit has a Sexual Harassment Policy No. Policy No. 06 Revision 02 effective date January 2, 2015. The policy states that PTPN IV is responsible for preventing harassment in the workplace, taking corrective actions to prevent work-related sexual harassment.

Certification unit have gender committee and are still active until today in the certification unit which is with structure is: Founder → Chairperson → Deputy Chairperson → education, socio-cultural and economic section → members. The gender committee has made changes to its composition in 2022, the new management has been approved by the management on January 2022. The structure of the gender committee not only consists of female workers but also includes male workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations / complaints of workers, as company partners in carrying out the activities of socialization related to gender and other policies related to workers' reproductive rights. In carrying out its activities this gender committee always collaborates with the labor union so that the socialization of matters related to women's rights can be conveyed properly and there is no discrimination in terms of gender. The workers also knew of the existence of the gender committee because it had been routinely socialized by its management, the last socialization related to the gender committee and the activity was carried out on 07 July 2022 which was attended by all workers and housing residents. The results of this socialization can be seen with the absence of differences in company operational activities such as promotional activities, the same status of workers without gender bias because overall are given equal opportunities for all genders (male or female) in work.

The results of interviews with upkeep workers (male and female workers) and representatives of the gender committee revealed that until now there were no reports / issues / complaints related to gender reported by the workers and at the moment the activities carried out were gender meetings during children healthcare (posyandu), recitation weekly and others,

Based on the explanation above, it can be concluded that the certification unit has a gender committee that is still active and has a program of activities to raise awareness, identify and address issues of concern, and provide opportunities and enhancements for women.

6.1.6

Equal payment of wages has been made by certification unit properly, taking into account the ability, performance, expertise, length of work and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the burden / duties / types of work respectively. For example, boiler operator (ELP Grade ID/01 and TMT Grade IIA/01), upkeep worker (DMB Grade IC/04 and RND Grade ID/00), security (ASB Grade IB/10 and AGN Grade IA/00) and harvester (FPD Grade 1A/09 and HDK Grade IA/09) who get wages in August 2022 whose value is in accordance with the minimum wage, but with different amounts based on years of service, ability, attendance and job performance (structure and scale wage). This is in line with statements from workers who were interviewed with types of work as harvesters and sprayers who have the same type of work but have different wage scales based on their performance, length of work in the company, productivity and other factors.

In addition, based on the results of interviews with labour union representatives, it was found that the certification unit 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, the lowest wage scale is for contract worker (PKWT) and the highest wage is permanent workers that has been in Grade IID/06.

The results of interviews with workers (harvesting, spraying and mill operators) in note that workers already know that there is a wage scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. The monthly wages received are in accordance with the grade owned by each worker and so far there have been no complaints / errors regarding this matter.

Status: Comply

6.2

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

6.2.1

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labour Agreement and others manpower procedures written in Bahasa. This Collective Labour Agreement explains the working conditions and rights / obligations of workers such as, recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. The certification unit can show that the Collective Labour Agreement have been approved by the relevant agencies (has been ratified by Manpower Agency of Sumatera Utara Province with Decree No. 568/20-6/DTK/I/2022 in 19 January 2022 and valid until 31 December 2023).

Based on the results of the review of the updated worker list document in August 2022, it is known that currently the company only has permanent workers, contract workers (PKWT) and contractor workers who work within the scope of the company's management area. For workers with daily contract worker (BHL) status, the company is no longer owned by the company from the results of field visits in the plantations, interviews with workers and unions and the results of a review of labor list documents. In addition, this result is also in accordance with the results of interviews with the surrounding village communities (Silumajang and Sungai Raja villages) as well as the families of workers found in the housing complex which stated that the current status of workers working in the company is only permanent workers, contract workers (PKWT) and contractor workers. while for workers with daily contract worker (BHL) status it is not owned by the company. This has also been clarified again in indicator 3.5.1 and in the results of public consultations related to the issues in section 3.5.

The Collective Labour Agreement has been routinely disseminated by the certification unit to all employees, one example of the socialization that was carried out was on 21 March 2022 which was attended by all workers on muster morning. The results of interviews with workers (harvesters, sprayers, upkeep and mill operators) and worker union know that workers have a sufficient understanding of their rights (wages, overtime, incentives, fines, etc.) listed in the Collective Labour Agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2022 have been accordance with the minimum wage set by the government, wage based on years of service, ability, attendance and job performance (structure and scale wage) and there are no late payments every month.

A review of the August 2022 wage document for harvester, upkeep and mill operators proves that the wages received are accordance with the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, boiler operator (ELP Grade ID/01 and TMT Grade IIA/01), upkeep worker (DMB Grade IC/04 and RND Grade ID/00), security (ASB Grade IB/10 and AGN Grade IA/00) and harvester (FPD Grade 1A/09 and HDK Grade IA/09) who get wages in August 2022 whose value is in accordance with the minimum wage, but with different amounts based on years of service, ability, attendance and job performance (structure and scale wage).

Verification related to “Salary Fraud”

The results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators), contract workers (harvesters) and contractor workers (pesticide applicators) show that the company has never committed fraud related to the provision of wages because the wages have been adjusted to provisions set by the company (wage scale structure) for permanent workers, providing wages above the minimum wage for contract workers (PKWT) and for contractor workers being given wages in accordance with the wage agreement in the work agreement between the contractor and the worker (where the wages are in accordance with minimum wages). This can be proven by verifying the wages of the workers in July 2022 where the wages given are in accordance with the minimum wage setting as well as with the established wage scale structure.

This is also supported by the results of interviews with labor unions and contractors who stated that wages for all workers had complied with government regulations starting from the minimum wage and there were no violations of this.

Verification related to “No Festive Holidays and No Bonus”

In accordance with the results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators), contract workers (harvesters) and contractor workers (pesticide applicators) it is known that the company provides weekly holidays to its workers every Sunday, holidays on National holidays including holidays / Christmas. This is evidenced by the absence of operational activities in the plantations or factories on holidays in accordance with the absence of workers in July 2022. This has also been regulated in the company's CLA related to employee rest days and holidays.

For the provision of bonuses to workers is always given annually by the company, especially for workers from the company has been given regularly every year. This is based on the results of interviews with workers in the plantations and factories. As for contractor workers, this is not given because the workers who work with them are not permanent workers and the turnover is quite high every month, so the contractor does not give bonuses to their workers.

Verification related to “Religious Bonus Allowance”

Regarding the Religious Holiday Allowance (THR) given to workers, this has been done by the company for all of its employees. For permanent and contract workers (PKWT) who have received Religious Holiday Allowance (THR) in 2022, this is supported by the results of interviews with plantation, mill and trade union workers who stated that every year workers (permanent and contract workers) receive the Religious Holiday Allowance (THR). The company always provides the Religious Holiday Allowance (THR), usually no later than 2 weeks before Eid al-Fitr in accordance with government regulations.

Based on the description above, it can be concluded that the certification unit already has documentation of wages and work requirements in accordance with applicable labor regulations for workers in the national language, along with explanations for workers in a language they understand.

6.2.2 & 6.2.3

The certification unit has Collective Labour Agreement are made in a Bahasa that explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave and other provisions. Explanations related to the contents of the Collective Labour Agreement include:

- Employee Acceptance (recruitment, selection, transfer, promotion, performance appraisal) which explains that all workers wishing to join the company must follow the specified requirements including: being over 18 years old, having a health certificate, taking a selection exam, and other requirements.
- Working Time which explains that there are 2 types of working time in the company, namely by working 8 hours per day or 5 working days in a week and 7 hours per day or 6 working days in a week, in which the total working hours are 40 hours in a

week.

- Wages which explain the wage that cannot be lower than the minimum wage set by the government every year, granting rice allowance to all workers according to its calculation, and other explanations.

In addition to being generally stated in Collective Labor Agreement, the certification unit also has a decree, policy, memorandum and work contract for workers in orientation period that specifically explain these matters. An example is:

- Sumatera Utara Governor Decree No. 188.44/789/KPTS/2021 dated 30 November 2021 concerning Minimum Wages in Asahan Regency in 2022 with the minimum wage in is IDR 2,819,624.24 and will take effect on January 1, 2022.
- Decree of PTPN IV Director No. 04.07/Kpts/15/III/2022 dated 31 March 2022 regarding the 2022 Minimum Wage and also contains a structure for the scale of wages for workers based on Grade. The grade with the lowest total wages is Grade IA/00 and the highest wage is Grade IID/06. This decree comes into effect on January 1, 2022 in all PTPN IV business units.
- Salary slips period of August 2022 for boiler operator (ELP Grade ID/01 and TMT Grade IIA/01), upkeep worker (DMB Grade IC/04 and RND Grade ID/00), security (ASB Grade IB/10 and AGN Grade IA/00) and harvester (FPD Grade 1A/09 and HDK Grade IA/09) have a different based on wage scale structure 2022 and all wages above the minimum wage.
- Overtime payment in August 2022 that has been accordance with applicable laws for boiler operator (ELP Grade ID/01 and TMT Grade IIA/01) and security (ASB Grade IB/10 and AGN Grade IA/00).
- Unit certification has provisions related to deduction / penalty which have been stated in the Collective Labour Agreement and further explanation is set out in an internal memo.
- In the payroll document, there is information that states the results of the worker's wages in one month according to the work performance of each worker. Payroll has also been accurate for each worker, for example the number of days worked in a month, premium payments, fines, deductions from workers' wages and other information that is in accordance with facts in the field.
- Proof of granting annual leave to employees for examples:
 - ❖ Leave Application Form for workers (WHY) who applied for 5 day leave on 03, 05, 06, 07 and 08 July 2022 and was approved by Afdeling Assistant on 02 July 2022.
 - ❖ Leave Application Form for workers (BMG) who apply for leave for 3 days on 01-03 August 2022 and has been approved by Afdeling Assistant on 01 August 2022.
- Etc.

Since 2021 to August 2022 there has been no change in policy, but what has changed is the decision related to the minimum wage which has changed every year following the government's decision. Regarding the change in the minimum wage decision, it has been routinely submitted annually to workers at the beginning of the year and this is reinforced by the results of interviews with field workers and worker union representatives who are clear about any changes in the minimum wage every year. Based on the description above, the certification unit has demonstrated legal compliance related to working conditions, such as compliance with minimum wage, working hours, overtime, maternity leave and other compliance.

The results of interviews with workers (harvesters, sprayers, upkeep and mill operators) and worker union know that workers have a sufficient understanding of their rights (wages, overtime, incentives, deductive, fines, etc.) listed in the Collective Labor Agreement and in accordance with routine socialization provided by the certification unit. Workers' wages in 2022 have been accordance with the minimum wage set by the government and there are no late payments every month, working hours is seven (7) hour a day with 6 days in a week (total of 40 hours of work in a week) and for the overtime has been paid in accordance with applicable regulations.

A review of the August 2022 wage document for harvesters, sprayers, upkeep and mill operators proves that the wages received are accordance with the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, workers' wages for boiler operator (ELP Grade ID/01 and TMT Grade IIA/01), upkeep worker (DMB Grade IC/04 and RND Grade ID/00), security (ASB Grade IB/10 and AGN Grade IA/00) and harvester (FPD Grade 1A/09 and HDK Grade IA/09), all wages accordance with the minimum wage and he wage scale structure determined by the certification unit for 2022. Apart from that, the pay slip contains clear information related to all compensation for work/products carried out by workers, starting from premiums, overtime, deductions and others.

Verification related to "Wages and Overwork"

The results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators), contract workers (harvesters) and contractor workers (pesticide applicators) show that the company has never

committed fraud related to the provision of wages because the wages have been adjusted to provisions set by the company (wage scale structure) for permanent workers, providing wages above the minimum wage for contract workers (PKWT) and for contractor workers being given wages in accordance with the wage agreement in the work agreement between the contractor and the worker (where the wages are in accordance with minimum wages). This can be proven by verifying the wages of the workers in July 2022 where the wages given are in accordance with the minimum wage setting as well as with the established wage scale structure.

This is also supported by the results of interviews with labor unions and contractors who stated that wages for all workers had complied with government regulations starting from the minimum wage and there were no violations of this.

For overwork, the company has set the terms of working for 6 working days a week or 40 hours a week. This has been regulated in the CLA which has been approved by the relevant agencies in North Sumatra Province. The results of interviews with plantation workers stated that normal working hours from Monday to Friday are 7 hours (07.00 – 14.00) while on Saturday it is 5 working hours (07.00 – 12.00) with a total of 40 working hours in one week. If the worker exceeds the working hours, the worker will be paid overtime and the calculation and payment is deemed appropriate. In addition, if working outside of normal working hours is not approved by the worker, then the worker is not obliged to do work outside of these working hours (overtime work must be agreed by both parties). From the results of the verification of overtime work at the Mill, it is known that no workers who worked overtime in July 2022 were more than 18 hours a week because the average overtime hours of workers in a week in that month were only 14-15 hours. Based on the explanations above, there is no fault from the aspect of payroll or overtime payments made by the company.

Based on the foregoing, it can be concluded that the certification unit has procedures and provisions related to wages, work requirements (regular working hours, deductions, overtime, sick leave, vacation rights, maternity leave, etc.) well documented and thoroughly implemented in each unit.

6.2.4

The certification unit has provided welfare facilities to occupants in the form of housing, clinics, water supply, drinking water depot, electricity, education, transportation and other facilities. The results of the field visit in the housing area revealed that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there were daycare for children. The house is inhabited by 1 family and specifically for workers who are not married then 1 house will be filled by 2 workers. This is in line with the results of interviews with housing residents stating that the facilities provided by the certification unit are houses, electricity, availability of clean water, transportation of school, school in nearby villages (kindergarten, elementary, middle and high school), child daycare, places of worship (mosque & church), sport facilities and others.

Non-Conformity No. 2022.06

- The results of field visits to the workers' housing areas Afdeling 4 (houses in 1980) and Afdeling 5 (houses in 1998), it was found that there were more than 3 houses in each afdeling in damaged conditions such as the condition of the kitchen where the roof was missing, the roof of the house damaged on the front and sides, and the condition of the house is starting to tilt/unstable.
- There is no evidence of a program and realization for monitoring or repairing houses in 2021-2022.

The company has not been able to prove that the housing facilities provided are in decent conditions for workers and their families to live in.

6.2.5

Certification unit has made it easier for workers and their families to obtain food sources by providing employee cooperatives that sell the daily needs of workers and provide access to vegetable traders to sell in the workers' housing area. In addition there are also workers who open small business stalls to sell daily necessities in each housing. Based on interviews with workers (harvesters, sprayers, upkeep and mill operators), housing residents, worker union and gender committee, it is known that workers have no difficulty in getting food sources because the company has provided cooperatives that sell daily necessities and the existence of vegetable sellers given access to sell at home. In addition, workers can buy these needs into markets around the area of the certification unit with less difficult access.

6.2.6

In Indonesia no living wage standard is established, so certification unit still implemented the national minimum wages for all workers. In addition to the payment of minimum wages, certification unit has been conducting an assessment of the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSPO Guidance for Implementing a Decent Living Wage. The certification unit has the determination of assessment prevailing wage and all kind of benefits for DLW simulation in 2022 has been included in the calculation of main wage, worker status, housing facility, education, electricity, water sources, healthcare and others. Every calculation made has been adjusted to the actual situation and the location where the certification unit is located. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is above the stipulation of the minimum wage (minimum calculation is IDR 3,542,708).

Based on the explanation above, it can be concluded that the unit of certification has a Decent Living Wage calculation based on prevailing wage and in-kind benefits provided by the certification unit.

6.2.7

Non-Conformity No. 2022.07

- Based on the results of field observations and interviews with harvesters in Block 2012 I Afdeling 4, it was found that there are still 3 harvesters who have been working since 2021.
- Based on the results of the review of the labor list document for the period of September 2022, it is known that currently the company still has workers with contract worker (PKWT) status as many as 35 people who work in Afdeling 1-5 and have been working since June 2021.
- The company can also show a work agreement between contract worker (PKWT) workers. For example, work agreement No. PUR/S.Perj/17/VIII/2022 and No. PUR/S.Perj/16/VIII/2022 dated 01 July 2022 which is valid for 3 months (31 October 2022).
- The company has a Board of Directors Regulation of PT Perkebunan Nusantara III (Parent Company of PT Perkebunan Nusantara IV) No. HES/PER/05/2019 dated March 22, 2019 regarding Guidelines for Recruitment of Employees at PT Perkebunan Nusantara III and its Subsidiaries, where in CHAPTER IV on the Implementation of Acceptance of PKWT in article 15 it is explained that this contract worker (PKWT) is made for certain jobs according to the type and nature or activity the work will be completed in a certain time like:
 - ❖ Jobs that are once completed or temporary in nature.
 - ❖ Seasonal work.
 - ❖ Work related to new products/activities or additional products.
 - ❖ Work that is estimated to be completed in a not too long time.

In addition, the document also explains related to the recording of contract worker (PKWT) which must comply with the provisions of the applicable regulations (Article 21).

- Harvest work is a permanent job, this is because the criteria for harvesting work are included in the description of permanent work in Law no. 13 of 2003 (explanation of article 59 paragraph 2) where it reads "work that is continuous, uninterrupted, not limited by time and is part of a production process in one company or work that is not seasonal.". In addition, related to the registration of contract worker (PKWT), it has been regulated in Article 14 which states that the recording of contract worker (PKWT) to the local manpower sector is carried out no later than 7 days from the signing of the contract worker (PKWT).
- In Government Regulation No. 35 of 2021 in the contract worker (PKWT) section explains that contract worker (PKWT) cannot be held for work that is permanent and PKWT can be held based on a period of time (work that is not completed for too long, seasonal work, work related to new products) or the completion of a particular job (work that has once completed and temporary work).

The company has not been able to prove that the implementation of using PKWT is in accordance with company procedures and government regulations related to the type of work that can use PKWT (seasonal or temporary work).

6.2.4	Status: Non-Conformity No. 2022.06 with Major category	
6.2.7	Status: Non-Conformity No. 2022.07 with Minor category	

6.3

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

6.3.1

The company has a policy related to freedom of association in the Collective Labor Agreement between PTPN IV and the Plantation Workers Union, especially in articles 5, 6, 7, 8 and 9 which in this article explains:

- The company will not interfere with or obstruct anything related to the development of the workers' organization (*SP-BUN*) as long as it does not conflict with applicable laws and regulations.
- The company will not exert pressure, either directly or indirectly, on employees who are elected as union officers.
- In carrying out their duties, each union of workers and companies will try to avoid actions that can harm each party.
- The company provides lease-to-use space for offices along with equipment and facilities / infrastructure as well as other facilities and assistance for the smooth running of organizational tasks, according to their interests.

There is a labor union in the Pulu Raja unit, namely SPBUN Basis Pulu Raja. Labor union that have been registered with the Manpower and Industry Agency of Asahan Regency. Currently, the number of workers who are members of the SPBUN is 459 workers as of August 2022. To ensure that workers are given freedom of association, neither the union nor the company requires workers to join a worker union. This is evidenced by the presence of workers who have not joined the worker union until the time of the audit, one of which is contract workers (PKWT) who have just joined in the 2021-2022 period. All of the previous permanent employees have joined for a long time (the member who is the last permanent employee to join since 2018). Apart from that, if workers want to join a union, workers must register to become members of the management (without any interference/intervention from the company) and the main condition is that the person must be an employee of the company (permanent or contract).

Based on the results of interviews with the union, the company has facilitated workers in forming a union by giving free time (work permits) if there are important union meetings and not intervening in union activities. The results of interviews with workers revealed that union membership is voluntary and has been given the freedom for join or not join the union (there is no compulsion in it).

Based on the foregoing, it can be concluded that the certification unit has published a statement acknowledging the freedom of association and the right to collective bargaining in the national language, in which the statement is explained to all workers in a language they understand and can prove its implementation.

6.3.2

The certification unit has records of meetings between workers and management representatives. The following are examples of records of meetings conducted by worker union in 2022. For examples:

- The workers union meeting on July 2022, which was attended by 9 participants, discussed the addition of workers, the appointment of workers from PKWT to PKWTT and other discussions.
- The workers union meeting on August 2022, which was attended by 9 participants, discussed the plan to increase the manpower, increase the management's concern regarding handling complaints if there were complaints submitted by workers and other discussions.

Based on the results of interviews with worker union and their members who are workers in each unit, it is known that the union holds meetings every month (if there is an issue, if not they will be holds meeting when the issues arrive) with those accommodated in meetings between worker representatives and management representatives. This is also supported by the results of a review of worker complaint documents, it is known that the existing issues are only complaints related to the lack of supporting facilities, but this has also been continuously improved by the certification unit to be better.

Based on this explanation, it can be concluded that every meeting between the certification unit and the worker union has been well documented and available at the time of the audit.

6.3.3

The absence of unit certification interference in the selection or operation of labor union activities, this is evidenced by the results of interviews with workers and union representatives stating that in the process of selecting / making decisions and planning activities, members provide input / aspirations to their representatives each to make an election / decision-making and no management has a position as "Karyawan Pimpinan" (assistant or above). The employee who currently serves as the Chairman of the Labour Union is not from the "Karyawan Pimpinan" (assistant or above) but from "Karyawan Pelaksana" (foreman, clerk and field workers), then there will be no conflict of interest that occurs with the company because there are no workers who have the authority as decision makers. The explanation has reinforced the fact that management did not interfere directly / indirectly with the taking decisions and activities carried out by labor unions.

