

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

Name of Management : Pasir Mandoge Palm Oil Mill PT Perkebunan Nusantara IV subsidiary of
Organisation PT Perkebunan Nusantara III

Plantation Name : PT Perkebunan Nusantara IV – Pasir Mandoge Estate, Tonduhan Estate &
Sei Kopas Estate

Location : Bandar Pasir Mandoge Village, Bandar Pasir Mandoge Sub District, Asahan
District and Tonduhan Village, Tonduhan Sub District, Simalungun District,
Sumatera Utara Province, Indonesia

Certificate Code : MUTU-RSPO/147

Date of Certificate Issue : 14 October 2020 Date of License Issue : 02 February 2023

Date of Certificate Expiry : 13 October 2025 Date of License Expiry : 13 October 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	24 to 29 October 2022	Hasiholan Sihombing (Lead Auditor), Rahmat Abdiansyah, Kiki Fadli, Helma Namira.	Moh Arif Yusni	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	31 January 2023

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Figure 1. Location Map of Tonduhan Estate

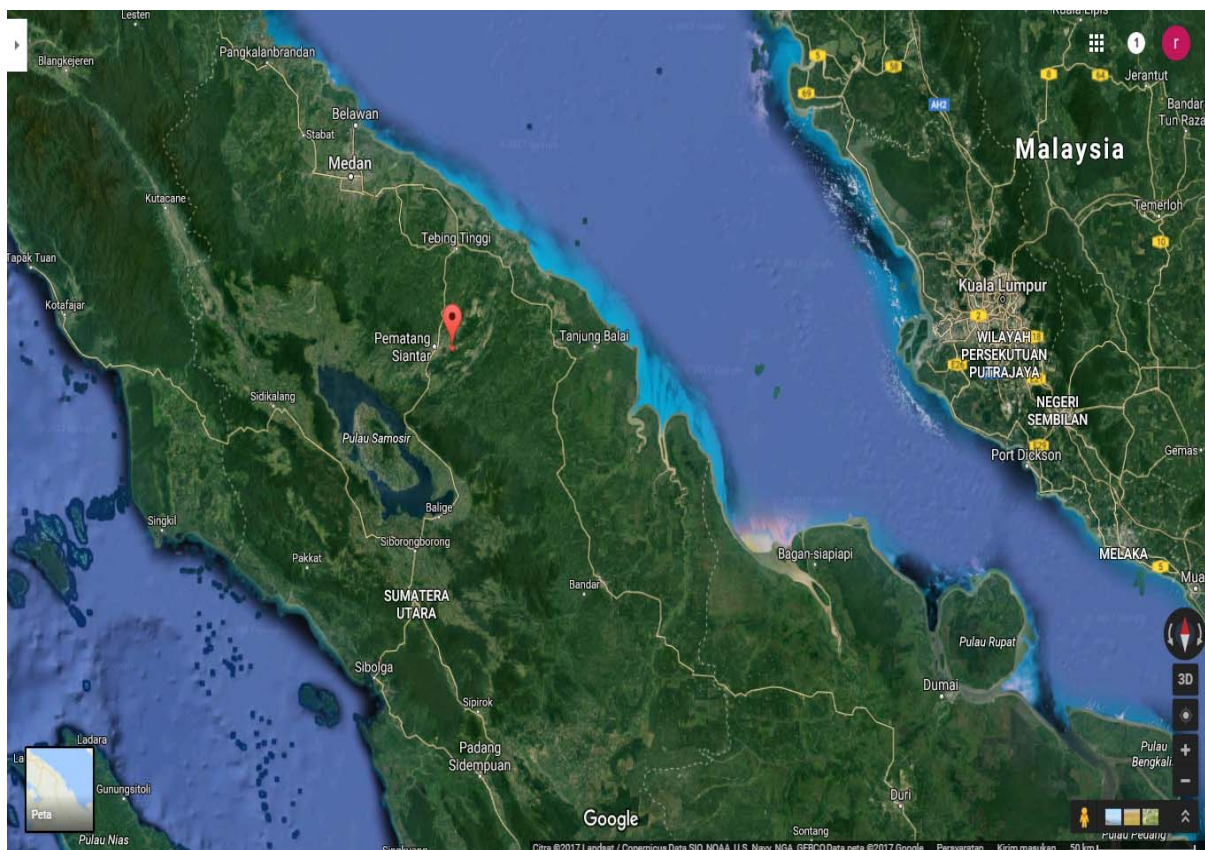


Figure 2. Location Map of Pasir Mandoge Estate and Sei Kopas Estate

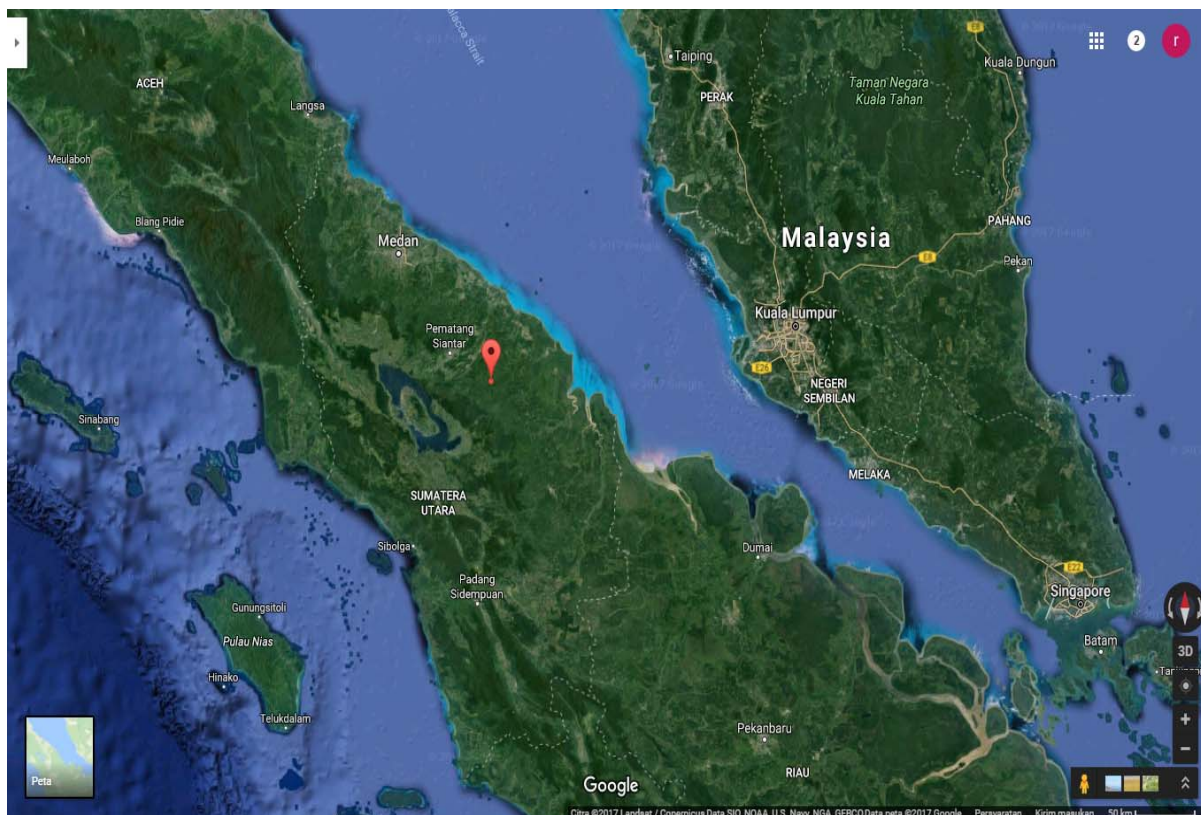


Figure 3. Operational Map of Pasir Mandoge Estate

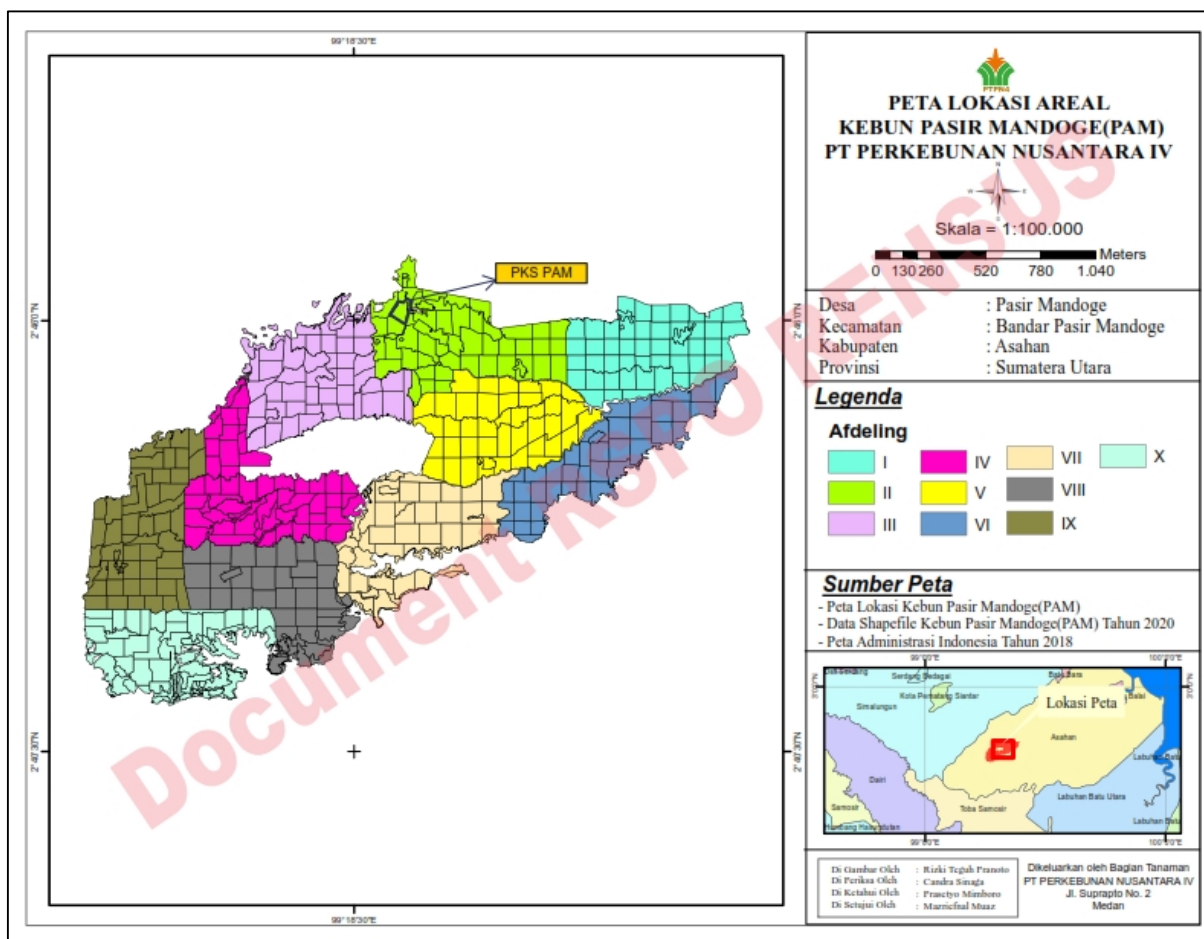


Figure 4. Operational Map of Sei Kopas Estate

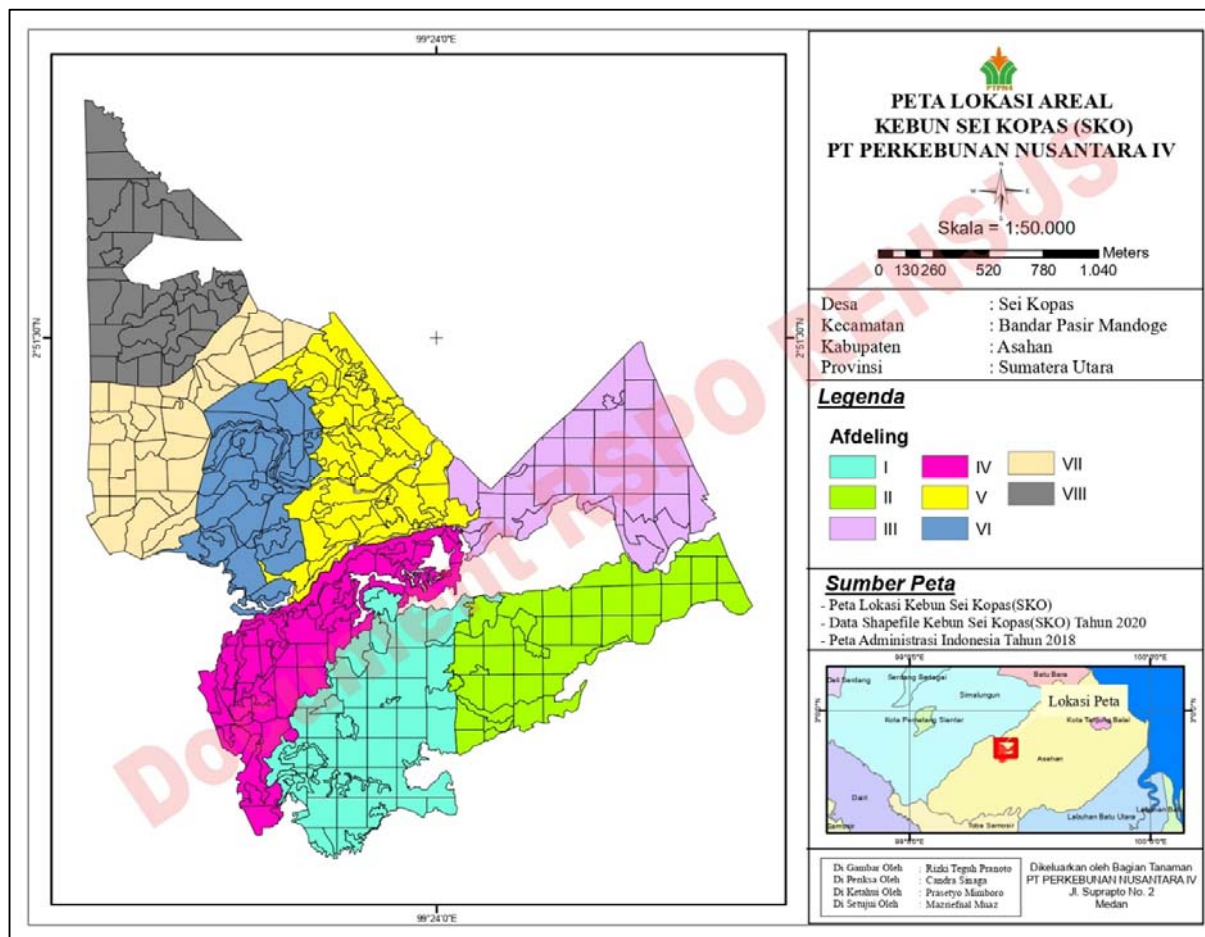
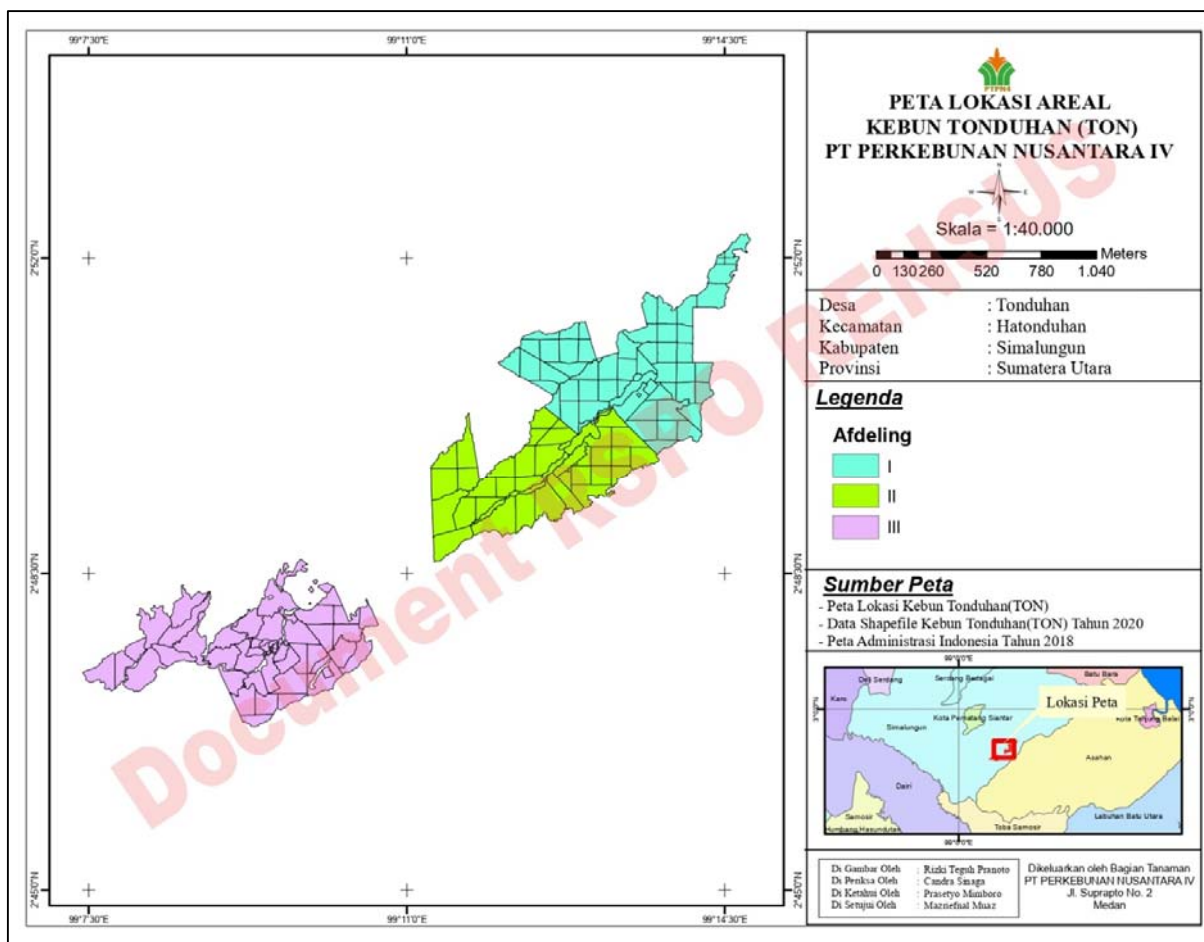


Figure 5. Operational Map of Tonduhan Estate



Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Social Environment Impact Assessment)
APL	:	<i>Area Penggunaan Lain</i> (Other Use Area)
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Administrator)
BPJS Kesehatan	:	Health Insurance Provider
BPJS Ketenagakerjaan	:	Social Security Administrator of Labour
BUMN	:	<i>Badan Usaha Milik Negara</i> (state-owned enterprises)
CHE	:	Cholinesterase
CLA	:	Collective Labor Agreement
COC	:	Chain of Custody
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	Commanditaire Vennootschap
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i> (Environmental Evaluation Document)
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gas
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIPERKES	:	<i>Higiene Perusahaan dan Kesehatan Kerja</i> (Corporate Hygiene & Occupational Health)
HIRAC	:	Hazard identification risk assessment control
HR/GA	:	Human Resources/General Affair
HPK	:	<i>Hutan Produksi dapat diKonversi</i> (Convertible Production Forest)
ILO	:	International Labor Organization
IPLC	:	<i>Izin Pembuangan Limbah Cair</i> (Wastewater discharge permit)
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
KCP	:	Kernel Crushing Plant
LD	:	Lethal Dosage
LUCA	:	Land Use Change Analysis
MCU	:	Medical Checkup
MSDS	:	Material Safety Data Sheet
OFI	:	Opportunity For Improvement
OHS	:	Occupational Health Safety
P2K3	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (OHS Committee)
PIC	:	Person In charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PTPN	:	<i>Perseroan Terbatas Perkebunan Nusantara</i>
P&C	:	Principle & Criteria
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RTE	:	Rare, Threatened, Endangered
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assessment

SP-Bun	:	<i>Serikat Pekerja Kebun</i> (Workers Union)
SPI	:	<i>Satuan Pengawas Internal</i> (Internal Oversight Unit)
SOP	:	Standard Operational Procedure
TBP	:	Time Bound Plan
WHO	:	World Health Organization
WI	:	Work Instruction
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020. RSPO Certifications Systems for Principles & Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020) 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Pasir Mandoge POM, PT Perkebunan Nusantara IV Subsidiary of PT Perkebunan Nusantara III	
1.2.2	Contact person	Pirgok Panggabean	
1.2.3	Organisation address and site address	Head Office: Jl. Sei Batang Hari No. 2, Medan, Sumatera Utara Province, Indonesia. Liaison Office: Jalan Letjen Suprpto No.2, 20151, Medan, Sumatera Utara, Indonesia.	
1.2.4	Telephone	(+62-61) 8452244	
1.2.5	Fax	-	
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	Palm Oil Mill and supply base Pasir Mandoge Mill; Pasir Mandoge Estate, Sei Kopas Estate and Tonduhan 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
	Pasir Mandoge POM	Bandar Pasir Mandoge Estate, Bandar Pasir Mandoge Sub District, Asahan District, Sumatera Utara Province, Indonesia	N 02° 46' 11" E 99° 19' 06"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Pasir Mandoge Estate	Bandar Pasir Mandoge Village, Bandar Pasir Mandoge Sub District, Asahan District, Sumatera Utara Province, Indonesia	N 02° 46' 15" E 99° 19' 10"

	Sei Kopas Estate	Sei Kopas Village, Bandar Pasir Mandoge Sub District, Asahan District, Sumatera Utara Province, Indonesia	N 02° 47' 31"	E 99° 22' 32"	
	Tonduhan Estate	Nagori Tonduhan Village, Hatonduhan Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 02° 49' 46"	E 99° 12' 50"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		14,878.06 Ha		
	• Community		- Ha		
1.5.2	Area Statement				
	Descriptions	Pasir Mandoge Estate (Ha)	Sei Kopas Estate (Ha)	Tonduhan Estate (Ha)	Total (Ha)
	Total area	7,848.06	4,572.14	2,457.86	14,878.06
	Mature area	6,464.00	4,035.00	1,544.00	12,043.00
	Immature area	-	204.00	685.00	889.00
	Mill	5.00	-	-	5.00
	Housing Building	92.77	74.50	67.75	235.02
	Road/Drain/Public Facilities	484.34	159.64	92.38	736.36
	School, Church, Mosque	25.15	-	0.75	25.90
	Waste Pond	6.00	-	-	6.00
	Transmission Line/ <i>PLN</i>	30.00	-	3.00	33.00
	Hyaten Area	-	99.00	8.00	107.00
	HCV	683.82	56.98	56.98	797.78
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			Total
		Pasir Mandoge Estate	Sei Kopas Estate	Tonduhan Estate	
	1991	5.00	-	-	5.00
	1998	-	-	90.00	90.00
	1999	-	-	437.00	437.00
	2000	397.00	-	137.00	534.00
	2001	349.00	-	-	349.00
	2003	728.00	-	194.00	922.00
	2004	1,202.00	66.00	197.00	1,465.00
	2005	1,698.00	519.00	-	2,217.00
	2006	-	147.00	-	147.00
	2007	57.00	198.00	186.00	441.00
	2008	459.00	550.00		1,009.00
	2009	1,451.00	918.00		2,369.00

	2010	92.00	998.00	20.00	1,110.00		
	2011		487.00	180.00	667.00		
	2012	26.00	-	-	26.00		
	2013	-	46.00	-	46.00		
	2015	-	36.00	103.00	139.00		
	2016	-	70.00	-	70.00		
	Sub Total Mature	6,464.00	4,035.00	1,544.00	12,043.00		
	2019	-	-	66.00	66.00		
	2020	-	-	116.00	116.00		
	2021	-	204.00	97.00	301.00		
	2022	-	-	406.00	406.00		
	Sub Total Immature	-	204.00	685.00	889.00		
	TOTAL	6,464.00	4,239.00	2,229.00	12,932.00		
	1.6.2	New Planting area after January 2010		- Ha			
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Pasir Mandoge	60	280,523.00	57,012.00	20.32	11,405.30	4.07
	*Production data source from October 2021 to September 2022						
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)	%
	Pasir Mandoge Estate	7,848.06	6,464.00	162,157.98	25.09	162,157.98	100.00
	Sei Kopas Estate	4,572.14	4,035.00	65,645.85	16.27	65,645.85	100.00
	Tonduhan Estate	2,457.86	1,544.00	39,187.00	25.38	4,352.92	11.11
	TOTAL	14,878.06	12,043.00	266,990.83	24.27	232,156.75	86.95
	*Production data source from October 2021 to September 2022						
	**the rest FFB from Tonduhan Estate sent to Bah Jambi POM subsidiary of PTPN IV						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non- certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Marihat Estate (RSPO Certified)	PT Perkebunan Nusantara IV	-	3,404.50	31.13		
	Balimbingan Estate (RSPO Certified)	PT Perkebunan Nusantara IV	-	1,219.17	1,336.93		
	Sei Kopas Estate (RSPO	PT Perkebunan Nusantara IV	-	1,650	9,766.98		

	Non-Certified)						
	CV Cipta Karya Mandiri (RSPO Non-Certified)	Independent Supplier	-	-	10,825.37		
	CV Bona Tani (RSPO Non-Certified)	Independent Supplier	-	-	6,752.80		
	CV Nusantara Putra Doge (RSPO Non-Certified)	Independent Supplier	-	-	2,907.75		
	CV Prabu Jaya Permata (RSPO Non-Certified)	Independent Supplier	-	-	5,545.20		
	PT Maura Nusantara Doge (RSPO Non-Certified)	Independent Supplier	-	-	11,499.06		
	TOTAL				48,665.22		
	*Production data source from October 2021 to September 2022						
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)	Actual Certified Volume (January to September 2022) (MT)			
	FFB Processed		225,894	172,093.40			
	CPO Production		50,826	39,027.12			
	Palm Kernel (PK) Production		8,583	6,868.75			
1.8.2	Product selling						
	Type of selling product	Actual selling product for last year (January to September 2022) (MT)					
	CSPO sold as RSPO certified product	17,287.29					
	CSPK sold as RSPO certified product	6,069.94					
	CSPO sold under another scheme	0					
	CSPK sold under another scheme	0					
	CSPO sold as conventional	21,254.27					
	CSPK sold as conventional	87.15					
1.8.3	Estimate of Certified FFB Claim						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Pasir Mandoge Estate	7,848.06	6,464.00	174,000	26.92		
	Sei Kopas Estate	4,572.14	4,035.00	70,000	17.35		
	Tonduhan Estate	2,457.86	1,544.00	41,000	26.55		
	TOTAL	14,878.06	12,043.00	285,000	23.67		
	*Projected FFB production for 12 months of certificate						
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)

	Pasir Mandoge	60	285,000	60,000	21.05	12,500	4.39	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISPO			Certificate No. MUTU-ISPO/165 valid thru 21 March 2024.				
	SMK3			Certificate No. REG.SMK3.2021SUC.SK-1069, valid thru 21 April 2024.				
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 Distrcit, 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 Es-tate	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	2015	Sisumut Estate	2015	Labuhan Batu Selatan	October 15, 2015		

(PTPN III)				District, Sumatera Utara Province	(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 Province	Sept 14, 2016 (Certified)
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 (PT PN IV)	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015
Dolok Ilir (PT PN IV)	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015
		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
Pulu Raja (PT PN IV)	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
Bah Jambi (PT PN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
		Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birung Ulu	2021	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
			2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (30.0 Ha)
Dolok Sinumbah (PT PN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)

			2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
		Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang (PT PN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Bukit Lima	2021	Simalungun, Sumatera Utara	Preparation
Gunung Bayu (PT PN IV)	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan (PT PN 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	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2021	Asahan, Sumatera Utara	Out of Scope certification 2 nd Stage Audit
Berangir (PT PN IV)	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2021	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (10.0 Ha)
Sawit Langkat (PT PN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2021	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 Ha)
Pasir Mandoge (PT PN 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)	2021	Asahan, Sumatera Utara	
Timur (PT PN IV)	2022	Timur	2022	Mandailing Natal, Sumatera Utara	
		Balap	2022	Mandailing Natal, Sumatera Utara	
Ajamu (PT PN 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	2022	Sosa	2022	Padang Lawas,	Preparation

(PT PN IV)				Sumatera Utara	
PT Agro Sinergi Nusantara (PT PN IV)	2022	PT Agro Sinergi Nusantara	2022	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara (PT PN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
Tandun (PT PN 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 (PT PN V)	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau Province, Indonesia.	Certified
Sei Tapung (PT PN 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 (PT PN V)	2019	Sei Intan	2019	Rokan Hulu District, Riau Province, Indonesia	Certified
Tanjung Medan (PT PN V)	2022	Tanjung Medan	2022	Rokan Hilir District, Riau Province, Indonesia	-
Tanah Putih (PT PN V)	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified
Lubuk Dalam (PT PN V)	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified
		Lubuk Dalam Plasma	2022	Siak District, Riau Province, Indonesia	
Sei Buatan (PT PN V)	2022	Sei Buatan	2022	Siak District, Riau Province, Indonesia	
		Air Molek 1	2023	Siak District, Riau Province, Indonesia	

		Air Molek II	2023	Siak District, Riau Province, Indonesia	
		KUD Karya Darma	2023	Siak District, Riau Province, Indonesia	
		KUD Tunas Karya	2023	Siak District, Riau Province, Indonesia	
Sei Galuh (PT PN V)	2023	Sei Galuh	2023	Kampar District, Riau Province, Indonesia	-
Sei Pagar (PT PN V)	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	-
		Sei Pagar Plasma	2023	Kampar District, Riau Province, Indonesia	Certified
Sei Garo (PT PN V)	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified
Terantam (PT PN 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 (PT PN VI)	2018	Rimbo Satu	2018	Jambi Province	Certified
		Rimbo Dua	2018	Jambi Province	Certified
		Batang Hari	2022	Jambi Province	
Bunut (PT PN VI)	2022	Bunut	2022	Jambi Province	
Ophir (PT PN VI)	2022	Ophir	2022	Sumatra Barat Province	
		Pangkalan 50	2022	Sumatra Barat Province	
Aur Gading (PT PN VI)	2023	Durian Luncuk	2023	Jambi Province	
Solok Selatan (PT PN VI)	2023	Solok Selatan	2023	Jambi Province	
Tanjung Lebar (PT PN VI)	2022	Tanjung Lebar	2023	Jambi Province	
		Bukit Cermin	2023	Jambi Province	
Bekri (PT PN 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 (PT PN VII)	2022	Betung	2022	Lampung Province	Certified
		Bentayan	2026	Lampung Province	
Talang Sawit (PT PN VII)	2023	Betung Krawo	2023	Musi Banyuasin District, Sumatera Selatan Province	
Sungai Lengi	2023	Sungai Lengi	2023	Muara Enim District,	

(PT PN VII)				Sumatera Selatan Province	
Kertajaya (PT PN VIII)	2022	Kertajaya	2022	Lebak District, Banten Province	
		Cisalak Baru	2022	Lebak District, Banten Province	
		Bojongdatar	2022	Lebak District, Banten Province	
Cikasungka (PT PN VIII)	2022	Cikasungka	2022	Bogor District, Jawa barat Province	
		Sukamaju	2022	Sukabumi District, Jawa barat Province	
Gunung Meliau (PT PN XIII)	2022	Gunung Meliau	2022	Sanggau District, Kalimantan Barat Province	
Rimba Belian (PT PN 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 (PT PN XIII)	2023	Parindu	2023	Sanggau District, Kalimantan Barat Province	
Luwu	2022	Luwu	2022	Luwu Timur, District, Sulawesi Tengah	
		Keera-Maroon		Luwu Timur, District, Sulawesi Tengah	
		Malili		Luwu Timur, District, Sulawesi Tengah	
		Asera		Luwu Timur, District, Sulawesi Tengah	
	<p><i>*Sources: document of Partial Verification PTPN III</i></p> <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, this document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), issues of land conflict (criteria 4.4,4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation (criterion 7.12).</p> <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. This becomes Non-conformity No. 2022.07 with Major category.</p>				
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard				
	The Company didn't have associated smallholders and out growers.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-2	<p>1. Hasiholan Sihombing (Lead Auditor). Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experience for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO in 2016, RSPO P&C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2020, SA 8000 Awareness in 2018, Quality Management Systems (ISO 9001:2015) in 2016, Environmental Management Systems (ISO 14001:2015) in 2017, OHS General Expert in 2013, OHSAS 18001:2007 in 2017, ISO 19011:2018 in 2019, ISO 17021:2011 and ISO 17065:2012 in 2016. During this audit, he was assigned to verify legal aspects, land dispute, SCCS, Environment, GHG, and HCV aspects.</p> <p>2. Rahmat Abdiansyah (Auditor). Indonesian citizen. Bachelor of Forestry from IPB University, with majors in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&C in 2019 and 2020. During this assessment, he verified the aspects of Best Management Practice and OHS.</p> <p>3. Kiki Fadli (Auditor). Bachelor of Agricultural Engineering, Agricultural Engineering Study Program. Has experience working in the sustainability department in private and state-owned oil palm plantations. Has attended training on Lead Auditor ISPO, Lead Auditor RSPO, Lead Auditor ISO 9001:2015, General OHS Expert, ISO 14001:2015, ISO 17021, ISO 17065, HCV, SMK3. During this assessment, he verified the worker welfare and transparency.</p> <p>4. Helma Namira (Auditor Trainee). Indonesian citizen, Bachelor of Science, majoring in Biology, University of Indonesia. Has 2 years experiences working in Health Safety Security Environment (HSSE) Refinery in one of Oil & Gas Company in Indonesia. Attended trainings are Awareness ISO 19011: 2018; Awareness ISO 9001:2015, Awareness ISO 17021:2015, IHT Awareness ISO 17065:2012, IHT Awareness ISO 14001:2015, IHT Awareness IHT ISO 45001:2018, IHT Awareness ISPO P&C Certification System, IHT Awareness RSPO, Training ISPO Permentan 38 Tahun 2020. During this audit, she was assigned to verify Environment, GHG, and HCV aspects under supervised by Lead Auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-2	<p>Number of auditors: 3 Auditors and 1 Auditor Trainee</p> <p>Number of days for ASA-2 at site: 6 days</p> <p>Number of working days for ASA-2 at site: 18 Working days</p>
2.2.2	Assessment Process
ASA-2	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PT Perkebunan Nusantara IV, Pasir Mandoge POM Unit Certification based on:</p> <ul style="list-style-type: none"> • 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 • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>The scope of certification of PT Perkebunan Nusantara IV consists of one mill (Pasir Mandoge POM) and three estates (Pasir Mandoge Estate, Sei Kopas Estate and Tonduhan Estate).</p> <p>The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors</p>

	<p>were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-2 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from ASA-1 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-2.</p> <p>The auditor's journey from the airport in Kualanamu Deli Serdang to the audit location takes about 4-5 hours. The opening meeting was held on 24 October 2022 in Pasir Mandoge Meeting Room. As for the participants who attended the online opening meeting included the Estate and Mill Manager, Assistant, Sustainability staff, Support Team from Medan and other staff. Closing meeting was held on 29 October 2022 attended by the same participants as the opening meeting. Management PT Perkebunan Nusantara IV Pasir Mandoge accepted all this audit results. In this ASA-2 activity, the Pasir Mandoge POM received an immediate suspension for their license because there was a recurring non-conformity in the Major category.</p> <p>During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. Before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies so that these activities are carried out by telephone.</p> <p>Public Stakeholder Notification was made on MUTU Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment.</p> <p>Commonly, the audit activities went well with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel.</p> <p>All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).</p> <p>The assessment program please find Appendix 2.</p>
2.2.3	Locations of Assessment
ASA-2	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Pasir Mandoge POM</p> <ul style="list-style-type: none"> • St. Loading Ramp. Observation and interview with 2 workers related to aspects of BMP, OHS and Worker Welfare. • St. Sterilizer. Observation and interview with 1 worker regarding aspects of BMP, OHS and Worker Welfare. • St. clarification. Observation and interview with 1 worker regarding aspects of BMP, OHS and Worker Welfare. • St. Kernels. Observation and interview with 1 worker regarding aspects of BMP, OHS and Worker Welfare • St. Engine room. Observation and interview with 1 worker regarding aspects of BMP, OHS and Worker Welfare • St. Boilers. Observation and interview with 1 worker regarding aspects of BMP, OHS and Worker Welfare.

- Security posts. Observations and interviews with security regarding SCSS procedures and aspects of worker welfare.
- Weighbridge Room. Observations and interviews with operators related to SCSS procedures, OHS and aspects of worker welfare.
- Dispatch Station. Observations related to OHS and Environmental aspects.
- Emergency Response Facility. Field observations related to the condition of emergency response facilities.
- Water Treatment Plant (WTP). Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- Solar charging station. Observations related to material handling, OHS and environmental management.
- Material Warehouse. Observations and interviews regarding storage conditions, stock and application of OHS.
- Chemical Warehouse. Observations and interviews regarding storage conditions, stock and application of OHS.
- Temporary Storage of Hazardous and Toxic Waste. Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- Workshops. Observations and interviews related to work procedures, OHS and aspects of worker welfare.

Pasir Mandoge Estate

- HGU Pole No. 9, No. 10, No. 13 (afdeling 2) and No. 14 (afdeling 1). Observations and interviews with the PIC regarding monitoring of HGU poles, land boundaries, and potential land disputes/conflicts with community/external parties.
- Pul-pul River Block 04 BH Afdeling 4 (Conservation Area). Observation of the conservation area owned by the company and its management.
- Aek Sesawah Water Catchment Area Block 03 A Afdeling 2. Observation of the company's conservation area and its management.
- Land Application Block 04 AC Afdeling 2. Observation of flat bed conditions, indications of liquid waste spills or overflows, and interviews with workers regarding duties, responsibilities and employment aspects.
- Harvesting. Block 03M Afdeling III, Block 04BJ Afdeling IV and Block 05CE Afdeling IX. Observations and interviews with harvesters regarding fruit ripeness, safe work practices, OHS and also worker welfare.
- Fertilizer warehouse afdeling 4 and 5. Observations regarding the management of agrochemical materials and waste, MSDS, emergency response facilities and the type of fertilizer used.
- Rinsing house and agrochemical mixing place afdeling 4 and 5. Observations regarding the condition of the body shower room and handling of PPE.
- Landfill Afdeling 4 and 5. Observations related to domestic waste management.
- Generator Set House Afdeling 4 and 5. Field observations and interviews related to technical work, OHS aspects, employment, and social.
- Mill drainages. Observation related to waste water and domestic sanitation waste management from mill activity.
- Empty Bunch Area. Observation related to waste management and organic fertilizer applications.
- Daycare. Observation related to facilities and safety aspects.

Sei Kopas Estate

- Fertilizer Warehouse. Observations regarding agrochemical materials and their management, MSDS, emergency response, MSDS and types of fertilizers used.
- Rinsing house and agrochemical mixing place. Observations regarding the condition of the body shower room and handling of PPE.
- Pesticide Warehouse. Field observations related to the fulfilment of health safety as well as interviews with warehouse staff about health safety and work safety.
- Temporary Storage of Hazardous and Toxic Waste. Field observations related to Hazardous and Toxic Waste management as well as interviews with warehouse staff regarding Hazardous and Toxic Waste management.
- Oil and Lubricants Warehouse. Field observations related to material management as well as interviews with warehouse staff regarding handling emergency response.
- Harvesting activities for AFD 3 Block 09AF, AFD 4 Block 16K and AFD 5 Block 10AF. Observations and interviews with workers and foremen regarding aspects of BMP, K3 and worker welfare.

	<ul style="list-style-type: none"> • Housing Afdeling 3 and 5. Observations and interviews with housing residents regarding the availability of worker facilities and domestic waste management. • HGU Pole No. 121, No. 208 (Division 4) and No. 130 (Division 2). Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency. • Sei Kopas River Block 21 H Division 4 (HCV). Observation of HCV management. • Replanting Area Block 21 L Division 4. Observation of area replanting. • Storage of Fire Fighting Equipment. Simulation of the function of fire extinguishers and team readiness. <p>Tonduhan Estate</p> <ul style="list-style-type: none"> • Boundary No. 150 and 41E. Observations related to the boundaries of the company's territory. • River Border Protected Areas Block 07K and Block 95B. Field observations related to protected area management in the form of the Bah Hapasuk river border and the Bah Boluk river border. • Housing Complex Division 1. Observation of the availability of infrastructure such as housing, water and electricity facilities, fire extinguishers, educational facilities, religious facilities, health facilities, domestic waste management, day care centres, child care and sports facilities. • Housing Complex Division 3. Observation of the availability of infrastructure such as housing, water and electricity facilities, fire extinguishers, educational facilities, religious facilities, health facilities, domestic waste management, daycare, child care and sports facilities. • Oil and Agrochemical Warehouse. Observations related to the management of oil and agrochemical materials and waste, MSDS, emergency response facilities and the types of pesticides used. • Fertilizer warehouse. Observations regarding the management of agrochemical materials and waste, MSDS, emergency response facilities and the type of fertilizer used. • Rinsing house and mixing area. Observation of the condition of the body shower room and handling of PPE. • Workshop. Observations and interviews with workers related to the management and implementation of occupational health safety and social workers. • Storage of Fire Fighting Equipment. Simulation of the function of fire extinguishers and team readiness. • Temporary warehouse for hazardous and toxic waste. Field observations regarding fulfilment of occupational health and safety attributes, recording, and fulfilment of hazardous and toxic waste temporary warehouse requirements. • Fertilization Afdeling 3 Block 04B. Observations and interviews with 6 workers related to OSH and worker welfare. • Harvesting Afdeling 3 Block 98. Observation and interview with 3 workers related to OSH and worker welfare. • Immature area Afdeling 1 Block 20A. Observations regarding the mechanism of replanting. • Block 94N Division 2: HGU Pole No. 11. Observation of the condition of the HGU boundary markers owned by the company. • Block 03D Division 3: HGU Pole No. 51. Observation of the condition of the HGU boundary markers owned by the company. • Block 03F Division 3: HGU Pole No. 52. Observation of the condition of the HGU boundary markers owned by the company. • Block 03G Division 3: HGU Pole No. 61. Observation of the condition of the HGU boundary markers owned by the company. • Maintenance Activity in Block 03F Division 3. Observation of safe work practices and interviews with care workers regarding work procedures and also regarding worker welfare. • Harvesting Activity in Block 04F Division 3. Observations and interviews with harvest workers regarding fruit ripeness, safe work practices and also related to worker welfare.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2	Consultation of stakeholders for PT Perkebunan Nusantara IV Unit Pasir Mandoge was held by:

	<ul style="list-style-type: none"> • Public Announcement on Mutu International Website before assessment on 10 October 2022. • Public consultation with NGOs (by email) such as WALHI, WWF, AMAN, Greenpeace and Sawit Watch on 13 October 2022 • Public consultation with government institution in Simalungun and Asahan District on 25 October 2022. • Public consultation with communities around on 25 to 26 October 2022. • Public consultation with internal stakeholders and local contractor on 25-26 October 2022 <p>Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara IV Unit Pasir Mandoge.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-3) will be conducted nine (9) months to twelve (12) after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Pasir Mandoge POM PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III operation consisting of one (1) mill and three (3) estates.

During the assessment, there were 5 (five) Nonconformities were assigned against Major Compliance Indicators; and there were 2 (two) nonconformity were assigned against Minor Compliance Indicators were identified and 3 (three) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (*document record/photographic/etc*). Those corrective actions taken that consist of 5 (five) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Pasir Mandoge POM – PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III 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	<p>The company shows PTPN IV Directors Decree No 04.03/Kpts/02/II/2018 dated 5 February 2018 concerning the publication of PTPN IV company documents which regulates the types of company documents and the authority over publication of company documents.</p> <p>The SOP explains the types of information that may be accessed/provided in general and information that is confidential and requires approval from company management. The SOP also explains the person responsible for providing information both internally and externally, namely the Human Resources Officer or External Affairs Officer. The documents that can be accessed by the public are documents with general categories and with approval from management such as AMDAL, Employee data, accidents, Social Security, Land Application permits, Policies, HCV Documents, Cultivation Rights Documents, Procedures, CSR, HIRAC, etc.</p> <p>The company also shows procedures related to transparency mechanisms in providing information to stakeholders which are contained in the SPO document for the Retention Period of Requests for Information and Responses No. SPO 06 No. Revision 03 Effective Date August 1, 2017 which describes the mechanism for requesting information and responding, among others, as follows:</p> <p>Headquarters</p> <ul style="list-style-type: none"> • The process of controlling requests for information and responses is managed by the corporate secretary. • All requests for information are forwarded to the Board of Directors for disposition. 	

- According to the disposition, forwarded to the relevant Section for implementation according to the disposition of the Board of Directors.
- Implementation of requests for information and responses to stakeholders.
- The maximum period for responding to requests for information from stakeholders is 30 working days.

Business unit

- The process of controlling requests for information and responses is managed by the HR and General Assistants.
- All requests for information are then submitted to the Unit Manager to be processed and solutions taken.
- After the Unit Management has examined the request for information, a decision is taken and a response is then submitted to the information requester.
- If the Unit Management feels that this requires a higher-level process, then the request is submitted to the Manager and the Head Office to be asked for a solution to the completion of the response request.
- If the process and solution for requesting information has been decided by the Manager and Head Office, then the response request is submitted to the Plantation Unit Manager to be forwarded to the information requester
- The maximum period for responding to requests for information from stakeholders is 30 working days.

Based on the verification results of incoming and outgoing mail documents, it is known that all incoming letters including requests for information have been responded to by the company, for example:

- There was an incoming letter from the Mandoge village head election committee on September 2, 2022 regarding arrangements for the right to vote for village head elections. The company then indicated a response to the letter through a letter delivered to stakeholders with the response being set for voters on September 5, 2022.
- There was a letter received from the church construction committee on September 20, 2022 regarding assistance with taking Pasir Mandoge. The company then indicated a response to the letter through a letter submitted to stakeholders with the response being approved for assistance on September 27, 2022.

1.1.2

The Information is provided in Indonesian, how to submit an application can be oral, email, fax, telephone and a direct visit to the office. Based on the results of document reviews and interviews with agencies, it is known that the information presented by the certification unit has been presented in an appropriate language and can be accessed by the agency.

The company has several procedural documents related to requests for information from both external and internal stakeholders, such as the following documents SOP for Internal Communication and handling employee complaints no SPO 19 rev 02 dated 2 January 2015, and SOP documents for retention period for requests for information and responses no SPO 06 dated 1 august 2017 rev 03, stated that the timeframe for providing responses to requests for information from stakeholders is a maximum of 30 working days.

The company records all incoming requests for information from both internal and external parties in a log book of requests for information for the period January to December 2021 and the period January to October 2022. As for examples of requests for information from external parties related to mandatory reporting to related agencies or agencies such as requests for Hazardous Waste Management Reports by the Asahan District Environmental Service and the Simalungun District Environmental Service.