Based on interviews with labor union representatives who explained that the company had given freedom of association and at

present labor unions have been formed. The establishment of the union is in accordance with the applicable laws and regulations and has been recorded at the Manpower Office. Certification unit is giving freedom for worker to express their opinion and also, certification unit did not give any intervention related to labor union activity.

Status: Comply

**6.4
Children are not employed or exploited.**

6.4.1; 6.4.2; 6.4.3 & 6.4.4

Company has a policy on child labor No. Policy 03 No. Revision 02, effective date January 2, 2015 which states that children under 18 years old may not work for the company. That policy states that it is forbidden to employ child labor and under the age of 18 (eighteen) years, certification unit has been implemented the policy with evidenced by the Identity Card (KTP) at the time of employee recruitment. The results of the verification of documents revealed that there were no workers under the age of 18. In addition to having a policy governing the minimum age for workers for workers, the certification unit also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement with the contractor. The policy was socialized to workers on 07 July 2022 and to the contractor when signing the work agreement.

Based on field visits and interviews with workers in the fields, it is known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of company and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work, the youngest age of workers is 20 years when entering work.

Based on the results of the review of the cooperation agreement document with the contractor, it is known that in The agreement has a separate clause to ensure that the contractor does not employ minors (under 18 years old) and complies with the prevailing laws and regulations in Indonesia.

Based on this, it can be concluded that the unit of certification has a policy on child protection including the prohibition of child labor and has been well documented and known to all workers.

Status: Comply

**6.5
There is no harassment or abuse in the workplace, and reproductive rights are protected.**

6.5.1; 6.5.2 & 6.5.3

The certification unit have policy towards preventing sexual and other form of harassment and violence is presented in document Policy No. 06 dated 02 January 2015, issued by PTPN IV Board of Director. Gender Committee has appointed to involved on these matters. Socialization on this matter has been conducted in 11 November 2019. Other than that, certification unit has provided protection for reproductive rights listed in the Collective Labour Agreement regarding to maternity leave and menstrual leave.

This policy above mentioned that employees are obliged to support morality and security in the work place, as well as to avoid any form of sexual harassment and violence objected to all workers. The policies explains that every worker is entitled to receive protection against sexual harassment in the workplace and sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The certification unit has socialized to the employees, for example on 21 March 2022 and the representatives of the committee gender are available in each division. One of the programs of the gender committee itself is to socialize all employees regarding the company's commitment to prevent all forms of violence and maintain decency. In addition, there are also some routine activities such as house cleaning visits, social care, environmental awareness and religious understanding.

The management has carried out an assessment of the needs of young mothers by asking for their opinions, as well as taking actions to meet the needs that have been identified. The last assessment is in 08 February 2021 and there is no young mothers (mothers who have just given birth to their first child). That because all female workers who work as pesticide applicators and upkeep workers are over 40 years old and not in their productive period (menopause), however the company still provides several facilities related to the needs of new mothers such as:

- Providing menstrual leave
- Babysitting facilities
- Integrated Healthcare Center

- Health checks for pregnant women
- Providing time for breastfeeding children
- Special room for breastfeeding
- Counseling for women who have experienced acts of violence.

Based on interviews with female workers and gender committee, the policy had disseminated to workers through socialization with workers and in the last year period, that hasn't any issue/incident related to sexual harassment, violence at work/reproductive rights. Based on the explanation above, it can be concluded that the certification unit has policies related to preventing harassment, sexual violence, protection of reproductive rights and identifying the needs of new mothers, all of which have been implemented properly and proven according to the results of field observations and interviews with workers.

6.5.4

The certification unit has procedures for handling complaints in the SPO document. Internal communication and handling of employee complaints No. SPO 19 Revision 2 effective January 2, 2015. Employee complaints can also be submitted verbally or in writing to representatives of the labor union (SPBUN) and the gender committee. The union and gender committee will convey the solution to the problem to the employee, if the problem cannot be resolved, the employee can make a written complaint to the unit manager. The worker who experiences or witness sexual harassment in the workplace can report it immediately to the human resources. All allegations of sexual harassment will be immediately investigated. The confidentiality of employees, witnesses and perpetrators will be protected. When the investigation is completed, employees will be notified of the results of the investigation.

Based on the results of interviews with representatives of labour union and gender committee it is known that the workers have understood the procedures and mechanisms for submitting complaints/complaints to the company, this is because the company has routinely socialized the procedure by posting warnings/complaints, signposts related to this.

Based on the explanation above, it can be concluded that the certification unit has a complaint mechanism that guarantees the anonymity and protection of the complainant which is known by all levels of workers and has been well documented.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1 & 6.6.2

There are no migrant workers who work in the certification unit operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in Collective Labour Agreement, and in work agreements. Based on employee list and observation in field known that there are no migrant workers, forced labor or child worker. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker, for example:

- There is no retention for identity, because all labor documents for individuals are in the form of photocopies and not original items such as ID cards, diplomas, family cards and others.
- There is no contract substitution, because all existing contract workers currently work in accordance with existing contracts such as contract workers for harvesting activities only doing harvesting activities and do not employ workers other than those stated in the contract.
- The freedom of workers in resigning, because if the worker wants to resign there is no understanding or prohibition from the company to the worker concerned.
- There is no coercion in doing overtime work, workers who do overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation and the company also does not prohibit this.

Based on employee data in August 2022 and interview with workers (mill and estate), most of the workers came from local communities, Javanese, Batak, Melayu and another ethnicity. They have the recruitment process in the certification unit and is in accordance with applicable employee acceptance procedures. Based on the results of interviews with workers in plantation and mill, it is known that currently there are no migrant workers, retention of identity, payment recruitment fees, contract substitution, involuntary overtime, lack of freedom of workers to resign, penalty for termination, debt bondage, and withholding bondage. This is because the certification unit has carried out its operations in accordance with applicable regulations.

There is no significant obstacles related to employment or violations of Collective Labour Agreement. For example, for the

harvesters works daily based in 7 working hours. Certification unit provides output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the harvest premium payment. No penalty is given to the harvester if it does not get output due to natural factors such as rain. Based on payment list on August 2022, the harvesters have earned in accordance with the minimum wage.

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

Certification Unit also regularly conducts P2K3 meetings, for example: P2K3 meeting for the 2022 period on August 8, 2022, which was attended by 11 participants in the Manager's Office meeting room. The company has also submitted the P2K3 Report to the relevant agencies, including the P2K3 Report for the second quarter of 2022, which was submitted to the UPT for the supervision of the Manpower Office on July 14, 2022.

The company has shown a general OHS expert license and certificate which is explained as follows:

- Certificate of General OHS Expert Candidate on behalf of Rudi Susanto with certificate number 536/AK3/U/2006 dated 11 August 2006.
- OHS Expert Authority Card in the name of Rudi Susanto with registration number 6418/PK3/AJ/12/2021/P2 dated March 31, 2021 and valid until March 31, 2024.
- Letter of appointment of general occupational safety and health expert from the Ministry of Manpower of the Republic of Indonesia Number: 5/1761/AS.02.04/III/2021 issued in Jakarta on March 31, 2021 with a decision that the validity period of the letter is up to 3 years (March 31, 2024)

Approval of P2K3 Structure of Pulu Raja Business Unit (Mill and Estate).

- Decree of the Head of UPT Labor Supervision Region II of the Manpower Office of Sumatera Utara Province with the number 566/380/-7/DTK/SU/XIII/2021 concerning the Ratification of the Committee for the Trustees of Occupational Safety and Health at PT Perkebunan Nusantara IV Business Unit Pulu Raja dated December 6, 2021. The letter stated that the secretary of P2K3 was Rudi Susanto.
- Decree of the Minister of Manpower of the Republic of Indonesia number : 5/1761/AS.02.04/III/2021 was issued in Jakarta on March 31, 2021 with a decision on the validity period of the letter up to 3 years (March 31, 2024) regarding the Appointment of a General Occupational Safety and Health Expert on behalf of Ahmad Fakhrumazi Lubis.

Based on information from the results of the document review, it shows that the person in charge of Occupational Safety and Health (OSH) has been identified and there is a record of periodic meetings between the person in charge and the workers. The interests of all parties related to safety, health and welfare were discussed at the meeting. Any issues that arise are noted down.

6.7.2

Certification Unit has demonstrated environmental procedures related to emergency preparedness and response in the Emergency Management and Post-Emergency Procedures No. PUR-PL-MU-01 which was ratified by the Unit Manager effective October 1, 2018. The contents of the procedure include, among others, the objectives, scope, references, definitions, duties and responsibilities of the emergency response team, procedures for controlling and reporting stages, post-handling procedures. circumstances and appendices including emergency response organizational structure chart. The procedure describes emergency response to fire, natural disasters and riots.

The company has carried out activities to minimize the risk of fire, among others, has made efforts, including preparing firefighting facilities and infrastructure, as well as forming an emergency response team in each afdeling, estate and factory. To maintain the skills of the emergency response team in dealing with fires, there is a fire emergency response simulation program, the activity is carried out regularly every year. Based on field observation at Pulu Raja Estate and POM, it was known there have been assembly point in case of an emergency situation as well as an evacuation route and first aid box.

NC 2022.08

Evidence observed

- Factory HIRAC documents on activities at the factory which are located at the dumping station, engine room, and factory office. In the HIRAC it is explained that one of the potential hazards in the factory is explosion.

- In the Occupational Health and Safety Management System (SMK3) document regarding Inspection and testing with document number : 4.4.1 Revision No : 03 which was effective on January 5, 2015 there is an obligation for the company to conduct monthly inspections of hydrants and fire extinguishers. However, the company has yet to show records of the Hydrant and Fire Extinguisher inspections for the January-August 2022 period.
- The auditor performs a simulation on 2 Hydrants in the area around the engine room. However, at the time of the simulation, the water flow did not reach the maximum pressure / did not reach the highest point and the nozzle position was not at both hydrant locations.
- The auditor also conducted a portable hydrant simulation and it was found that the hose, hose connector, and pipe connections were leaking so that the hydrant could not function properly.
- The results of checking the Fire Extinguisher located at the slamming station amounted to 3 units, weighbridge amounted to 1 unit, and Fertilizer Storage Division 4 amounted to 1 unit, it is known that the Fire Extinguisher does not contain pressure (the indicator shows an arrow at the O/ Rechargeable point).

Based on the explanation above, it is concluded that the company has not been able to show evidence that emergency response and fire equipment are available and cannot be used all the time.

6.7.3

The company has shown the 2022 PPE handover documents for mills and plantations from afdeling I-V. The provision of PPE for the 2022 period was only handed over to employees on January 3, 2022. Based on the results of interviews with management, information was obtained that the company had replaced damaged PPE in August and September 2022. The company also showed recordings of examples of replacing damaged PPE, for example:

- Receipt for replacement of PPE for POM implementing employees No. 03/M-SDM/VII/2022 on August 5, 2022
- Receipt for replacement of PPE for POM implementing employees No. 04/M-SDM/IX/2022 on 3 September 2022

Based on the results of field observations in Afdeling 4 and 5 housing, the company has provided a rinse house as a place for workers to store work tools that come in contact with chemicals, especially for spray power and also for fertilizing. The place is equipped with a place for bathing and washing.

NC 2022.09

Evidence observed:

The results of field observations and interviews with workers show the following:

- 1 harvest worker, 1 chemical spray/application worker, and 1 sorting worker who are in activities in the Estate and factory are known to use PPE in the form of rubber boots and safety shoes purchased by themselves. This is because the PPE provided by the company has been damaged. Workers have submitted a request for replacement of the damaged PPE to the foreman and the damaged PPE has been returned to the foreman.
- The results of field observations in the pumping house activities (WTP) area, it is known that the area has a potential hazard (indicated noise hazard) for employees but the operator does not use PPE to protect the ears.
- The results of field observations at the Central Warehouse/Spare Parts show that there is no stock of PPE available.

Based on this evidence, the company has not been able to demonstrate the implementation of PPE management according to its SOP.

6.7.4

The company have Collective Labour Agreement that describe about workers have the right to receive medical care and be protected by the accident insurance. The management unit show proof of payment of BPJS for all workers. Payments are made every month by percentage according to the regulation. The last payment that has been paid by certification unit is on 29 August 2022 for "BPJS *Ketenagakerjaan*" period of August 2022 and on 04 August 2022 for "BPJS *Kesehatan*" period of August 2022. All proof of payment shown and payment details for the "BPJS *Ketenagakerjaan* and *Kesehatan*" program are in accordance with the current actual conditions / in accordance with the number of existing workers.

Besides being proven by proof of payment in accordance with the explanation above, this is also proven by the results of field visits where workers during interviews can show "BPJS *Kesehatan* and *Ketenagakerjaan*" cards which are listed according to their respective names.

Based on the interview with representative of worker union, estate and mill workers, concluded that all employees were aware of the medical service procedures in the event of an accident or illness. All employees interviewed also claimed to have a health BPJS card, if they went to a company clinic there was no fee at all. Based on the foregoing, it can be concluded that the company already has a list of employees participating in the Employment and Health Insurance (BPJS) program along with proof of monthly payments. From January to August 2022, there were no claims for work accidents submitted by the company to BPJS, this is because during this period only minor/minor accidents occurred whose costs could be borne by the company itself. Even though during this period there were no work accident claims, the company always reported work accident reports regularly (KK1-KK2 Form) to the local BJPS.

Non-Conformity 2022.10

The company has shown proof of payment for BPJS Health and Employment for the August 2022 period for 454 permanent workers owned by the company on August 23, 2022 for Health BPJS and August 29, 2022 for Employment BPJS. However, for as many as 35 PKWT workers, the evidence could not be shown.

The company has not been able to prove that all of its workers, including PKWT workers, have been registered with the BPJS Health and Employment program.

6.7.5

Lost Time Accident January – August 2022

- Number of employees for the period September 2021 – August 2022 = 494 people
- Work activity in a year = 48 weeks
- Work activity in a week = 40 hours
- Total working hours of employees in 1 year = 1,920 hours
- Due to permission, illness and other reasons, workers are absent 0.002% of the total working hours
- During January to August 2022 there were 2 minor accidents Total hours worked period Total hours worked by employees in January - August 2022 = 494 x 48 x 40 = 948,480 hours
- Number of absences for the period January - August 2022 = 0.002% x 948,480 = 19,000
- Number of actual working hours of employees = 929,480
- Frequency rate (FR) : $\frac{2 \times 1,000,000}{929,480} = 2.15$
- So, the frequency level shows that in the period September 2019 - August 2020 there were 2 work accidents per 1 million employee hours
- The number of days lost for the period September 2019 – August 2020 is as follows:
- People died : 0 days
- Totally paralyzed: 0 days
- People lose eye function : 0 days
- Permanently disabled: 0 days
- STMB people for 40 days: 0 days
- Minor injuries for 2 days : 0 days
- Can work immediately: 0.57 days
- Frequency rate (SR) : $\frac{0.57 \times 1,000,000}{929,480} = 0.81$

For the period September 2021 – August 2022, there were 0.81 lost days per 1 million employee hours worked.

The company has shown a work accident record document using the LTA calculation. Based on the recorded work accident data for the period September 2021 – August 2022, it is known that there were 19 cases of minor accidents with FR 2.15 and SR 0.81.

6.7.2	Status: Nonconformity No. 2022.8 with Major category	
6.7.3	Status: Nonconformity No. 2022.9 with Major category	
6.7.4	Status: Nonconformity No. 2022.10 with Minor category	
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 unit of certification has standard operating procedures on pest and disease control, for example as stated in SPO No. 05.10-12 Revision No. 00, pages 191 to 193 and dated August 1, 2007 concerning Pests and Diseases in Mature Crops. The SOP explains several points regarding pest and disease control, including several examples of discussions about disease symptoms, prevention of treatment of diseased trees, types of pests that often cause damage to crop areas, early observation systems (EWS), pest eradication, evaluation of census results. observation, identification and disease symptoms.

In Standard Operating Procedure No. 04.3 No Revision 00 dated August 1, 2007 regarding Pests and Diseases in Immature Crops, in the SOP some examples of discussion include explanations of the types of pests that often cause damage in the immature plants area, symptoms of attack, census methods, attack criteria, prevention, and control methods.

Pulu Raja Estate has carried out monitoring activities for the symptoms of the UPDKS pest attack, including conducting global telling (early warning system/early detection) and finding symptoms of attacks above the threshold, then effective telling (detailed census). After that, if it is found that the observations are above the threshold, chemical control will be carried out. Then, Natelling was carried out (observation after controlling) to see the effectiveness of the control.

The unit of certification has been able to show the pest control documents contained in the Pest Control monitoring data. Based on these documents and interviews with management, information was obtained that there were no rat attacks in the past year. As for the example of monitoring UPDKS pest attacks, for example the results of the census in July 2022 afdeling IV block V 2014 with an area of 21 Ha obtained 9 caterpillars / midribs. Then chemical control is carried out using phosthene. Then nateling was carried out with 90.98% control results. This is in line with the results of field observations, where the auditor found no indications of rat attack at the Afdeling 4 location.

Pulu Raja Plantation has shown a recapitulation document of pest and disease detection for the period 2021 and January to 2022. Based on the recapitulation, it is known that no pest and disease attacks have crossed the threshold.

Biological control

- Based on information on document review and interviews with the management unit that the plan and realization of planting beneficial plants have been carried out. The Company has used useful plants, including *Turnera subulata/ulmifolia* and *Antigonon*. Erosion resistant plants include siamang trees and vetiver grass.
- Based on pest and disease monitoring reports (EWS) and censuses in March and May that the rat attack was below the threshold with an average observation of 0 (zero percent), therefore the company did not use owl maintenance (Owl Cage / Guppon)
- Based on information from document review that pest and disease control plans are implemented and monitored every 2 months to ensure effective pest control. The company has observed EWS, Census with results from January to May 2022 showing data that pest and disease attacks are below the threshold with an average percentage of 0 (zero).

7.1.2

Certification Unit uses useful plants to control UPDKS pests by planting and maintaining beneficial plants such as *Turnera subulata* and *antigonon* which grow naturally and are maintained by the company. The unit of certification does not use introduced invasive species in accordance with Permen LHK No. P.94/MENLHK/SEKJEN/KUM.1/12/2016. Regarding Invasive Types, the company can show records of Beneficial Plant monitoring in monitoring its spread.

Based on document review information, the company does not use any invasive species introduced in accordance with government regulations in force in the managed areas. The company grows useful plants, namely *Turnera subulata* and *antigonon*. In addition, based on the results of interviews with company management, it is known that the company also uses plants that grow naturally and are maintained by the company.

7.1.3

Based on information from document studies, field observations, and interviews with workers, the recapitulation of the detection of pests and diseases of the Pulu Raja Plantation for the period 2021 and January to August 2022 found that there were no pests and diseases that exceeded the attack threshold value. Based on the results of interviews with the surrounding village community, the Plantation Service and field visits, it was found that there was no information on the use of fire for pest control in the last 1-2 years.

Status: Comply

7.2

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

7.2.1

Certification Unit has been able to show a list of pesticides used and the pest targets from the use of these pesticides in the period 2021 and January-August 2022, including the following:

No	Material Name	Active Ingredients	Registration No	Target
1	Elang 480 SL	Isoprofil Aminaglyposate 480 G/L	RI.010300119941170	Broadleaf weed
2	SCUD 100 EW	Sipermetrin 100 G/L	RI.01010120093368	Horn beetle
3	Starane 290 EC	Fluroksipir Heptil Ester 290 G/L	RI.010311988854	Broadleaf and woody weed/Macuna
4	Amistartop	Aoxistobini	RI.0102120005228	Broadleaf and woody weed/Macuna
5	Manthene 75 SP	Asefat 75%	RI.01010120072671	Setothasea asigna fire caterpillar, fruit sucker (helopeltis) cocoa
6	Dithane	Mankozeb 80%	010201197459	Ferns, broadleaf weeds and narrow leaf weeds
7	Metsulindo	Metil Metsulfuron	RI. 01030119991484	Ferns, broadleaf weeds and narrow leaf weeds
8	Feromon	Ethyl-4-Methyloctanoate 90%	RI. 01070120165437	Horn beetle
9	Capture	Cypermethrin I	RI. 01010120072927	horn beetle
10	Deltametrin 25 EC	Insektisida	RI. 01010120021684	Setothasea asigna fire caterpillar, fruit sucker (helopeltis) cocoa
11	Amcothene 75 SP	Asefat 75%	RI. 01010119921006	Setothasea asigna fire caterpillar, fruit sucker (helopeltis) cocoa
12	Borer 800 SL	Alkilfenol Etoksilat	RI.12388/5-2006/T	Setothasea asigna fire caterpillar, fruit sucker (helopeltis) cocoa
13	Sevin 85 SP	Kalbaril 85%	RI. 010101197422	Setothasea asigna fire caterpillar, fruit sucker (helopeltis) cocoa
14	Emulgator	Perekat	RI. 01010120072927	Setothasea asigna fire caterpillar, fruit sucker (helopeltis) cocoa
15	Phosthene 97 WG	Asefat	RI. 01010120124498	asigna, fruit sucker (helopeltis) cocoa
16	Antracol 70 W	Propindo 70%	RI. 010201197474	Brown leaf spot disease curvularitamaculans

Based on the information obtained from interviews with Pulu Raja Estate spray workers in Block J 2012, it was concluded that workers could explain the mechanism of the pesticide application procedure, and about the function of the chemicals used and selectively when carrying out spraying activities, such as the example for glyphosate used for dish spray and pikul markets. only while the weeds in the dead gate are not sprayed.