The company has submitted information in Indonesian to stakeholders, for example:

- Plantation progress report of PTPN IV Pasir Mandoge and Sei Kopas period semester 1 of 2022 has been sent to Plantation Agency of Asahan District on 26 August 2022.
- Plantation progress report of PTPN IV Tonduhan period of semester 1 of 2021 has been sent to Plantation Agency of Simalungun District on 3 August 2022.
- HGU utilization report of PTPN IV Pasir Mandoge and Sei Kopas for the period of 2021 has been sent to Land Agency of Asahan District on 26 August 2022.
- HGU utilization report of PTPN IV Tonduhan for the period of 2021 has been sent to Land Agency of Simalungun District on 20 Februari 2022.
- Mandatory Labor Reporting (Pasir Mandoge Mill) with reporting number 21262.10431.20190424.0-001 reporting date August 2, 2022.

- Mandatory Labor Reporting (Pasir Mandoge Estate) with reporting number 21155.20220427.0003 reporting date\ 27 April 2022.
- Evidence of recording of work agreements for a specified time by the Asahan District Manpower Office with proof of registration number 3607/III-DKT/X/2022 dated October 19, 2022 for 67 workers who are in accordance with government regulations No. 35 of 2021.
- Mandatory Labor Reporting Sei Kopas Estate with reporting number No. 21262.01117.20210906.1-001 dated February 4, 2022 and the obligation to report back on February 4, 2023.
- The Fixed Period Working Agreement report has been submitted to the Asahan District Manpower Office with No. 3653/III-DKT/X/2022 dated October 21, 2022 with a total of 84 PKWT people.
- Mandatory Labor Reporting Tonduhan Estate document with reporting number 21262.01117.20210906.1-001 on 22 August 2022 and the obligation to report back on 22 August 2023.
- OHS committee Report for the 2nd Quarter of 2022 on July 5, 2022 to the Manpower Office of UPT Labor Inspection Region IV Sumatera Utara and the Asahan District Manpower Office. (Pasir Mandoge POM and Estate)
- Fire Monitoring and Prevention Report Semester 1 of 2022 PTPN IV Pasir Mandoge Unit sent to the Asahan District Agriculture Office on July 14 2022.
- P2K3L Report for Quarter 2 of 2022 on July 4, 2022 to the Manpower Office of UPT Labor Inspection Region IV Sumatera Utara and the Asahan District Manpower Office. (Sei Kopas Estate).
- Fire Monitoring and Prevention Report for Semester 1 of 2022 PTPN IV Kopas Unit sent to the Agriculture and Plantation Service of Asahan District on July 14 2022.
- OHS committee Report for Quarter 2 of 2022 on August 3, 2022 Office of Manpower UPT Labor Inspection Region IV Sumatera Utara and Office of Manpower of Simalungun District. (Tonduhan Estate).
- Fire Monitoring and Prevention Report for Semester 1 of 2022 PTPN IV Tonduhan Unit which was sent to the Simalungun District Agriculture Service on August 3, 2022.

1.1.3

The company has an Information Request Procedure and Response Retention Period No. SPO 06 revision 03 dated 1 August 2017. The procedure describes the time frame for responding to requests for information and controlling document retention time, which is no later than 14 days after a request for information is received.

Records regarding requests for information and responses are included in the incoming mail document. The document informs the letter number, date of letter, and the information needed. The company also documents information responses in the form of a document recapitulating a list of letters requesting responses. The following are examples of responses to requests for information from stakeholders such as:

- There was an incoming letter from the Mandoge village head election committee on September 2, 2022 regarding arrangements for the right to vote for village head elections. The company then indicated a response to the letter through a letter delivered to stakeholders with the response being set for voters on September 5, 2022.
- There was a letter received from the church construction committee on September 20, 2022 regarding assistance with taking Pasir Mandoge The company then indicated a response to the letter through a letter submitted to stakeholders with the response being approved for assistance on September 27, 2022.

1.1.4

The company shows SPO Communication and Consultancy with the Community No. SPO 03, Revision 03, Effective Date 2 January 2017 which describes the procedures for communicating with the company and the community, as follows:

- Communication and consultation with the community in the Plantation and Factory Units is directly managed by the HR and General Assistant representing the Manager to communicate with the local leadership meeting, Military Headquarters at the ward, police station, religious leaders, traditional leaders and the surrounding community. All results of communications that occur must be submitted to the Manager to be known and processed and will be informed to the public what the policies and follow-up actions will be carried out by the company in handling the results of these communications and consultations no later than 3 months after the information is received by the Manager in order to maintain corporate image. Furthermore, if there is something important for the Board of Directors to know, the Manager can directly convey it to the District General Manager and jointly inform the Board of Directors.
- Communication and consultation with the community in the District is directly managed by the Assistant for Human Resources and Public Affairs in the district to communicate with local leadership meeting, Military Headquarters at

the ward, police station, religious leaders, traditional leaders and the surrounding community. All communications that occur must be submitted to the District General Manager to be known and processed and then the public will be informed what the policies and follow-up actions will be carried out by the company in handling the results of the communication and consultation no later than 3 months after the information is received by the General Manager District in order to maintain the company's image. Furthermore, if there is something important for the Board of Directors to know, the District General Manager can immediately convey it to the Board of Directors.

- Communication and consultation with the public at the Head Office is managed directly by the Public Relations (public relations/corporate communication) Head Office in the Corporate Secretary Section. All the results of communications that occur must be submitted to the Head of the Corporate Secretary Section to be known and processed and then the public will be informed what the policies and follow-up actions will be carried out by the company in handling the results of these communications and consultations no later than 3 months after the information is received by the company. Head of Corporate Secretary Section in order to maintain the company's image. Furthermore, if there is something important for the Board of Directors to know, the Head of Corporate Secretary will immediately convey it to the Board of Directors.

The company also shows the minutes of the company's outreach to stakeholders and community representatives which was held on August 1, 2022 which was attended by 13 participants. Based on the results of interviews with community representatives and government stakeholders, it is known that stakeholders already know the mechanism of communication and consultation with the company.

Based on interviews with representatives of Suka Makmur village and related agencies, it was conveyed that the company had actively communicated with interested parties and was responsive to requests for information submitted by interested parties.

1.1.5

The company has a list of stakeholders that will be updated in September 2022, which will include the name of the agency, contact name, field of cooperation, address and contact number. The list of stakeholders consists of:

- Government of Simalungun and Asahan Regencies
- District head
- Village head
- Public figure
- NGOs
- Contractor
- Suppliers

During the public consultation, the auditor uses the contact number listed in the document. From the results of the consultation, it was found that the contact number listed in the document was appropriate and could be contacted.

Status: Comply

1.2

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

1.2.1

The company has a policy of ethical behaviour that is stated in the PTPN IV Code of Conduct document in accordance with the Decree of the Board of Commissioners and the Board of Directors of PTPN IV No. DK-08/KPTS/VII/2020 which was set on July 21, 2020. The Code of Conduct document explains the commitments and attitudes of business actors, obligations and rights of business actors, prohibitions for business actors, ethics with stakeholders, and compliance with violations.

1.2.2

Based on interviews with management representatives, the method for monitoring compliance with the code of ethics is through PTPN IV's internal audit. The company shows the results of SPI's internal audits, for example those carried out at the Sei Kopas Estate on 17-18 and 21-24 February 2022. In addition, the company also monitors through complaints submitted through the violation reporting system, and it is known that no complaints have been received during year 2022.

Based on interviews with trade unions, village representatives and contractors, it was conveyed that the company has periodically conducted socialization regarding the company's code of ethics, for example, which was carried out on October 3, 2022. In addition, personnel can also explain the reporting mechanism in the event of a violation of the code of ethics and within 2 years Recently, there have been no reports of violations of the code of ethics.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1.

The company has list of regulations of 2022 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

Land legality

The company shown evidence over its compliance toward the applicable regulation related to the aspects of land legality such as:

- Pasir Mandoge Unit already has a Plantation Business License based on the Decree of the Head of the Integrated Licensing Service Agency for Sumatera Utara Province No. 522.2/79/BPPTSU/2/1.3/XII/2012 dated 18 December 2012 with a estate location in Bandar Pasir Mandoge Village, Bandar Pasir Mandoge District, Asahan District with a estate area of 8,406.35 Ha (in accordance with HGU No. 25/HGU /DA/75 dated 27 November 1975) and 1 unit of POM with a capacity of 60 tonnes of FFB/hour.
- Sei Kopas Unit already has a Plantation Business Permit - Cultivation (*IUP-B*) which covers the entire area managed by the company, based on the Decree of the Asahan Regent No. 503/IUP-B/DMPPTSP/0001/II/2018 dated 26 February 2018 with an area of 6,934.72 Ha located in Sei Kopas Village, Bandar Pasir Mandoge District, Asahan District.
- Tonduhan Unit already has a Plantation Business Permit (IUP) for an area of 2,457.86 Ha of oil palm, based on Regent Decree of Simalungun No. 188.451/4018/K-PPT/2012, November 9, 2012.

Environmental Aspect

- *RKL/RPL* Semester I 2022 report with letter number TON/X/475/IX/2022 to Environmental Agency Simalungun District on September 7, 2022
- *RKL/RPL* Semester II 2021 report with letter number Ton/X/132/III/2022 Environmental Agency Simalungun District on March 9, 2022.
- *RKL/RPL* Semester I Year 2022 Report No. SKO/X/90/IX/2022 to Environmental Agency Asahan District, on September 1, 2022
- LB3 quarter II report No.sko/X/84/VIII/2022 dated 4 August 2022 reported to Environmental Agency Asahan District
- Quarterly Report III No SKO/X/III/IX/2022 dated 3 October 2022 to DLH Asahan
- Quarter IV 2021 Hazardous Waste Report No. SKO/X/21/III/2022 dated 14 March 2022 to Environmental Agency Asahan District
- Report on Results of Monitoring of Flora and Fauna of PT PTPN IV Unit Kebun Sei Kopas no MO.SKO/X/22/III/2022 to BKSDA of Asahan District 14 March 2022 for Semester II 2021.
- Report on Flora and Fauna sei kopas No.SKO/X/83/VIII/2022 to BKSDA district. Asahan on 4 August 2022 for semester I of 2022.
- *RKL/RPL* Semester II 2021 Report for the Pasir Mandoge Business Unit on February 7, 2022 number PAMPKS/X/13/II/2022 to the Environmental Office of Asahan District in Sumatera Utara, Indonesia,
- *RKL/RPL* Semester I Year 2022 Report for the Pasir Mandoge Business Unit on July 27, 2022 number PAMPKS/X/64/VIII/2022 to the Environmental Office of Asahan District in Sumatera Utara, Indonesia,
- Hazardous Waste Report for Quarter II of 2022 Pasir Mandoge Business Unit on August 8, 2022 number PAMPKS/X/60/VII/2022 to the Environmental Office of Asahan District in Sumatera Utara, Indonesia
- Hazardous Waste Report of Quarter I and II of 2022 Pasir Mandoge Business Unit on August 8, 2022 number PAMPKS/X/60/VII/2022 to the Environmental Office of Asahan District in Sumatera Utara, Indonesia
- Hazardous Waste Report for Quarter IV of 2021 Pasir Mandoge Business Unit on January 10, 2022 number

PAMPKS/X/03/II/2022 to the Environmental Office of Asahan District in Sumatera Utara, Indonesia.

- Evidence of implementation of management and monitoring of the HCV area has been reported to the *BKSDA* / Natural Resource Conservation Center of Sumatera Utara Province on 23 August 2021.
- HCV Area Report Semester 1 for the period January to June 2022 to DLH Asahan District together with the RKL-RPL Report on 27 July 2022.
- Flora and Fauna Report to *BKSDA* / Natural Resource Conservation Center of Sumatera Utara Province on 23 Feb 2022
- Report on Flora and Fauna to the Asahan District Agriculture Service Office with letter number PAM/X/12/III/2022 to the Asahan District Agriculture Service office on March 31, 2022
- Report on Flora and Fauna to the Head of the Agriculture Office of Asahan District, Sumatera Utara via letter number PAM/X/105/VIII/2022 dated 21 July 2022

Employment Aspect

- Mandatory Manpower Reporting (Pasir Mandoge Mill) with reporting number 21262.10431.20190424.0-001 reporting date August 2, 2022 in accordance with the Ministry of Manpower No. 18 of 2017.
- Mandatory Manpower Reporting (Pasir Mandoge Estate) with reporting number 21155.20220427.0003 reporting date 27 April 2022 in accordance with the Ministry of Manpower No. 18 of 2017.
- Evidence of recording of work agreements for a specified time by the Asahan District Manpower Office with proof of registration number 3607/III-DKT/X/2022 dated October 19, 2022 for 67 workers who are in accordance with government regulations No. 35 of 2021.
- Mandatory Manpower Reporting Sei Kopas Estate with reporting number No. 21262.01117.20210906.1-001 dated 4 February 2022 and the obligation to report back on 4 February 2023 in accordance with the Ministry of Manpower No. 18 of 2017.
- The Fixed Period Working Agreement report has been submitted to the Asahan District Manpower Office with No. 3653/III-DKT/X/2022 dated October 21, 2022 with a total of 84 The Fixed Period Working Agreement which are in accordance with government regulations No. 35 of 2021.
- The Fixed Period Working Agreement Tonduhan Estate document with reporting number 21262.01117.20210906.1-001 on 22 August 2022 and the obligation to report back on 22 August 2023 in accordance with the Ministry of Manpower No. 18 of 2017.

Based on the results of interviews with the Asahan District Environmental Service, it is known that PT PTPN IV Pasir Mandoge Business Unit, Tonduhan Unit and Sei Kopas Unit have been orderly in carrying out environmental management and reporting to relevant agencies in accordance with the reporting time specified in the company's environmental documents. So far, all forms of communication, whether submitting requests for information from the Office to companies and vice versa, have been running quite well, transparently, and there have never been any problems.

In best management practice, it is known that plantation and mill management has implemented several laws and regulations in Indonesia, for example it must use mechanical methods or no burning during land clearing, the oil palm planted comes from seed producers, which are recognized by the Indonesian government. Furthermore, the plantation (each management unit) has implemented integrated pest management, biological control and only uses pesticides that are registered on the government website pesticide.id.

In the OHS Aspect, the certification unit has established an occupational health and safety committee structure in each management unit and this committee has received approval from the Local Manpower Office.

2.1.2.

Procedure of legal requirement which presented in Work Basic Guidelines for Identification of Legislation and other Requirements No. document 04.01 / KOL / P / 034 dated 31 August 2018 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation annually. The procedure mentioned that in order to monitor and update of laws and/or regulations, the sustainability officer required to actively check and make coordination with Government Agencies or Institutions. From the auditor verification, the law registers in 2022 have been updated, for example Government Regulations No.36 year 2021 related to Wages.

Internal audit of regulations compliance is conducted annually as example on 17-21 October 2022 in certification unit. The company shows documents evaluating compliance with regulations related to the activities of FFB contractors/suppliers, for example as follows:

- CV Karya Mandiri (transporter of kernel) stating that it has complied with regulations such as Law no. 1 of 1970, Law no. 13 of 2003, Law no. 11 of 2020 and others.
- PT Ratu Badis (transporting FFB) stating that it has complied with regulations such as Law no. 1 of 1970, Law no. 13 of 2003, Law no. 11 of 2020 and others.

2.1.3

Procedure of legal boundary stakes monitoring, and maintenance is presented in document No. SPO 12 revision 02 dated 2 January 2015. Procedure mentioned that maintenance was carried out by foreman with supervision of Assistant Manager. Monitoring the boundaries of the HGU is done every 6 months.

The company shows the HGU stake monitoring document which is carried out every 6 months. The last HGU stake monitoring was carried out for example in July 2022 at Pasir Mandoge Estate, Sei Kopas and Tonduhan Estate. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the previous audit this indicator became OFI related to the progress of the installation of missing and damaged stakes, and when the ASA-2 audit was carried out, the installation of HGU stakes had been carried out positively even though not 100% were fully installed, but the auditor assessed the delineation of the boundaries of the company's HGU area with the area others are quite clear, such as making boundary ditches.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Pasir Mandoge Estate (Stakes No. 9, 10, 13 and 14), Sei Kopas Estate (Stakes No. 130, 121 and 208) and Tonduhan Estate (Stakes No. 11, 51, 52 and 61), it is concluded that all HGU stakes are in place according to their coordinates and are in good condition. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU.

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 – 2.2.3

The company has a list of contractors who are included in the list of stakeholders made on July 1, 2022. The list of stakeholders includes the name of the agency, contact name, field of cooperation, address and contact number, for example:

Tonduhan Estate

- CV Ratu Badis Bersaudara (FFB Transport)
- CV Marsanina (Maintenance of Immature I)
- CV Putera Rezeki Angkasa (Maintenance of Immature II)

Pasir Mandoge Mill

- CV Irhan
- CV Nusantara Putra Doge
- CV Mighty Anugerah
- CV Putra Fortune Angkasa
- CV Dea Mandiri
- CV Desima
- CV Labora Indah
- CV Alghi Fahri
- CV Pelita Jaya (CPO transporter)
- PT Karya Mandiri (PK transporter)

- PT Amindy Barokah (Hazardous waste transporter)

The company also shows an agreement with a contractor that contains a clause regarding legal compliance obligations, for example a work agreement with CV Karya Mandiri No. 04.05-Peng/S.Perj/03/I/2022 dated 28 January 2022 which cooperates in the transportation of cores. The agreement also describes:

- Obligation to use PPE
- Guarantee that there is no child labor, forced labor or the consequences of human trafficking and protection
- Third parties follow PNC RSPO, ISCC, ISPO. Therefore, in carrying out its work, the contractor is obliged to comply with the provisions made by the company regarding PNC RSPO, ISPO and ISCC.

The company shows documents evaluating compliance with regulations related to the activities of FFB contractors/suppliers, for example as follows:

- CV Karya Mandiri (transporter of kernel) stating that it has complied with regulations such as Law no. 1 of 1970, Law no. 13 of 2003, Law no. 11 of 2020 and others.
- PT Ratu Badis (transporting FFB) stating that it has complied with regulations such as Law no. 1 of 1970, Law no. 13 of 2003, Law no. 11 of 2020 and others.

The company has shown documentation of legal compliance by contractors, for example PT Ratu Badis, among others, as follows:

- Data on workers' wages for the September 2022 period are in accordance with the provincial minimum wage, which is above IDR 2,522,610.
- Agreements between contractor workers and contractors, for example agreements with the initials K in the period September 2022.
- Proof of payment for Social Security Agency of Employment and Health for the October 2022 period which was paid on October 26, 2022.
- Minutes of PPE handover on August 9, 2022 to 14 workers with PPE types, namely shoes and helmets.
- Employee data for the September 2022 period which contains name, date of birth and date of entry to work. From this data, there were no workers under the age of 18.

Related to the above, the auditor has also verified NCR No. 2021.02 (previous assessment) which was stated to have been fulfilled because the company has shown evidence of improvement in the form of a list of contractor workers, attendance of contractor workers, payment of wages for contractor workers, payment of Social Security Agency workers and work agreements for contractor workers for example for CV Irhan, CV Wahana Adidaya Pertiwi, CV Ratu Badis Brothers and PT Anugrah Putera Mandiri.

Status: Comply

2.3

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

2.3.1

For all indirectly obtained FFB, the unit of certification obtains evidence according to Indicator 2.3.1 from collection centres (middlemen), agents or other intermediaries. Based on document review, field observation, and interview with grading worker, it is known that there was no direct FFB supplier at Pasir Mandoge POM.

Based on the list of FFB suppliers at Pasir Mandoge Mill, it is known that there are only 3rd party external FFB suppliers who act as agents/collectors of FFB from farmer groups or surrounding communities who are engaged in oil palm plantation business. The company already has geolocation data for these agents but has not been able to show all farmer data or FFB source data sent to collectors along with information regarding land ownership status, geolocation information from the location of origin of FFB, identity of FFB suppliers, plantation area of FFB suppliers/farmers who sent fruit to agent. Based on the provisions of the RSPO P&C 2018 endorsed INA-NI April 2020 it is stated that the time requirement for supplying smallholders to fulfil the requirements according to indicator 2.3.1 is three years after the POM is certified. For PKS Pasir Mandoge, three years since being certified by the RSPO is October 14, 2023.

Thus, units of certification are encouraged to obtain evidence in accordance with Indicator 2.3.1 from collection centres (collectors), agents or other intermediaries.

2.3.2

Based on the list of FFB suppliers at Pasir Mandoge POM, it is known that there are 3rd party external FFB suppliers who act as agents/collectors of FFB from farmer groups or surrounding communities who are engaged in oil palm plantation business. The company already has geolocation data for these agents but has not been able to show all farmer data or FFB source data sent to collectors along with information regarding land ownership status, geolocation information from the location of origin of FFB, identity of FFB suppliers, plantation area of FFB suppliers/farmers who sent fruit to agent. Based on the provisions of the RSPO P&C 2018 endorsed INA-NI April 2020 it is stated that the time requirement for supplying smallholders to fulfil the requirements according to indicator 2.3.1 is three years after the POM is certified. For Pasir Mandoge POM, three years since being certified by the RSPO is October 14, 2023.

Thus, units of certification are encouraged to obtain evidence in accordance with Indicator 2.3.1 from collection centres, agents or other intermediaries.

Status: Comply

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

3.1

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

3.1.1

The company shows records of plantation business planning, monitoring and evaluation, including:

- The Long-Term Plan contained in the 2020-2024 Long Term Projection document which was approved by the Manager on 14 October 2020. The document contains information on the plantation business including maintenance costs, fertilizer costs, harvest costs, transportation costs, depreciation, FFB production, OER, KER, CPO production, kernel production, production price, CPO price, company profit, quality achievement, etc. Annual planning is also evaluated every year and compared with its realization. Annual planning can be adjusted based on field conditions, financial conditions or other reasons. The plantation and mill management unit states that the long-term plans mentioned above can be changed and reviewed annually by management taking into account actual trends and dynamic situations that are predicted to change in the future. The planning and sustainability department together with Estate and Mill Management is responsible for ensuring that all technical implementation is in accordance with procedures, which aims to achieve optimal output for budget fulfillment purposes through monitoring, training and outreach.
- Record of the periodic evaluation contained in the Management Review document which was conducted on 25 February 2022. The record informs the annual plan that has been prepared and evaluates its achievements.

Based on the description above, it can be concluded that the company can prove that it has records of plantation business planning, monitoring and evaluation.

3.1.2

The company already has a replanting plan listed in the Long-Term Plan document for the 2020-2024 period which was stipulated on October 14, 2020. From the document it is known that there is a replanting plan for the Sei Kopas and Tonduhan units. As for the Pasir Mandoge unit, until 2024 there are no replanting plans. For the Sei Kopas unit, 204 hectares of replanting have been carried out in 2021, while for the Tonduhan unit, 503 hectares of replanting have been carried out in 2021 and 2022.

Replanting reviews are conducted every year to see the realization of replanting. the company has conducted a management review related to replanting which was carried out on February 25, 2022. The results of the review are used as input for the next period's replanting activities.

3.1.3

The company can show that it has carried out management reviews in all Estate and Mill units, for example the management review activity which was carried out on 25 February 2022. This activity was attended by Managers,

Assistants and Management Representatives, while the management review briefly discussed related to:

- Internal audit results
- Customer feedback
- Performance and achievements
- Quality goals
- Status of corrective and preventive actions
- Follow up from the previous year's management review.

Status: Comply

3.2

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

3.2.1

The certification unit already has a system to improve existing practices, in accordance with the latest information and techniques as well as a socialization mechanism for all workers following current technological developments. The unit of certification also develops guidelines for farmers by providing systematic training for continuous improvement. Some of the evidence that has been applied for continuous improvement include:

- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and barn owls to reduce the use of pesticides, especially insecticides and rodenticides.
- The use of renewable energy accordance to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Air quality management and monitoring through several action like road maintenance, air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.
- Green House Gas Management and using land clearing with mechanical and zero-burning policy

The company has a record of implementing continuous improvement. In the aspect of Best Management Practices, for example, the company's best management practice activities have also implemented biological pest control and not used pesticides with the active ingredient paraquat dichloride. For the OHS aspect, the company has identified needs and conducted training for workers who are required to have special competencies as stipulated in regulations, such as steam aircraft operators, K3 experts, and other operators.

3.2.2

The company has shown an annual report document using the RSPO Metric Template. In the ASA-1 Audit assessment it was found that this indicator was non-conforming because there were several components that were not informed such as information on Tonduhan and Sei Kopas supplier Estates, HCV area and training.

Based on the verification of discrepancies in the ASA-2 activities, the company has filled out the latest version of the metric template file and can show it during the ASA-2 activities to the auditor team. Then it has also assigned a PIC whose job is to fill in the metrics templates from employees mill.

Based on root cause analysis, corrective actions and evidence shown, Non-conformity in this indicator can be declared Fulfilled.

Certification Unit already has an annual report document using the RSPO metric template format (Ver. 2.1) that has been provided to the auditor team at the time of the assessment. The summary in the report, for example, is as follows:

Name of RSPO Member	:	Pasir Mandoge Palm Oil Mill PT Perkebunan Nusantara IV
RSPO Membership Number	:	1-0082-09-000-00
Name of Certified Unit	:	Pasir Mandoge Palm Oil Mill PT Perkebunan Nusantara IV
Name of Certification Body	:	PT MUTU AGUNG LESTARI
RSPO PalmTrace ID Number	:	RSPO_PO1000004497
Number of Mills	:	1

Number of Estates	:	3
Production Area (ha) - Estate	:	12,043
Certified Area (ha) - Estate	:	14,878
High Conservation Value (HCV) Area (ha)	:	1,388
Peatlands - Planted (ha)	:	0
Freshwater Usage per PO produced ton	:	130,978

*Notes total conservation area (Planted and non-planted area) are 1,388 with details 86.47 for Tonduhan Estate, 740.80 for Pasir Mandoge Estate, and 560.80 for Sei Kopas Estate.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has procedures for cultivating and processing (SOP) for oil palm which are available in Indonesian. Cultivation procedures regulate activities starting from land clearing, seeding, planting, maintenance, harvesting, sending FFB to factories to replanting, while processing procedures regulate activities from receiving FFB to testing product quality. SOP has covered key processes such as harvesting, transportation, fertilization, IPM, GAP, and SCCS)

Procedures are available at the audit location (plantation and factory offices) and are written in a language (language) that is easily understood by workers. Based on field observations in factories and plantations during the audit, it is known whether procedures have been implemented and workers can explain and demonstrate their work in accordance with procedures, referring to operational, safety and environmental best practices.

Based on a review of procedural documents, it can be concluded that oil palm agronomy, processing and safety procedures are still relevant to the current situation and cover all major aspects from the field to the mill. All procedures are available in Indonesian. Likewise with the results of interviews with employees where plantation and factory employees' understanding of technical and safety matters was considered very satisfactory.

Based on the results of interviews with harvest workers at the Pasir Mandoge and Sei Kopas Estates as well as boiler employees, it is known that the workers understand the SOP for each section and can explain and implement the technical work according to the SOP.

3.3.2

The company employs several methods to monitor the implementation of procedures. These include annual RSPO operational and internal audits to monitor the implementation of procedures. SPI audit (Internal Monitoring Unit) evaluates the operational and administrative implementation of plantations and mills. Meanwhile, the RSPO internal audit evaluates the implementation of sustainability procedures in plantations and mills. Furthermore, management representatives (Assistant, Managers and related Superiors) routinely make inspectorate visits to control the implementation of procedures. Daily internal supervision is carried out with supervisory levels starting from the Foreman, Divisional Assistant, Head Assistant, to the Estate/Mill Manager.

The contractor's compliance with company SOPs is also monitored by the company, namely by conducting internal audits and SPI (Internal Oversight Unit) audits. In this activity the contractor is also supervised by the company.

Each unit has documented plantation operations and factory production such as daily reports, supervisor workbooks, etc. Site visits to factories show that the unit has documented daily activities in daily production reports which are documented using a computerized system. Based on the procedure, the certificate holder is known to routinely conduct internal audits. Internal audit is carried out by the Internal Auditor to carry out inspections related to the operations of the management unit (plantation and factory). The certificate holder shows the results of the internal audit conducted on 17-21 October 2022. The implementation of the internal audit covered several criteria such as: cash bank administration, inventory, plant maintenance, crop production, wages and personnel in accordance with the RSPO P&C.

3.3.3

Companies can show monitoring and follow-up records, for example the SPI Routine Audit Affirmation Response document dated 16 June 2022 No.PAM/Dir./06/2022 on internal audit activities for the 2022 period. In addition, the company also monitors the work carried out by contractor at the time of submission of each stage of work completion. The company can also show the periodic evaluation record contained in the Management Review Meeting document which was held on October 24, 2022. The record informs the annual plan that has been prepared and evaluates its achievements and follow-up on the results of the Internal audit.

Status: Comply

3.4

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

3.4.1
Environmental Assessment Document
Tonduhan Estate.

In accordance with Minister of Environment Regulation No.14 of 2010 concerning environmental documents for businesses and / or activities that already have an *IUP* but do not yet have an environmental document, they are required to make an Environmental Management Document (*DPLH*) study. To fulfil the adequacy of these regulations, Tonduhan Estate has prepared an environmental document in the form of a *DPLH* document in November 2014 for the Tonduhan Plantation area of $\pm 2,457.86$ Ha.

The *DPLH* document has been approved in accordance with the recommendation letter of the PTPN IV Tonduhan unit from the Head of the Environmental Agency of Simalungun District No.1037 / Sekrt-2014 in November 2014.

Pasir Mandoge Mill & Estate.

At the beginning PTPN IV had an environmental permit in the form of an (*SEL*) approved by the Ministry of Agriculture in accordance with Minister of Agriculture Decree No. RC.220 / 788 / B / V / 93 dated May 13th, 1993. In 2004, the company made an *AMDAL* change by preparing the *RKL-RPL* Document which was approved by the Head of the Asahan District's Office of Environment and Tourism through Approval Letter No. 130 / XII / LHP / RKL-RPL / 2004 dated December 28, 2004 with a study scope of 15,386 Ha with Mill capacities of 60 Tons of FFB/ Hour.

Environmental permit according to the decision of Regent Asahan number 503 / IL / DPMPTSP / 0035 / XI / 2018 dated November 27, 2018. The scope of the plantation & mill area is 15,386 ha (Plantation of 13,975 ha and Mill of 1,411 ha) with a capacity of 60 tons of FFB / Hour located in Sub Village X Bandar Pasir Mandoge Village.

Sei Kopas Estate.

Approval of the environmental evaluation document (*DELH*) of an oil palm plantation covering an area of 6,934.72 ha for Sei Kopas unit is located in Sei Kopas Village, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province in accordance with the decision of the Head of the Environment Agency of Sumatera Utara Province on February 26, 2015. The public consultation on February 13, 2014 was located in the Head Office of Environment Agency of Sumatera Utara Province.

Available Environmental Evaluation Document (*DELH*) for Palm Oil Plantation Activities Sei Kopas Estate (Decision Letter Head of Sumatera Utara Province Environmental Agency No. 410 / BLH-SU / BTL-A / 2015, dated February 26, 2015) with an area of 6,934.72 Ha.

Based on document, the monitoring program environmental is implemented to monitor the effectiveness of the mitigation measures such as evaluation of document *RKL/RPL* report semester 1 years 2021. Based on document review of the environmental monitoring implementation and conducted evaluated for aspect hazardous waste management, emission, and POME management.

Social Impact Assessments Document

PTPN IV has implemented SIAs for each unit that aims to identify the positive and negative social impacts of plantation / mill operations on surrounding communities. There are methods used in conducting social studies, namely direct interviews (Guideline Interviews), direct interviews (Live Interviews), data / information analysis and field observations. The following are the SIA documents owned by each unit, including:

PTPN IV - Tonduhan Unit

PTPN IV Tonduhan Unit SIA Report prepared by Surveyor Indonesia in 2016 with a study period of 3 months (January - March 2016). The study was conducted in the operational areas of the Tonduhan Unit in 4 villages such as Buntu Bayu, Tonduhan, Buntu Turunan and Parhondalian Jawadipar, Hatonduhan District, Simalungun District, Sumatera Utara Province. The aspects examined in this report include socioeconomic aspects (community income, partnership opportunities, work opportunities, regional economics, etc.), social aspects (educational and health accessibility), socio-cultural aspects (social institutions, community customs, population presence original) and others. In addition, the report also identified social parameters that must be carried out in the future management and monitoring, namely: employment opportunities, business opportunities, public facilities and social facilities.

In the document above, there is information related to environmental aspects and parameters that must be monitored and managed along with information on targets and implementation times contained in the UKL-UPL matrix. The document has also covered all aspects of plantation and mill activities and their changes throughout the operational activities. The sampling methodology used is also participatory involving external stakeholder groups for the purpose of identifying impacts. Based on the verification of these documents, it can be concluded that all environmental impacts from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

PTPN IV – Pasir Mandoge Unit

PTPN IV SIA Pasir Mandoge Unit report prepared by Kompasia in 2015 with a study period of 2 months (March - April 2015). The study was conducted in the operational area of the Pasir Mandoge Unit in 3 Villages such as Bandar Pasir Mandoge, Huta Bagasan and Suka Makmur, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province. The aspects examined in this report include socioeconomic aspects (community income, partnership opportunities, work opportunities, regional economics, etc.), social aspects (educational and health accessibility), socio-cultural aspects (social institutions, community customs, population presence original) and others. In addition, the report also identified social parameters that must be carried out in the future management and monitoring, namely: employment opportunities, business opportunities, public facilities and social facilities.

PTPN IV - Kopas Sei Unit

PTPN IV Unit Sei Kopas SIA Report prepared by Surveyor Indonesia in 2016 with a study period of 3 months (January - March 2016). The study was conducted in the operational areas of the Sei Kopas Unit in 2 Villages such as Sei Kopas and Silau Jawa, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province. The aspects examined in this report include socioeconomic aspects (community income, partnership opportunities, work opportunities, regional economics, etc.), social aspects (educational and health accessibility), socio-cultural aspects (social institutions, community customs, population presence original) and others. In addition, the report also identified social parameters that must be carried out in the future management and monitoring, namely: employment opportunities, business opportunities, public facilities and social facilities.

In conducting an SIA, the company and the drafting team involved the participation of the communities in the surrounding villages by conducting guided interviews, live interviews, data / information analysis and field observations. When involving the surrounding community in data collection and interviews and consultations, the community is given the freedom to express and express their social views freely to the drafting team / company.

Community representatives who became resource persons in this assessment were village heads, village officials, traditional leaders, and company employees. The types of data collected are primary data and secondary data. Primary data collection for monitoring the management of social impacts is obtained from relevant stakeholders as affected parties as well as local village officials who represent the community and as verifiers. Secondary data or indirect data collection is carried out by means of literature studies through various references such as environmental assessment documents, HCV assessment documents, local government literature, CSR implementation records, company internal data, correspondence between companies and affected parties, local news and news. national and so on. All of these data

sources are used as consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts of plantation activities have been identified and their management recommended with reference to relevant laws and regulations

3.4.2

The Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report (RKL-RPL) report for certification unit. The company are consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly. The significant impacts that are managed and monitored based on AMDAL Documents. The environmental impact assessment and management and monitoring plan has been developed with the participation of affected stakeholders which is carried out every 6 months and reported to District government.

In the previous SIA assessment conducted in 2016 (Tonduhan estate & Sei Kopas estate) and year 2015 for Pasir Mandoge Unit has includes records of participatory meetings with surrounding villages.

The follow-up effort to the 2015 and 2016 SIA recommendation, the company has developed a social management and monitoring plan that is set out in the Action Plan document, in the process of compiling the document, included affected party internal and external stakeholders.

The company has filled out the 2022 semester I questionnaire for the SIA Pasir Mandoge Business Unit, Sei Kopas Business Unit, and Tonduhan Business Unit. The SIA and EIA programs and their realization for 2021 for the January-December period and for 2022 for the January-October period consist of the following programs such as managed public facilities and social facilities, opportunities to get jobs, business opportunities and increased education, conflicts with breeders, and others.

Based on document verification, it is known that the environmental impact and social impact assessment process is carried out independently and has involved affected stakeholders. In addition, the environmental document review has covered all of the company's operational areas.

The company also conducts an internal evaluation of the SIA management activities every year. Based on the results of consultations with workers' representatives, there is no form of discrimination against workers, no underage workers were found, the company has also fulfilled the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship, public facilities. educational infrastructure (schools), and other facilities. The company also allocates resources for the maintenance of the entire facility. The resource persons also stated that they can voice their views through their own representative institution or a spokesperson they choose in the evaluation activities to review and develop mitigation plans, as well as monitor the success of the implemented plans.

Based on interview with local people such as Suka Makmur Village, it is known that there was no any issues that were not include in Company's SIA and EIA report.

3.4.3

The unit of certification has made efforts in implementing the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, the certification unit also makes efforts to periodically update the management in a participatory manner. The company involves the Environment Agency and the Ministry of Environment to monitor the results of environmental management that has been carried out by the company in the form of presenting environmental monitoring and management implementation report (RKL-RPL) report and other environmental management documents that are sent every certain period which can be proven in indicator 2.1.1. The company also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain advice and advice in carrying out environmental management in accordance with the vision, mission and government programs so that they can run synergistically. Based on the results of the verification of the RKL-RPL Semesters 2 of 2021 and Semesters 1 of 2022, which are documents that can be accessed by the public, the company has conducted a trend analysis and critical level of the test results and management that has been carried out.

Based on the explanation above, it is known that the Company already has a social and environmental management and monitoring plan which is implemented, monitored and updated periodically in a participatory manner involving the community and the company's management unit.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1 – 3.5.2

The company has a human resource management system, including the following.

Employee recruitment mechanism.

The mechanism for recruiting employees is contained in the collective labor agreement 2022-2023 CHAPTER II, article 12 and article 13 regarding the recruitment and appointment of employees. The collective labor agreement explains that the acceptance of employees is based on the needs of the workforce according to the development of the company's organization and is in accordance with government regulations.

Based on interviews with the Office of Manpower and representatives of workers, for example harvesting and spraying workers, it was conveyed that the company had carried out the recruitment process in accordance with company mechanisms and government regulations, and the company also did not discriminate in hiring these employees.

Payroll system and incentives.

The company already has a payroll system included in the 2022-2023 collective labor agreement. In the collective labor agreement in Chapter V, it is explained about the classification of wages, benefits and units. The payroll system in collective labor agreement includes:

- Article 32 concerning Salary Groups
- Article 33 regarding Basic Salary and Rice Supply
- Article 34 concerning Position Allowances
- Article 35 regarding Structural Allowances
- Article 36 regarding Task Executor Allowances
- Article 37 regarding Compensation Allowances
- Article 38 regarding Social Benefits
- Article 39 regarding the Cost of Performing Tasks
- Article 40 regarding Bonuses

System of career paths and work performance.

The system for career paths and work performance is explained in the 2022-2023 Collective Labor Agreement Chapter II, article 14 concerning classes and ranks, article 15 concerning promotion, article 16 concerning promotions, and article 17 concerning demotions and positions. The company also shows a list of employee grade increases/promotions for 2022 for assessment in 2021 which stipulates, for example, those with the initials M are the harvest foremen of section I who are promoted from class IC/10 to ID/0. The things that are assessed include attendance discipline, job knowledge and expertise, speed, quality and productivity, teamwork and honesty.

Collective labor agreement

Collective labor agreement period 2022 – 2023 between PTPN IV and PTPN IV SPBUN which has been ratified through the Decree of the Head of the Sumatera Utara Province Manpower Office No 568/20-6/DTK/II/2020 regarding the registration of the PTPN IV joint work agreement which is valid until 31 December 2023 The Collective labor agreement regulates wages, working hours, overtime, sickness, leave entitlements, reasons for dismissal, and so on.

Occupational Safety and Health Regulations and Facilities

PT Perkebunan Nusantara IV has a policy regarding OHS which is contained in the Plantation Management System Policy issued on January 25, 2022 by the Main Director in point 1 which states that prioritizing "Occupational Safety and Health" in all aspects of work in order to prevent and reduce accidents and occupational diseases by implementing an occupational

safety and health management system. In addition, policies related to OHS are also explained in the 2022 - 2023 Collective labor agreement Chapter VII concerning Occupational Safety and Health and Equipment.

Training System

The company has identified training needs for each employee according to their position and type of work. As an example of identification that has been carried out by the company is the socialization of the 2022-2023 Collective labor agreement for workers in each department. After identifying, the company develops a training program for its employees for a year, the following is an example of the realization of a training program in 2022, namely:

- Collective labor agreement socialization which was held on September 2, 2022 and was attended by 60 workers.
- Dissemination of internal communication and handling of employee complaints which was held on August 18, 2022 and was attended by 17 workers.
- Socialization on handling the prohibition of child labor which was held on 1 August 2022 and was attended by 40 workers.

Based on the results of interviews with the Asahan and Simalungun District Manpower Offices, it is known that over the past year there have been no issues regarding the employment aspect in the company.

From the description above, it can be concluded that the company already has a human resource management system in accordance with laws and regulations.

Status: Comply	
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3.6

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

3.6.1

The company shows the OHS Policy, which is listed in the Plantation Management System Policy document, effective September 5 2019 and approved by the Main Director. In summary, it is known that OHS policies cover matters such as OHS Policy Planning and Implementation, Monitoring OHS Implementation, Handling Emergency Situations and work accidents and others. This policy has been disseminated, among others shown in the OHS Outreach Minutes document which was conducted on 15 September 2022.

The company shows the 2022 Hazard Identification and Risk Assessment Form (HIRAC) which was updated in April 2022 which was prepared by the OHS Expert and approved by the Manager. During the audit activity, the company shows records of hazard identification and risk assessment (HIRAC) in each work unit including plantations and factories, with work activities/processes including land maintenance, harvesting and transportation, fertilizing, spraying, warehouses, filling stations fuel, Hazardous Waste warehouse, clinic, electrical installation, generator house, lawn mower, infrastructure (heavy equipment, road maintenance), infrastructure, Estate office, workshop, harvesting mechanization, housing, environmental monitoring, process station, loading ramp, sorting etc. The Auditor Team has also verified the evidence of NCR improvement in the previous assessment. The results of the verification show that activities such as chemical mixing, welding, cleaning of warehouses, and potential noise hazards and their control in the sterilizer area have been listed in the Plantation and Factory HIRAC documents.

The company has plans related to OSH in the workplace that aim to improve occupational health and safety, for example the OSH program in 2021-2022 as follows:

- OHS outreach
- OHS inspection
- Emergency response OHS training
- risk management
- internal auditing
- Management review meeting

Based on observations in the Mill area, it is known that in the Pasir Mandoge Mill and Estate area there is a Biogas Power Plant (PLTBg) with a capacity of 2x1,025 kW. The verification results of the HIRAC Mill and Estate Pasir Mandoge documents show that the activities at the Biogas Power Plant (PLTBg) have not been identified in the HIRAC because operational activities are not carried out by PTPN IV. The results of interviews with company representatives found that

the PLTBg was managed by PT Karya Mandoge Energi where the PLTBg area was leased to PT Karya Mandoge Energi. The company has the opportunity to ensure a risk assessment to identify OHS problems and mitigate the existence of Biogas Power Plant (PLTBg) activities in the company area. (OFI)

3.6.2

The company has shown records of special health checks for workers consisting of cholinesterase examination and audiometry on August 13, 2022. For POM, cholinesterase health checks were carried out on 9 workers and audiometry was carried out on 26 workers. For Pasir Mandoge Estate, cholinesterase health checks were carried out for 39 workers and audiometry was carried out for 2 workers. The results of the health examination are as follows:

Mill

- Cholinesterase: 3 within normal limits and 6 Mild intoxication. Follow-up to the results of the employee's health examination with mild intoxication will consult the company doctor and carry out another examination on September 6, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbingan Hospital.
- Audiometry: 21 Normal and mild ADS CHL. Follow-up to the results of the employee's health examination with mild ADS CHL will consult the company doctor and be re-examined on September 6, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbingan Hospital.

Estate Pasir Mandoge

- Cholinesterase: 25 within normal limits and 14 Mild intoxication. Follow-up to the results of the employee's health examination with mild intoxication will consult the company doctor and carry out another examination on September 6, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbingan Hospital.
- Audiometry: 21 Normal and 1 mild ADS CHL. Follow-up to the results of the employee's health examination with mild intoxication will consult the company doctor and carry out another examination on September 6, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbingan Hospital.

Companies can also show records of periodic health checks which are carried out in stages. The results of periodic health checks are as follows:

Mill: 35 Employees with Normal results

Estate: 71 Employees with Normal results

The results of interviews with workers who handle chemicals, obtained information that workers had received special medical examinations with normal examination results.

Based on interviews with security guards, sorting workers, sterilizer operators, boiler operators, engine room operators, kernel operators and workshop mechanics, it can be concluded that workers understand the policy regarding OHS and it is recognized that every morning call is always reiterated the importance of OHS at work.

Interviews were conducted with harvest, spray, and fertilizer workers. Based on the results of the interviews, it can be concluded that the workers understand the policy regarding OHS and it is recognized that every morning assembly is always reaffirmed regarding the importance of OHS at work.

Monitoring the effectiveness and evaluation of the realized program, monitored and carried out through OHS Committee meetings which are held every month. company's OHS Committee organization responsible for monitoring and implementing OHS within the company.

The Auditor Team has also verified the NC in the previous assessment. Auditor verification results for personnel with OHS competence have been completed by the company. while for the OHS instructions and the completeness of the First Aid Kit, the discrepancies return to indicator 6.7.2.

For OFI verification in the previous assessment related to follow-up employee health checks, the Auditor team has carried out verification and the results of the verification found that the company has carried out follow-up on the results of health checks for employees who experience disorders.

Status: Comply

3.7

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

3.7.1 – 3.7.2

The company shows a training program for each unit in 2022 where the training also includes parties who need training such as staff, workers, smallholders and contractors. The training programs include the following:

- Socialization related to company policies.
- Socialization related to communication/complaint mechanisms from internal and external stakeholders.
- Socialization related to gender equality.

The company also shows the realization of training, for example:

- The national defense training was held on 19-23 April 2022 which was attended by 12 people from the Pasir Mandoge unit.
- Socialization regarding the consultation mechanism on August 8, 2022 which was attended by 22 community representatives and contractors.
- Socialization of sexual harassment on August 20, 2022 which was attended by 9 people from the Sei Kopas unit.
- Socialization of the code of conduct on 23 April 2022 which was attended by 15 people from the Tonduhan unit.
- Socialization of SCCS on October 3, 2022 which was attended by 7 people from the contractors.
- Socialization of OHS and company code of ethics on 10 May 2022 which was attended by 13 people from contractors.

The results of interviews with representatives of trade unions and workers such as warehouse workers, harvesters, fertilizer workers, grading officers, boiler officers stated that the company had provided training or outreach regarding work procedures to each worker orally and was understood by workers.

3.7.3

The unit of certification showed socialization about the supply chain to employees which was last conduct on 3 October 2022. The minutes explained the procedures for managing certified and non-certified products including the responsibilities for each of the personnel who handle products.

The results of interviews with Head of Administration, weighbridge operator in POM and FFB administration in Estate showed that workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the procedure and have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

Based on document verification, the Mill implements the MB Module, which is received both FFB from certified and uncertified sources. Verification of Mass Balance record, the Mill has been recorded well the separation of FFB and products (CPO and PK) from certified and uncertified sources.