7.2.2

The company shows a record of pesticide use contained in the Pesticide Use Record document which contains information on information on the type of pesticide used, active ingredient content, targeted area, amount of active ingredient applied per hectare, unit of use, period of use and LD-50. Example of pesticide use in August 2022.

Product Name	Active Ingredient	LD50 (rat) (G/L)	Area of application (ha)	Number of applications (Ltr or Kg)	B.a/Ha
Caftur 100 EC	Cypermethrin I	100	2,782	278.20	0.10
Metsulindo 20 WP	Metil Metsulfuron	100	13,375	171.33	0.0075
Starane 290 EC	Fluroksipir Heptil Ester	290	2,730	81.89	0.03

Based on the results of interview information and document review, there are records of pesticide use (including the active ingredients used and the LD50 of the active ingredients, treatment area, amount of use of active ingredients per Ha and number

of applications) in the period of 2022.

7.2.3

The unit of certification only controls using pesticides if the results of the pest attack census are above the threshold. Pulu Raja Estate does not use pesticides prophylactically. If it is still below the threshold, the company will not use chemical control. In terms of biological control of UPDKS pests, the company plants and maintains natural enemies of UPDKS pests, such as *Turnera subulata* and *Antigonon*.

Based on interview information from the management unit and document review that the company uses chemicals for weed control routinely and it is known that the application method is not a preventive application, but is selective for locations that have weeds.

7.2.4

The company does not use pesticides prophylactically. The company only controls using pesticides if the results of the pest attack census are above the threshold. If it is still below the threshold, the company will not use chemical control. Pulu Raja Estate does not use prophylactic methods in the use of pesticides. The company controls using pesticides if the results of the pest attack census show results above the threshold specified in the SOP No. 05.11 part b page 200 regarding the Pulu Raja Plantation Early Observation System (EWS) regarding initial observation activities / EWS. A census is carried out by the company every month, if the results show below the threshold then the company does not use pesticides for pest and disease activities. In weed control if the field conditions in the ring line and harvest line are still quite standard, the company will postpone chemical weed control.

Based on information from interviews with spraying officers that the application method used is not a preventive application but is more selective for locations where weeds are present.

7.2.5

The unit of certification does not use prophylactic methods in the use of pesticides. The company controls using pesticides if the results of the pest attack census exceed the threshold specified in the Memo from the Plant Section of PTPN IV No: 04.04/District-Kebun/M.1238/XII/2018, effective on December 19, 2018 signed by the Head of the Plant Section PTPN IV regarding the Use of Chemicals with Active Paraquat Dichloride which explains that herbicides with active ingredients of paraquat dichloride cannot be used unless special conditions (limited), therefore the use of these chemicals can only be used to control broadleaf pteridophyta weeds (ferns/ferns)).

Based on the results of document review and observations to chemical warehouses, it is known that the company does not use paraquat pesticides and pesticides classified as class 1A or 1B.

Based on information from interviews with spraying officers and review of documents regarding the recording of pesticide use, the application method used is not a preventive application but is more selective for locations with weeds and the company does not use pesticides with the active ingredient paraquat or WHO pesticide groups 1A and 1B. In addition, the company has also carried out early detection routinely as stated in the monthly early warning system (EWS) report. The use of pesticides is always based on census results and field conditions

7.2.6

Chemical handling is described in the Chemical Work Instruction No. FM.4.3.13-05 on December 19, 2018 which was signed by the Head of Plant Division of PTPN IV. In the IK it is explained that chemical workers must use glasses, shoes, helmets, masks, rubber gloves, work clothes when working; After finishing work, tidy up the tools/materials to take to the office warehouse. The company controls using pesticides if the results of the pest attack census exceed the threshold set regarding

Pesticide application workers have used PPE/personal protective equipment provided by the company in accordance with the specified hazard identification and material safety data sheets including respirator masks, gloves, safety shoes, aprons and goggles. Employees have also been informed with socialization about safe work steps on every roll in the morning before work.

Based on information from interviews with spray workers in Block J-2012 Afdeling 4, it is known that PPE is provided free of charge by the company (gloves, apron, glasses, masks, safety shoes, helmets), after spraying they will wash and dry the PPE, placing sprayers (spray tanks, jerry cans, etc.), and bathing/ changing clothes in a special place at the Afdeling rinse house 4. Therefore,

based on field observations to the rinse house area, it is known that there is a warehouse to store all PPE and spraying equipment after they are used up. Workers also understand the technical activities of workers by explaining work techniques starting from how to spray, target weeds, and avoid spraying in river border areas.

7.2.7

Based on the results of field visits/observations to the chemical storage warehouse, it is known that the stored chemicals are in accordance with applicable regulations. Found a complete range of MSDS, according to existing stock. A dedicated pesticide mixing station is also available. The water used to wash the sprayer and mix pesticides can be reused well. Storage is also equipped with pesticide flow records, appropriate risk symbols, PPE, first aid and fire fighting, nameplates and hazardous symbols for chemicals by category, Material Safety Data Sheets, emergency response, first aid kits and personal protective equipment. Based on observations and interviews with chemical officers, chemical waste used for pesticides is sent to the hazardous and toxic waste storage area

Based on the results of interviews with spray workers, it was found that the workers had an understanding of the management of used chemical packaging, which was rinsed in a pesticide packaging washing place and then collected at a licensed hazardous and toxic temporary storage. Based on the results of the field visit at the afdeling office, it is known that the washing place for used pesticide packaging is in the afdeling office, the water used for washing the packaging is accommodated and reused for pesticide mixing materials.

7.2.8

The company has SOP for hazardous and toxic waste management SPO No. 2 dated January 2, 2015. Container for Agrochemical Chemicals and Equipment Washing Water. Containers in the form of jerry cans and plastic packages are collected in a separate warehouse or hazardous and toxic waste storage, arranged in an orderly manner and labeled according to type and size. After reaching a certain amount, it is handed over to a company that has a permit to transport hazardous and toxic waste.

Waste is temporarily stored in a licensed hazardous and toxic waste storage which is then handed over to a licensed hazardous and toxic waste management party. Company shows hazardous and toxic waste storage license No. 503/LB3/DPMPPTSP/0006/V/2019 dated 27 May 2019 which is valid for 5 years, it is known that the coordinates of hazardous and toxic waste storage are N 02°42'04,6" and E 099°37'24.5".

The company shows hazardous and toxic waste carriage contract which is carried out by a licensed hazardous and toxic waste collector (PT Veronica Tannage). There is an official report on the handover of hazardous and toxic waste transportation which was carried out on 13 May 2022, including the transportation of contaminated packaging (used pesticide and chemical packaging) with No. Manifest KLHK-1655295840 as much as 2.871 ton. Based on the results of field observations, used pesticide packaging has been stored in a hazardous and toxic waste storage that has a permit and is then sent to a third party.

7.2.9

Based on information on the results of document review and management unit interviews, and the results of field visits, it is known that there are no Pesticide application activities by air in the period 2021-2022.

7.2.10

Certification Unit has carried out special health checks every year for chemical application operators. The Company showed the Employee Check-Up Implementation Report on April 8, 2022 which was attended by 33 spray and fertilizer workers consisting of employees handling pesticides, toxic chemicals and employees > 40 years old with certain types of work (related to chemicals). From the results of the health checks carried out, it is known that there are 5 workers who were given advice to consult the company doctor. related to this, the company has shown documentation of a follow-up inspection dated April 18, 2022.

7.2.11

Based on the document review information/ The results of the verification of the list of chemical applicators, the results of the health examination and interviews with representatives of the gender committee, it was found that only a few female workers had jobs related to chemicals. There are only 4 female workers who deal with chemicals and are over 40 years old and have carried out a family planning program so they are less likely to be menstruating or breastfeeding.

Based on field observations and interviews, it is known that there are no workers under the age of 18 who work in the chemical field. Pregnant and lactating women are prohibited from working in the chemical sector. Monitoring is carried out through monitoring H1 and H2. If a pregnant woman is found, she will be diverted to light non-chemical activities

Status: Comply

7.3

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

7.3.1

All waste (including hazardous waste) and pollutions sources from mill and estate are identified and recorded on waste identification risk assessment 2020 such as effluent are managed at effluent treatment plant before it distributed to land application bed, hazardous waste was kept at hazardous waste storehouse, etc.

Company has a waste management plan consisting of:

- **Solid Waste**
Solid waste is reused by the certification unit. The solid waste that is reused is EFB which is used back to the land as fertilizer. Meanwhile, shells and fiber are reused as boiler fuel.
- **Mill Effluent**
Mill Effluent management, namely by reusing it with land applications. Before being distributed to the Land Application, first the mill effluent is managed in the WWTP pond. Company has a land application permit in accordance with Decree of Investment and Integrated Services Office of Asahan Regency number 503/IPAL/DPMPPTSP/0008/VI/2020 dated 4 June 2020 about Land Application License of PTPN IV Pulu Raja and valid until 4 June 2025.
- **Domestic Waste**
SOP for household domestic waste management document No. SPO-20, second revision, effective January 2, 2015, in the procedures described relating to waste management from offices and housing, provision of trash bins (trash cans) in offices and housing, making temporary garbage dumps, making a final dumpsite with a size of 1.5 x 2 x 9 meters with a minimum distance of 1 KM from the housing.
- **Hazardous and Toxic Waste.**
Unit of Certification has SOP of hazardous and toxic waste management No. SPO 02, revision 3, issued on January 2, 2017, which describes the management of hazardous and toxic waste from the time it is produced until it is submitted to the waste carrier. Unit of Certification also has a temporary hazardous waste storage (TPS LB3) permit based on the Decree of Regent of Asahan number 503/LB3/DPMPPTSP/0006/V/2019 dated May 27, 2019 which is valid for 5 years.

In realization of waste management, it is divided into several types based on the characteristics of the waste it produces, including:

Hazardous and Toxic Waste

In management of hazardous and toxic waste, company does not reuse it, but only temporarily stores it located in temporary hazardous waste storage. The waste stored in the temporary storage warehouse will then be transported by a licensed party once a year. The latest transportation is proven through Electronic Manifest document and the official report of the transportation carried out on 13 May 2022 by PT Veronica Tanagga which is a licensed party. Company can show a cooperation agreement with the carrier, which is based on the document of the Cooperation Agreement Number 04.03/S-Perj/08/VI/2022 which was made on 6 June 2022 and is valid until 5 December 2022. Company can also show the document the legality of the carrier, such as a valid transportation permit from the Ministry of Environment and Forestry, valid permit for special goods transportation from the Ministry of Transportation, valid Business Identification Number and a Cooperation Agreement between the carrier and licensed processor and/or user.

Company can also show documents for storing and handling Hazardous Waste in accordance with their SOPs and Government Regulation Number 22 in 2021. These documents include Manifest, balance sheet, and logbook. Based on the results of the document review by comparing the manifest, the balance sheet, and the logbook, it can be seen that the data on waste transported on 13 May 2022 was in accordance with the data recorded in the balance sheet and logbook for the period before the transportation was carried out. Similarly, the comparison between the months after the transportation was carried out (June) starting from empty. Unit of Certification records all waste that enters and leaves the storage warehouse properly so that waste management data can be tracked easily and there are no recording differences.

Result of field visit to hazardous waste storage warehouses at Pulu Raja POM also show that company has carried out hazardous waste management quite well. All obligations listed in the waste storage permit have been fulfilled, such as the availability of fire

extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labeling. In addition to good lighting and air ventilation. Company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. Company has also reported the results of hazardous waste management which is carried out every quarter with evidence of Reporting Documents of Hazardous Waste Management Reports for second quarter of 2022 which were reported to the Environmental Agency of Asahan Regency on 31 August 2022, Sumatera Utara Province with proof of electronic receipt number 1659069830-4475, and to Ministry of Environment and Forestry through *SIMPEL* with proof of electronic receipt number 165922691-2164.

Non-hazardous and toxic waste

Non-hazardous waste such as domestic waste and used fertilizer sacks is managed in the form of reuse for goods that can still be used. Non-hazardous waste that cannot be reused will be disposed of in landfills. Transportation of non-hazardous waste from employee housing or emplacement areas is carried out once a week and immediately disposed of in a landfill, and when the landfill is full, it will be stockpiled and put-up signboards marking the opening and closing dates. Company has a policy regarding the prohibition of burning waste, including in landfill areas.

POME, Solid and Air Waste

Solid waste from the FFB processing process in the form of shells and fiber is reused by company as a substitute for fossil fuels (diesel) for power generation in boilers. Some of the solid waste in the form of shells is also sent or sold, while the empty fruit bunches are used as fertilizer. Data on solid waste utilization is explained in more detail in indicator 7.9.1.

Company uses POME by applying it to the Land Application. The regulation and management of POME are explained in more detail in indicator 7.8.3. As for air waste, the company has not made a common use for air waste, namely the Biogas Plan, so far, the management related to air waste has only been limited to measuring air quality from waste-producing sources such as Boilers and Gensets.

7.3.2

Based on interviews with Manager of Pulu Raja Estate, it was found that they had an understanding of the handling of waste disposal, especially hazardous waste and its management as regulated in company's procedures. The waste warehouse operator can also explain the technicalities related to waste management, such as the treatment of incoming and outgoing goods, recording, and reporting, transportation period, handling in the event of work accident and other actions regulated in company's procedures. Result of verification of the Hazardous Waste Logbook document also show that all incoming and outgoing waste has been properly documented and in accordance with its actual conditions.

The company has shown improvements to the non-compliance that occurred in 2021 starting from re-determining the root of the problem, corrective action, corrective action and proof of improvement. Based on the results of the field visit on the surveillance assessment-1.1, the following was found:

- 1 point of household waste piled up on vacant land behind the housing for POM employees.
- 1 point of household waste disposed of next to the Sorting Station.
- 1 point of burning beside the Fertilizer Warehouse in Afdeling IV Pulu Raja Estate
- 3 points of burning waste, 3 points of piles of garbage, and 1 point of burning next to the Kindergarten in Housing Division V Kebun Pulu Raja.
- Landfill Block 2018 I Division IV, which has opened holes since 2021, there is no household waste and green grass has grown.
- The results of interviews with residents of Housing for POM Employees and Division V Housing Complex, household waste is disposed of by the residents themselves to landfill. However, residents of Division IV Housing Complex, garbage is collected by officers every 5 days.

The company already has procedures related to waste management in SOP for Household Domestic Waste Management No. SPO 20 Revision 03 which is effective from 2 January 2018. Point 5.4 in the procedure states:

- a. "Each employee collects his trash in the bins provided and cleans the yard around the housing;
- b. The cleaning staff periodically collects waste from the temporary storage and brings it to the landfill using the tools provided."

The company has not shown evidence that it has carried out waste management according to its procedures. Thus, the grade of this nonconformity on this indicator is raised to Major/Critical. This becomes nonconformity No. 2021.03 Minor raised to Major category.

7.3.3

Based on result of field observation, following were found:

- 1 point of burning household waste on an empty land behind the house of POM Housing Complex.
- 1 point of ex waste burning next to Fertilizer Storage in Afdeling IV Pulu Raja Estate
- 3 points of ex waste burning and 1 point of active burning next to the Kindergarten in Afdeling V Housing Estate Pulu Raja.
- Landfill Block I Afdeling IV, which has been opened since 2021, does not contain any domestic waste and is overgrown with green grass.
- Result of interview with residents of POM Housing Complex and Afdeling V Housing Complex, domestic waste is disposed of by the residents themselves to the landfill. However, residents of Afdeling IV Housing Complex stated that domestic waste is transported by officers every 5 days.

Company has procedure related to waste management in SOP for Domestic Waste Management No. SPO 20 Revision 03 which has been effective since 2 January 2018. Point 5.5.c states that, "It is forbidden to burn waste in any form without the company's permission". Based on the explanation above, the company has not shown evidence that it does not use open burning for waste disposal in accordance with its procedures. This becomes **nonconformity No. 2022.11 with minor category**.

7.3.2	Status: Non-conformity No. 2021.03 Minor raised to Major category	
7.3.3	Status: Non-conformity No. 2022. 11 with Minor category	

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

7.4.1

The company has shown and has documents of Basic Guidelines and Work Instructions for Fertilization which explain: (Doctor No.: Business Unit.A.10 month June 2013)

- The basics of fertilization are from soil and leaf analysis
- Soil analysis is carried out every 1-5 years
- Leaf analysis is carried out annually
- How to take leaf samples
- Fertilization organization (manpower arrangement, fertilizer application)
- Fertilizer control, security and administration
- Fertilization in the immature plants area
- Organic fertilization using empty bunches and liquid waste

The company has demonstrated procedures for managing soil fertility regarding mature crops which include: (contained in SPO No. SPO.05)

- yielding crop management,
- road and bridge maintenance,
- fertilization,
- fertilization organization,
- analysis of leaf samples every year and soil every 3-5 years,
- tool calibration,
- calculation of water deficit,
- sowing empty bunches,
- compost sowing,
- application of palm oil effluent,
- Root rot disease (Ganoderma), Pests and Diseases of oil palm.

Some of the implementations that have been carried out by management include:

- Implementation of Soil and Leaf Analysis conducted by PPKS
- Nutrient cycle strategy carried out by the management unit is the application of empty leaves and the application of liquid waste

to the land.

The unit of certification can show the program and realization of fertilization applications using Hokay Rock Phosphate and Borate for the period January to December 2021 and January to August 2022. Based on document review and interviews with staff, fertilization realization at Pulu Raja Estate is in accordance with the program. The fertilization program is in progress and the company is targeting completion based on fertilizer recommendations. The results of interviews with fertilizer workers at Pulu Raja Estate, fertilization activities are carried out manually by workers. The workers can explain the fertilization system and procedures well, namely in accordance with the dose determined based on the recommendations and prohibitions on fertilization around the river.

7.4.2

The company already has Basic Guidelines and Work Instructions for Fertilization (Doctor No.: Business Unit.A.10 month June 2013) which explains:

- The basics of fertilization, namely from soil and leaf analysis
- Soil analysis is carried out every 1-5 years
- Leaf analysis is done every year

Soil sampling period at PTPN IV is every 5 years and leaf sampling is every 1 year.

Leaf Analysis

P. Raja Estates has conducted an analysis of the leaves contained in the Recommendation Report on Fertilization of Palm Oil Plants in December 2021 by the Oil Palm Research Center. The results of the analysis of leaves in 2021 as a recommendation for fertilization in 2022, for example, leaf nutrients for oil palm plants produce in 2021:

Year Planted	No. KCD	No. Block	Leaf Nutrient Content %					
			N	P	K	Ca	Mg	B (ppm)
2009	123	A	2.22	0.146	1.33	0.92	0.25	-
2010	129	C	2.54	0.149	1.47	0.53	0.25	-

Soil Analysis

Pulu Raja Estates conducted a soil analysis with 8 samples in 2020 conducted by PPKS Medan. The parameters analyzed were soil fraction, soil texture, pH, C, N, C/N, P, K, Ca, Na, Mg, JKB, CEC, KB and other micro nutrients. Based on information from the results of the document review, records of tissue (eg leaves) and soil sample analysis activities are available on a regular basis to monitor and manage changes in soil fertility and plant health.

7.4.3

Certification Unit has been able to show records of waste utilization for the period January – August 2022, including:

2022	EFB production (Ton)	EFB application to afdeling (ton)	Fiber Fuel (ton)	Shell Fuel (ton)
Jan	1,551	1,545	945	375
Feb	1,763	1,811	1,195	483
March	2,639	2,708	1,729	647
Apr	3,650	3,653	2,435	985
May	3,226	2,880	2,265	847
Jun	3,874	3,503	2,692	932
Jul	2,990	3,677	2,004	799
Aug	3,274	3,137	2,440	829
Total	22,967	22,984	15,705	5,898

Based on information from the document review, the certification unit has a nutrient recycling strategy, such as recycling empty fruit

bunches, POM liquid waste, palm oil residue, as well as optimizing non-organic fertilizers. Use of pruning, application of effluent and Empty Bunch Mulch. There are records of the realization of the EFB application at the Pulu Raja Plantation, for example: EFB application of 22,984 MT in January – August 2022, while fiber fuel is 15,705 tons, and shell fuel is 5,898 tons. Results of field observations in Empty Bunch Application at Afdeling 4 Block 2020 G can be concluded that the company has implemented a nutrient recycling strategy in the form of utilizing empty bunches as organic fertilizer in oil palm plantations.