3.8.3

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-3 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (14	Actual (January 2022 -
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	April 2022 – 13 January 2023)	September 2022)
FFB Certified (MT)	225,894	172,093.40
CSPO (MT)	50,826	39,027.12
CSPK (MT)	8,583	6,868.75

3.8.4
The Mill has registered as RSPO member under PT Perkebunan Nusantara III (No. 1-0030-06-000-00) and also has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: PT Perkebunan Nusantara IV Pasir Mandoge POM
- License ID: CB132557
- Core Product: Palm Oil
- Member ID: RSPO_PO1000004277
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

3.8.5
The Mill has procedure about handling of certified palm oil product in document of Basic Guidelines of handling of certified palm oil product document no. 04.03/UNIT/SUS/P/001 2nd revised on 1 March 2020. The procedure has covered all aspects in latest RSPO supply chain standard (P&C 2018), such as the announcement in RSPO Palmtrace not later than 3 months after despatch, receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

Based on interviews in Pasir Mandoge POM note that the weighbridge operators understand the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out annually.

3.8.6
The Procedure to conduct supply chain internal audit set in SOP of RSPO Internal Audit (No. 21 dated 2 January 2018). In the SOP mentioned that internal audit will be conducted annually. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 17-21 October 2022. Based on result of internal audit, there is no non conformity SSCS indicators and complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 24 October 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, process perform and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7
The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 9 months before audit which is January 2022 – September 2022:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Jan 2022	11,074.57	5,896.87	16,971.44
Feb 2022	16,593.90	4,898.84	21,492.74
Mar 2022	19,797.75	3,364.55	23,162.30
Apr 2022	20,239.75	3,459.83	23,699.58
May 2022	17,277.03	2,867.58	20,144.61

June 2022	21,188.36	1,688.12	22,876.48
July 2022	16,347.18	2,649.23	18,996.42
Aug 2022	24,319.43	3,341.20	27,660.63
Sept 2022	25,255.43	2,906.57	28,162.00
Total	172,093.40	31,072.79	203,166.20

Estimated certified product recorded in the last assessment report (ASA-1). Actual certified produced has been verified during this assessment and not exceed the estimate. The data are shown in the following table:

Products	Last Year Projected Certified Volume (14 April 2022 – 13 January 2023)	Actual (January 2022 - September 2022)
FFB Certified (MT)	225,894	172,093.40
CSPO (MT)	50,826	39,027.12
CSPK (MT)	8,583	6,868.75

According to the data during the certification period, there still not any overproduction yet.

Mechanisms for handling unsuitable FFB and / or documents have included in the supply chain certification standard procedure with document no. 04.03/UNIT/SUS/P/001 2nd revised on 1 March 2020.

3.8.8

The mill has product information provided in such as document of weighbridge ticket, delivery order and other invoices, as example at invoices of CPO certified delivery on 26 October 2022. The information provided on invoices are:

- The name and address of the buyer (PT Industri Nabati Lestari - Simalungun);
- The name and address of the seller (PT Perkebunan Nusantara IV – Pasir Mandoge POM in Asahan District)
- The loading or shipment / delivery date (26 October 2022);
- A description of the product supply chain model (Mass Balance)
- The date on which the documents were issued (26 October 2022);
- The quantity of the products delivered (29.45 ton);
- Any related transport documentation (transport by CV Pelita Jaya);
- A unique identification number (N00DDF0212210260000006);
- RSPO certificate number (Mutu-RSPO/147);
- etc.

3.8.9

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of CPO and PK are outsourced to the third parties, as shows through several Work Agreement as follows:

1. Agreement with CPO Transporter of CV Pelita Jaya No. 04.05/S.Perj/Pem/03/III/2022 dated 1 March 2022, valid thru 31 December 2022.
2. Agreement with PK Transporter of CV Karya Mandiri No. 04.05-Peng/S.Perj/01/II/2022 dated 28 January 2022, valid thru 31 December 2022.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Pasir Mandoge POM, as well as the willingness to observed by Certification Body and the company internal audit in order to verify the compliance. Based on interview with CPO transporter (CV Pelita Jaya) regarding the clausal in the contract that allow CB to access the contractor, they acknowledge and understand about the provisions

3.8.10 and 3.8.11

The Mill has the record of details of the contractor, covers the contractor company profile, address, contact person, email

and phone number, contract agreement and period. There was no new contractor from the previous assessment. The list of contractors of CPO and PK transporter are:

1. CV Pelita Jaya (CPO transporter)
2. PT Karya Mandiri (PK transporter)

3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to-date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document verification on supply chain procedure, retention time for all records and report regarding to supply chain are kept for 2 years.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 9-months before audit (January 2022 – September 2022):

CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
Jan 2022 - Sept 2022	39,027.12	5,047.47	44,074.59

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
Jan 2022 - Sept 2022	17,287.29	-	21,254.27	38,541.56

CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
Jan 2022 - Sept 2022	6,868.75	1,476.42	8,345.18

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
Jan 2022 - Sept 2022	6,069.94	-	87.15	6,157.09

3.8.13 and 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 12-month period for October 2021 until September 2022 i.e OER 20.32% and KER 4.07%. Periodically update of extraction is actual extraction.

3.8.15

SCSS module used in Pasir Mandoge POM is Mass Balance (MB), because the mill receives FFB from the estate RSPO certified and from third party that non-certified RSPO.

3.8.16

RSPO IT Platform member registration number for Pasir Mandoge Palm Oil Mill is RSPO_PO1000004277. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example:

RSPO – 4006b/4.0/28042020

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Prepared by Mutuagung Lestari for Pasir Mandoge POM, PT Perkebunan Nusantara IV Subsidiary of PT Perkebunan Nusantara III

- Certified CPO sold to PT Industri Nabati Lestari dated 24 August 2022 for 500 ton and transaction creates in IT Palm Trace dated 29 September 2022.
- Certified PK sold to PT Perkebunan Nusantara IV Pabrik Pengolahan Inti Sawit Pabatu dated 4 July 2022 for 123.32 ton and transaction creates in IT Palm Trace dated 18 August 2022.

Removing Stock

For the CSPO and CSPK that sold as other scheme or as conventional, the company has been removed the stock from the palm trace, as example remove stock of CSPO dated 28 October 2022 for 12,378.80 ton (transaction ID: ST-TR-7a8c12aa-88e3) and remove stock of CSPK dated 28 October 2022 for 87.15 ton (transaction ID: ST-TR-025ac6cd-4293)

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.

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

The Company's Commitment to PTPN IV Business Unit on Human Rights, was set on March 14, 2018, which explains as follows:

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

Based on the results of interviews with workers, for example sorting workers, boiler operators, harvesters, Labor Unions, Contractors and Suka Makmur Village around the company, it is known that the company upholds human rights in all company operations.

4.1.2

The unit of certification does not carry out acts of violence or intimidation in any form in its operations. This can be seen, among others, based on the results of interviews with representatives of workers at Mill and Estate as well as the Manpower Office which stated that there were no acts of violence or intimidation in any form by the company.

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

The company already has complaints and internal procedures which are explained as follows:

Internal Complaint SOP

It is contained in the SOP for Internal Communication and Employee Complaint Handling (No. 19 Rev. 3, effective since 06 November 2018). The procedure outlines that employee complaints are submitted verbally and in writing to the Workers' Union (SP-BUN). Then the SP-Bun Management examines the problems complained of and as far as possible the problems are resolved at the SP-Bun level. If the employee is dissatisfied with the solution at the SP-BUN level, the employee can make a complaint in writing addressed to the relevant Head of Section accompanied by accurate data. If necessary, management will protect the name of the employee who submitted the complaint (anonymous). This procedure has also been equipped with a Flow Chart.

SOP for External Complaints

It is contained in the SOP for Handling Customer and Environmental Complaints (No. 13 Rev. 01 dated 2 January 2015). Includes complaints from customers and the surrounding environment that are received by the head office, complaints received by business units, handling community social unrest, securing demonstrations at the head office and the complaint process to take it to the next level such as to the legal department and the RSPO secretariat, if there is no agreement. In addition, the company allows personnel who make complaints to receive legal assistance from other people.

Complaints Infrastructure

1. Customer complaint management system (whistle blowing) on the website www.ptpn4.co.id/wb/
2. Suggestion box installed in front of the plantation office, for handling employee and external complaints.
3. Labor Union – for handling employee complaints.
4. Women's Empowerment Section – in the Trade Union, for handling complaints related to gender.

In addition, the company has SPO Communication and Consultation with the community Number 03 dated 02 January 2017 Revision Number 04. In point 5.1 it is explained that Communication and consultation with people who cannot read and write is carried out by the PIC by conveying and introducing the problem to be resolved which can be in the form of pictures, stories, videos, dialogues and case examples.

The company has also shown recordings of the disclosure of the whistle blower system, for example at the Tonduhan unit on 8 March 2022 which was attended by 45 workers and 9 August 2022 to stakeholders (contractor workers and the surrounding community) which was attended by 7 participants. In addition, this is also disseminated to illiterate parties, by conveying it orally using pictures from the process flow and during socialization the company will also convey complaints or complaints that have not been resolved.

Based on interviews with trade unions, representatives of Suka Makmur village, harvest workers and sorting workers, it is known that personnel already know the mechanism if there is a complaint to be submitted.

4.2.3

The results of verification of the complaint logbook documents, incoming letters, interviews with workers and unions obtained information that there were no complaints from employees to the company.

Based on interviews with trade unions, representatives of the Suka Makmur village, harvest workers and sorting workers, it is known that personnel already know the mechanism if there are complaints to be submitted and there have been no complaints in the last 2 years.

4.2.4

The company has a Procedure for Receiving Complaints and Settlement of Disputes, especially disputes outside the court which explains that complaints are submitted in writing by filling out a complaint form or submitted by direct delivery. In addition, if an agreement has not been reached in the deliberations, mediation efforts will be made involving regional governments such as sub-districts or districts, but if an agreement is not reached, then legal action will be taken in accordance with applicable law.

These options allow the complainant to access independent legal and technical advice, the complainant's ability to also choose an individual or group to support and/or act as an observer, as well as the option of 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

The company already has a CSR program that has been prepared in a participatory manner by involving the surrounding community, for example, which was carried out on August 8, 2022. The CSR program consists of:

- Road maintenance in BP Mandoge Village, Hamlet I Kampung Melayu, 250 meters long.
- Construction of the dome of the Nurul Iman mosque, sub-village VI, BP Mandoge village
- Maintenance of the village road BP Mandoge hamlet V Simpang Afdeling I 300 m long

- Road maintenance in the village of Huta Bagasan hamlet I for 250 meters
- Donations for orphans and the poor in January - October 2022
- Providing assistance in order to welcome Ramadhan in April 2022

The results of interviews with representatives of surrounding villages, it is known that the company has realized several assistances such as assistance for orphans, assistance for road repairs, assistance for welcoming Ramadhan, and others.

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

The total operational area of PTPN IV Pasir Mandoge, Sei Kopas and Tonduhan Estate is 16,528.40 Ha, however the scope of RSPO certification is 14,878.06 Ha, with the following details:

- Pasir Mandoge: 7,848.06 Ha
- Sei Kopas: 4,572.14 Ha
- Tonduhan: 2,457.86 ha

Pasir Mandoge

The company obtained the HGU based on the Decree of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency Number: 16/HGU/KEM-ATR/BPN/III/2019 dated March 21 2019, concerning Renewal of Cultivation Rights on behalf of PT Perkebunan Nusantara IV (PERSERO) on land area of 7,848.06 Ha is located in Bandar Pasir Mandoge Village, Huta Bagasan Village and Suka Makmur Village, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province. Renewal of HGU for 35 years used for plantation businesses with plant types that have received approval from technical agencies.

Based on the renewal HGU Decree described above, the company then received a certificate with a total area of 7,848.06 Ha:

- Certificate No 111/Asahan, expiration date of 21-03-2054, with an area of 1,477.68 Ha.
- Certificate No 112/Asahan, expiration date of 21-03-2054, with an area of 2,532.40 Ha.
- Certificate No 113/Asahan, expiration date of 21-03-2054, with an area of 3,837.98 Ha.

Sei Kopas

The total scope of certification is 4,572.14 Ha, with details of the HGU Decree and HGU Certificate as follows:

1. Decree of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 72/HGU/KEM-ATR/BPN/VIII/2019 dated 9 August 2019 covering an area of 4,252.14 Ha. Then several certificates were issued, namely:
 - Certificate No: 114/Asahan, expiry date 05-09-2054, Area 613.61 Ha
 - Certificate No: 115/Asahan, expiry date 05-09-2054, Area 664.83 Ha
 - Certificate No: 116/Asahan, expiry date 05-09-2054, Area 53.50 Ha
 - Certificate No: 117/Asahan, expiry date 05-09-2054, Area 16.02 Ha
 - Certificate No: 118/Asahan, expiry date 05-09-2054, Area 1,097.33 Ha
 - Certificate No: 119/Asahan, expiry date 05-09-2054, Area 1,806.85 Ha
2. HGU Certificate No. 2 based on the Decree of the Head of BPN No.22-HGU-BPN RI-2007 dated 29 May 2007 which is valid for 35 years with an area of 320 Ha.

Area Sei Kopas Estate Non-Certified

Due to the renewal of the HGU, it has resulted in a reduction in enclaves such as settlements, public roads, rivers and watersheds, arable areas and areas indicated to be included in convertible production forest areas (HPK). Specifically, for the HPK area, PTPN IV Sei Kopas has actually planted oil palm from the start, which is approximately \pm 1,650 Ha. As a result, the area does not yet have land rights and is not included in the scope of RSPO certification. The company has submitted a request for forest area release to the Minister of Environment and Forestry of the Republic of Indonesia on April 9, 2018. On March 1, 2019, the Ministry of Environment and Forestry, the Director General of Forestry Planning and Environmental Management, sent a response to the request for forest area release in the Sei Kopas Estate HGU which

states that the relinquishment of the HPK area in the Sei Kopas Estate HGU area can be carried out if it is proven by evidence of ownership of the area prior to the designation of the Ambalutu Register 4/A forest area during the Dutch colonial era and this evidence is accompanied by clarification from the agency in charge of land affairs according to their authority. Then on May 8, 2019, PTPN IV sent a letter to Land Agency Asahan District to obtain this clarification. Until this audit was carried out, there was no further information regarding the progress of releasing the HPK area.

Tonduhan Estate

The company already has a HGU area of 2,457.86 ha consisting of 2 certificates and 2 HGU Decree with the following details.

- HGU Certificate No. 4 dated 12 July 2006 for a land area of 1,617.23 ha and ended on 11 July 2031. The certificate was issued based on an HGU Decree from the Head of BPN RI. No. 5/HGU/BPN/2006 dated 15 May 2006, for the oil palm commodity.
- HGU Certificate No. 5 dated 19 September 2007 for a land area of 840.63 ha for oil palm commodities and ended on 18 September 2042. The certificate was issued based on an HGU Decree from the Head of BPN RI. No. 21-HGU-BPN RI-2007 dated 29 May 2007, for the oil palm commodity.

4.4.2; 4.4.3, 4.4.4; 4.4.5 and 4.4.6

All business unit is a former of Dutch colonial era plantation (NV. *Bandar Oli Culture Masscthapij*), that has been nationalized by government decree No. 19 dated 2 May 1959. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community. Besides, based on interview with representative of Silau Jawa Village, Suka Makmur Village and Tonduhan Village, there is no land conflict with Pasir Mandoge, Sei Kopas and Tonduhan Estate. Also, there is no history of land acquisition stated in Land title of both Management Unit.

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; 4.5.8

Based on document areal statement and interview with management, there is no new planting in Pasir Mandoge Estate, Sei Kopas Estate and Meranti Paham Estate. Then, all business unit is a former of Dutch colonial era plantation (NV. *Bandar Oli Culture Masscthapij*), that has been nationalized by government decree No. 19 dated 2 May 1959. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community.

Status: Comply

4.6

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

4.6.1; 4.6.2; 4.6.3 and 4.6.4

Company has procedure about land compensation in document of Procedure for Handling Land Conflict Document No. SPO 04 effective on 2 January 2017. This document explains that if any land dispute/conflict, management unit have to make the chronology of the dispute, make the map, and identify the dispute/conflict location. Then, company ask community to negotiate on determination of compensation. The calculation of compensation must be in accordance with the provisions of the tax object and the state of the land.

However, based on interview with representative of Silau Jawa Village, Suka Makmur Village and Tonduhan Village, there is no legal rights in the village or surrounding villages or land disputes with company. Also, there is no history of land acquisition stated in Land title of both Management Unit.

Status: Comply

4.7

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

4.7.1; 4.7.2 and 4.7.3

Based on document areal statement and interview with management, there is no new acquisitions / land expansions in unit certification area. Company has procedure about land compensation in document of Procedure for Handling Land Conflict Document No. SPO 04 effective on 2 January 2017. This document explains that if any land dispute/conflict, management unit have to make the chronology of the dispute, make the map, and identify the dispute/conflict location. Then, company ask community to negotiate on determination of compensation. The calculation of compensation must be in accordance with the provisions of the tax object and the state of the land.

However, based on interview with representative of Silau Jawa Village, Suka Makmur Village and Tonduhan Village, there is no legal rights in the village or surrounding villages or land disputes with company. Also, there is no history of land acquisition stated in Land title of both Management Unit.

Status: Comply

4.8

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

4.8.1; 4.8.2; 4.8.3 and 4.8.4

Based on interview with representative of Silau Jawa Village, Suka Makmur Village and Tonduhan Village, there is no land disputes with the company. It is also known that there are no legal rights in surrounding village. The same thing also said by the representative of Plantation Agency of Asahan District and Simalungun District, that there is no land dispute in PTPN IV Pasir Mandoge, Sei Kopas and Tonduhan.

Based on document areal statement and interview with management, there is no new planting in Pasir Mandoge Estate, Sei Kopas Estate and Meranti Paham Estate. Then, all business unit is a former of Dutch colonial era plantation (NV. *Bandar Oli Culture Masscthapij*), that has been nationalized by government decree No. 19 dated 2 May 1959. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION
5.1

The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

5.1.1

Unit management doesn't have smallholders. During assessment, company has a procedure which contains information related to the price of FFB from third parties on Guidelines for Purchasing Fresh Fruit Bunches of Oil Palm PT Perkebunan Nusantara IV, The procedure informs the following:

- The purpose of the procedure is to serve as a guide in purchasing FFB from the community whose purchase costs are sourced from the company's budget.
- The FFB purchase price is the price based on the FFB purchase application which includes tax.
- The FFB purchase price is determined by the pricing team in the Engineering and processing section on the basis of a formula that has been set in the FFB purchase application.
- The FFB purchase price is accordance to the governments pricing or higher than that.

Unit certification has 3rd party FFB supplier and always regularly informed price based to the relevant price accordance to government price. And the price itself always informed in work agreement document and in on invoicing document that are using for payment.

5.1.2

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Ridho Cahaya for the Pasir Mandoge unit in 13 October 2022 and on 18 October 2022 to PT Muara Nusantara Doge and CV Prabujaya Permata. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor

agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the 4th week of October 2022. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-2 Audit Assessment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties' agreement. The explanation regarding to FFB pricing itself already written in contract and informed verbally to both parties.

5.1.3

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Ridho Cahaya for the Pasir Mandoge unit in 13 October 2022 and on 18 October 2022 to PT Muara Nusantara Doge and CV Prabujaya Permata. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, such as CV Cipta Karya Mandiri it is known that there were no any late payments happen in the past until the 4th week of October 2022. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-2 Audit Assessment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties' agreement. Based on this interview, also known that price of FFB was agreed between company and supplier's and there was work agreement between both parties, and invoicing document for the payment between both parties, and so far never been any complaints on FFB pricing. However, if there will be any complaint, the company already informed the complaint mechanism to the supplier on the early stage of partnership agreement started.

FFB pricing are determined based on Company's Procedure of FFB from third parties on Guidelines for Purchasing Fresh Fruit Bunches of Oil Palm PT Perkebunan Nusantara IV. And all information related on how FFB pricing was determined already informed in indicators 5.1.1.

5.1.4

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5.1.5

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payments to local contractors or vendors, for example payments to contractors on behalf of CV Ridho Cahaya for the Pasir Mandoge unit in 13 October 2022 and on 18 October 2022 to PT Muara Nusantara Doge and CV Prabujaya Permata. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

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5.1.7

The certification unit showing certificate test result number 349/SKHP-MT/ASH.59/2020 dated 6 November 2020 with a validity period until November 2021 for weighbridges type AND 4329A, with serial number N1523667 from the Legal Metrological of Asahan District. The third party stated the test results, *"Validated by affixing a valid calibration mark JP8 and 20 in accordance with Law of the Republic of Indonesia No. 2 of 1981"*.

Unit certification has two weighbridge that already calibrated and shown by this document :

- Certificate results Number 135/SKHP-MT/ASH.59/2022 dated 31 August 2022 Validty perio until August 2023 with serial number of the weighbridge GST-9700 1108323.
- Certificate results Number 134/SKHP-MT/ASH.59/2022 dated 31 August 2022 Validty perio until August 2023 with serial number of the weighbridge GST-9700 1108321.

5.1.8

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on both parties agreement.

5.1.9

Unit management doesn't have smallholders. Based on document review of complaint book, there is no complaint from contractor or vendors.

Status: Comply

5.2

The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

5.2.1

Based on the results of interviews with collectors as FFB suppliers on behalf of PT Muara Nusantara Doge and CV Prabujaya Permata stated that the company had conducted socialization related to RSPO, the results of interviews with other suppliers stated that they received socialization related to RSPO from the company. It was concluded that the certification activities had been realized.

Based on interview with local communities, it is known that Certificate holder was not developed and implemented livelihood improvement programmes including the RSPO Standard for Independent Smallholder. This because there was no Independent Smallholder in unit certification. Which in this case, made this indicator was not applicable for the assessment

5.2.2

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Based on interview with local communities, it is known that Certificate holder was not developed and implemented livelihood improvement programmes including the RSPO Standard for Independent Smallholder. This because there was no Independent Smallholder in unit certification. Which in this case, made this indicator was not applicable for the assessment.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS
6.1

Any form of discrimination is prohibited.

6.1.1 – 6.1.2

The company has a Plantation Management System Policy issued on January 25, 2022 at point 13 which states that the company provides equal opportunities for everyone to get jobs and positions regardless of ethnicity, religion, race and gender.

Based on the verification of the labor list documents and interviews with trade unions, it is known that the majority of workers come from ethnic groups such as Javanese and Batak. From the results of interviews with representatives of trade unions and workers, it is known that there is no indication of discrimination against workers.

The results of interviews with Suka Makmur Village, trade unions, gender committees, harvest workers and sorting workers stated that there were no issues related to discrimination. The company has also provided equal opportunities for local people to get jobs.

6.1.3

The company has a human resource management system, including the following.

Employee recruitment mechanism.

The mechanism for recruiting employees is contained in the collective labor agreement 2022-2023 CHAPTER II, article 12 and article 13 regarding the recruitment and appointment of employees. The collective labor agreement explains that the acceptance of employees is based on the needs of the workforce according to the development of the company's organization.

Payroll system and incentives.

The company already has a payroll system included in the 2022-2023 collective labor agreement. In the collective labor agreement in Chapter V, it is explained about the classification of wages, benefits and units. The payroll system in collective labor agreement includes:

- Article 32 concerning Salary Groups
- Article 33 regarding Basic Salary and Rice Supply
- Article 34 concerning Position Allowances
- Article 35 regarding Structural Allowances
- Article 36 regarding Task Executor Allowances
- Article 37 regarding Compensation Allowances
- Article 38 regarding Social Benefits
- Article 39 regarding the Cost of Performing Tasks
- Article 40 regarding Bonuses

System of career paths and work performance.

The system for career paths and work performance is explained in the 2022-2023 Collective Labor Agreement Chapter II, article 14 concerning classes and ranks, article 15 concerning promotion, article 16 concerning promotions, and article 17 concerning demotions and positions. The company also shows a list of employee grade increases/promotions for 2022 for assessment in 2021 which stipulates, for example, those with the initials M are the harvest foremen of section I who are promoted from class IC/10 to ID/0. The things that are assessed include attendance discipline, job knowledge and expertise, speed, quality and productivity, teamwork and honesty.

6.1.4

From the results of interviews with trade unions, representatives of the gender committee and female workers, it is known that the company does not conduct pregnancy tests. The pregnancy examination is only intended for women who work with a risk of exposure to chemicals. And if there are female workers who work with a risk of exposure to chemicals while pregnant, then these workers will be transferred to other jobs that are not related to chemicals.

6.1.5

The company has a gender committee in each unit consisting of male and female employees, for example as follows:

- The Management Structure of the Pasir Mandoge Estate Gender Committee and mill 2022 which consists of a executive board, chairman, deputy chairman, secretary, deputy secretary, organization section, protection section, education section, empowerment section, public relations section, spiritual section, health section, welfare section and sports section.
- Management structure of the Sei Kopas Estate Gender Committee in 2022 which consists of executive board, chairs, deputy chairs I - II, education section, socio-cultural section and economic section.
- The Management Structure of the 2022 Real Estate Gender Committee which consists of a executive board, chairman, secretary, treasurer, organizational section, protection section, education section, empowerment section, public relations section, spiritual section, health section, welfare section and sports section.

Based on the results of interviews with representatives of the Gender Committee, it is known that there were no incidents of sexual harassment or domestic violence. The gender committee also conducts outreach to workers on a regular basis, for example during morning briefings. From the results of interviews with workers' representatives, it can be concluded that workers already know the complaint mechanism or complaints related to domestic violence or harassment.

The gender committee also has work programs, for example:

- Monitoring acts of sexual harassment
- Socialization on prevention of sexual harassment
- Recitation/instruction for mothers
- Healthy exercise

The company also shows the realization of the program, for example the socialization on sexual harassment and prevention which was held in Pasir Mandoge on September 19 2022 which was attended by 45 participants.

6.1.6

Payment of wages at PTPN IV refers to the Provincial Minimum Wage based on SK No. 188.44/746/KPTS/2021 dated 19 November 2021 concerning the Determination of the Minimum Wage for Sumatera Utara Province for 2022. The provincial minimum wage for Sumatera Utara for 2022 is Rp. 2,522,609.94. In addition, the company has a wage scale structure according to years of service, namely 1-14 years and class, namely IA - IID.

The auditor team has carried out a simulation of calculating employee salaries, for example processing workers with the initials S (group IIA/0) and RBS (group IIA/0) in the September 2022 period. Based on the simulation results that have been carried out, it is known that the wages received by workers are in accordance with the applicable minimum wage with details of a basic salary of Rp. 2,297,963, special allowances of Rp. 399,582 and rice allowances of Rp. 176,000 so that a total monthly wage of Rp. 2,873,545 is obtained.

The results of interviews with workers and unions, obtained information that the company has paid wages in accordance with the applicable minimum wage.

Status: Comply

6.2

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

6.2.1

The company has a collective work agreement for the period 2022 – 2023 which has been ratified through the Decree of the Head of the Sumatera Utara Province Manpower and Transmigration Office No. 568/20-6/DTK/I/2022 concerning registration of collective labor agreements dated 19 January 2022. The cooperation agreement describes employment relations, leave and absence from work, wages, employee welfare & social security, transfers, sanctions, termination of employment, complaints and others.

The company also shows a list of the number of employees for September 2022 with permanent worker status and the Fixed Period Working Agreement, namely Pasir Mandoge POM with 156 workers, Pasir Mandoge Estate with 619 workers, Sei Kopas Estate with 534 workers and Tonduhan Estate with 203 workers.

In addition, the company also shows a work agreement for a certain time, for example agreement no. PAM/S.Perj/01/VII/2021 July 1, 2021 for harvest work. The agreement has explained several working conditions, rights and obligations of workers and others. For example worker responsibilities, wages, leave, social security and others. The agreement has been signed by both parties.

Based on document verification, field observations and interviews with workers (harvest workers, fertilizing workers, factory workers, etc.), it is known that there is no indication of forced labor and that employees have earned wages above the minimum wage.

Based on interviews with harvest workers, spray workers and sorting workers, it was found that personnel were able to explain the terms of wages, overtime, premiums as well as the rights and obligations of workers contained in work agreements and collective bargaining agreements.

6.2.2

The Collective labor agreement period 2022 – 2023 between PTPN IV and PTPN IV SPBUN which has been ratified through the Decree of the Head of the Sumatera Utara Province Manpower Office No 568/20-6/DTK/I/2020 regarding the registration of the PTPN IV joint work agreement which is valid until 31 December 2023 The Collective labor agreement regulates wages, working hours, overtime, sickness, leave entitlements, reasons for dismissal, and so on.

Regarding the implementation of rest periods and leave, the company has provided a leave request form that informs the number of days received, days taken and remaining days off. The company also shows an example of an employee leave application form in August 2021 with the initial A.

In addition, payment of wages at PTPN IV refers to the Provincial Minimum Wage based on decree No. 188.44/746/KPTS/2021 dated 19 November 2021 concerning the Determination of the Minimum Wage for Sumatera Utara Province for 2022. The provincial minimum wage for Sumatera Utara for 2022 is Rp. 2,522,609.94.

The auditor team has carried out a simulation of calculating employee salaries, for example processing workers with the initials S (group IIA/0) and RBS (group IIA/0) in the September 2022 period. Based on the simulation results that have been carried out, it is known that the wages received by workers are in accordance with the applicable minimum wage with details of a basic salary of Rp. 2,297,963, special allowances of Rp. 399,582 and rice allowances of Rp. 176,000 so that a total monthly wage of Rp. 2,873,545 is obtained.

The results of interviews with workers and unions, obtained information that the company has paid wages in accordance with the applicable minimum wage. In addition, a work agreement letter is prepared in a language understood by workers and signed by company representatives and employees and explained to workers regarding the purpose of the work

agreement letter.

6.2.3

The company shows PTPN IV Directors Regulation No. 04.01/PER/01/III/2022 concerning guidelines for providing harvest premiums, loading premiums and processing premiums, in letter C regulates compensation for employees who work when the factory does not process on weekdays, Sundays and national holidays, for example for effluent operators treatment and operator fat fit, namely for weekdays Rp. 25,748, Sundays Rp. 51,496 and national holidays Rp. 68,661.

Based on interviews with Effluent operators, it was stated that the personnel worked on holidays with a total of 3 working hours. This is also stated in the foreman's book, for example on August 14, 2022 from 06.30 to 09.30 for employees with the initials RS.

The company also shows compensation for PKS employees for one shift, for example for the August 2022 period, namely:

DAY/DATE	PERSONNEL	
	RHS (Fatfit Operator)	RS (Effluent Operator)
Sunday, 14 August 2022	51.496	51.496
Wednesday, 17 August 2022	68.661	-
Sunday, 28 August 2022	51.496	51.496
TOTAL	171.653	102.992

If the simulation of giving overtime is in accordance with collective labor agreement article 21 and government regulations 35 of 2021 article 31, they are as follows:

PERSONNEL	WAGES A MONTH	WAGES A HOUR	OVERTIME COMPENSATION (3 HOURS)			TOTAL
			14/08/2022	17/08/2022	28/08/2022	
RHS	2.524.389	14.592	87.551	87.551	87.551	262.653
RS	2.851.187	16.481	98.885	-	98.885	197.770

From the simulation results, it is known that there is a difference in overtime pay for work carried out on Sundays, namely Rp. 91,000 for RHS and Rp. 94,778 for Hospitals. So that the company has not been able to show that the implementation of wages and overtime payments is fully in accordance with the provisions issued and applicable regulations. This becomes NCR No. 2022.01 with major category.

6.2.4

The company has a list of employee welfare infrastructure facilities updated for September 2022, where there are worker housing facilities, religious facilities (houses of worship), sports facilities, health facilities in the form of clinics, clean water facilities, electricity facilities in the form of electricity, Child Care Center and others. Currently all welfare facilities provided in general are in decent condition and some housing is under repair. The company also has a maintenance program for workers' welfare infrastructure which includes a plan for monitoring and repairing the existing welfare facilities every year in accordance with the stipulated budget.

Based on the results of field observations, for example in the Pasir Mandoge Estate residential area, the welfare facilities provided consist of 2 bedrooms, 1 bathroom and kitchen, clean water is provided every day, electricity is provided by the company, religious facilities in the form of mosques and churches, and other facilities. Clinics are available as worker health facilities that can be accessed by workers and their families. This is supported by the results of interviews with housing residents who stated that one house is occupied by the head of the family and if there are complaints from workers regarding housing facilities, the company will respond and make repairs as soon as possible.

From OFI's previous assessment, during the field visit it was found that the sanitation facilities in the housing were in good condition and the company had also made repairs to several houses such as repairing roof tiles and asbestos and then the company had made a home improvement program for housing that was still in a damaged condition.

In accordance with the description above, it can be concluded that the company already has facilities and infrastructure for the welfare of workers in proper conditions and accessible to workers and their families.

6.2.5

The results of interviews with employees and labor unions, obtained information that the nearest market is 15-20 minutes from the residential location. From the interviews, it is also known that there are workers or residents of housing who sell basic needs. In addition, there are also sellers of basic needs who enter the housing area on a regular basis.

6.2.6

A living wage is given to all workers according to applicable regulations, namely based on the Decree of the Governor of Sumatera Utara Province No 188.44/746/KPTS/2021 dated 19 November 2021, which stipulates the UMP of Sumatera Utara for 2022 of IDR 2,522,609.94/ month. The company has implemented it with a wage component consisting of basic wages, special allowances and rice supplies.

The company shows the Decree of the Board of Directors No. 04.07/Kpts/15/III/2022 on March 31, 2022 concerning Basic Salary and Special Employee Benefits Gol. IA – IVD Year 2022 which takes effect from 1 January 2022, such as:

- For Group IA/0, the basic salary is IDR 2,018,088, special allowances are IDR 328,522 and rice supplies are IDR 176,000 so a total of IDR 2,522,610 is obtained.
- For Group IB/0, the basic salary is IDR 2,018,221, special allowances are IDR 328,674 and rice supplies are IDR 176,000 so a total of IDR 2,522,895 is obtained.

Based on the data above, the determination of wages is in accordance with the Decree of the Governor of Sumatera Utara Province.

With regard to a living wage, the company has assessed the wages paid according to the minimum wage and has also assessed the in kind benefits provided, which include school facilities, extra food and work clothes, for example for class IA/00 with the following details :

- Prevailing Wages
 - Salary: IDR 2,522,610
 - Other allowances : IDR 1,614,471
- In-Kind Benefits
 - School Facilities : IDR 317,827
 - Extrafooding : IDR 129,450
 - Work clothes: IDR 75,650
- Total : IDR 4,458,199,-

6.2.7

The company shows a list of employees at Pasir Mandoge Estate and Sei Kopas Estate for the September 2022 period, it is known that there are 67 Fixed Period Working Agreement harvesters at Pasir Mandoge Estate and 82 Fixed Period Working Agreement harvesters at Sei Kopas Estate.

The company also shows the calculation of the need for harvesters for the Pasir Mandoge Estate and the Sei Kopas Estate with the following details:

- The need for labor to harvest the Pasir Mandoge Estate is 475 people, while the number that is already available is 332 people (permanent worker: 265 people and Fixed Period Working Agreement: 67 people), so there is a difference of 143 people.
- The need for harvesting workers for Sei Kopas Estate is 310 people, while the number already available is 211 people (permanent worker: 129 people and Fixed Period Working Agreement: 82 people), so there is a difference of 99 people.

Based on interviews with harvest workers, for example to 1 harvest worker (with the initials JAS) in Afdeling III Block 03i and 1 harvest worker (with the initials RF) in Afdeling IV Block 04 BJ Pasir Mandoge Estate, it was conveyed that the worker is an employee with Fixed Period Working Agreement status with a tenure starting from 2019.

Referring to Government Regulation No. 35 of 2021 concerning Fixed Period Working Agreement, outsourcing, working time and rest time, and termination of employment in article 4 paragraph 2 states that Fixed Period Working Agreement

cannot be held for permanent jobs. So that the company has not been able to show enough evidence that all the main work has been done by permanent workers. This becomes NCR No. 2022.02 with minor category.

6.2.3	Status: NCR No. 2022.01 with major category	
6.2.7	NCR No. 2022.02 with minor category	

6.3
The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.3.1 and 6.3.3
The company demonstrated PTPN IV's plantation management system policy which was issued on January 25, 2022 by the Director, which among other things explained in point 18, namely encouraging and facilitating employees to form labor unions.

The company also has a policy regarding freedom of association in the Collective Labor Agreement between PT PN IV and the Plantation Workers' Union, especially in articles 5, 6, 7, 8 and 9 where the article explains:

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

The company has shown proof of union registration for each unit to the Manpower Office, for example:

- SPBUN Pasir Mandoge Mill with proof of registration No. 3531/III-DKT/X/2019 issued on 14 October 2019.
- Tonduhan Estate SPBUN with proof of registration No. 560/322/23.4/2021 issued on 30 August 2021.
- SPBUN Pasir Mandoge Estate with proof of registration No. 3566/III-DKT/X/2019 issued on 16 October 2019.

The company also has management and workers union members in each unit, for example the management of SPBUN Sei Kopas Estate with a term of office for 2019 – 2024 which was set for July 19 2019 with details namely chairman, deputy chairman I - II, secretary, deputy secretary I - III, Treasurer, deputy treasurer I, organizational section, worker protection and welfare section, education and training, inter-institutional and public relations, women's empowerment and commissioners for each department as well as Sei Kopas Estate employees who are members of the labor union for the period September 2022 totaling 534 worker.

Based on interviews with representatives of trade unions, information was obtained that the company did not interfere in the formation of trade union organizations. The union officials are appointed by the members based on deliberations between the members.

6.3.2

As for the recording of trade union meetings, for example for the Pasir Mandoge and Sei Kopas units:

Pasir Mandoge

- Minutes of meeting and list of attendees dated 1 February 2022 which discussed the 2022 minimum wage.
- Minutes of meeting and list of attendees for 1 August 2022 discussing workforce formation standards.

Sei Kopas

- Minutes of meeting and list of attendees dated 7 June 2022 which discussed the distribution of work tools.
- Minutes of meeting and attendance list for 18 July 2022 discussing work targets.

	Status: Comply	
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6.4
Children are not employed or exploited.

6.4.1, 6.4.2 and 6.4.4

The company demonstrated PTPN IV's plantation management system policy which was issued on January 25 2022 by the Director which among other things explained in point 9 namely the commitment not to use underage children in accordance with laws and regulations and workers who are the result of human trafficking. Based on the verification of the employee list for the September 2022 period, it was found that there were no workers under 18 years of age. In addition, management system policies have been socialized, for example what was done at the estate show on March 8, 2022 which was attended by 45 workers, and to stakeholders (contractor workers and the surrounding community) which was attended by 7 participants.

Based on the results of interviews with the contractor, it was conveyed that there is a clause in the cooperation agreement which states the prohibition of using underage children. The company also shows a contract with a third party, for example a cooperation contract with a CPO transporter with No 04.05/S.Perj/Pem/03/III/2022 which states in article 11 point 3 that the contractor is obliged to comply with all provisions of laws and regulations. applicable laws, including not employing minors.

6.4.3

The company has a Child Labor Policy Number 03 Revision 02 dated 2 January 2015. The policy states that PTPN IV supports the basic rights of children and seeks to implement them within the company. The minimum age to be allowed to work in the company is 18 years.

The results of the verification of the labor list documents, interviews with internal and external stakeholders, and field observations revealed that there were no indications of workers under the age of 18 in the company environment.

Status: Comply

6.5

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

6.5.1 – 6.5.2

The company already has a Plantation Management System Policy issued on January 25, 2022 at point 11 which states that the company prevents sexual harassment and various forms of violence against women workers and protects the reproductive rights of women workers. The company also has a women's committee/gender committee to handle women's issues including reporting if there is sexual harassment or violence. From the results of interviews with management it is known that the mechanism if there is a case of sexual harassment or violence is conveyed through the gender committee.

This policy has been socialized to workers, for example on September 2 2022 which was attended by 60 Pasir Mandoge Estate workers and on March 8 2022 which was attended by 45 Tonduhan Estate workers.

Based on the recapitulation of employee complaints and complaints for the past one year period, there were no complaints related to harassment/violence/abuse. The results of interviews with the Asahan District manpower office obtained information, that in the past one year period there had been no information regarding incidents of harassment/violence/torture being conveyed.

From the description above, it can be concluded that the company already has and implements a policy to ensure that workers are free from all forms of harassment, threats, abuse both physically and mentally from fellow workers or plantation business actors.

6.5.3

The company also shows documents of female employees who are pregnant, giving birth and breastfeeding for the 2022 period. Based on these documents, found until September 2022, the company has monitored female workers with the result that there were no pregnant, giving birth and breastfeeding women workers.

Based on the results of interviews with representatives of the gender committee from the plantations and factories, it is known that the majority of working women are of old age, so that no one is pregnant or has just given birth. However, the gender committee representative explained that if a female employee had just given birth or was about to give birth, she would be given permission for 45 days pre-delivery and 45 days after delivery, giving permission to breastfeed according

to the needs of the baby by being allowed to leave work, which was known by the foreman and direct supervisor.

6.5.4

The company shows the joint regulation of the board of commissioners and directors of PTPN IV No DK-60/PER/XI/2013 and No 04.03/PER/13/XI/2013 regarding the whistleblowing system which explains the mechanism for submitting and handling reports, for example as follows: :

- The company provides a channel for reporting violations in writing or via email via complaint@ptpn4.co.id or through an electronic room portal managed by the violation complaint management unit.
- Each reporter will receive a receipt for reporting that includes the reporting registration number.
- Upon the report received, for the next process it will be reported to the Board of Directors, Board of Commissioners.
- In conducting verification, if needed, the violation complaint management unit can communicate with the complainant.
- The violation complaint management unit verifies the report and decides whether or not further investigation of the report is necessary within 30 days and can be extended for 14 working days.
- If, based on the results of the verification, there is an indication of a report, the violation complaint management unit will not follow up on the report, if there is an indication of a violation, proceed to investigation.
- Protection against whistleblowers is contained in article X in the document.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

The results of verification of the labor list documents, work agreement documents, results of interviews with workers and trade unions as well as results of field observations revealed that there were no forced laborers in the operational area. As for all workers have worked in accordance with the letter of agreement / work agreement between the company and workers.

Workers are also given a copy of the work agreement that has been signed by the company and worker representatives. Employees also sign work agreements several times according to employee status, namely from a Fixed Period Working Agreement and re-signing when they become permanent workers.

The agreement also stipulates that workers do work voluntarily and freely, without the threat of punishment, and have the freedom to terminate the employment relationship without punishment with reasonable notification according to the agreement.

6.6.2

The company shows proof of Fixed Period Working Agreement registration to the relevant agencies, such as:

- Evidence of recording of work agreement for a specified period of time for the Pasir Mandoge unit to the Asahan District Manpower Office with proof of registration number 3607/III-DKT/X/2022 dated October 19, 2022 for 67 workers.
- Proof of Recording of Work Agreement for a Specific Time for the Sei Kopas unit to the Asahan District Manpower Office with No. 3653/III-DKT/X/2022 dated October 21, 2022 with a total of 84 workers.

The company also shows a work agreement for a certain time, for example agreement no. PAM/S.Perj/01/VII/2021 July 1, 2021 for harvest work. The agreement has been signed by both parties and explains, among other things, the following:

- Describe the type and location of work
- Working time 1 week 6 days
- Rewards given
- Be included in the Social Security Agency program

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

Based on document verification, the Company has appointed a person in charge of Occupational Safety and Health. The person in charge of Occupational Safety and Health is as follows:

Pasir Mandoge POM

P2K3 Secretary is personnel who has attended General OHS Expert training from OHS Service Company and has OHS Expert appointment Decree No. 5/38864/AS.02.04/IX/2019 dated 23 September 2019 with a validity period of up to 23 September 2022 on behalf of Maruli Rahmad Ritonga. The company has submitted the OHS Expert degree extension file to PJK3 on August 1, 2022. The company can show the progress of the OHS Expert Appointment Certificate (SKP) extension from PT Emcotama with Certificate Number B.26/EMCOTAMA-SK/X/2022 dated October 26, 2022 which stated that the OHS Expert degree a.n Maruli Rahmad Ritonga was still in the process of being issued at the OHS Service Company Directorate of the Indonesian Ministry of Manpower. The company can also show evidence that the P2K3 Secretary has also attended the K3 Expert Competency Improvement training on 12-13 October 2022 which was held by the Ministry of Manpower of the Republic of Indonesia. The training is a requirement for OHS Expert OHS Expert degree extension.

Estate Pasir Mandoge

P2K3 Secretary is personnel who has attended General OHS Expert training from PJK3 and has a valid AK3 Appointment Decree No. 5/3868/AS.02.04/IX/2019 dated 23 September 2019 with a validity period of up to 23 September 2022 on behalf of Agus Salim. The company has submitted the AK3 SKP extension file to PJK3 on August 1, 2022. The company can show the progress of the OHS Expert Appointment Certificate (SKP) extension from PT Emcotama with Certificate Number B.26/EMCOTAMA-SK/X/2022 dated October 26, 2022 which stated that the SKP Expert OHS a.n Agus Salim was still in the process of being issued at the OHS Service Company Directorate of the Indonesian Ministry of Manpower. The company can also show evidence that the P2K3 Secretary has also attended the OHS Expert Competency Improvement training on 12-13 October 2022 which was held by the Ministry of Manpower of the Republic of Indonesia. The training is a requirement for OHS Expert OHS Expert degree extension.

Estate Tonduhan

Companies can show evidence that they have a OHS Committee organization that has been approved by the Manpower Office of Sumatera Utara Province based on the Decree of the Head of the Sumatera Utara Province Manpower Office No. 566/560-7/DYK/SU/WIL.III/2021 dated 30 August 2021. The OHS Committee Secretary is personnel who has attended General AK3 training from OHS Service Company and has OHS Expert Appointment Decree Number 5/3860/AS.02.04/IX/2019 and valid until 23 September 2019 on behalf of Tatang. The company has submitted the AK3 SKP extension file to OHS Service Company on August 1, 2022. Then the company can show a statement letter Number B.07.A/EMCOTAMA-SK/X/2022 on October 7, 2022 from OHS Service Company PT EMCOTAMA which explains that the SKP Extension as The General OHS Expert is in the process of being published at the Directorate of OHS Institutional Development at the Indonesian Ministry of Manpower.

Estate Sei Kopas

The auditor team also verified OFI in the previous assessment where the OHS Degree of OHS Expert from the Sei Kopas unit had expired. The company already has an OHS organization in accordance with the OHS Committee Approval Decree from the Manpower Office of North Sumatra Province No. KEP.401/P2K3/DTK/IX/2021 September 6, 2021 with Secretary an. Riston Mangihut Tua Sirait. General AK3 Certificate and SKP AK3 secretary P2K3 with Number 5/11049/AS.02.04/IX/2021 on September 30, 2021.

Regarding the OHS Expert License and Appointment Decree for General Secretary OHS Committee OHS Committee which has expired, the Company has the opportunity to ensure that the progress of the extension of OHS Expert degree OHS Committee can run positively. (OFI).