7.4.4

Certification Unit has a record of fertilization plans and realizations contained in the Fertilization Report document of the Pulu Raja Plantation Business Unit. The company shows the realization results in accordance with the fertilizer recommendations in 2021 and 2022. The types of fertilizers used are Dolomite, NPK 12.12.17.2, Dolomite, Boron and MOP. The results of the inspection of fertilizer activity documents for the period up to August 2022 in each afdeling are in accordance with the recommended dose. Records of fertilization activities are properly recorded and recorded by the company explaining the type of fertilizer, number of workers, work performance, and dosage used, as listed in the following table:

Program Plans/ Recommendations and realization of Pulu Raja Estate fertilizer for the period of 2021 :

Fertilizer	Plan (kg)	Realization (kg)	Percentage %
Dolomite	900,396	895,176	99.42
UREA	336,223	336,070	99.22
Boron	38,879	38,695	99.53
NPK 12.12.17.2	696,706	875.026	125.59

Plans/ Recommendations and realization of Pulu Raja Estate fertilizer for the period of 2022 (January –August 2022)

Fertilizer	Plan (kg)	Realization (kg)	Percentage %
Dolomite	989,577	989,517	100
UREA	727,610	726,855	100
MOP	871,865	871,629	100
NPK 12.12.17.2	1,238,096	1,237,739	100

Based on document verification and interviews with management, information was obtained that the realization of Dolomite, urea, MOP, NPK and Boron fertilizers is in accordance with the fertilization plan for 2021 and 2022 at Pulu Raja Estate.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

The company has shown the Soil Type document and Soil Map for Pulu Raja in-depth review with a scale of 1:50,000 informing that the type of soil in the company's operational area is 100% mineral soil consisting of Typic Hapludult (Podsolik yellow) with an area of 1.125 ha, Typic Trophaquept (Regosol) covering an area of 650 ha, Typic Dystropept (Podsolik Brown) covering an area of 894 ha and Typic Trophaquept (Regosol/Alluvial) covering an area of 1,500 ha. Soil acidity (pH) ranges from 4.6-5.9 (medium category) so it is not a limiting factor in oil palm cultivation activities. Limiting factors in management activities are sandy soil texture and low fertility. In addition, the general slope of the land is flat to undulating and there is no soil with a slope of >40%. In addition, it can be concluded that there is no type of peat soil in the Pulu Raja Business Unit area.

Based on the results of the document review information and field observations that the general slope of the land is flat to undulating and there is no soil with a slope of >40%. In addition, it can be concluded that there is no type of peat soil in the Pulu Raja Business Unit area.

7.5.2

Based on the document review information and the results of interviews with the management unit that Pulu Raja Estate has no new plantings, and only replanting. The company shows environmental documents, the Pulu Raja plantation area is a flat expanse. The study area is included in the plain physiographic system with the shape of the area being flat (slope 0 – 3%) and wavy (slope 3 – 8%). The results of observations on the replanting area for the 2021 planting year in the 2021F block, it is known that replanting is carried out in flat areas and not in steep areas.

<p>7.5.3</p> <p>Based on field observations in the immature plants I area in the 2021F block, it is known that replanting in the sloping area has been carried out by minimizing soil erosion through the felt system and by planting a ground cover crop, namely <i>Mucuna bracteata</i>. During the audit activity, ASA 1.1 was carried out, the company has not yet developed new areas and the operational area of PTPN IV-Pulu Raja Estate does not have peatlands.</p>	<p>Status: Comply</p>	
<p>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.</p>		
<p>7.6.1, 7.6.2 and 7.6.3</p> <p>Certification Unit y has shown the soil type document and soil map of Pulu Raja Estate with a scale of 1: 50,000 informing that the type of soil in the company's operational area is 100% mineral soil consisting of Typic Hapludult (yellow Podsolik) with an area of 1,125 ha, Typic Tropaquepts (Regosol) covering an area of 650 ha, Typic Dystrudepts (Podzolic Brown) covering an area of 894 ha and Typic Tropaquepts (Regosol / Alluvial) covering an area of 1,500 ha. Soil acidity (pH) of the soil ranges from 4.6-5.9 (moderate category) so that it is not a limiting factor in oil palm cultivation activities. The limiting factor in management activities is the sandy soil texture and low fertility. In addition, the land slope condition is generally flat to undulating and there is no land with a slope of > 40%. In addition, it can be concluded that there are no peat soil types in the Pulu Raja Business Unit area.</p> <p>The PTPN IV Pulu Raja Business Unit has been operating since 1920 and until now there has been no development of new plantation areas. Based on information from document review and field observations, interviews with management and relevant stakeholders, it is known that there is no new development area in PTPN IV Unit P. Raja until the time of the audit ASA 1.1.</p>		
<p>Status: Comply</p>		
<p>7.7 No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.</p>		
<p>7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6, and 7.7.7</p> <p>Based on information from the results of the document review that Pulu Raja Estate is described in the Soil Type document and Soil Map In-depth review of Pulu Raja Plantation with a scale of 1:50,000 informing that the type of soil in the company's operational area is 100% mineral soil consisting of the Typic Hapludult type (Podsolik yellow) covering an area of 1.125 ha, Typic Tropaquept (Regosol) covering an area of 650 ha, Typic Dystropept (Podsolik Chocolate) covering an area of 894 ha and Typic Tropaquent (Regosol/Alluvial) covering an area of 1,500 ha. Soil acidity (pH) ranges from 4.6-5.9 (medium category) so it is not a limiting factor in oil palm cultivation activities. Limiting factors in management activities are sandy soil texture and low fertility. In addition, the general slope of the land is flat to undulating and there is no soil with a slope of >40%. In addition, it can be concluded that there is no type of peat soil in the Pulu Raja Business Unit area</p> <p>Based on information from the results of the document review, field visits and interviews with stakeholders and management units until the ASA 1.1 audit was carried out, the company has not yet developed new areas and the operational area of PTPN IV-Pulu Raja Estate does not have peatlands.</p>		
<p>Status: Comply</p>		
<p>7.8 Practices maintain the quality and availability of surface and ground water</p>		
<p>7.8.1</p> <p>Company has identification on water course within its operational area in HCV document and there is also water management plan covered in HCV management plan, environmental management and monitoring plan document (<i>RKL-RPL</i>), and water quality and water source management in 2022. Among other the plan covers determination of riparian area border, protection of riparian area by not conducting chemical spraying and tree enrichment. The action taken among other by testing periodically river water quality, monitoring and tree enrichment in riparian, agrochemical use in riparian prohibition, monitoring volume of water use, applying treated mill effluent to permitted land application. The company was conducted water quality testing every semester by accredited testing laboratory No. LP-1284-IDN. Location of surface water testing conducted in upstream and downstream of Asahan River and Aek Nagaga River. Based on environmental monitoring analysis in <i>RKL-RPL</i> report in second semester of 2021 and first semester of 2022, it was informed that the company activity has not given negative effect to environment.</p>		

7.8.2

Company has River Border Management Mechanism on SOP No. 05 Revision 2 dated January 2, 2015. This procedure contains the determination of river border areas as protected areas.

- Determination of delimitation of at least 100 meters left and right for large rivers and at least 50 meters for small rivers.
- Perform boundary marking
- Installation of warnings
- Socializing the prohibition of chemical spraying in river border areas
- Enrichment with pioneer plants.

Company has planted woody plants in 2016 until now, monitoring is always carried out every month to ensure the sustainability of the plants. Based on observation to riparian area in Pulu Raja Estate, it is known that company has done proper ways for maintain and protect the catchment area for example the management efforts carried out including the installation of HCV warning boards, marking of spraying limits in the form of circular red paint on the oil palm and planting of woody trees on the river border.

7.8.3

All palm oil mill effluent produced by Pulu Raja Palm Oil Mill are processed at waste water treatment plant before it distributed to estate as land application. Monitoring of BOD has carried out every month regularly and reported to Environmental Agency every three month. Based on waste water analysis in period September 2021-August 2022, all parameters that tested under threshold especially BOD and COD. It shows that POME can be applied in to the land application. For examples, BOD on August 2022 is 498 mg/l with threshold 5000 mg/l and pH 7.54. Company has had license to use the effluent for land application based on Decree of Investment and Integrated Services Office of Asahan Regency number 503/IPAL/DPMPPTSP/0008/VI/2020 dated 4 June 2020 about Land Application License of PTPN IV Pulu Raja and valid until 4 June 2025. Besides, company has also shown proof of payment of surface water utilization for period August 2022 in 6 September 2022 to *Kas Daerah Provinsi Sumatera Utara*.

7.8.4

Company already has a Water Resources Usage Permit for Pulu Raja Industrial Business Unit based on Decree of Minister of Public Works and Public Housing No. 341/KTPS/M/2021 dated March 23, 2021, which is valid for up to 2 years from the date of its enactment. Water usages monitoring for Pulu Raja Mill are conducted daily and listed on "*Neraca pemakaian harian*" Standards of water usage for FFB process recorded on 2021 budget projected 1.20-1.50 m³/MT FFB process. Water consumption monitored by using flowmeters installed in the piping system of WTP. According to water use data in the last period January to August 2022 average water used for processing still below the determined budget (1.00 m³/ton FFB). The overall use of water under the budget of the company.

Status: Comply

7.9

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

7.9.1.

The certification unit has monitored fossil fuel, fiber and shell usages. For example, during period of January to December 2021: CPO production: 38,810.97 MT; Shell Usage: 6,059 MT; Fiber Usage: 15,705 MT; Diesel Usage: 162,531 Litre. Based on previous year monitoring data sighted that the fossil fuels usage in 2022 is 4.18 litre/ton CPO which is decreased from fossil fuels usage in 2021 5.62 litre/ tonCPO.

Status: Comply

7.10

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

7.10.1

CH has conducted GHG emission calculations period January-December 2021 Using Calculator Palm GHG version 4.1. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.1) 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 Emission

Emission per product	tCO ₂ e/tProduct
CPO	10.17

PK	10.17
----	-------

Production	t/yr
FFB processed	174,210.30
CPO produced	38810.97
PK produced	6509,54

Extraction	%
OER	22.28
KER	3.74

Land use	Ha
Planted area	34584.10
Planted on peat	6065.32
Conservation Area (Forested)	0.00
Conservation Area (Non-Forested)	1802.35

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	8319.74	0.05
Fuel consumption	507.10	0.00
Grid electricity	0.00	0.00
Credits		
Export of Excess Electricity to housing & grid	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	8826.84	0.05

Summary of field emission and Sinks

Description	Own crop			Group			3rd Party		
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB
Emissions Sources									
Land conversion	43052.22	9.88	0.41	298522.09	9.88	7.82	0.00	0.00	0.00
CO2 emissions from fertilizer	4062.94	0.93	0.04	25410.56	0.84	0.67	0.00	0.00	0.00
N2O emissions from Peat	0.00	0.00	0.00	45403.53	1.50	1.19	0.00	0.00	0.00
NO2 emissions from fertilizer	2793.65	0.64	0.03	14776.27	0.49	0.39	0.00	0.00	0.00
Fuel Consumption	114.28	0.03	0.00	1344.31	0.04	0.04	0.00	0.00	0.00

Peat Oxidation	0.00	0.00	0.00	331166.46	10.96	8.67	0.00	0.00	0.00
Sinks									
Crop Sequestration	-39881.00	-9.15	-0.38	-276808.67	-9.16	-7.25	0.00	0.00	0.00
Sequestration in Conservation Area	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	10142.10	2.33	0.10	439814.54	14.55	11.52	2418.86	0.00	0.00

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

Besides receiving FFB from Pulu Raja Estate, Pulu Raja POM also receives FFB from groups and third parties. Based on the verification results, there is no peat in Pulu Raja Estate but from other supplying plantations that supply FFB to Pulu Raja POM. The difference in conservation area in the GHG calculation also stems from the conservation area of the other plantations that supply FFB to Pulu Raja Palm Oil Mill. The conservation area for the Pulu Raja Estate itself is 0.25 ha. The increase in GHG emissions that occurred in this period came from other supplying plantations which during this calculation period supplied to Pulu Raja POM.

7.10.2

Company has been operated since 1920, currently estate operations have carried out 3rd cycle replanting and there is no new development.

7.10.3

Company has identified sources of pollution and emissions generated from all operational activities of the plantation and factory. They also have plans to reduce or minimize these emissions. This is contained in the Mitigation document and efforts to reduce GHG emissions, such as:

- Providing appropriate training to spraying team
- Planting beneficial plants (*cassia cobanensis*, *tunera spp* and *antigonon spp*) in empty areas.
- EFB application
- Perform routine services on vehicles and generators
- Plant trees around generator houses and riparian belt areas.
- Perform leaf analysis to determine the type and dosage of fertilizer
- Land monitoring that has the potential to be fire-prone

Company has also conducted an assessment of activities that cause pollution or emissions, for example:

- Liquid Waste quality testing
- Air quality testing
- Testing of emissions of boilers and generators
- Noise testing
- Odor testing
- Vibration testing

Mitigation measurements and plan to reduce waste, pollution, and emission including GHG from Mill and estate are identified and recorded on waste/pollution identification document and GHG identification document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every month and monitoring periods Jan-June 2022 sighted that all of waste water testing parameters is compliant to the standards quality. Noise level monitoring on first semester 2022 are conducted based on *RKL/RPL* matrix are also in accordance with applicable regulation.

Status: Comply

7.11

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

7.11.1

Based on results of field observation and document review of Land Fire Prevention and Management Report in second semester of 2021 and first semester of 2022, there were no land burning activities in plantations. In addition, company has a fire prevention and control policy which is contained in Letter No. 04.07/SE/56/VI/2020 dated June 24, 2020.

7.11.2

Based on results of document review of Land Fire Prevention and Management Report in second semester of 2021 and first semester of 2022, there were no land burning activities in plantations. In addition, company has a fire prevention and control policy which is contained in Letter No. 04.07/SE/56/VI/2020 dated June 24, 2020 which contains fire prevention and control activities determined by the company including formation of firefighting teams, installation of fire extinguishers and hydrants, building fire monitoring towers, providing firefighting facilities and infrastructure, and perform fire prevention behavior. Based on results of field observation, it is known that there were no land burning activities in replanting area.

7.11.3

Based on results of document review of Land Fire Prevention and Management Report in second semester of 2021 and first semester of 2022, there were no land burning activities in the plantations. Based on the report, company already has an emergency organizational structure such as a fire in the Pulu Raja Business Unit in 2021 which consists of a Plantation/Factory Manager, Plantation Assistant, Administrative Assistant, Processing Assistant, etc. Company has shown stakeholders involvement evidence in prevent and control fires as for example document of minutes of socialization on 27 November 2021 which was held in Pulu Raja Unit and was participated by 120 participants.

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

PTPN IV Pulu Raja Unit did not clear land after November 2005. Based on interviews with management and document review, it was found that the operational area of PTPN IV Pulu Raja Unit had been managed since 1920 and has been reported to RSPO.

7.12.2

Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company has no obligation to conduct a High Carbon Stock (HCS) study. Company has high conservation value (HCV) report which conducted by Yayasan Kelapa Sawit Berkelanjutan (Sustainable Oil Palm Foundation) and PT Surveyor Indonesia in 2010. The report informed that wild life identified during assessment were consist of 21 species of Aves, 7 species of mammals, 13 species of reptiles and amphibian, 3 species of fish and 45 species of floras. Furthermore, it was informed that there were 12 species of fauna classified as protected as listed on Appendix II CITES. In detail, identified HCV areas is presented as follows:

HCV Attribute	AFD	Block Location	Remarks	Coverage (ha)
6		Village of Lobu Jiur	Cemetery	0.25
Total HVC Area (ha)				0.25

Potential HCV	AFD	Block Location	Remarks	Coverage (ha)
4.1	I	88L, 88G, 88I, 88H, 88K	Riparian	20.39
	II	88D, 88E, 06K, 93A, 06N, 06J, 06E, 06F, 06I	Zone	34.59

	III	86C, 87E, 85H, 06O, 06S, 06T, 06P, 06Q, 06R	34.57
	IV	06V	2.28
	V	95H, 92K, 95I, 92J, 85J, 95K, 92T, 92P, 92R, 92Q, 92S	41.25
Total 4.1			133.07

Furthermore, HCV map for Pulu Raja Business Unit has also available.

HCV assessment in 2010 informed that 12 species were identified as Appendix II CITES classification. Total identified HCV was about 133.32 ha which consist of riparian zone and cemetery. Based on document verification sighted that Pulu Raja was established since year of 1920, there are no new development conducted after November 2005. Based on result of field observation in riparian showed that the river border was still in good condition and the HCV signboard was in good condition. Based on interview with management and field visit, HCV area as much as 133.32 ha has been included in planted area, while HCV area in basic info only contains as HCV area 0.25 ha for cemetery.

7.12.3.

Based on procedural note in INANI-RSPO P&C of 2018, Indicator 7.12.3. is not relevant to Indonesia, until further decisions by the RSPO.

7.12.4.

Company has compiled a 2022 HCV management and monitoring program based on the results of a management review conducted on 5 January 2022. Company has implemented HCV management and monitoring plan for 2022 in accordance with management plan for example:

- Maintain forest / protected / HCV areas. Company has carried out the maintenance of HCV area by installing a signboard and disseminating information to the surrounding community about the presence of HCV in the company area.
- Socializing flora and fauna to the surrounding community. Company has conducted outreach to the surrounding community regarding the HCV area and the presence of flora and fauna in the company's area on 4 January 2022 with 40 participants. Based on the results of interviews with Bangun Village, it was found that company had conducted HCV socialization and the village understood the HCV area and the protection of flora and fauna.
- Monitoring the presence of wild wildlife species carried out in July 2022.
- Monitoring of the HCV area which was carried out in June 2022. Based on the results of monitoring the HCV area, it is known that there is no disturbance to the HCV area such as animal fishing, hunting, and animal trapping.
- Company has conducted socialization on HCV and the existence of flora and fauna to workers which was carried out on 4 January 2022 which attended by 50 workers.

The unit of certification has shown an HCV monitoring document for the period January-December 2021 which shows the following monitoring results:

- There is no water pollution, encroachment or felling of trees around the Nagaga River.
- There are still wild animals and rare trees, namely king wood and trees around the river border.
- The condition of the vegetation around the cemetery is still there and the road to the burial site is still well maintained.

Company has presented HCV Management and Monitoring Evaluation for period 2021. Based on the document, HCV management has been done by the company in form of socializing HCV management to employees and community, maintaining the no-hunting placards that have been installed, and making necessary procedures for flora management actions that are categorized as protected from extinction, set limits on spray restrictions on river borders, conserved perennials in river bodies, and cooperated with the community to maintain cleanliness of cemetery, as well as maintain protected plants at cemetery.

In addition, the company has shown results of HCV monitoring in January-June 2022 which shows that the river border maintenance boundary signs are still available in good condition and the HCV signboard is in good condition. This has been proven during a field visit to riparian which showed that the riparian was still in good condition and HCV signboard was in good condition. Based on verification result in ASA-1.1 about consistency for correction of nonconformity regarding HCV management plan is developed in consultation with relevant stakeholders, company has set up management plan review annually, as for 2021 management and monitoring results is reviewed on 5 January 2022. This review has been participated by surrounding village including Villages of Manis, Pulau Rakyat Pekan, Baru, Labojiur, Aek Loba, Aek Nagaga Plantation, Tunggul 45, Ofa Padang Mahondang, Persatuan,

Bangun, Padang Mahondang, Orika. Management activities carried out in 2022 include signboard maintenance, flora & fauna monitoring, as well as socialization to employees and the surrounding community.

7.12.5.

Based on result of document review and interviews with local communities, it is known that there are no local community lands designated as HCV areas by company. As for the HCV 6 area which is a public cemetery located within the company's area. Management agreement has been made between company and community which can be seen in Joint Agreement on Management of Cemetery dated July 1, 2019 between PTPN IV Pulu Raja and Tunggul 45 Village. The agreement has explained several points such as regular cleaning of the cemetery area, inspection of the guardrail, installation of signboards, and maintenance of woody plants in the cemetery area.

7.12.6.

Company already has a Letter from Manager No. PUR/SE/intrn/33/VII/2018 which contains prohibitions and sanctions on catching, injuring, collecting, or killing animals belonging to the RTE category, dated 26 July 2018. Company has also conducted socialization about the existence of endangered plants and animals to employees and the surrounding community as indicated in the official report of the socialization as evidenced by the official report, accompanied by a photo and attendance list as described in indicator 7.12.4. For example, Company has carried out socialization on flora, fauna, and water source/DAS management to 50 workers on 4 January 2022. Socialization material has explained that if there are employees and non-employees who catch, maintain, or need protected animals, they will be subject to a maximum imprisonment of 5 years and a maximum fine of Rp. 100,000,000.00 in accordance with Article 40 paragraph 2 of Law No. 5 1990. Indirect socialization is also carried out by installing information boards and brochures warning signs related to conservation areas and the presence of protected rare plants and animals in places that are easily visible, such as area entrances, regional roads that are often crossed by the community, and other places other strategic areas such as offices, and other public facilities. Based on interviews with sprayers, harvesters, as well as residents in housing complex regarding animal protection, the company has committed to protecting animals that are within the scope of corporate governance, such as implementing a ban on hunting, killing and keeping wild animals within the company's environment.

7.12.7.