OHS Committee meetings have been held routinely every month with discussions of OHS issues and their follow-ups, for example the OHS Committee meeting on 17 September 2022 with discussions including the preparation of OHS signs, environmental hygiene, preparation for RSPO & ISPO audits and formulation of OHS policies.

6.7.2

Based on the results of document verification and field visits, the following evidence was obtained:

Emergency response

- Basic Guidelines and Technical Work Instructions for the Management of Hazardous and Toxic Chemicals with Document Number 04.03/P/005 dated 1 September 2021 explaining that the procurement, storage and distribution of hazardous and toxic chemicals is complete with labeling and MSDS.
- The results of field observations in the Pasir Mandoge Fertilizer Warehouse area of Afdeling 5 found that there were no symbols of hazardous materials and names of fertilizer types. Based on the Pasir Mandoge Estate HIRAC document, it was explained that in the Pupuk Warehouse area risk control measures were carried out by installing OHS signs
- The results of field observations in the Sei Kopas Afdeling 5 Estate Pupuk Warehouse area revealed that there were no MSDSs for NPK, Borate, and Dolomite fertilizers. In addition to the Sei Kopas Oil Warehouse area, it is known that there is no MSDS for Lubricants, Rorate and Mediterranean types.
- The results of field observations in the WWTP area revealed that there were no OHS warnings in the form of OHS symbols, restricted areas, and a ban on entering the WWTP area other than officers. In addition, in the WWTP area there were workers who brought children aged 5 years and were in the pump house. In the HIRAC Mill document it is explained that in the WWTP area risk control measures are carried out by installing OHS signs.
- The results of field observations at the Mill Area, the Auditor Team conducted a Simulation of emergency response equipment, namely the Hydrant at the Boiler station. Hydrant simulation results show that the Hydrant cannot function. Based on the Pasir Mandoge POM Fire Hydrant Inspection Report for the period of 22 October 2022 it is known that the Hydrant at the Boiler Station is in good condition

First aid kit incomplete

Based on the results of field observations, incomplete first aid kits were found, namely:

- In the Block 03 I Afdeling 3 Harvesting activity at Pasir Mandoge Estate, the harvest foreman's First Aid Bag: Betadine/Providene Iodine is not available.
- In the Block 04 BJ Afdeling 4 Harvesting activity at Pasir Mandoge Estate, the Foreman's First Aid Bag was not provided with a flashlight and Aquades was replaced with bottled Mineral Water. In addition, the company has not been able to show justification for replacing Aquades with bottled mineral water.
- In Afdeling 4 & 5 Rinse Houses at Pasir Mandoge Estate, the Aquades First Aid Box was replaced with bottled Mineral Water. In addition, the company has not been able to show justification for replacing Aquades with bottled mineral water.
- There are no first aid kits in the Pasir Mandoge POM WWTP area.
- In the Block 09 AF Afdeling 3 Sei Kopas Estate Harvesting activity, the Harvest Foreman's First Aid Bag is not available Aquades, triangular cloth, and Betadine Expired in September 2022.
- In the Block 10 AF Afdeling 5 Sei Kopas Estate Harvesting activity, the Foreman's First Aid Bag was not available Aquades, triangular cloth, and Hansaplast.
- Monitoring of first aid kits and inspection of first aid kits for the September 2022 period for POM and Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate. Monitoring results show that the first aid kit is complete.

Based on this evidence, the Company has not been able to show evidence of the implementation of emergency preparedness and first aid kits at the workplace. This becomes NCR No. 2022.03 with Minor Category.

6.7.3

Based on the results of field observations and interviews with employees, it was found that PPE was inappropriate, damaged and provided by the employees themselves, with the following evidence:

Pasir Mandoge POM

- In the Pasir Mandoge POM area, it was found that Fat Fit employees were working without wearing PPE, such as helmets and safety shoes. The HIRAC document explains that the PPE used in Fat Fit activities is in the form of gloves, masks, helmets and work shoes.
- In the Pasir Mandoge POM WWTP area it is known that the Operator's PPE condition in the form of Safety Shoes is in damaged condition and the PPE is purchased by the Operator himself.
- In the Sortasi area of Pasir Mandoge POM it was discovered that there were 3 employees wearing boots because the safety shoes provided by the company were damaged. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews

with company representatives, all PPE employees are provided by the company.

- In the Pasir Mandoge POM Loading Ramp area it was discovered that there were 4 employees wearing boots and the shoes were provided by the employees themselves. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- In the area of the Sterilizer Station, it is known that there are employees who wear boots and do not wear ear plugs. Whereas in the HIRAC document it is explained that the PPE used at the Sterilizer Station is in the form of gloves, masks, helmets, shoes, and ear plugs.
- At Kempa Station it was discovered that there was 1 employee who wore safety shoes in a damaged condition and 1 employee who wore boots that were provided by themselves. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- At the Seed Factory Station, it was discovered that there were employees who did not use PPE in the form of Ear Plugs. Whereas in the HIRAC Document it is known that the PPE used at the Seed Mill Station is in the form of Gloves, Ear Plugs, Masks, Shoes, and Helmets.
- In the area of the Clarification Station, it was discovered that there were employees wearing boots. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- The results of field observations to the central warehouse in Pasir Mandoge POM, there is no PPE stock available.

Estate Pasir Mandoge

In the harvesting activities in Block 03 I Afdeling 3 it was discovered that there were 3 Employee PPE in the form of boots in damaged condition. The results of interviews with these employees revealed that the boots were provided by the employees themselves. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work.

Estate Sei Kopas

In the harvesting activity in Block 09 E Afdeling 2 it was discovered that there was employee PPE in the form of boots that were purchased by themselves. In addition, the employee does not know the mechanism for replacing PPE by the company. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work. Then the results of field observations to the central warehouse at Sei Kopas Estates, there was no PPE stock available.

Estate Tonduhan

In the activities of 2 harvesting employees in Block 03G Afdeling 3 and 1 Harvesting Employee in Block 04F Afdeling 3 it was found that there were still employee PPE in the form of boots purchased by the employees themselves. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work. Then the results of field observations to the central warehouse in Tonduhan Estates, there is no PPE stock available.

Based on this evidence, the Company has not been able to show evidence that all workers have used appropriate PPE, and that it is provided free of charge to all workers in the workplace. This becomes NCR No. 2022.04 with Major (Recurring) category.

The auditor team has also verified OFI in the previous assessment. The results of the verification found that the implementation of the PPE storage procedure at the Rinse House was in accordance with the procedure where the spray team had stored PPE at the rinse house and did not take the PPE home that had been used.

6.7.4

The company already has a Policy for enrolling workers in the National Social Security System program. This is stated in the 2022-2023 collective labor agreement Chapter VI concerning Health Care and Treatment and Chapter VIII regarding Social Security and Worker Welfare.

The company has also shown a list of workers and their spouses who are included in the Social Security Agency of Health program and all workers have been included in the Social Security Agency of Health program. The company has shown proof of Social Security Agency payment, including:

Social Security Agency of Employment

- Proof of payment for August 2022 paid on August 29, 2022
- Proof of September 2022 payment paid on September 29, 2022

Social Security Agency of Health

- Proof of payment for August 2022 paid on July 4, 2022
- Proof of September 2022 payment paid on August 23, 2022

6.7.5

Companies can show work accident records using Lost Time Accident (LTA). The calculation of work accidents using LTA up to September 2022 is as follows:

- Pasir Mandoge Mill: FR 0 dan SR 0
- Pasir Mandoge Estate: FR 42,83 dan SR 191,24
- Sei Kopas Estate: FR 0 dan SR 0
- Tonduhan Estate: FR 26.48 dan SR 79.45

The reference for calculating FR and SR includes working hours, number of employees, cases of work accidents, and lost workdays.

	Status:	
6.7.2	NCR No. 2022.03 with minor category	
6.7.3	NCR No. 2022.04 with major category (Recurring)	

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

Regarding the integrated pest management plan, the Company already has procedures set out in the Basic Guidelines and Work Instructions for Control of Palm Oil Pests and Diseases with document number: 04.04/KS/TAN/P/005 revision 1 on February 24, 2020. Pest and disease control is carried out first by carrying out a pest and disease census (early observation) and then carrying out eradication of pests and diseases after which an evaluation is carried out.

Based on the results of the document review, it is known that the company has implemented the IPM plan, for example, based on the report on the eradication of Caterpillar Pests for January-September 2022, Mandoge Estate and Sei Kopas Estate are known to have zero attacks, this is in accordance with the results of interviews with pest census officials. In addition, the company also uses beneficial plants as a biological pest control.

7.1.2

Based on the results of field visits and document verification, it is known that the company does not use invasive species for biological pest control which are classified as invasive species based on Minister of Environment and Forestry Regulation No. 94 of 2016.

7.1.3

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

company has not carried out countermeasures using fire. This can be seen in field visits that were conducted during the audit process and based on interviews with employees and management.

Status: Comply

7.2

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

7.2.1

Based on the results of document studies and visits to pesticide storage warehouses, it is known that the company uses selective pesticides according to the target pests/weeds to be controlled. The company has shown records of pesticide use for the 2022 period. From this data it is known that the company only uses selective pesticides according to the target pests/weeds to be controlled.

Based on field visits and interviews with spray workers at the Pasir Mandoge Estate, it is known that workers know about the function of the chemicals used and are selective when carrying out spraying activities, for example glyphosate is used to spray plates and pikul markets only while weeds in dead fields are not sprayed .

7.2.2

Based on the results of the document review, it is known that the company has kept records of each use of pesticides and their toxicity which informs the number of pesticides used, the extent of pesticide application, the content of active ingredients and the LD50 information of the pesticides used.

7.2.3

As part of reducing the use of pesticides, the company implements integrated pest control, one of which is by using beneficial plants as biological pest control. In addition, the company carries out pest control using chemicals if the number of attacks exceeds the economic threshold.

7.2.4

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

7.2.5

Based on a review of the list of pesticide use documents as well as interviews and visits to pesticide storage warehouses, it is known that the company does not use pesticides that are included in World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions and paraquat.

7.2.6

Based on the results of interviews with Chemist officers who were carrying out maintenance work on the harvest ladder at the Pasir Mandoge Estate, it was found that workers were able to explain the stages of work starting from spraying procedures to handling equipment after work, first aid in case of an accident, as well as the function of the PPE used.

Based on field observations, interviews with workers and interviews with management, it is known that the application of pesticides is carried out by people who are trained and comply with the applicable guidelines on product and storage labels, as evidenced by:

- Workers equipped with PPE such as shoes, helmets equipped with face shields, aprons, shirts and trousers, masks and nitrile gloves. The type of PPE is in accordance with the MSDS recommendations.
- Workers are able to explain and demonstrate work according to procedures, such as justifying the use of pesticides, considering wind flow when spraying, mixing pesticides, pesticides and targets, prohibited areas for spraying (eg HCV and riparian areas).
- Pesticide solutions are mixed in the pesticide warehouse and transported by special vehicles for safety aspects and to reduce environmental pollution.

- Spraying activities are carried out selectively with a knapsack sprayer with the nozzle periodically calibrated. After work, knapsack sprayer and PPE are stored in the rinse house.

7.2.7

Based on the results of a field visit to the pesticide storage warehouse, it is known that the storage warehouse has been equipped with a hazard symbol, emergency response facilities and infrastructure, adequate ventilation and lighting.

7.2.8

The company shows the Handling of Hazardous waste as described in SOP No. SPO 02 dated 2 January 2015 was approved by the Head of the Planning Section on Hazardous Waste Management, Agrochemical Chemical Containers and equipment washing water. In the procedure it is explained that the identification of hazardous waste is: ex lubricant, ex battery, used pesticide packaging, used rag, ex lamp. The hazardous waste must be collected in a Hazardous warehouse and sent to authorized collectors.

The results of field observations in rinse houses, warehouses and interviews with Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate to pesticide applicators, it is known that applicators have been given regular training on safe working methods. This is evidenced by the explanation of the correct way of working in accordance with procedures including how to use and handle risks in accordance with material safety sheets. There has been a work safety sheet (MSDS) and symbols of hazardous and toxic materials that are properly installed on the walls and doors of the warehouse. Pesticide applicators also use personal protective equipment in accordance with the specified hazard identification and material safety data sheets such as respirator masks, gloves, safety shoes, aprons and goggles. Furthermore, clean water and soap are available in the field.

Based on the interview results, it is concluded that those who apply pesticides are employees who have attended training, while employees understand the dangers and risks related to the chemicals used.

Based on field observations during the ASA-2 Audit, it was found that hazardous waste was not located in a licensed place, as follows:

1. 3 jerry cans used for the chemical glyphosate in the housing of Pasir Mandoge Mill employees, 3 pcs in the Kebun Pasir Mandoge Afdeling 4 and Afdeling 5 housing complex.
2. Former Pertamina drums are used as water reservoirs of 1 pcs in the Rinse house Afdeling I Pasir Mandoge Estate, 1 pcs in Pasir Mandoge Mill housing and 1 pcs in the Pasir Mandoge Estate Afdeling Housing Afdeling 5.

Based on the evidence findings as mentioned above, this has become non-conformity on indicator 7.3.2

7.2.9

Based on the results of interviews and field observations, it is known that the company does not apply pesticides through aerial spraying.

7.2.10

The company has conducted an annual special health check for pesticide operators and documented evidence of follow-up of the results of the inspection, for example:

Pasir Mandoge POM

Cholinesterase: 3 within normal limits and 6 Mild intoxication. Follow-up to the results of the employee's health examination with mild intoxication will consult the company doctor and be re-examined on September 6, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbing Hospital.

Pasir Mandoge Estate

Cholinesterase: 25 within normal limits and 14 Mild intoxication. Follow-up to the results of the employee's health examination with mild intoxication will consult the company doctor and be re-examined on September 6, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not

yet come out of Balimbingan Hospital.

Sei Kopas Estate

Cholinesterase: 31 within normal limits and 1 Mild intoxication. Follow-up to the results of an employee health examination with mild intoxication will consult the company doctor and be re-examined on October 19, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbingan Hospital.

Tonduhan Estate

Cholinesterase: 29 within normal limits and 1 Mild intoxication. Follow-up to the results of an employee health examination with mild intoxication will consult the company doctor and be re-examined on October 19, 2022. Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have not yet come out of Balimbingan Hospital.

Based on the results of interviews with company representatives and spray workers, it is known that workers who experience interference from the results of health checks will be transferred to other jobs. In addition, there were no complaints from workers regarding the results of health checks.

7.2.11

Based on the results of interviews with Chemist workers who were carrying out maintenance work on harvesting ladders at the Pasir Mandoge Estate, it was found that workers who were pregnant or breastfeeding were not allowed to work related to chemicals and would be transferred to other jobs.

The results of interviews with spray workers and company representatives found that spray workers routinely carry out pregnancy checks. In addition, pregnant workers will report to supervision for follow-up, such as being transferred to another job.

Status: Comply

7.3

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

7.3.1

The company shows the Handling of Hazardous waste as described in SOP No. SPO 02 dated 2 January 2015 was approved by the Head of the Planning Section on Hazardous Waste Management, Agrochemical Chemical Containers and equipment washing water. In the procedure it is explained that the identification of hazardous waste is: used lubricant, used battery, used pesticide packaging, used rag, used lamp. The hazardous waste must be collected in a Hazardous warehouse and sent to authorized collectors. Company also has identified waste product and make the list of it. It is also known that there was waste management plan available as procedural that were written in procedural document of Handling of Hazardous waste SOP No SPO 02 dated 2 January 2015.

The company shows SOP for Household Waste Management NO SPO 20 Revision 3 dated January 2, 2018 about management domestic waste.

The Company already has a licensed Temporary Waste Storage Facility based on a Decree of the Asahan regent Number 503/LB3/DPMPPTSP/0005/V/2019 concerning Temporary Storage Permit for Hazardous Waste to PT Perkebunan Nusantara IV Pasir Mandoge Unit. This permit was passed on May 23, 2019 valid until 5 years.

7.3.2

The company already has B3 Waste Management SOP No. SPO 02 rev 03 dated 27 August 2018 which explains that Hazardous waste generated by operational activities is stored in the B3 Waste Temporary Storage.

The Certification Unit has the document Basic Guidelines and Work Instructions of PT Perkebunan Nusantara IV No. Document 04.03/P/005 dated 1 September 2021 which states that the handling of used chemical packaging that is no

longer used is to damage the packaging (punch/press) so that it cannot be reused and store the used packaging in the Hazardous Waste warehouse.

Based on field observations during the ASA-2 Audit, it was found that Hazardous waste was not located in a licensed place, for example 3 jerry cans of the chemical substance glyphosate in the housing of Pasir Mandoge POM employees, 3 pcs in the Kebun Pasir Mandoge housing Afdeling 4 and Afdeling 5 and former drums Pertamina is used as a water reservoir of 1 pcs in the Rinsehouse Afdeling I Pasir Mandoge Estate, 1 pcs in Pasir Mandoge POM housing and 1 pcs in Pasir Mandoge Afdeling 5 Estate's housing.

The company also has SOP related to Household Domestic Waste Management No. SPO 20 rev.02, dated 2 January 2015 which explains that every housing must be equipped with a trash can; Each employee collects waste in the bins provided, and cleaning staff regularly collects waste and takes it to Landfill using the tools provided.

Based on the results of field observations in the area, evidence of piles of domestic waste was obtained in the following locations:

1. The residential area of the Emplacement near the Pasir Mandoge POM's Office (afdelling II Kebun Pasir Mandoge).
2. The Housing Areas of Pasir Mandoge Afdelling 4 and Afdelling 5 Estate
3. In Block 04 AD Pasir Mandoge Estate Afdelling 2.
4. On the Pulpul River Border 04 BH Afdelling IV Kebun Pasir Mandoge.
5. At Housing Afdelling 3 Kebun Pasir Mandoge
6. In Housing Afdelling 2 Tonduhan Estate
7. Behind the Tonduhan Afdelling 2 Estate Fertilizer warehouse
8. In Housing Afdelling 3 and Afdelling 5 Sei Kopas Estate

Based on the results of interviews with workers and management representatives, it is known that there are no cleaning workers who regularly collect waste and take it to Landfill.

Based on the results of the field visit above, several things were found that were not in accordance with the procedures for managing the waste belonging to the unit of certification. So, This becomes NCR No. 2022.05 with category minor raised to Major.

7.3.3

The company has a non-burning waste management procedure described in SPO 20 revision 03 effective date January 2 2018 which explains that each employee's housing must be equipped with a trash can and disposed of with a landfill sanitation system (burial) at the final landfill.

Based on the results of field observations, it was found that there were traces of burning domestic waste, for example in Emplacement Housing near the Pasir Mandoge POM's Office (Afdeling II Kebun Pasir Mandoge), Kebun Pasir Mandoge Housing Afdeling Afdeling 4 and Afdeling 5, Pasir Mandoge Housing Afdelling 3 Estate, Tonduhan Housing Afdeling 2 Estate, Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate.

Based on the explanation above, it is known that there is evidence of the destruction of domestic waste by burning. So, This becomes NCR No. 2022.06 with category minor raised to Major.

7.3.2	Status: NCR No. 2022.05 with category minor raised to Major	
7.3.3	NCR No. 2022.06 with category minor raised to Major	

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 already has procedures and work instructions related to good cultivation practices to manage soil fertility, several SOPs and work instruction which include:

- Basic guidelines and work instructions for fertilization management with number: Business unit A.10 which came into force on 24 February 2020. The IK explains about maintaining soil fertility by applying fertilizer into the soil as a substitute for nutrients that have been taken up by plants both with organic fertilizers and single and compound inorganic fertilizers
- SOP concerning Analysis of Leaf and Soil Samples with number: 05.4. This procedure explains that soil analysis is carried out once every 3-5 years or once a year if necessary, while leaf analysis is carried out once a year and for young plants, if necessary, leaf samples can be taken twice a year with the consideration that changes in nutrient elements in young plant leaves are very high. change fast.

Based on document studies and field visits, for example harvesting activities at Afdeling III Block 09AF Pasir Mandoge Estate and Afdeling 3 Block 98 Sei Kopas Estate, it is known that the company uses pruned palm fronds as additional nutrients.

In addition to providing complete nutrients to the soil, the company has utilized empty oil palm fruit bunches and palm liquid waste, which comes from POM waste and fertilization using single and compound inorganic fertilizers.

7.4.2

The company already has an SPO document on Leaf and Soil Sample Analysis with number: 05.4. This procedure explains that soil analysis is carried out once every 3-5 years or once a year if necessary, while leaf analysis is carried out once a year and for young plants, if necessary, leaf samples can be taken twice a year with the consideration that changes in nutrients in young plant leaves are very rapid. changed. The report on the results of the Leaf and Soil Analysis is listed in the Fertilizer Recommendation Report document:

- Soil Analysis dated 1 September 2020 published by the Center for Oil Palm Research for a total of 13 samples. The parameters analyzed include C, N, C/N, P, K, Ca, Na, Mg, CEC, JKB, KB, and Al.
- Leaf Analysis Number 1180/0.1/Sert/IX/2021 dated 3 August 2021 issued by the Center for Oil Palm Research for a total of 82 samples. The parameters analyzed include N, P, K, Ca, and Mg

7.4.3

Based on the results of document review and field visits, it is known that the company has implemented a nutrient recycling strategy including through the use of land applications, empty fruit bunches and the use of pruning palm fronds.

7.4.4

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

- Report on Recommendations and Realization of Fertilization for the 2022 period at Pasir Mandoge Estate, for example as follows:

No	Fertilizer Type	Recommendation		Realization	
		Kg	Ha	Kg	Ha
1	NPK 12	124,652.50	707	125,059.75	707
2	Dolomite	144,833.50	666	144,833.50	666
3	MOP	131,568.50	666	131,568.50	666

- Report on Recommendations and Realization of Fertilization for the 2022 period at the Tonduhan Estate as follows:

No	Fertilizer Type	Recommendation		Realization	
		Kg	Ha	Kg	Ha
1	NPK 12	2,105.756	9,314	1,783.50	7.,37
2	Dolomite	156,888.50	588	156,888.50	588
3	MOP	274,231.50	1,176	137,111.75	588

Based on the records of fertilizer use, it is known that in general the realization of fertilizer use complies with the company's fertilization recommendations.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1	
	Each estate has a map of soil type, geology, slopes with scale 1: 50.000. Based on the study of land type map and field verification, the entire area of the Estate is a mineral land. There was no peat soil in the operational area. There were no fragile or problematic soils such as sandy soil or soil with low organic matter content.
7.5.2	
	Based on the results of field visits to replanting areas for the 2021 planting year, for example in Sei Kopas Estate Afdeling 4 Block 21L, it is known that there has been no extensive replanting on steep slopes.
7.5.3	
	Based on the results of a document review and field visit, it is known that the company has not carried out any new planting activities.
	Status: Comply
7.6	
	Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.
7.6.1; 7.6.2 and 7.6.3	
	Based on the results of a document review and field visit, it was discovered that the company did not carry out any new planting development activities but only carried out replanting activities.
	Status: Comply
7.7	
	No new planting on peat, regardless of depth after November 15 th , 2018 and all peatlands are managed responsibly.
7.7.1 – 7.7.7	
	Each estate has a map of soil type, geology, slopes with scale 1: 50.000. Based on the study of land type map and field verification, the entire area of the Estate is a mineral land. There was no peat soil in the operational area. There were no fragile or problematic soils such as sandy soil or soil with low organic matter content.
	Status: Comply
7.8	
	Practices maintain the quality and availability of surface and ground water
7.8.1	
	<p>The companies have water management program, such as:</p> <ul style="list-style-type: none"> • Perform periodic quality tests of river water and spring water • Conduct surveillance and greening in watersheds and springs water • Making appeal signs to preserve the area and protect water sources • Conducting socialization to employees to conserve and water in the watershed • Procedure for Management of High Erosion Potential Areas (SOP No. 11, Revised 02 dated January 2, 2015). • Procedure for Management and Monitoring of High Conservation Value Areas (SOP No. 8, Revised 02 dated Jan 2, 2015). <p>The company has demonstrated the results of the clean water test as mentioned in RKL-RPL Reports Semester I year 2022 conducted by accredited Laboratories as accredited KAN. Based on the test results show that the quality of surface water is in accordance with the standards of the minister of health of the republic of Indonesia number 32 of 2017.</p>
7.8.2	
	<p>The plan for the protection of watersheds and wetlands in the form of riparian is described in SOP No. SPO 05 revision 03 effective August 27 2018 regarding riparian management mechanisms. The riparian management plan includes:</p> <ul style="list-style-type: none"> • Identification of river type classification consisting of: small river (< 1 m), small river (1-10 m), medium river (10-20 m), river (40-80 m), large river (80-220 m), and rivers (> 220 m). • Determine the minimum boundaries: 100 m large river border, 50 m small river/tributary border, 100 m area around lake/reservoir, 200 m radius area around springs.