Company has implemented a management plan containing continuous monitoring of the status of HCV and RTE species as contained in HCV Monitoring and Management Program 2021 which contains:

- Monitoring of riparian area every month which shows that there is no river water pollution, encroachment or tree cutting around the Sei Nagaga River border.
- Monitoring of endangered species such as the results of animal monitoring in December 2021 showed 12 species of animals were found such as the shrike, *kacer* bird, civet, root tiger, etc.
- Monitoring of condition of cemetery every month shows that vegetation around the cemetery is still present, such as frangipani and mahogany trees.
- Direct socialization of HCV management to workers and surrounding communities.

Results of HCV monitoring in 2021 have been reviewed and developed into HCV monitoring plan in 2022 which was made on 5 January 2022. This review has been participated by surrounding village including Villages of Manis, Pulau Rakyat Pekan, Baru, Labojiur, Aek Loba, Aek Nagaga Plantation, Tunggul 45, Ofa Padang Mahondang, Persatuan, Bangun, Padang Mahondang, Orika. Management activities carried out in 2022 include signboard maintenance, flora & fauna monitoring, as well as socialization to employees and the surrounding community.

Status: Comply

3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or √
ASA-1.1	The company didn't use trademark on the product.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or √
ASA-1.1	The company didn't use trademark on the product.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
ASA-1.1	The company didn't use trademark on the product.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA-1.1	The company didn't use trademark on the product.	√
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

PT Perkebunan Nusantara III Time Bound Plan (TBP) is explained in point 1.10. PT Perkebunan Nusantara (PTPN) III has informed the TBP progress, MUTU has considered that PTPN IV is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PTPN IV on November 2021.

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

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that is not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.
- The company has shown documents related to the Time Bound Plan for all units that have not been RSPO certified on November 22, 2021. The document informs the condition of the units that have not been certified, such as:
 - HCV assessment process and progress.
 - Information on new land clearing.

However, the document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), land conflict issues (criteria 4.4, 4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation. (criteria 7.12).

Based on that evidences, the company has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents. **NCR No.2022.12**

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?	PT Perkebunan Nusantara III has carried out self-assessment (i.e internal audit) against uncertified management units dated on 1 December 2020 by PT Perkebunan Nusantara III, PT Perkebunan Nusantara III has submitted some self-assessment reports year 2021 on behalf PTPN III, PTPN V, PTPN VI, and PTPN VIII. It has support- ed evidence of the self-assessment against each requirement such as self assessment reports
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	PTPN III Based on document verification sighted that all uncertified unit has conducted LUCA and submitted to the RSPO: <ul style="list-style-type: none"> - KRBTN dated 20 August 2021, there are raw non-compliant land clearance with area 489.83 Ha.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> - KBDY dated 20 August 2021, there are raw non-compliant land clearance with area 116.20 Ha. - KKINO dated 18 August 2021, there are raw non-compliant land clearance with area 477.85 Ha. - KJLRS dated 18 August 2021, there are raw non-compliant land clearance with area 3,823.91 Ha. <p>The KBDBY and KRBTN has conducted HCV-HCS assessment by CV Greenera dated 19 to 23 October 2021. While the KNINO and KJLRS will be assessed on June 2022 by ALS- HCV. The company to be consider to realization this plan on June 2022.</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PT PN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion area, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> a. Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018. b. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>PTPN V</p> <p>Based on document review, there was no evidence that the company (PTPN V) has changed any primary forest and/or HCV area into palm oil plantation since November 2005 except Part of Sei Berlian estate (Sei Berlian-2) within forest areas based on Ministry of Forest decree</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>No.SK.878/Menhut-II/2014 jo SK.903/MENLHK/SETJEN/PLA.2/12/2016). The organization has got Land Use Right (HGU) from government before the regulation above was issued so that the organization still coordinating with government about case it. Whereas, Sei Buatan estate, Tanjung Medan estate and Sei Galuh estate still in-process review of disclosure liability by RSPO secretari-at so they has not been ensured that no replacement to any identified as HCV areas or required to maintain or enhance HCVs. All planted areas after November 2005 are from re- planting process without NPP replacement. This company is considered old company under State Owned (Ministry of BUMN).</p> <p>PTPN VI Uncertified management units has conducted HCV assessment such as :</p> <ul style="list-style-type: none"> • Unit of Batanghari Business (Batanghari Estate), Unit of Bunut business (Bunut Estate & POM), Unit of Tanjung Lebar business (Tanjung Lebar Estate & POM) & Unit of Durian Luncuk (Aur Gading POM & Durian Luncuk Estate) : Date on 1 January to 11 November 2018 by Samsul Ulum (license : ALS15013US) as lead assessor and some assessor members i.e R.Sukasmianto, Moh.Yasin, Bahrn, Pemi Aprilis, Devis Rachman, Ihwan Rafina, Roland Sinulingga and Endra Gunawan on behalf PT Fodec Khatulistiwa. It has carried out public consultation dated on 20 February 2018 (initial public consultation) & 4 June 2018 (public consultation for the result of HCV assessment). There are some evidences that public consultations has involved stakeholders. Current condition that HCV assessment report has been satisfactory category on 23 March 2021. • During audit, other the uncertified management units has not been carried out HCV assessment such as Unit of Ophir business (Ophir POM & estate), Unit of Pangkalan 50 Kota business (Pangkalan 50 Kota estate), Unit of Solok Selatan business (Solok Selatan POM & estate), Bukit Cermin Estate, PT Bukit Kausar & PT MAJI but PTPN VI have budget & the allocation activity plan year 2020 for HCV assessment in Unit of Ophir business, Unit of Pangkalan

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>50 Kota business and Unit of Solok Selatan business. Allocation Activity Plan year 2020 is postpone because any reduction operational cost in pandemic covid-19. PTPN VI have action plan and estimating cost for HCV assessment include of the review by HCV RN, HCS, LUCA & SIA. Bunut estate & POM, Batang Hari estate and Tanjung Lebar estate have estimate for finalization of HCV RN and LUCA document in year 2021. Whereas, the remain of uncertified management unit is Triwulan I and IV year 2022. Before HCV assessment will doing by RSPO ALS assessor and has review by HCV-RN so uncertified management units has carried out assessment of protected areas refer to Indonesian regulation by internal assessor.</p> <p>Batanghari Business Unit (Batanghari Estate) & Bunut Business Unit (Bunut Estate & POM) has submitted disclosure liability, LUCA & shp file to RSPO and RSPO has responded email from auditee on 29 January 2020 where RSPO is requesting some clarifications and auditee has not been submitted email to RSPO for some clarifications which needed. It is still waiting finalization of LUCA document.</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate & POM), Unit of Durian Luncuk Business (Aur Gading POM & Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12 There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>2nd partial audit was conducted on 24-25 November 2021</p> <p>The Tanjung Lebar Business Unit postponed to February 2022, due to single membership consolidation and approval process by RSPO Secretariat and the Disclosure & Liability of Tanjung Lebar is still pending. While the Disclosure & Liability of Batang Hari Business Unit has approved by RSPO secretariat with Zero Liability dated 20 June 2020; the audit planned on 22 December 2021. Therefore the Disclosure & Liability of Bunut Business Unit is still on process, the latest email from Indrawan Suryadi (RSPO Secretariat) dated 23 November 2021. For the Bunut Business Unit certification plan is on schedule (December 2021).</p> <p>There are also letter for SEVP Operation from Head of Planning & Sustainability with number: ND-312/06.08/XI/2021 dated 25 November 2021 about RSPO certification preparation in Bunut & Batang Hari Business units and also awareness criteria 7.12 RSPO P&C and Risk Analysis for six business units (Ophir, PLK, Solsel, BKC, B. Kausar, and MAI) by Consultant Inovasi Sejahtera Berkelanjutan.</p> <p>PTPN VII</p> <p>Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after November 2005. However the HCV</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>identification document was not available. The HCV assessment will be conducted by consultant (Bentayan Estate: 2026; Sungai Lengi Estate: 2022; Senabing Estate: 2025 and Talopino Estate: 2024).</p> <p>Senabing Estate was conducted Conversion from year of 2005 to 2010 with area 408 Ha. The LUCA assessment will be conducted by Consultant in the year of 2025.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>PTPN III</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PT PN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion area, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <p>c. Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018.</p> <p>d. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</p> <p>PTPN V</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate & POM), Unit of Durian Luncuk Business (Aur Gading POM & Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12 There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>PTPN VII Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after No-vember 2005. However the HCV identification document was not available. The HCV assessment will conducted by consultant (Bentayan Estate: 2026; Sungai Lengi Estate: 2022; Senabing Estate: 2025 and Talopino Estate: 2024). Senabing Estate was conducted Conversion from year of 2005 to 2010 with area 408 Ha. The LUCA assessment will be conducted by Consultant in the year of 2025.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance	PTPN III KRBTN

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
	<p>procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</p>	<p>There are several area in Afdeling VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p> <p>PTPN V</p> <p>There was land conflict between PT PN V with community in Senama Nenek village, located in Sei Kencana Estate and Terantam Estate for approximately ± 2,800 Ha (± 550 Ha under Terantam Estate and ± 2,250 Ha under Sei Kencana Estate). During this initial audit, this area has been released in accordance with a court decision.</p> <p>PTPN VI</p> <p>PT Perkebunan Nusantara VI have SOP of implementing FPIC, SOP of communication and consultation with community, SOP of handling land conflict including procedure of calculation and compensation.</p> <p>Land compensation process has done a few time ago for some areas in uncertified management units (Unit of Bunut Business, Unit of Tanjung Lebar Business, Unit of Batanghari Business, Unit of Durian Luncuk Business, Unit of Ophir Business). The record and document of land compensation on behalf PT Bukit Kautsar has provided by auditee as example photograph of hand over land compensation payment, land compensation letter date on 21 October 2009, letter date on 21 October 2009 from head of village, statement letter date on 21 October 2009 that land owners has agreed land to acquired, measure note date on 21 October 2009, receipt note of land compensation payment, ID card and land owner letter from head of village. Whereas, PT MAJI and Unit of Bukit Cermin Business has provided sample of land compensation i.e payment receipt, photograph of land compensation activity, copy ID card, agreement of payment, statement letter of hand over and legal land.</p> <p>Community who lose access and land right for plantation areas has given the opportunity to benefit (direct and indirect) from plantation development as sample in form of scheme smallholder areas, as employee, as contractor (transportation, supplier for daily food, etc), as FFB supplier, etc.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Refer to case tracker or status of complaints under PT Perkebunan Nusantara VI period of February 2011 to during audit that any 1 cases and it has closed based complaint panel decision (since year 2019). Further details on this case are available here: http://www.rspo.org/members/complaints/status-of-complaints/view/26. Unit of Bukit Cermin Business has provided some evidences relate of land compensation record and document from dispute/conflict areas.</p> <p>2nd partial audit was conducted on 24-25 November 2021 Based on document log book of external letter verification on the uncertified units sighted that there were no land dispute claim from the communities during period January to October 2021.</p> <p>PTPN VII The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSP0 criterion 6.3.	<p>PTPN III Based on self assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute issues, since last year period until the partial audit conducted on 8-9 November 2021.</p> <p>PTPN V There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN VI There is a mechanism of resolving grievance and compliant from employee and industrial action. It has covered in the collective labour agreement between PT Perkebunan Nusantara VI and SP- BUN PTPN VI (labour union) period of 2020 to 2021 (article 76 –</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>sub section XIV) and SOP of internal communication and handling employee complaint. Scope of collective labour agreement is all company employees and as a normative reference for subsidiaries. Collective labour agreement has signed by both parties and any evidence of registration about collective labour agreement from Ministry of Man Power has been shown by auditee.</p> <p>Based on self-assessment against uncertified management units, there is no identified labor disputes ongoing at subsidiary companies of PT Perkebunan Nusantara VI. Based on website date on 3 October 2017 that any labour dispute between Mr M.Dasuky Hajar Nasution and PT MAJI. Based on communication with representative of PTPN VI that it has followed up both parties. SP-Bun (labour union) have vital position because based on SOP of internal communication and handling employee complaint that employee's grievance & complaint can be informing to labour union (SP-BUN) and organization will try to resolve complaints at the labour union level and any mechanism solving grievance and compliance from employee on collective labor agreement (PKB)</p> <p>2nd partial audit was conducted on 24-25 November 2021</p> <p>The renewable of collective labor agreement period of 2022-2023 is still on process, that the final meeting in Yellow Hotel will be conducted on 25 to 26 November 2021.</p> <p>PTPN VII</p> <p>There are no labour dispute during internal audit assessment, the company will be follow up the regulation of PP 50 of 2012, PP 38 of 2011, PP 101 of 2014, and Permenaker 19 of 2012.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>PTPN III KRBTN</p> <p>Letter from Sumatera Utara Governor with number 520.33/145/DISPMPPTSP/5/I.5/I/2018 dated 25 January 2018 about Revision of commodity from rubber to oil palm plantation in Rambutan Estate. Revision from Rubber: 2,253.35 Ha & Oil Palm 546.41 Ha to Rubber: 1,156.95 Ha and Oil Pal 5,158.33 Ha.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>There are several HGU certificate with HGU number 1 year of 1996 in Sei Bamban Village (569.32 Ha), Sei Priok Village (780.45 Ha), Paya Bagas Village (4,373.78 Ha); and also Sei Simujur Village (1) number 18 year of 2009 with area 793.15 Ha.</p> <p>KBDBY <i>Surat Pendaftaran Usaha Perkebunan</i> with number HK.350/530/Dj.Bun.5/VII/2001 Bandar Betsy Estate with area 5,348.90 Ha with commodity rubber. Therefore conversion license from rubber to oil palm with number 503.35/271/17.42018 dated 12 February 2018 with area 116.2 Ha.</p> <p>HGU on process, the latest process are Nota Dinas number 419/ND-300.HP.03.01/VII/2021 from KANWIL BPN Sumatera Utara Province dated 1 July 2021 about Renewal of HGU Bandar Betsy with area 5,348.90 Ha dated 2 July 2021.</p> <p>KJLRS IUP on process due to revision of AMDAL document. However there are HGU number 03 year of 1994 with area 2,318.87 Ha.</p> <p>KKINO IUP on process due to revision of AMDAL document. However there are HGU number 122 year of 1999 with area 4,632.60 Ha. Based on Self-assessment there are some conditions not yet compliance with RSPO criteria 2.1 such as:</p> <ol style="list-style-type: none"> 1. HGU on process (Sei Simujur-2, KRBTN): There are letter from Senior Executive Vice President PTPN III dated 22 September 2020 with number BUMU/X/44/2020 to the BPN of Asahan District for Cadastral process. During the audit, the progress of this matter still opened. 2. There is a land conflict (Batang Toru Estate) not yet resolved. <p>PTPN V There has been no significant legal non-compliance in PTPN V and its subsidiary. The company is not in the process of any litigation. PT PN V has acquired HGU (land title) for all of its subsidiaries except the part of Sei Berlian estate (Sei Berlian- 2) because the organization still in-process to get Land Use Right (HGU).</p> <p>PTPN VI</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Uncertified management units has complied with applicable legal requirement which supported by some evidences such as :</p> <ol style="list-style-type: none"> 1. Some uncertified management units (Ophir Estate & POM, Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, Batanghari Estate, Bunut Estate & POM, Tanjung Lebar Estate & POM, Bukit Cermin Estate, Pinang Tinggi POM, Aur Gading POM, Durian Luncuk Estate & PT Bukit Kautsar) have Plantation Business Permit (Izin Usaha Perkebunan) so they has complied with Minister of Agriculture Regulation no.98/permentan/OT.140/9/2013 article 8 or 10 or 13. 2. Some uncertified management units (Ophir Estate & POM, Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, Batanghari Estate, Bunut Estate & POM, Tanjung Lebar Estate & POM, Bukit Cermin Estate, Aur Gading POM, Durian Luncuk Estate, PT MAJI & PT Bukit Kautsar) have land use right (Hak Guna Usaha) so they has complied with law no.5 year 1960 article 28. One of land use right owned by Durian Luncuk estate still renewal process and one of Bukit Kautsar areas still in-process to get land use right. 3. Some uncertified management unit (Sei Bahar II Bunut POM, Solok Selatan POM, Tanjung Lebar Estate & POM, Pinang Tinggi Estate & POM, Bunut Estate, Batanghari Estate, Durian Luncuk Estate & PT Bukit Kautsar) have environment document so they has complied with Minister of Environment Regulation no.05 Year 2012 jo Minister of Environment & Forestry Regulation no.P.38/MENLHK/SETJEN/KUM.1/7/2019 or Minister of Environment Regulation no.13 Year 2010 or Minister of Environment Regulation no.14 Year 2010. 4. Bunut POM and Tanjung Lebar Estate & POM have storage temporary for hazardous & toxic materials waste and their permit so they has complied with Minister of Environment Regulation no.30 year 2009 article 5. 5. Bunut POM and Solok Selatan POM have land application permit so they has complied Minister of Environment Decree no.29 year 2003. 6. Unit of Tanjung Lebar Business, Unit of Bunut Business, Unit of Batanghari Business and Unit of Durian Luncuk Business have permit of release for forest areas from government (Minister of Forestry Decree no.260/KPTS-

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>VII/1988 and no.418/KPTS-II/1990). Whereas, PT Bukit Kautsar have permit of release for forest areas from government too (Minister of Forestry Decree no.69/Kpts-II/1997 & no.443/Kpts-II/1999 and letter from Head of Forestry Agency in Jambi Province no. S.6.802/Dishut/BIPH.1.2/XII/2015). PT Mendahara Agro Jaya Industri have permit of release for forest areas from gov- ernment too (Minister of Forestry Decree no.954/Kpts-II/1999).</p> <p>7. Plantation Business Permit (Izin Usaha Perkebunan) on be- half PT MAJI (Head of Tanjung Jabung Timur decree No.30 year 2005) and PT Bukit Kautsar - Pengabuan POM (Governor of Jambi decree No.564/KEP.Gub/Disbun/2011).</p> <p>8. Environment Document on behalf Ophir Estate & POM (letter no.213/II/DAR-3/1999), Solok Selatan Estate (head of Solok Selatan District decree No.660/152/KLH-2011), Pangkalan 50 Kota Estate (head of capital investment and integration ser- vice decree no.007/IL/DPMPTSP-LK/II/2020), Aur Gading POM & Durian Luncuk estate (Governor of Jambi Province decree No.171/Kep.Gub/BLHD/2009), Bukit Cermin Estate (approved by No.100.A year 2011 on 3 October 2011) and PT MAJI (approved by No.76 year 2007 on 23 March 2007) was available.</p> <p>A documented system relate of law requirements and mechanism to ensuring compliance with legal compliance and a system to tracking changes to the law and regulation has covered in procedure of updating law and regulation and evaluation of compliance. All uncertified management units has provided the list of relevant law and regulation and the status of compliance because the mechanism to ensuring compliance with legal compliance has been implemented.</p> <p>Auditee has provided a legal land, map of legal land and a procedure of boundary monitoring where boundary monitoring shall be conducting every month and reporting in report of boundary monitoring result. Uncertified management units has provided the report of boundary monitoring result such as Unit of Tanjung Lebar business, Unit of Batanghari business, Unit of Solok Selatan business, Unit of Pangkalan 50 Kota business, Unit of Ophir business,</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>PT MAJI, Unit of Durian Luncuk business, Unit of Bunut business, Unit of Bukit Cermin business and PT Bukit Kautsar.</p> <p>PTPN VII The company will be follow up the regulation of PP 50 of 2012, PP 38 of 2011, PP 101 of 2014, and Permenaker 19 of 2012. The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p> <ul style="list-style-type: none"> •

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 Onsite Re-Certification Assessment

NCR No.	: 2021.01	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 17 June 2021	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 20 December 2022
Standard Ref. & Requirement	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template		
Evidence observed (filled by auditor): The company has shown the annual report document using the RSPO Metric Template. However, there are still some items that have not been filled in by the management.			
Non-Conformance Description (filled by auditor): The annual report using the RSPO Metric Template has not been presented in full.			
Root Cause Analysis (filled by organization audited): PIC's lack of understanding in filling out the RSPO Metric Template			
Correction (filled by organization audited): Complete the missing data in the RSPO Metric Template			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> • Provide socialization/training on procedures and required data requirements to the PIC who is responsible for filling out the RSPO Metric Template • Assign a PIC who is responsible for collecting data and inputting data into the RSPO Metric Template 			
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on 29 July 2021 The company shows evidence of improvement in the form of: <ul style="list-style-type: none"> • RSPO Metric template □ there are sections that have not been filled in such as training related to RSPO • Documentation of socialization regarding the procedure for filling in the RSPO Metric Template on 19 June 2021 was attended by 10 participants. • Decree of person in charge of filling out RSPO Metric Template No. PUR/SK/RSPO/01/III/2021 dated 14 July 2021 Based on this explanation, the non-compliance is declared Not Yet Fulfilled			
Auditor Verification on 22 September 2022 During the ASA-1.1 audit activity, the company showed a metric template document, but this document did not yet inform conventional sales of CSPO and also supporting documents related to training realization. Based on the explanation above, this nonconformity is declared to have not been fulfilled and this causes a Minor nonconformity in this indicator to become a non-compliance with the Major Grade. (Minor rise to Major).			
Auditor Verification on 20 December 2022			

The company shows the latest metric template document that is in accordance with the supporting data it has, for example the number of training related to RSPO, number of employees, certified production, and records of work accidents according to the period specified in the Metric Template guide. The PIC explained, in this case the factory staff had also understood filling in the metric template in accordance with the RSPO directives.

Based on the evidence, the non-conformity has been fulfilled.

Verified by : **Briyogi Shadiwa**

NCR No.	: 2021.02	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 17 June 2021	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 24 August 2021
Standard Ref. & Requirement	: 6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"> - Factory HIRAC documents at engine room stations. In the HIRAC it is explained that one of the potential hazards at engine room stations is explosion. - Hydrant inspection form for the period January - June 2021 informing that Hydrant inspections are carried out on the third week of every month. Based on the inspection, it is known that there are 6 hydrant locations in the POM and based on the results of the inspection, all of the checking indicators on the hydrants are still functioning properly, including all nozzles at each hydrant location. - The simulation results of the hydrant located next to the factory engine room showed that the hydrant hose was not functioning properly. In addition, it is also known that the position of the nozzle is not at the location of the hydrant. From the simulations that have been carried out at several points, the team uses 2 nozzles. From the results of management interviews, it is known that there are 2 other nozzles located in the workshop. 			
Non-Conformance Description (filled by auditor):			
Based on the explanation above, it is concluded that the company has not been able to show evidence that emergency response and fire equipment are available at all times.			
Root Cause Analysis (filled by organization audited):			
Officers in checking the condition of the hydrant and its supporting equipment such as nozzles etc are not careful			
Correction (filled by organization audited):			
Replace damaged hydrant hoses and complete all nozzles for each hydrant			
Corrective Action (filled by organization audited):			
<ul style="list-style-type: none"> - Evaluate the results of the hydrant inspection carried out by officers - Assign a PIC who is responsible for evaluating the results of the hydrant inspection carried out by officers 			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on July 16, 2021			
The company shows evidence of improvement in the form of:			
<ul style="list-style-type: none"> • Receipt document of 6 fire hydrant hoses and 6 fire nozzles dated July 8, 2021 • Documentation in the form of photos of 6 hydrant hoses and nozzle • Documentation of the installation of emergency fire hydrant equipment No. 1-6 			

- Inspection of hydrant No.1-6 dated June 26, 2021, with all hydrants in good condition. Hydrant inspection date in June in good condition, while the purchase of new hoses and nozzles was made in July 2021.
- Checklist for evaluating the suitability of the results of monitoring facilities and infrastructure for emergency response and OHS at 6 hydrant point locations and 1 mobile hydrant. Based on the evaluation results from January – June, it is known that the evaluation of all hydrants is in accordance with the monitoring results (in good condition). Evaluation date is from January – June 2021, while the purchase of new hoses and nozzles is made in July 2021.
- Decree of the Manager of the Plantation Unit / Plantation of PTPN IV Pulu Raja Business Unit No. PUR/Kpts/64/VI/2021 concerning Appointment of Officers who are responsible for monitoring hydrants.

Based on the explanation above, the nonconformity is declared still open.

Verification on July 29, 2021

The company shows evidence of improvement in the form of:

- Checklist for evaluation of conformity to monitoring hydrant for the period January – July 2021 which informs that the evaluation of monitoring results has been appropriate. However, the information in the document informs that some parameters (hose) are not available
- A hydrant monitoring document for the period January – July 2021 which informs that all hydrant checking parameters are in good condition. However, the information in the document informs that several parameters are not available for hoses and nozzles
- Decree of the Pulu Raja Business Unit Manager No. PUR/MU/Kpts/64/VII/2021 dated 9 July 2021 regarding the Appointment of Officers who are responsible for monitoring/inspecting the hydrants of the Pulu Raja business unit. The appointed officer is the P2K3 secretary. In the attachment to the decree, it is also explained that the P2K3 secretary is responsible for evaluating the results of the OHS inspections carried out by the P2K3 inspection team so that clear information is given regarding officers who carry out OSH monitoring/inspections, especially hydrants and officers who evaluate the results of hydrant inspections/monitoring . Because from the documents shown, the officer who carried out the monitoring/inspection of the hydrant and the officer who evaluated the results of the inspection/monitoring of the hydrant were the same person, namely the P2K3 secretary.

Based on the explanation above, the nonconformity is declared still open.

Verification on August 17, 2021

The company shows evidence of improvement in the form of:

- The results of the hydrant inspection on August 10, 2021
- The composition of the P2K3 management based on Decision no. 34/P2K3/DTK/III/2021 dated March 13, 2021
- Decree No. PUR/Kpts/04/VIII/2021 dated August 9, 2021 regarding the appointment of the officer responsible for evaluating the suitability of monitoring hydrants, namely the P2K3 secretary.

In the corrective action, known that the officer who carried out the monitoring/inspection was different from the officer who evaluated the results of the monitoring. However, from the evidence sent, it is known that the officer conducting the monitoring and evaluation is the same person, namely the secretary of P2K3

Based on the explanation above, the nonconformity is declared still open.

Auditor verification on August 24, 2021

The company shows evidence of improvement in the form of Letter No.PUR/Kpts/05/VIII/2021 dated 20 August 2021 which explains that the PIC appointed to carry out the hydrant inspection is member of P2K3 with initial SS

Based on the explanation above, the non-conformance is declared fulfilled.

Verified by	:	Rizliani Aprianita Hsb
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NCR No.	: 2021.03	Issued by	: Erika L./ Rizliani Aprianita Hsb.
Date Issued	: 17 June 2021	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 20 December 2022
Standard Ref. & Requirement	: 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		
Evidence observed (filled by auditor):			
<ol style="list-style-type: none"> Based on the results of field visits to employee housing in Division II and Division IV Pulu Raja Estate, domestic waste is disposed behind the house and in the open land of Division II and Division IV/ There is no indication of company disposes of waste by burning it in the open land. Based on the results of interviews with residents in the employee housing of Division II and Division IV Pulu Raja Estate, domestic waste is transported to landfill by themselves and there is no separation for organic and inorganic waste. Certification unit has shown evidence of improvement by conducting socialization of domestic waste management and cleaning domestic waste in Division II and Division IV Pulu Raja Estate housing which is then disposed into the landfill in each division on June 16, 2021. Certification unit has had SOP for Household Waste Management No. SPO 20 Revision 03 which is effective as of January 2, 2018. Point 5.4 in the procedure states: <ol style="list-style-type: none"> "Each employee collects his/her trash in the provided trash can and cleans the yard around the housing estate. Disposal of waste by sorting organic and inorganic waste; The cleaning staff periodically picks up trash from the TPS and brings it to the TPA using the tools provided." 			
Non-Conformance Description (filled by auditor):			
Unit of certification has not shown any evidence of domestic waste disposal according to procedures.			
Root Cause Analysis (filled by organization audited):			
Domestic waste management socialization given to workers and their family members did not cover all the important points contained in SOP for Household Waste Management.			
Correction (filled by organization audited):			
<ol style="list-style-type: none"> Conducting socialization of domestic waste management to workers and their families by conveying all important points in the implementation of domestic waste management Evaluating the results of the socialization of domestic waste management given to workers and their family members 			
Corrective Action (filled by organization audited):			
<ol style="list-style-type: none"> Monitoring domestic waste management in each employee housing location Establish a PIC who is responsible for monitoring domestic waste management in each residential area 			
Assessor Evaluation and Conclusion (filled by auditor):			
Auditor Verification (July 16, 2021)			
The company has attached evidence of repairs in the form of:			
<ol style="list-style-type: none"> Root cause analysis, correction and corrective action. However, there are still some auditor responses that need to be completed by the company as well as supporting documents as actions taken to correct non-conformities. Decree of Plantation Manager of PTPN IV Pulu Raja Business Unit No. PUR/Ktps/07/VII/2021 which was set on July 2, 2021. The document contains the appointment of a janitor to pick up waste from temporary storage and bring it to landfill for Afdeling I – V. Monitoring of Domestic Waste Management Afdeling II in June 2021 which contains monitoring of the condition of temporary storage, landfill, and transportation of domestic waste by officers every week. However, there is no evidence of monitoring domestic waste management in other locations within the company. Minutes of Socialization on Domestic Waste Management on 28 June 2021 which was attended by 30 			

participants. The document is equipped with photos of the implementation of the socialization and the disposal of inorganic domestic waste from the employee's house and the afdeling office to the landfill. However, there is no location information (afdeling) of the implementation of the socialization and disposal of domestic waste.

5. Evaluation of the Socialization of Domestic Waste Afdeling II in June 2021 which was made on June 18, 2021. However, the document does not contain an explanation of the results of the evaluation of the participants' understanding of the socialization carried out.

Based on the explanation above, this nonconformity is still Open.

Auditor Verification (August 3, 2021)

The company has proof of improvement in the form of documents:

1. Minutes of Socialization on Domestic Waste Management on 28 June 2021 which was attended by 30 participants from Afdeling I–V. The document is accompanied by a photo of the implementation of the socialization and the disposal of inorganic domestic waste from the employee's house and the afdeling office to the landfill.
2. Evaluation of Domestic Waste Management Socialization which contains the evaluation results of domestic waste management socialization which was held on 28 June 2021 to employees in Afdeling I–V.
3. Monitoring of Domestic Waste Management in Afdeling I–V conducted in June 2021.
4. Root cause analysis, correction and corrective action. However, there are still auditor responses that need to be completed by the company in the corrective action column.

Based on the explanation above, this nonconformity is still Closed.

Auditor Verification (September 22, 2022)

The company has shown improvements to the non-compliance that occurred in 2021 starting from re-determining the root of the problem, corrective action, corrective action and proof of improvement. Based on the results of the field visit on the surveillance assessment-1.1, the following was found:

- 1 point of household waste piled up on vacant land behind the housing for POM employees.
- 1 point of household waste disposed of next to the Sorting Station.
- 1 point of burning beside the Fertilizer Warehouse in Afdeling IV Pula Raja Estate
- 3 points of burning waste, 3 points of piles of garbage, and 1 point of burning next to the Kindergarten in Housing Division V Pula Raja Estate.
- Landfill Block 2018 I Division IV, which has opened holes since 2021, there is no household waste and green grass has grown.
- The results of interviews with residents of Housing for POM Employees and Division V Housing Complex, household waste is disposed of by the residents themselves to landfill. However, residents of Division IV Housing Complex, garbage is collected by officers every 5 days.

The company already has procedures related to waste management in SOP for Household Domestic Waste Management No. SPO 20 Revision 03 which is effective from 2 January 2018. Point 5.4 in the procedure states:

- a. "Each employee collects his trash in the bins provided and cleans the yard around the housing;
- b. The cleaning staff periodically collects waste from the temporary storage and brings it to the landfill using the tools provided."

The company has not shown evidence that it has carried out waste management according to its procedures. Thus, the grade of this nonconformity on this indicator is raised to Major/Critical. **This becomes nonconformity No. 2021.03 Minor raised to Major category.**

Auditor Verification (December 20, 2022)

The company shows evidence of improvement in the form of:

- Minutes of domestic waste management in accordance with findings on 30 September 2022.
- Decree No. PUR/Kpts/01/IX/2022 concerning cleaning workers who collect waste from temporary storage to bring

<p>it to landfill which lists 5 from the plantation and 1 from the POM on 26 September 2022.</p> <ul style="list-style-type: none"> • Transport schedule 4 times a month <p>Based on the results of field observations in the POM area and Division 3 Pulu Raja Estate, domestic waste has been managed properly. Domestic waste was placed in the bins provided and no domestic waste was found to be burned. The results of interviews with employees in Division 3 also show that employees already know and understand that household waste is disposed of in the space provided and should not be burned.</p> <p>Based on these evidences, the nonconformity has been met and the consistency will be ensured again in the next assessment.</p>	
Verified by	: Erika L./ Rizliani Aprianita Hsb/ Briyogi Shadiwa

NCR No.	: 2021.04	Issued by	: Erika L./ Rizliani Aprianita Hsb.				
Date Issued	: 17 June 2021	Time Limit	: 15 September 2021				
NC Grade	: Minor	Date of Closing	: 3 August 2021				
Standard Ref. & Requirement	: 7.10.1 GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.						
<p>Evidence observed <i>(filled by auditor):</i> Certification unit has shown greenhouse gas emissions in 2020 calculation using RSPO Palm GHG Calculator version 4.0. Based on document review, GHG emissions calculation result in 2020 has not been presented comprehensively such as differences in conservation area of the Pulu Raja Business Unit, CO₂ estimated value for third parties, etc.</p> <p>Non-Conformance Description <i>(filled by auditor):</i> Certification unit has not yet shown result of comprehensive calculation of greenhouse gas emissions in 2020 using the RSPO Palm GHG Calculator.</p> <p>Root Cause Analysis <i>(filled by organization audited):</i> Lack of understanding of officers in entering data in accordance with the needs for calculating the RSPO Palm GHG Calculator in 2020 at Pulu Raja Unit.</p> <p>Correction <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Revising data input for RSPO Palm GHG Calculator for 2020 calculation in Pulu Raja Unit. 2. Providing socialization of data input procedures for RSPO Palm GHG Calculator in 2020 calculation. <p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Identifying all data requirements for RSPO Palm GHG Calculator for 2020 calculation. 2. Assigning a PIC who is responsible for collecting data and calculating GHG in RSPO Palm GHG Calculator every year <p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor Verification (July 16, 2021) Certification unit has shown evidence of improvement as follows: Summary Emission</p> <table border="1"> <thead> <tr> <th>Emission per product</th> <th>tCO₂e/tProduct</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>1.57</td> </tr> </tbody> </table>				Emission per product	tCO ₂ e/tProduct	CPO	1.57
Emission per product	tCO ₂ e/tProduct						
CPO	1.57						

PK	1.57								
Production									
FFB processed	135,973.84								
CPO produced	31019								
PK produced	4450								
Extraction									
OER	22.81								
KER	3.27								
Land use									
Planted area	47664.38								
Planted on peat	1812.73								
Conservation Area (Forested)	338.00								
Conservation Area (Non-Forested)	1979.61								
Summary Oil Mill Emissions and Credits									
Remarks	tCO2e	tCO2e/t FFB							
Emissions sources									
POME	26653.18	0.20							
Fuel consumption	552.21	0.00							
Grid electricity	0.00	0.00							
Credits									
Export of Excess Electricity to housing & grid	0.00	0.00							
Sales of PKS	0.00	0.00							
Sales of EFB	0.00	0.00							
Total	27205.39	0.20							
Summary of field emission and Sinks									
Description	Own crop			Group			3rd Party		
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB
Land conversion	43111.48	9.87	0.49	21234.16	0.47	0.53	0.00	0.00	0.00
CO2 emissions from fertilizer	3897.99	0.89	0.04	1892.67	0.04	0.05	0.00	0.00	0.00
N2O emissions from Peat	0.00	0.00	0.00	1705.89	0.04	0.04	0.00	0.00	0.00
NO2 emissions from fertilizer	2046.38	0.47	0.02	1173.39	0.03	0.03	0.00	0.00	0.00
Fuel Consumption	529.02	0.12	0.01	347.56	0.01	0.01	0.00	0.00	0.00
Peat Oxidation	0.00	0.00	0.00	12442.53	0.28	0.31	0.00	0.00	0.00
Sinks									
Crop Sequestration	-40863.98	-9.35	-0.47	-19930.33	-0.44	-0.50	0.00	0.00	0.00
Sequestration in Conservation Area	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	8720.90	2.00	0.10	18865.88	0.42	0.47	852.50	0.00	0.00

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

In addition, a recording of the socialization regarding the calculation of GHG on June 22, 2021 was also shown with a total of 13 participants.

However, CH has yet to show evidence of establishing a PIC who is responsible for collecting data and calculating the RSPO Palm GHG Calculator every year. Thus, this nonconformity is still **Open**.

Auditor Verification (August 3, 2021)

Certification unit has shown results of root cause analysis and established correction and corrective action. In addition, CH has attached evidence of improvement in form of Decree of Pulu Raja Plantation/Factory Manager No. PUR/MU/Ktps/69/VI/2021 dated June 23, 2021, which contains appointment of a special officer for monitoring GHG calculations in the Pulu Raja Plantation/Factory.

Based on the explanation above, this nonconformity has been **Closed**.

Verified by : Erika L./ Rizliani Aprianita Hsb.

NCR No.	: 2021.05	Issued by	: Erika L./ Rizliani Aprianita Hsb.
Date Issued	: 17 June 2021	Time Limit	: 15 September 2021
NC Grade	: Major	Date of Closing	: 15 September 2021
Standard Ref. & Requirement	<p>7.12.4 Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</p>		
<p>Evidence observed (filled by auditor):</p> <ol style="list-style-type: none"> Certification unit has shown an HCV monitoring document for the period January- December 2020 which shows monitoring results in 2020, such as: <ol style="list-style-type: none"> There is no water pollution, encroachment or felling of trees around the Nagaga River. There are still wild animals and rare trees, namely king wood and trees around the river border. The condition of the vegetation around the cemetery is still there and the road to the burial site is still well maintained. Certification unit has presented HCV Management and Monitoring Evaluation 2020 document. Based on the 			

document, HCV management is in form of socializing HCV management to employees and community, maintaining no-hunting placards that have been installed, and making necessary procedures for flora management actions including category of protected species, setting limits on spraying restriction on riparian, preserving perennials in riparian, as well as cooperating with community to maintain cleanliness of cemetery, as well as maintaining protected plants at cemetery.

3. Certification unit has shown HCV Monitoring and Management Program 2021 document. The specified program includes upkeeping and monitoring of HCV.

Non-Conformance Description (filled by auditor):

Certification unit has not yet shown evidence that HCV management plan has been developed in consultation with relevant stakeholders.

Root Cause Analysis (filled by organization audited):

1. The need for data and documents related to management and monitoring of HCVs has not been identified yet
2. There is no PIC who is responsible for identifying and collecting data related to management and monitoring of HCV in Pulu Raja Unit.

Correction (filled by organization audited):

Conducting consultations and communication with stakeholders related to the management and monitoring of HCV in Pulu Raja Estate by providing questionnaires on management and monitoring of HCV to stakeholders

Corrective Action (filled by organization audited):

1. Identifying data and document requirements related to HCV management and monitoring
2. Establish a PIC who is responsible for identifying and collecting data related to management and monitoring of HCV in Pulu Raja Unit.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification (September 06, 2021)

Certification unit has attached root cause analysis, corrections and corrective actions. In addition, the company has shown evidence of improvements in the form of documents:

1. Invitation No. PUR/X/59/VII/2021 which contains an invitation to a consultation and communication event related to the management and monitoring of HCVs to representatives of Pulau Rakyat sub-district village.
2. Attendance List for Consultation and Communication Related to HCV Management/Monitoring completed with photo documentation and questionnaire dated July 7, 2021. The participants who attended were 16 people consisting of representatives from Aek Negagak Village, Padang Mahondang Village, Pekan Village, Baru Village, Orika Village, Desa Bangun, Sweet Village, Tunggul-45 Village and Persatuan Village.
3. Identification of HCV Management and Monitoring 2021 on July 10, 2021.
4. Decree of Plantation Manager of PTPN IV Pulu Raja Business Unit No. PUR/Ktps/61/VI/2021 which was set on June 18, 2021. However, document contains the appointment of officers who are responsible for monitoring invasive species.

Based on the explanation above, Thus, this nonconformity is still **Open**.

Auditor Verification (September 15, 2021)

Certification unit has shown results of root cause analysis and established correction and corrective action. In addition, certification unit has attached evidence of improvement in form of Decree of Pulu Raja Business Unit Manager No. PUR/MU/Ktps/61/VI/2021 dated June 18, 2021 which contains formation of field officers for implementation of HCV management and monitoring in Pulu Raja Business Unit.

Based on the explanation above, this nonconformity has been **Closed**.

Verified by : **Erika L./ Rizliani Aprianita Hsb.**

3.4.2. Identification of Non-conformity at ASA 1.1

NCR No.	: 2022.1	Issued by	: Erika Lucitawati
Date Issued	: 22 September 2022	Time Limit	: ASA-1.2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	1.1.5 An up-to-date list of contacts and detailed information on stakeholders and their appointed representatives is available.		
<p>Evidence observed (filled by auditor): The Company has shown the contact list and detailed stakeholder information in the Company's Stakeholder document at the time of the surveillance-1.1 assessment. The stakeholders listed in the list include 2 sub-district government contacts, 9 district agency contacts, 1 banking contact, 1 educational institution contact, 12 local village contacts, 1 internal organization/organizational agency, and 12 partner contacts. Based on the results of document reviews and interviews with management, the company cooperates with environmental quality testing laboratory partners, B3 waste transporters, boiler repair and sorting contractors, labor service providers, CPO/PK transporters, seed development suppliers (PPKS), and others. In addition, the company has an internal organization in the form of a gender committee and employee cooperative. However, these contacts with partners and internal organizations have not been included in the Company's Stakeholder documents shown during the surveillance-1.1 assessment.</p> <p>Non-Conformance Description (filled by auditor): The company has not shown evidence that it has an up-to-date list of contacts and detailed stakeholder information that includes (but is not limited to) environmental quality testing laboratories, hazardous and toxic waste transporters, boiler repair and sorting contractors, labor service providers, CPO/PK transporters, seed development suppliers (PPKS), as well as internal organizations in the form of gender committees and employee cooperatives.</p>			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Verified by	:		

NCR No.	: 2022.2	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 22 September 2022	Time Limit	: ASA-1.2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	2.2.1 A list of contractors is available.		
<p>Evidence observed (filled by auditor)</p> <ul style="list-style-type: none"> The company has a Stakeholder List document that was shown at the time of the audit assessment, in which there were 5 partners/contractors who worked closely with the company for the past year. However, for a list of other 			

<p>third parties that cooperate with the company, such as labor service providers (PT Karyawan Nusantara Jaya), CPO/PK transporters (CV Wahana Adidaya Pertiwi), laboratory partners (PT Mutuagung Lestari), seed development suppliers (PPKS), and others have not been listed in the list of stakeholders.</p> <ul style="list-style-type: none"> Based on the field visit, it was found that 3 third parties/contractors were working in the field such as PT Karyawan Nusantara Jaya (labor service provider), CV Aljuzira (FFB transport) and PT Gatlee Nusantara Mandiri (replacement and repair of factory machinery). The company can also show work agreements with PT Employee Nusantara Jaya (employee service provider) and CV Aljuzira (FFB transportation), but for PT Gatlee Nusantara Mandiri it cannot be shown. 	
<p>Non-Conformance Description (filled by auditor): The company has not been able to prove that all third parties/contractors who cooperate with the company have been listed in the list of third parties/contractors along with the work agreement that has been agreed upon by both parties.</p>	
<p>Root Cause Analysis (filled by organization audited):</p>	
<p>Correction (filled by organization audited):</p>	
<p>Corrective Action (filled by organization audited):</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p>	
<p>Verified by</p>	<p>:</p>

<p>NCR No.</p>	<p>:</p>	<p>2022.3</p>	<p>Issued by</p>	<p>:</p>	<p>Briyogi Shadiwa</p>
<p>Date Issued</p>	:	22 September 2022	<p>Time Limit</p>	:	ASA-1.2
<p>NC Grade</p>	:	Minor	<p>Date of Closing</p>	:	
<p>Standard Ref. & Requirement</p>	:	<p>2.3.2 For All FFB obtained indirectly, the unit of certification obtains evidence according to indicator 2.3.1 from the collection centre, agent or other intermediary.</p>			
<p>Evidence observed (filled by auditor)</p> <ul style="list-style-type: none"> The company shows records of FFB receipts for the period January 2021 to August 2022. In the recordings it is known that there are FFB originating from third parties such as: CV Edi Jaya, PT Fortuna Alam Makmur and CV Doge Doge Star. Based on the results of public consultations with FFB suppliers on behalf of CV Edi Jaya, it is known that these suppliers also act as collectors of FFB from other parties. The company has not been able to show evidence of further information related to FFB received by the collector as requested by indicator 2.3.1. 					
<p>Non-Conformance Description (filled by auditor): The company has not been able to show evidence of information for FFB obtained indirectly.</p>					
<p>Root Cause Analysis (filled by organization audited):</p>					
<p>Correction (filled by organization audited):</p>					

Corrective Action (filled by organization audited):	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

NCR No.	:	2022.4	Issued by	:	Briyogi Shadiwa
Date Issued	:	22 September 2022	Time Limit	:	21 December 2022
NC Grade	:	Major	Date of Closing	:	20 December 2022
Standard Ref. & Requirement	:	3.6.1 All operating activities are assessed for risk to identify OHS problems. Mitigation plans and procedures are documented and implemented			
Evidence observed (filled by auditor): The Company has HIRAC Documents for plantations which were ratified on January 5, 2022 and HIRAC Documents for mills which were ratified on January 3, 2022 which were prepared by the Risk Management Team and approved by the Plantation/Mill Manager. In the HIRAC document, the company has not identified the hazards and risks of several activities (but not limited to) as follows: <ol style="list-style-type: none"> 1. Chemist spray activity. 2. Passing FFB to collection place using motorbikes/along-along as a means of passing FFB which can cause an accident risk to employees 3. Pump house activities in the WTP area that cause noise from the engine sound which results in an OHS risk to the machine operator. 4. Monitoring activities for HGU stakes 5. Patrol activities to safeguard company assets 6. Monitoring activities for potential HCV areas and flora and fauna 7. Replanting activities 8. Etc 					
Non-Conformance Description (filled by auditor): Based on the explanation above, it is concluded that the company has not been able to show evidence that all operational activities in the field have been assessed for risk to identify OHS problems.					
Root Cause Analysis (filled by organization audited): Lack of understanding of the document control officer in submitting the HIRARC document which includes all operational activities.					
Correction (filled by organization audited): <ul style="list-style-type: none"> • Shows HIRAC which has included all operational activities • Conduct outreach to document control officer and employees regarding HIRAC documents 					
Corrective Action (filled by organization audited): Schedule socialization on a regular basis to ensure that all employees receive information regarding HIRAC					
Assessor Evaluation and Conclusion (filled by auditor):					
Auditor Verification on 20 December 2022					

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

- HIRAC document which contains all operational activities such as spraying activities, FFB shunting, pumping house activities (WTP), inspection of stakes and others.
- Evidence of socialization related to HIRAC documents, for example, which was carried out on December 1, 2022 which was attended by 23 people including document control officer.
- The HIRAC socialization schedule is listed on the HIRAC socialization barchart which is planned to be held in November and December 2022.

Based on this, the nonconformity in this indicator is declared fulfilled by observation in the next assessment.

Verified by : **Kiki Fadli**

NCR No.	: 2022.5	Issued by	: Briyogi Shadiwa
Date Issued	: 22 September 2022	Time Limit	: 21 December 2022
NC Grade	: Major	Date of Closing	: 20 December 2022
Standard Ref. & Requirement	: 3.6.2	Monitoring the effectiveness of the OSH plan to manage OHS risks in people.	
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"> • Company shows the documents of 7 licensed first aid workers, for example in the name of Suryadi (authority card number: Ser.27//PK3-P3K/X/2018, 20 September 2018). The company already has a first aid officer who already has a first aid certificate & license, for example: <ul style="list-style-type: none"> - Certificate No. Ser.6193/PK3-P3K/X/2018 license expires until September 2021 - Certificate No. Ser.8161/PK3-P3K/X/2018 license expires until September 2021 - Certificate No. Ser.8195/PK3-P3K/X/2018 license expires until September 2021 - Certificate No. Ser.8196/PK3-P3K/X/2018 license expires until September 2021 • The company has not been able to show proof of the first aid officer's license renewal document whose license has expired in September 2021. • During the field visit, there was a hosting crane operator who did not have a hosting crane operator license with the initials M.A. The company showed a training plan letter for hosting crane operator staff on November 29, 2021. However, until September 2022 there has not been training to have a hosting crane operator certificate and license. • However, the company has not been able to demonstrate the effectiveness of the OHS plan/programme, such as monitoring the condition of factory machines, inspections on the application of PPE, extension/training programs related to OHS competency obligations for workers, as well as periodic and special health check programs. 			
Non-Conformance Description (filled by auditor):			
Company has not been able to show sufficient evidence regarding the effectiveness of the OHS plan to manage OHS risks in people.			
Root Cause Analysis (filled by organization audited):			
There are no personnel in charge of monitoring the implementation of the OHS program made by the company.			
Correction (filled by organization audited):			
<ul style="list-style-type: none"> • Re-inventory (update) all workers' licenses. • Shows the results of special and periodic health checks. • Shows a certificate that has attended crane training for personnel with the initials MA. • Show first aid worker license. 			
Corrective Action (filled by organization audited):			
Assign a PIC in charge of monitoring the implementation of the OHS program made by the company.			

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification on 20 December 2022

The company shows evidence of improvement in the form of:

- The company shows a list of licenses which also lists 9 first aid workers who have attended first aid training and have licenses that are valid until August 25, 2024.
- Certificate No. B.20/EMCOTAMA-SK/XII/2022 which lists on behalf of the initials MA, explains that the personnel has conducted class III hoisting crane training which will be held on 5-8 December 2022.
- Evidence of periodic examinations carried out on November 25, 2022 which were attended by 490 people with parameters of blood pressure, sugar levels, cholesterol, and uric acid.
- Evidence of a special inspection that was carried out on August 13 2022, which was attended by 29 plantation employees with cholinesterase parameters and 15 POM employees with spirometry parameters and 18 people with audiometric parameters.
- Evidence of inspection of POM equipment that has been carried out periodically, for example Boiler No. 2 which was inspected on August 21, 2021 (an inspection every 2 years) and Crane No. 2 which were examined on September 2, 2021 (an examination every 2 years).
- The company appoints personnel in charge of monitoring the implementation of the OHS program made by the company.

Based on this, the nonconformity in this indicator is declared fulfilled by observation in the next assessment.

Verified by : **Kiki Fadli**

NCR No.	: 2022.6	<i>Issued by</i>	: Rindu Galih Rezza Rachmansyah
Date Issued	: 22 September 2022	<i>Time Limit</i>	: 21 December 2022
NC Grade	: Major	<i>Date of Closing</i>	: 20 December 2022
Standard Ref. & Requirement	: 6.2.4	The unit of certification provides adequate housing, sanitation facilities, water supplies, medical needs, education and public facilities in accordance with national standards or higher standards, if public facilities are not available or cannot be accessed. In the case of acquisition of non-certified units, a plan that describes in detail the infrastructure improvement is developed. Given a reasonable time (5 years) to upgrade the infrastructure.	
Evidence observed (filled by auditor)			
<ul style="list-style-type: none"> • The results of field visits in the residential areas of Afdeling 4 workers (houses in 1980) and Afdeling 5 (houses in 1998), it was found that there were more than 3 houses in each afdeling in damaged conditions such as the condition of the kitchen with no roof, the ceiling of the house being damaged. damaged on the front and sides, and the condition of the house starting to tilt/unstable. • There is no evidence of programs and realizations for monitoring and repairing houses in 2021-2022. 			
Non-Conformance Description (filled by auditor):			
The company has not been able to prove that the housing facilities provided are in a suitable condition for the workers and their families to live in with a reasonable timeframe to improve infrastructure.			
Root Cause Analysis (filled by organization audited):			
The company has not made an inventory of employee housing conditions			

<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> • Carry out an inventory regarding employee housing conditions. • Shows the budget for housing repairs as well as the timeline for the repair program for damaged workers' houses.
<p>Corrective Action (filled by organization audited):</p> <p>Make a routine schedule to monitor workers' housing conditions.</p>
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Auditor Verification on 20 December 2022</p> <p>The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> • Evidence of an inventory of housing conditions listed in the housing facility monitoring document for each afdeling in September 2022. • Proof of request for an investment budget and timeline for home improvement planned for completion by July 2023. • Schedule routine monitoring of housing conditions which is carried out once a year. <p>Based on the results of observations in the 3rd housing complex, the company has shown progress in repairing houses in several locations, for example repairing the roof and walls of the house's kitchen.</p> <p>Based on this, the nonconformity in this indicator is declared fulfilled by observation in the next assessment.</p>
<p>Verified by : Kiki Fadli & Briyogi Shadiwa</p>

NCR No. :	2022.7	<i>Issued by</i> :	Rindu Galih Rezza Rachmansyah
Date Issued :	22 September 2022	<i>Time Limit</i> :	ASA-1.2
NC Grade :	Minor	<i>Date of Closing</i> :	
Standard Ref. & Requirement :	<p>6.2.7 Permanent workers are employed for all major work performed by the unit of certification. Temporary workers and casual daily workers are limited to work of a temporary or seasonal nature.</p>		
<p>Evidence observed (filled by auditor)</p> <ul style="list-style-type: none"> • Based on the results of field observations and interviews with harvesters in Afdeling 4 Block 2012 I, it was found that there were still 3 harvesters who were still PKWT workers since June 2021. • Based on the results of the review of the labor list document for the period of September 2022, it is known that currently the company still has 35 workers with PKWT status who work in Afdeling 1-5 and have been working since June 2021. • The company can also show a work agreement between PKWT workers and the company for 2 workers. For example, work agreement No. PUR/S.Perj/17/VIII/2022 and No. PUR/S.Perj/16/VIII/2022 dated 01 July 2022 which is valid for 3 months (01 August 2022 to 31 October 2022). • The company has a Board of Directors Regulation of PT Perkebunan Nusantara III (Parent Company of PT Perkebunan Nusantara IV) No. HES/PER/05/2019 dated March 22, 2019 regarding Guidelines for Recruitment of Employees at PT Perkebunan Nusantara III and its Subsidiaries, where in Chapter IV concerning the Implementation of Acceptance of PKWT in article 15 it is explained that this PKWT is made for certain jobs according to the type and nature or work activities will be completed within a certain time such as <ul style="list-style-type: none"> • Jobs that are once completed or temporary in nature. • Seasonal work. • Work related to new products/activities or additional products. • Work that is estimated to be completed in a not too long time. • Harvest work is a permanent job, this is because the criteria for harvesting work are included in the description of 			

<p>permanent work in Law no. 13 of 2003 (explanation of article 59 paragraph 2) where it reads "work that is continuous, uninterrupted, not limited by time and is part of a production process in one company or work that is not seasonal."</p> <ul style="list-style-type: none"> In Government Regulation No. 35 of 2021 in the PKWT section explains that PKWT cannot be held for work that is permanent and PKWT can be held based on a period of time (work that is not completed for too long, seasonal work, work related to new products) or the completion of a particular job (work that has been completed). once completed and temporary work). <p>Non-Conformance Description (filled by auditor):</p> <ul style="list-style-type: none"> The company has not been able to prove that the application of the use of PKWT is in accordance with company procedures and government regulations related to the types of work that can use PKWT (seasonal or temporary work).
<p>Root Cause Analysis (filled by organization audited):</p> <p>-</p>
<p>Correction (filled by organization audited):</p> <p>-</p>
<p>Corrective Action (filled by organization audited):</p> <p>-</p>
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>-</p>
<p>Verified by : _____</p>

NCR No.	: 2022.8	Issued by	: Briyogi Shadiwa
Date Issued	: 22 September 2022	Time Limit	: 21 December 2022
NC Grade	: Minor raised to Major	Date of Closing	: 20 December 2022
Standard Ref. & Requirement	<p>6.7.2 There are procedures for emergency response and work accidents in Indonesian which are clearly understood by all workers. There are workers assigned to the field and other work locations and have received First Aid training in Accidents (P3K). First aid kits are available in the workplace. Records of all work accidents are kept and reviewed regularly</p>		
Evidence observed (filled by auditor):	<ul style="list-style-type: none"> Factory HIRAC documents on activities at the factory which are located at the dumping station, engine room, and factory office. In the HIRAC it is explained that one of the potential hazards in the factory is explosion. In the Occupational Health and Safety Management System (SMK3) document regarding Inspection and testing with document number : 4.4.1 Revision No : 03 which was effective on January 5, 2015 there is an obligation for the company to conduct monthly inspections of hydrants and fire extinguishers. However, the company has yet to show records of the Hydrant and Fire Extinguisher inspections for the January-August 2022 period. The auditor performs a simulation on 2 Hydrants in the area around the engine room. However, at the time of the simulation, the water flow did not reach the maximum pressure / did not reach the highest point and the nozzle position was not at both hydrant locations. The auditor also conducted a portable hydrant simulation and it was found that the hose, hose connector, and pipe connections were leaking so that the hydrant could not function properly. 		

<ul style="list-style-type: none"> The results of checking the Fire Extinguisher located at the slamming station amounted to 3 units, weighbridge amounted to 1 unit, and Gudang Pupuk Afdeling 4 amounted to 1 unit, it is known that the Fire Extinguisher does not contain pressure (the indicator shows an arrow at the O/ Rechargeable point). <p>Non-Conformance Description (filled by auditor): Based on the explanation above, it is concluded that the company has not been able to show evidence that emergency response and fire equipment are available and cannot be used all the time.</p>
<p>Root Cause Analysis (filled by organization audited): There are no personnel to supervise the condition of fire equipment and emergency response</p>
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> Assign a PIC whose duty is to carry out periodic inspections to ensure that all fire control and emergency response tools are in ready-to-use condition. Replacing damaged fire and emergency response equipment according to the results of the equipment inventory as a whole.
<p>Corrective Action (filled by organization audited): Create a periodic monitoring schedule for fire and emergency response equipment.</p>
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Auditor Verification on 20 December 2022 The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> Decree No. PUR/M.U/Kpts/04/X/2022 regarding officers who are responsible for monitoring fire extinguisher and hydrants between the initials MYT, S and RS issued on November 21, 2022. Minutes of replacement and repair of fire and emergency response equipment, namely replacement of fire extinguishers at 3 units of slamming stations, 1 unit of press station and 1 unit of fertilizer warehouse of Division IV as well as hydrant repairs, for example completing hydrant nozzles in the engine room and replacing hydrant hoses at the station seed mill station. Evidence of fire extinguisher and hydrant inspection/monitoring which is carried out once a month, for example in the third week of December 2022 at POM and plantation locations. A field visit to the POM and plantation areas found that 3 hydrant points at the POM were functioning and the fire conditions in the plantation area were in good condition. <p>Based on this, the nonconformity in this indicator is declared fulfilled and will be observed in the next assessment.</p>
<p>Verified by : Kiki Fadli & Briyogi Shadiwa</p>

NCR No. :	2022.9	Issued by :	Briyogi Shadiwa
Date Issued :	22 September 2022	Time Limit :	21 December 2022
NC Grade :	Major	Date of Closing :	20 December 2022
Standard Ref. & Requirement :	<p>6.7.3 Workers use appropriate Personal Protective Equipment (PPE), and it is provided free of charge to all workers in the workplace, as protection in all operations that have potential hazards, such as pesticide application, machine operation, land preparation, and harvesting. Sanitation facilities are available for workers who use pesticides so that workers can remove PPE, clean themselves and put on their</p>		

	personal clothes.
<p>Evidence observed (filled by auditor): The results of field observations and interviews with workers show the following:</p> <ul style="list-style-type: none"> • 1 harvest worker, 1 chemical spray/application worker, and 1 sorting worker who are in activities in the garden and factory are known to use PPE in the form of rubber boots and safety shoes purchased by themselves. This is because the PPE provided by the company has been damaged. Workers have submitted a request for replacement of the damaged PPE to the foreman and the damaged PPE has been returned to the foreman. • The results of field observations in the pumping house activities (WTP) area, it is known that the area has a potential hazard (indicated noise hazard) for employees but the operator does not use PPE to protect the ears. • The results of field observations at the Central Warehouse/Spare Parts show that there is no stock of PPE available. <p>Non-Conformance Description (filled by auditor): Based on this evidence, the company has not been able to demonstrate the implementation of PPE management according to its SOP.</p>	
<p>Root Cause Analysis (filled by organization audited): Lack of management oversight of the use and service life of workers' PPE and the lack of socialization of the PPE replacement mechanism.</p>	
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> • Checking PPE for employees and providing the necessary PPE according to HIRAC • Dissemination of the PPE replacement mechanism to employees 	
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> • Establish a PIC to monitor and check the PPE used by workers. • Make a barchat monitoring the use of PPE by all workers every working day 	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Auditor Verification on 20 December 2022 The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> • Monitoring the condition of employee PPE and handing over PPE, for example on 24 September 2022 for plantations in the form of boots for 7 people and 26 September 2022 in the form of ankle shoes for 2 people. • Evidence of the Socialization of the replacement of PPE which was carried out on September 23, 2022 which was attended by 11 people. • Decree No. PUR/MU/Kpts/05/XI/2022 regarding the PIC in charge of monitoring PPE for employees of 5 plantation personnel and 1 personnel at the POM issued on 28 November 2022. • Documentation of PPE stock, for example as stated in the PPE certificate for the plantation on 29 September 2022 consisting of 5 pairs of boots, 5 helmets, 12 pairs of gloves and 5 welding goggles. • Field visits to the POM area and Division III Pula Raja Estate found that workers have used the complete PPE. <p>Based on this, the nonconformity in this indicator is declared fulfilled and will be observed in the next assessment.</p>	
Verified by	: Kiki Fadli

NCR No.	: 2022.10	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 22 September 2022	Time Limit	: ASA-1.2

NC Grade	: Minor	Date of Closing	:	
Standard Ref. & Requirement	: 6.7.4 All workers are provided with health services and are covered by occupational accident insurance. Costs incurred as a result of work incidents, resulting in injury or illness, are borne in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.			
Evidence observed (filled by auditor) The company has shown proof of payment of BPJS Health and Employment for the period August 2022 for 454 permanent employees belonging to the company on August 23, 2022 for BPJS Health and August 29, 2022 for BPJS Employment. However, the evidence for as many as 35 PKWT workers has yet to be shown.				
Non-Conformance Description (filled by auditor): The company has not been able to prove that all of its workers, including PKWT workers, have been registered in the BPJS Health and Employment program.				
Root Cause Analysis (filled by organization audited):				
Correction (filled by organization audited):				
Corrective Action (filled by organization audited):				
Assessor Evaluation and Conclusion (filled by auditor):				
Verified by	:			

NCR No.	: 2022.11	Issued by	:	Erika Lucitawati
Date Issued	: 22 September 2022	Time Limit	:	ASA-1.2
NC Grade	: Minor	Date of Closing	:	
Standard Ref. & Requirement	: 7.3.3 The unit of certification does not use open burning for waste disposal.			
Evidence observed (filled by auditor): Based on the results of the field visits, the following were found: <ol style="list-style-type: none"> 1 point of burning household waste on an empty land behind the house. Housing for POM Employees. 1 point of ex-arson next to the Fertilizer Warehouse in Afdeling IV Estate, Pulu Raja Estate points of burning waste and 1 point of burning next to the Kindergarten in Afdeling V Housing Pulu Raja Estate. Landfill Block I Afdeling IV, which has been opening the hole since 2021, does not contain household waste and is overgrown with green grass. Results of interviews with residents of the Housing for POM Employees and Afdeling V Housing, household waste is disposed of by the residents themselves to the landfill. However, residents of Afdeling IV Housing, garbage is transported by officers every 5 days. <p>The company has procedures related to waste management in the SOP for Household Domestic Waste Management No. SPO 20 Revision 03 which has been effective since January 2, 2018. Point 5.5.c which states "It is forbidden to burn waste in any form without the company's permission."</p>				
Non-Conformance Description (filled by auditor): The company has not shown evidence that it does not use open burning for waste disposal in accordance with its procedures.				

Root Cause Analysis (filled by organization audited):	
Correction (filled by organization audited):	
Corrective Action (filled by organization audited):	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

NCR No.	:	2022.12	Issued by	:	Briyogi Shadiwa
Date Issued	:	22 September 2022	Time Limit	:	21 December 2022
NC Grade	:	Major	Date of Closing	:	21 December 2022
Standard Ref. & Requirement	:	<p>RSPO Certification System 5.5.3 The following are the requirements for management units that have not been certified.</p> <ol style="list-style-type: none"> a. Not clearing primary forest or any area required to maintain or enhance HCVs and HCS in accordance with Criterion 7.12 of the RSPO P&C. All new plantings made since 1 January 2010 must comply with the RSPO NPP. Compliance with the NPP in any new planting development will be verified by an RSPO accredited CB. b. Land conflicts, if any, are resolved through mutually agreed processes (eg the RSPO Grievance System or Dispute Resolution Facility) in accordance with Criteria 4.4, 4.5, 4.6, 4.7 and 4.8 of the RSPO P&C. c. Labor disputes, if any, are resolved through a mutually agreed process, in accordance with RSPO Criterion 4.2 P&C. d. Legal non-compliance, if any, is resolved through action in accordance with the requirements of Criterion 2.1 of the RSPO P&C. e. The CB must assess compliance with these rules in each assessment of the existing management unit. Assessment of compliance with the requirements in Section 5.5.3 letters (a) – (d) above, which is only supported by a statement solely from the company and without other supporting documents will not be accepted. 			
Evidence observed (filled by auditor):					
<p>The company has shown documents related to the Time Bound Plan for all units that have not been RSPO certified on November 22, 2021. The document informs the condition of the units that have not been certified, such as:</p> <ul style="list-style-type: none"> • HCV assessment process and progress. • Information on new land clearing. <p>However, the document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), land conflict issues (criteria 4.4, 4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation. (criteria 7.12).</p>					
Non-Conformance Description (filled by auditor):					
<p>The company has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents.</p>					
Root Cause Analysis (filled by organization audited):					
<p>The revision of the timebound plan is coordinated directly by Holding Perkebunan Nusantara. So that the time bound</p>					

plan used is based on what has been approved by the RSPO.	
Correction (filled by organization audited): Revise the updated timebound plan and send it to Holding Perkebunan Nusantara.	
Corrective Action (filled by organization audited): Coordinate with Nusantara Plantation Holding for revision of the timebound plan.	
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on December 21, 2022 Based on PTPN Holding's time bound plan, it is known that there are around 74 units that are not yet RSPO certified. Then the company has shown a self-assessment carried out by the internal auditor team from PTPN Holding. Until the major verification was carried out, there were around 35 units that had carried out self-assessments. In some of the self-assessment results, there are also plans for unit certification to be carried out over 2023, for example the Air Molek Air Estate Unit - PTPN V (2025) and the Bentayan Unit - PTPN VII (2027), this is due to the fact that it is still in the progress of obtaining/issuing HGU. In this regard, this nonconformity has been fulfilled and for other PTPN self-assessment units along with submission of timebound plans to the RSPO for the assessment plan carried out above 2023 will be observed again in the next assessment.	
Verified by	: Briyogi Shadiwa

3.4.2. Opportunity for Improvement

No	Ref. Std.	Description
-	-	-

3.4.3. Noteworthy Positive Components

No	Description
1	Good relationship with the surrounding community

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Environmental Agency of Asahan District.</p> <ul style="list-style-type: none"> • Company already has land application and temporary storage for hazardous and toxic waste permit which is still valid until this assessment. • Company has reported implementation reports of hazardous and toxic waste management, liquid waste management, and other environmental management and monitoring plan regularly. • Company has complied with applicable regulations in environmental aspects generally. • There is no environmental issue in the area of the company that goes to the environmental agency. 	<p>There are no negative issues that need further verification.</p>
<p>FFB Supplier (PT Edi Jaya)</p> <ul style="list-style-type: none"> • Contractor activities in the field of FFB supplier. • Relationship with company is going well. • Contractor payments are made on time. • Price of FFB is determined based on the price from the Plantation Agency and changes in the FFB price will be notified by company via telephone or text message. • Company conducts socialization related to OHS policies, environment, and technical procedures to contractors and will then be forwarded to members. • There are no complaints or suggestions for the company regarding operations. • FFB supplier has been equipped legality information and also data collection of information related to the location (coordinates) of the FFB source by company. 	<p>There are no negative issues that need further verification.</p>
<p>Local Contractor Interviewee:</p> <ul style="list-style-type: none"> • CV Akbar Pratama (FFB Transporter) • CV Aljuzira (FFB & EFB Transporter) • CV Anugerah Cahaya (EFB Application and Transporter) • PT Berdikari Serayan Anugerah (Plantation Maintenance Contractor) • CV Fauzan Group (Nursery Maintenance Contractor) <ul style="list-style-type: none"> • Contractors are required by companies to comply with OHS and PPE procurement by contractors. • Payments to contractors are made on time in accordance with the contract. • Communication between the contractor and the company is well established. • Workforce owned by contractors have been registered with occupational accident and health insurance. 	<p>The company has implemented the principles & criteria of RSPO on indicator 2.2.1; 2.2.2; 2.2.3.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> Local contractors also have known regarding to code of conduct such as prohibition of corruption and bribery. 	
<p>Gender Committee</p> <p>There is a gender committee organization, activities are running, there are no complaints of sexual harassment from workers. Female and male workers do not differ in wages and opportunities.</p>	<p>There's no negative issue needs to further verification</p>
<p>Union Worker (SPBUN)</p> <ul style="list-style-type: none"> There is no discrimination against workers. The company bans workers under the age of 18, including contractor workers Type of workers in company are contract and permanent worker. The basic wage for workers is in accordance with the minimum wage of Sumatera Utara Province period of 2022. PPE is provided by company. There is no complaint about overtime payments. There is no complaint from workers about discrimination among workers. There is a work accident happened in 2 days ago which caused 1 worker hit by the lorry. This worker has been handled in Pabatu Hospital. SPBUN member registration is not coercive. So far, employees are free to become members or not. 	<p>The company has implemented the principles & criteria of RSPO on indicator 6.3.1; 6.3.2; 6.3.3; 6.1.1; 6.4.1.</p>
<p>Land Agency of Asahan Agency</p> <ul style="list-style-type: none"> No complaints from the surrounding community were submitted to Land Agency of Asahan Agency. The company has submitted regular reports regarding the use of <i>HGU</i> to the Land Agency of Asahan Agency. Communication between the company and the Land Agency of Asahan Agency is going well. 	<p>There are no negative issues that need further verification.</p>
<p>Manpower Agency of Asahan District</p> <ul style="list-style-type: none"> Wage is suitable with regional minimum wage of Asahan Regency of 2022. Workers in company are divided into permanent worker and contract worker. All workers have been registered to <i>BPJS Ketenagakerjaan</i> and <i>BPJS Kesehatan</i> including contract worker. There are no workers under 18 years old. Company has Bipartite Cooperation Institution. There is no negative issue which reported to manpower agency related to labour. 	<p>The company has implemented the principles & criteria of RSPO on indicator criteria 2.1; 6.2, 6.4. about worker welfare.</p>







Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Representative of Bangun Village</p> <ul style="list-style-type: none"> • Company has never discriminated against one religion, ethnicity or race. • No complaints from village have been submitted to the company. • Company has contributed to community/village including assistance for social, economic, and environment program. • There is no negative issue related to land fire and environment pollution or contamination, caused by company operational activities. 	<p>There's no negative issue needs to further verification</p>
<p>RSPO Complaint Reference No. RSPO/2019/12/IR on 06 May 2019 with the summary of Complaint related to:</p> <ul style="list-style-type: none"> • Alleged salary fraud for 7 laborers, no festive holidays and no bonus for day laborers. 	<p><u>Day Laborers.</u> Based on the results of verification of employment documents and interviews with workers and management, it is known that currently there are only 3 statuses of workers working in the company, namely:</p> <ul style="list-style-type: none"> • Permanent workers are workers who have become permanent workers in accordance with the Decree of the Board of Directors of PTPN IV for the Appointment of Permanent Workers. Where workers with this status are divided into 2, namely Implementing Workers (Karpel) and Leadership Workers (Karpim). • Contract workers (PKWT), are workers employed by the company on a contract basis for a certain period of time and only for harvest work. (this has become a non-compliance with indicator 6.2.7) • Contractor workers are workers employed by contractors in collaboration with the company for operational activities in plantations and factories such as FFB transportation, plant maintenance and others. <p>For Day laborers, it is no longer used by the company and was not found during field observations, interviews or document verification. This is because the company only has 3 status workers at this time as described above.</p> <p><u>Salary Fraud</u> The results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators), contract workers (harvesters) and contractor workers (pesticide applicators) show that the company has never committed fraud related to</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
	<p>the provision of wages because the wages have been adjusted to provisions set by the company (wage scale structure) for permanent workers, providing wages above the minimum wage for contract workers (PKWT) and for contractor workers being given wages in accordance with the wage agreement in the work agreement between the contractor and the worker (where the wages are in accordance with minimum wages). This can be proven by verifying the wages of the workers in August 2022 where the wages given are in accordance with the minimum wage setting as well as with the established wage scale structure.</p> <p>This is also supported by the results of interviews with labor unions and contractors who stated that wages for all workers had complied with government regulations starting from the minimum wage and there were no violations of this.</p> <p><u>No Festive Holidays and No Bonus</u> In accordance with the results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators), contract workers (harvesters) and contractor workers (pesticide applicators) it is known that the company provides weekly holidays to its workers every Sunday, holidays on National holidays including holidays / Christmas. This is evidenced by the absence of operational activities in the plantations or factories on holidays in accordance with the absence of workers in August 2022. This has also been regulated in the company's CLA related to employee rest days and holidays.</p> <p>For the provision of bonuses to workers is always given annually by the company, especially for workers from the company has been given regularly every year. This is based on the results of interviews with workers in the plantations and factories. As for contractor workers, this is not given because the workers who work with them are not permanent workers and the turnover is quite high every month, so the contractor does not give bonuses to their workers.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>RSPO Complaint Reference No. RSPO/2019/11/IR on 23 April 2019 with the summary of Complaint related to:</p> <ul style="list-style-type: none"> • Temporary workers and contract issues. • Wages and overwork. 	<p><u>Temporary workers and contract issues.</u></p> <p>Based on the results of verification of employment documents and interviews with workers and management, it is known that currently there are only 3 statuses of workers working in the company, namely:</p> <ul style="list-style-type: none"> • Permanent workers are workers who have become permanent workers in accordance with the Decree of the Board of Directors of PTPN IV for the Appointment of Permanent Workers. Where workers with this status are divided into 2, namely Implementing Workers (Karpel) and Leadership Workers (Karpim). • Contract workers (PKWT), are workers employed by the company on a contract basis for a certain period of time and only for harvest work. (this has become a non-compliance with indicator 6.2.7) • Contractor workers are workers employed by contractors in collaboration with the company for operational activities in plantations and factories such as FFB transportation, plant maintenance and others. <p>For workers with contract status (PKWT) already have a work agreement (contract) with the company in accordance with the specified time period and have been reported to the Manpower Agency of Serdang Bedagai Regency. The work agreement (contract) has also been given to each -Each worker with the same legal force. This is reinforced by the results of interviews with contract workers and the Manpower Agency of Serdang Bedagai Regency which stated that contract workers had a work agreement (contract) that was in accordance with the regulations and had been registered with the relevant agency.</p> <p>However, the current use of PKWT workers in the company has become a discrepancy in indicator 6.2.7, because workers use contract workers (PKWT) on permanent jobs (in this case harvest work).</p> <p><u>Wages and Overwork</u></p> <p>The results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators),</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
	<p>contract workers (harvesters) and contractor workers (pesticide applicators) show that the company has never committed fraud related to the provision of wages because the wages have been adjusted to provisions set by the company (wage scale structure) for permanent workers, providing wages above the minimum wage for contract workers (PKWT) and for contractor workers being given wages in accordance with the wage agreement in the work agreement between the contractor and the worker (where the wages are in accordance with minimum wages). This can be proven by verifying the wages of the workers in August 2022 where the wages given are in accordance with the minimum wage setting as well as with the established wage scale structure.</p> <p>This is also supported by the results of interviews with labor unions and contractors who stated that wages for all workers had complied with government regulations starting from the minimum wage and there were no violations of this.</p> <p>For overwork, the company has set the terms of working for 6 working days a week or 40 hours a week. This has been regulated in the CLA which has been approved by the relevant agencies in North Sumatra Province. The results of interviews with plantation workers stated that normal working hours from Monday to Friday are 7 hours (07.00 – 14.00) while on Saturday it is 5 working hours (07.00 – 12.00) with a total of 40 working hours in one week. If the worker exceeds the working hours, the worker will be paid overtime and the calculation and payment is deemed appropriate. In addition, if working outside of normal working hours is not approved by the worker, then the worker is not obliged to do work outside of these working hours (overtime work must be agreed by both parties). From the results of the verification of overtime work at the Mill, it is known that no workers who worked overtime in August 2022 were more than 18 hours a week because the average overtime hours of workers in a week in that month were only 14-15 hours.</p> <p>Based on the explanations above, there is no fault from the aspect of payroll or overtime payments made by the company.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>RSPO Complaint Reference No. RSPO/2019/07/IR on 10 April 2019 with the summary of Complaint related to:</p> <ul style="list-style-type: none"> • Lack of adequate health and safety equipment • Labourer died due to lack of safety equipment • No festive holidays for temporary workers 	<p><u>No festive holidays for temporary workers</u> In accordance with the results of interviews with workers in plantations and factories for permanent workers (harvesters, upkeeps and process operators), contract workers (harvesters) and contractor workers (pesticide applicators) it is known that the company provides weekly holidays to its workers every Sunday, holidays on National holidays including holidays / Christmas. This is evidenced by the absence of operational activities in the plantations or factories on holidays in accordance with the absence of workers in August 2022. This has also been regulated in the company's CLA related to employee rest days and holidays.</p> <p><u>Lack of adequate health and safety equipment</u> Based on the results of field observations in the plantations and factories, it is known that all PPE provided to workers is in accordance with PPE standards set by the company. This is evidenced by the PPE used by pesticide applicators are boots, face shields, gloves, masks and aprons. The PPE used is also in good condition. Based on this, the company has not proven that the PPE provided is appropriate and suitable for use.</p> <p><u>Laborer died due to lack of safety equipment</u> Regarding workers who died due to not using PPE, this was not found for the period January to August 2022. There were no work accidents that occurred during this period that caused death. This can refer to indicators 6.7.2 and 6.7.5 in the report, where there has never been a work accident that resulted in death during that period.</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 style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT Perkebunan Nusantara Head of Planning and Sustainability</p>  <p><u>Pirgok Panggabean</u> Wednesday, 21 December 2022</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Briyogi Shadiwa</u> Wednesday, 21 December 2022</p> </td> </tr> </table>	<p>PT Perkebunan Nusantara Head of Planning and Sustainability</p>  <p><u>Pirgok Panggabean</u> Wednesday, 21 December 2022</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Briyogi Shadiwa</u> Wednesday, 21 December 2022</p>
<p>PT Perkebunan Nusantara Head of Planning and Sustainability</p>  <p><u>Pirgok Panggabean</u> Wednesday, 21 December 2022</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Briyogi Shadiwa</u> Wednesday, 21 December 2022</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	National Land Agency of Asahan District	Asahan District, Sumatera Utara	-	Interview (via phone)	21 September 2022	√	
2	Agriculture Agency of Asahan District	Asahan District, Sumatera Utara	-	Interview (via phone)	20 September 2022		√
3	Environment Agency of Asahan District	Asahan District, Sumatera Utara	-	Interview (via phone)	20 September 2022	√	
4	Manpower Agency of Asahan District	Asahan District, Sumatera Utara	-	Interview (via phone)	21 September 2022	√	
5	Local Contractor: <ul style="list-style-type: none"> • CV Akbar Pratama (FFB Transporter) • CV Aljuzira (FFB & EFB Transporter) • CV Anugerah Cahaya (EFB Application and Transporter) • PT Berdikari Serayan Anugerah (Plantation Maintenance Contractor) • CV Fauzan Group (Nursery Maintenance Contractor) 	Asahan District, Sumatera Utara	-	Interview (via phone)	20 September 2022	√	
6	FFB Supplier (PT Edi Jaya)	Asahan District, Sumatera Utara	-	Interview (via phone)	20 September 2022	√	
7	Gender Committee	Asahan District, Sumatera Utara	-	Interview (via phone)	20 September 2022	√	
8	Pulu Raja Mill: <ul style="list-style-type: none"> - 1 Boiler Operator - 1 Engine Room Operator - 4 Sortation Officer - 1 storage operators - 1 Engine Room operators - 1 kernel seed station - 1 WTP Operator - 1 WWTP Operator - 1 Housing Complex Resident - 4 warehouse officer 	Asahan Regency	-	Interview (direct and via Phone)	20 September 2022	V	-

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> - 1 doctor and 1 clinic clerk - 3 emergency response member 						
9	Pulu Raja Estate <ul style="list-style-type: none"> - 3 Foreman - 3 Plantation clerk - 8 harvester - 2 maintenance worker - 2 FFB loading workers - 4 Plantation worker - 6 resident - 2 afdeling office clerk - 2 warehouse officer 	Asahan Regency	-	Interview (direct and via Phone)	21 September 2022	√	-
10	Union Worker (SPBUN)	Asahan District, Sumatera Utara	-	Interview (via phone)	20 September 2022	√	
11	Representative of Bangun Village	Asahan District, Sumatera Utara	-	Interview (via phone)	21 September 2022	√	
12	Sawit watch	Bogor, Indonesia	info@sawitwatch.or.id	Email	9 September 2022		√
13	WWF	Jakarta, Indonesia	wwf-indonesia@wwf.or.id	Email	9 September 2022		√
14	WALHI	Jakarta, Indonesia	informasi@walhi.or.id	Email	9 September 2022		√
15	AMAN	Jakarta, Indonesia	rumahaman@cbn.net.id	Email	9 September 2022		√

Appendix 2. Assessment Program

DATE	19 – 22 September 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 19 September 2022		
07.05 – 09.30	JAKARTA (CGK) → MEDAN (KNO)	All Auditor
10.00 – 15.00	MEDAN → PULU RAJA POM	All Auditor
15.00 – 16.00	Opening meeting : <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	All Auditor
Tuesday, 20 September 2022		
08.00 – 12.00	<ul style="list-style-type: none"> • Public consultation with stakeholder to relevant agency in Asahan Regency by Phone / Directly • Stakeholder consultation to affected communities surrounding the plantations and previous land owner. • Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier. 	1 Auditor
08.00 – 12.00	Field Observation to Pulu Raja Estate Aspect to be verified : <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) • Implementation of Occupational Health & Safety Aspect • Implementation of Employment Procedure and Mechanism Aspect • Observation of Workers Facilities (Housing, School, Worship Place). • Interview with related personels during field observation 	3 Auditors
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Field observation to Pulu Raja POM: <ul style="list-style-type: none"> • Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) • Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) • Implementation of Employment Procedure and Mechanism Aspect Presentation of Daily Progress	BRI & ALE RGR ELU
Wednesday, 21 September 2022		

DATE	19 – 22 September 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<ul style="list-style-type: none"> Document review and completing audit checklist. Presentation of Daily Progress. 	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> Document review and completing audit checklist. Presentation of Daily Progress. 	All Auditor
Thursday, 22 September 2022		
09.00 – 11.00	Closing Meeting : <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, TimeLine of CAR's, Conclusion) Comments, Responses and Questions 	All Auditor
11.00 – 14.00	PULU RAJA POM → PABATU POM	All Auditor