- Re-allocation of riparian, swamps, springs into protected areas with the following procedures: conduct an inventory of the location, area and then mapped.
- Restore the riparian according to their designation.
- Riparian on planted area, the vegetation should be maintained by promoting vegetation growth in the riparian areas by prohibiting chemical spraying.

Based on the audit assessment at the ASA-1 stage, this became a non-conformity because it was found that there was a riparian area which was used as a replanting location in Afdelling II of the Tonduhan Estates Blocks 93 A and 93 C, namely the Aek Sopang location. This becomes a discrepancy in this indicator with the discrepancy number 2021.15. The unit of certification has taken corrective action against this discrepancy by carrying out efforts to remove the palm trees embedded in that location.

Based on the results of the verification at this time's assessment for the assessment stage in Surveillance-2, it is known that the results of the field visit at Tonduhan Estate to the HCV locations where there are replanting in Afdelling 2 Blocks 93 A and 93 C or with the new block according to the name of the block at the replanting location or the new planting year, namely in block 20A and block 19A, it is known that the location of the river bank planted with oil palm trees has been removed and planted with woody plants.

The certification unit also submits, regarding documented evidence from the Management plan for the location and the total area of the number of palm trees planted in that location, and the target for revocation based on the timeline set by the company. Documents on realization of revocation and progress of revocation, as well as documents related to the implementation of replacing oil palm trees with planting of woody plants. The unit of certification can also show the minutes of replanting of replanted palm trees at the HCV location.

Based on the explanation above, it is known that the implementation of conservation area management is in accordance with the HCV management plan and the implementation of the action plan for correcting discrepancies in the previous assessment. So that the verification results for the indicators in the ASA-2 stage assessment, the company has made efforts to manage and maintain protected areas and real high conservation value in accordance with the company's SOP.

Based on verification on ASA-2, this indicator has been fulfilled in accordance with the corrective actions taken by the company.

7.8.3

The company already has a permit to use/utilize water owned by the company, namely based on the Decree of the Minister of Public Works and Public Housing, Asahan District, Sumatera Utara Province for the use of water in the Perot River for the industrial business of the Pasir Mandoge business unit owned by PT PTPN IV with number 246.2/KPTS/M /2018 year 2018 which is valid for 5 years.

POME quality testing document review shown for January to September 2021 all of POME testing parameters are compliant to the standards quality (for examples BOD on 14 June April 2021 are 496 mg/l with threshold 5000 mg/l and pH 7,84), and all of POME management and monitoring has been reported to related institutions for regular basis per 3 months. On the onsite audit the company also conducted POME quality testing, based on document verification POME testing still accordance minister environmental number 28 year 2003.

The company has carried out POME management on the land Application (LA) in accordance with applicable regulations, including recording and monitoring the daily POME flow rate with a calibration calculation system because the POME flowmeter (outlet) in the POM is damaged. The company needs to ensure the condition of the POME discharge flowmeter on the land application in the next assessment period (On Assessment Surveillance 2). Therefore this has become Opportunity for improvement in ASA-1. Based on ASA-2 assessment verification it is known that the flowmeter condition was function properly.

7.8.4

The company already has a water use/utilization permit owned by the company, namely based on the Decree of the Minister of Public Works and Public Housing, Asahan District, Sumatera Utara Province for the use of water in the Perot

River for the industrial business of the Pasir Mandoge business unit owned by PT PTPN IV with number 246.2/KPTS/M/2018 year 2018 which is valid for 5 years.

The company has water use documents for palm oil processing units which are documented in process water use documents, records of water use are carried out every day and recapitulated every month. There is water usage data as follows:

- The period from October 2020 to September 2021 is the use of 198,970 m³ of clean water or 0.73 (M³ / MT) per tonne of processed FFB.
- The period from January to December 2021, namely the use of 131,237 m³ of clean water or 0.46 (M³ / MT) per ton of processed FFB.

There is a water resources exploitation permit for PTPN IV Pasir Mandoge business unit for industrial business in the Perot River, Asahan District, Sumatera Utara Province according to the decision of the Minister of Public Works and Public Housing number 246.2/KPTS/M/2018 year 2018 which is valid for 5 years.

The company shows proof of payment for water for processing in May 2021 which was paid on June 22, 2021 to the Regional Tax and Retribution Management Agency UPTD Kisaran - Sumatera Utara Province (serial number 0025541).

The company also shows proof of payment for April 2022 processing which was paid on April 29, 2022 and proof of payment for June processing which was paid on July 5, 2022 to the Regional Tax and Retribution Management Agency UPTD Kisaran - Sumatera Utara Province (Sequential posting number DK0205296).

Based on the results of field observations to the IPAL, it is known that the use of water is taken from the Perot River and is used for processing at the POM and for channeling it to housing or for domestic needs. Based on the results of interviews with IPAL workers, it is known that workers have understood the job duties and responsibilities well, and have carried out work according to work instructions set by the company.

Based on the results of the previous assessment, this indicator was used as the OFI because the monitoring system for monitoring the use of water per ton of FFB was hampered due to the flow meter in the mill being damaged. Based on the results of a field visit during surveillance-2 in October 2022, it is known that the condition of the flowmeter is in good condition so that the recording of water usage can be carried out routinely without any problems.

Based on the explanation above, the company already has water usage documents for palm oil processing units along with supporting documents in the form of Surface Water Use Permit Documents, recapitulation of water use, and proof of payment of surface water use fees.

Status: Comply

7.9

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

7.9.1

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January until September 2022 POM has produces 3,368,810 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 16,58 kwh / ton CPO.

Status: Comply

7.10

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

7.10.1

The company has identified source of pollution and air emission sources, including gaseous, particles and shoot emissions and effluent covering emissions and pollution sources from estate and mill operations. The emission source identified from estate and mill operation among others are land use change, vehicle operation, machine operation, fertilizer and pesticide application, use of AC/refrigerator, waste piling and electricity consumption.

Identification of significant GHG gas emission source is identified and the mitigation plan has been developed by the

company covering mill and estate. The significant GHG emission among others are land use change, POME, use of fertilizer and pesticide, use of fossil fuel for operation and transport. The mitigation plan among others are correct dosage use for fertilizer and application as recommended, reduce reuse and recycle action, electric use limitation, transport and engine maintenance, periodic air quality test.

Fossil fuel reducing on Pasir Mandoge POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods January to September 2022 shown that all of waste water testing parameters is compliant to the standards quality.

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator.

The GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emmison for Pasir Mandoge POM and its supply base for period 2020 are listed as follows :

Summary Emission

Emmision per product	tCO2e/tProduct
CPO	0.58
PK	0.58

Production	t/yr
FFB processed	284,328.99
CPO produced	62,673.38
PK produced	11,565.65

Extraction	%
OER	22.04
KER	4.07

Land use	Ha
Planted area	16,680.17
Planted on peat	0
Conservation Area Forested	0
Conservation Area Non Forested	275.55

Summary of field emission and Sinks

Description	Own crop			Group			Total
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB	
Emissions Sources							
Land conversion	131852.99	9.69	0.51	23972.26	7.79	10.09	155825.25
CO2 emissions from fertilizer	6399.73	0.47	0.02	321.46	0.10	0.14	6721.19
N2O emissions from Peat	0	0	0	0	0	0	0
N2O emissions from Fertilizer	3779.56	0.28	0.01	228.61	0.07	0.10	4008.17
Fuel consumption	4889.88	0.36	0.02	152.8	0.05	0.06	5042.68

Peat oxidation	0	0	0	0	0	0	0
Sinks							
Crop sequestration	-124071.03	-9.12	-0.48	-7285.03	-2.37	-3.07	-131356.06
Sequestration in Conservation area	0	0	0	0	0	0	0
Total	22851.14	1.68	0.09	17390.09	5.65	7.32	42175.44

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	2344.62	0.03
Fuel consumption	592.41	0.00
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	592.41	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

Based on the explanation above, it is known that the Certification unit already identified GHG emission sources and also monitored the net emission through Palm GHG Calculator and Publicly reported.

7.10.2

Until audit ASA-2 conducted, no new planting activities above 15 November 2018, the company did not conduct new land clearing activities or development of operational areas. Land clearing was conducted in 1989. Based on the results of visits in the planting year 2020 it was a replanting area from the 1993 planting year.

Efforts to reduce pollutants carried out by companies include:

- Monitor air quality and emissions from boilers and generators
- Manage liquid waste in WWTP before it is used in plantations
- Carry out regular machine maintenance.
- Optimizing the use of fertilizer according to recommendations
- Use of fibers and shells in PKS to reduce diesel.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester II the year 2021 and Semester I year 2022. According to RKL-RPL report, the company conducted routine environmental quality test regularly once in three to six months for the following parameters:

- Wastewater quality testing
- Ambient air quality testing
- Air quality testing (generator, boiler)
- Stench quality testing
- Noise (machinery) testing
- Building shock vibration testing
- River water quality testing (biological/plankton/bentos, chemical compounds)

The company has conducted emission tests from boilers and generators, as well as ambient air quality which will be carried out in semester 1 of 2022 by a KAN-accredited laboratory. Based on the results of the document review, it is known that the results of the assessment have complied with the provisions stipulated by the Government.

Based on the explanation above, it is known that the company has identified significant pollutants and implemented reduce and minimize action use while monitored the results of quality testing of certain parameters as listed in the RKL-RPL document.

7.10.3

The company has identified pollutions and emissions sources of Pasir Mandoge POM for the period 2021 and 2022, such as CO₂ (boiler, generator, transportation), CH₄ (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021, such as emissions (CO₂, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester II the year 2020 and semester 1 year 2021. Fossil fuel reduction on Pasir Mandoge POM have been implemented by fiber/shell usage for the boiler.

Status: Comply

7.11

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

7.11.1

Based on interviews with management representatives, known that the business unit does not use burn method for land clearing. There are procedures that arranged to not to use the burn method in land clearing. The statement was confirmed by the SOP July 2007 recorded in SPO 02. Certification unit also involved the local communities to have a commitment in Land Fire Prevention and Handling Control and also shown document of zero burning policy.

On 2022, certification already has made reports related to Land fire Prevention and Monitoring. This reports already been reported to related agency on 24 March of 2022 with number No SKO/X/27/III/2022.

7.11.2

The company has an emergency response organizational structure within the OHS Committee organizational structure that oversees the fire squad, fire chief and core firefighting team, and security squad. Fire extinguisher simulation results during the surveillance - 2 audit showed that the land firefighting equipment was functioning properly and the officers understood the procedures for implementing the fire extinguisher.

The unit of certification performs fire prevention and control measures for managed land through the following activities:

- Establish an emergency response team to handle fire emergencies. The company has an emergency response team for each estate and mill.
- Having emergency response facilities and infrastructure for preventing and overcoming land fires. Like having a fire control POSKO (Post), with monitoring teams (patrols) and fast-moving firefighters.
- Construction of monitoring towers, monitoring the condition of the monitoring towers periodically and conducting routine patrols.
- Carry out early detection or implement a weather and hotspot information system as well as an intensive fire monitoring system during the dry season to support an early warning system.

- Make fire warning signs and signs of fire-prone areas in strategic locations that are frequently passed by so that they are easy to see and understand.
- Make ponds as a source of water as needed.
- Conducting training for firefighters on firefighting techniques and strategies from burnt locations and surroundings.
- Conducting the formation of a Fire Care Community for the community around the company's operational area. MPA is involved in fire control, monitoring, reporting, training, simulation and education activities related to prevention and control.
- The unit of certification has also identified post-fire response actions (in the event of a fire) such as recovery actions for victims and recovery actions for company facilities

Based on field observation to fire equipment warehouse, and hydrant simulation on the mill, it is known that all the equipment was working properly and in good condition and well maintained by the company.

7.11.3

The company presented a report on land fires to the Asahan & Simalungun District Agriculture Office on 24 March of 2022. The report explained that there were no incidents of land fires. Fire extinguisher monitoring is known that all fire extinguishers are in good condition.

Status: Comply

7.12

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

7.12.1 & 7.12.8

The company has been sent disclosure of liability for Pasir Mandoge Estate, Sei Kopas & Tonduhan Estate, based on email from RSPO on September 11th, 2019 its known there no liability for Pasir Mandoge Estate, Sei Kopas & Tonduhan Estate.

7.12.2

Tonduhan Estate.

The company shows an HCV identification report for Tonduhan Estate which was carried out in November 2015 covering 3 main stages of a desk-based study, field work and consultations with stakeholders. Desk based study was carried out on November 14, 2015 in Medan City, field study on November 27-28, 2015 and public consultation was held on May 12, 2016. HCV identification was carried out by PT Surveyor Indonesia, Team Leader Henry Marpaung and the total HCV is 86.47 ha with detailed that 29.49 are planted area and 56.98 are non planted area. The HCV accepted because the initial certification for RSPO done after 15 November 2018 due to Tonduhan estate is supply base of Pasir Mandoge Mill, therefore the initial assessment status is pending.

Pasir Mandoge Estate.

The HCV assessment for Pasir Mandoge Estate in March 2015 included 3 main stages of desk-based study, field work and consultation with stakeholders. Public consultation was held on 5 March 2016. The methodology used several references such as The High Conservation Values Forest Toolkit (Proforest 2003), Guidelines for identifying valuable areas HCV high conservation Toolkit 2008, common guidance of identification of High Conservation Values (HCVRN 2013), common guidance for management and monitoring of HCVs (HCVRN 2013). The scope of the assessment covers 8,406.35 ha and the total HCV Management is 740.80 ha with detailed that 661.69 Ha are planted area, and 79.11 are unplanted area. And all the HCV in planted area and unp;anted area was excluded from the counting planted area because it was planted before it was decided as a HCV area, so the HCV area are mixed between unplanted area and planted area as known as 683.82. Peer review by Kunkun Gurmaya in December 2016. The HCV accepted because the initial certification for RSPO done after 15 November 2018 due to extension of HGU.

Sei Kopas Estate.

The company showed an assessment of HCV identification carried out in November 2015. Public consultations were carried out on November 14, 2015 in Medan and field studies on 26-27 November 2015. The methodology used several references such as The High Conservation Values Forest Toolkit (Proforest 2003), Guidelines for identifying high

conservation value areas HCV Toolkit 2008, common guidance of identification of High Conservation Values (HCVRN 2013), common guidance for management and monitoring of HCVs (HCVRN 2013). The scope of the assessment covers 6,979.72 ha and the total HCV Management is 560.80 ha with detailed that 503,82 Ha are included as planted area and 56,98 Ha are unplanted HCV area. Peer review by Kunkun Gurmaya in December 2016. The HCV accepted because the initial certification for RSPO done after 15 November 2018 due to extension of HGU.

Based on the explanation above it is know that information about the total of HVC area is 797,78, with detailed 56,98 from Sei Kopas, 56,98 from Tonduhan, and 683,82 from Pasir Mandoge.

7.12.3

Based on document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover countrie, Consultancy report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia.

7.12.4

The plan for the protection of watersheds and wetlands in the form of riparian is described in SOP No. SPO 05 revision 03 effective August 27 2018 regarding riparian management mechanisms. The riparian management plan includes:

- Identification of river type classification consisting of: small river (< 1 m), small river (1-10 m), medium river (10-20 m), river (40-80 m), large river (80-220 m), and rivers (> 220 m).
- Determine the minimum boundaries: 100 m large river border, 50 m small river/tributary border, 100 m area around lake/reservoir, 200 m radius area around springs.
- Re-allocation of riparian, swamps, springs into protected areas with the following procedures: conduct an inventory of the location, area and then mapped.
- Restore the riparian according to their designation.
- Riparian on planted area, the vegetation should be maintained by promoting vegetation growth in the riparian areas by prohibiting chemical spraying

Based on the audit assessment at the ASA-1 stage, this became a non-conformity because it was found that there was a riparian area which was used as a replanting location in Afdelling II of the Tonduhan Estates Blocks 93 A and 93 C, namely the Aek Sopang location. This becomes a discrepancy in this indicator with the discrepancy number 2021.16. The unit of certification has taken corrective action against this discrepancy by carrying out efforts to remove the palm trees embedded in that location.

Based on the results of the verification at this time's assessment for the assessment stage in Surveillance-4, it is known that the results of the field visit at Tonduhan Estate to the HCV locations where there are replanting in Afdelling 2 Blocks 93 A and 93 C or with the new block according to the name of the block at the replanting location or the new planting year, namely in block 20A and block 19A, it is known that the location of the river bank planted with oil palm trees has been removed and planted with woody plants.

The certification unit also submits, regarding documented evidence from the Management plan for the location and the total area of the number of palm trees planted in that location, and the target for revocation based on the timeline set by the company. Documents on realization of revocation and progress of revocation, as well as documents related to the implementation of replacing oil palm trees with planting of woody plants. The unit of certification can also show the minutes of replanting of replanted palm trees at the HCV location.

All the management plan was consulted to the local people such as from Suka Makmur Village accordance to the interview results, and it can be proven by the questionnaire that was being held by the company including about the SIA and EIA program's conduct.

Based on the explanation above, it is known that the implementation of conservation area management is in accordance with the HCV management plan and the implementation of the action plan for correcting discrepancies in the previous assessment. So that the verification results for the indicators in the ASA-2 stage assessment, the company has made efforts to manage and maintain protected areas and real high conservation value in accordance with the company's SOP.

Based on verification on ASA-2, this indicator has been fulfilled in accordance with the corrective actions taken by the company.

7.12.5

Based on HCV identification documents, it is known that there are no customary rights areas in the area identified as HCV at plantation area. Based on documents review and interviews with heads of village, known that the company had been established from the era of Dutch Governance and until now in plantation operations have been replanted (replanting) but there is no new land development and there were no new land clearing activities from 2005 to the present.

7.12.6

The company has identified the existence of flora and fauna in and around the plantation, before and after the start of the plantation business. The types of plants and animals have previously been described in the environmental documents owned by the company. As for plant and animal species after the commencement of the plantation business are observed and identified semiannually and reported annually in the conservation area monitoring and management report. For example, the results of monitoring priority plant and animal species can be shown on 7 February 2022 with the following details:

- There are 5 types of plants which are not protected entirely including: Durian, Mahogany, Ara, Anggrung and Gelaga.
- There are animals consisting of 6 types of mammals namely Root Tiger, Long-tailed Monkey, Rat, Weasel, Wild Boar, and Lampung Monkey, with 4 of them included in the IUCN Red List Vulnerable (Lampung Monkey), Cites Appendix II (Long-tailed Monkey, Weasel, Lampung Monkey), and PP No.7 of 1999 (Tiger Roots, Civets)
- There are 22 types of Aves including sparrows, sparrows, chillies, egrets, chirping birds, owls etc.
- Etc

The company has conducted outreach regarding the existence of conservation areas/protected areas to the surrounding community as indicated by the following records:

1. Record of outreach to employees on July 21, 2021 which was attended by 50 participants and accompanied by a list of attendees and photo documentation of the implementation.
2. Records of socialization of the HCV area to the public on March 16, 2021 which was attended by 36 participants and accompanied by a list of attendees and photo documentation of the implementation.
3. Records of HCV Management Socialization to the community and workers on 21 February 2022 and attended by 12 Participants.
4. Record of socialization to employees on March 3, 2021 which was attended by 34 participants and accompanied by a list of attendees and photo documentation of the implementation.
5. Records of socialization of the HCV area to the public on 15-16 March 2021 which was attended by 40 participants and accompanied by a list of attendees and photo documentation of the implementation.
6. Record of socialization on 1 February 2022, attended by 23 participants from workers, management units, and community representatives, external stakeholders at Wisma Kemuning Pasir Mandoge.

The company also conducts annual monitoring and evaluation for the management of HCV areas where these activities are aimed at identifying risks and impacts on conservation areas and enhancing protection efforts. Some of the proposed activities based on the evaluation results include:

- Improve HCV management and monitoring activities in accordance with standard SOPs for HCV management and monitoring in all HCV areas within the plantation.
- Adjusted the poster for protected animals based on PermenLHK No.106/2018.
- Measurement of stem diameter on flora plots that have been made to monitor the dominance and density of Bulian Forest stands.
- Cooperating with the Bulian forest management team in its management in Pendawa Plasma such as joint patrols/monitoring, planting woody plant species and socializing to the surrounding community to protect the Bulian customary forest.
- Increase socialization activities to staff, plantation employees and the community around the plantation to increase the level of understanding of HCV.

All the implementation of HCV management plan every year included evaluation was reported and written on the RKL-

RPI reports every semester and also on the HCV report annually reports.

Based on this information, it can be concluded that the company has carried out activities in order to protect biodiversity and reported it to the authorized agency, namely the BKSDA of Sumatera Utara Province.

7.12.7

The company shows the HCV 2022 management program as follows

- Maintenance of warning boards prohibiting animal hunting and cutting down trees in the HCV1 area
- Maintaining forest / protected areas
- Socialization of conservation areas (High Conservation Value Areas) to employees and surrounding communities and communities not to damage HCV areas
- Socialization of protected flora and fauna to the surrounding community not to hunt and trade in flora and protected fauna because it can disturb the environment and ecosystem

Monitoring of HCV areas in 2022 is carried out regularly every month to ensure the security of the area. Monitoring activities were carried out at several river border locations such as Aek Sopang river.

This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current condition. Examples of field observations in Aek Sopang river shows that there were no threats to the HCV area such as electric fishing, former chemical applications, and the destruction of the HCV area. The results of field visits to several HCV areas show that the company has managed HCV areas such as not using chemicals, and putting up signs of HCV areas and prohibiting hunting.

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-2	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-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-2	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or ✓
ASA-2	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or ✓
ASA-2	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

PT Perkebunan Nusantara III Time Bound Plan (TBP) is explained in table 1.10. PT Perkebunan Nusantara III has 10 (ten) subsidiaries with 63 (sixty-three) mills. PT Perkebunan Nusantara III has informed the TBP progress, MUTU has considered that PT Perkebunan Nusantara III is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PT Perkebunan Nusantara III on January 2021.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Perkebunan Nusantara III based on their Time Bound Plan. There are 28 uncertified mills and 77 uncertified estates of PT Perkebunan Nusantara III. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	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. 	<p>PTPN III</p> <p>Based on document verification sighted that all uncertified unit has conducted LUCA and submitted to the RSPO:</p> <ul style="list-style-type: none"> - KRBTN dated 20 August 2021, there are raw non-compliant land clearance with area 489.83 Ha. - 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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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"> 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. 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 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</p> <p>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.Sukasmiyanto,

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Moh.Yasin, Bahrin, 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.</p> <ul style="list-style-type: none"> 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 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>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>

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</p> <p>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 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, Solse, BKC, B. Kausar, and MAI) by Consultant Inovasi Sejahtera Berkelanjutan.</p> <p>PTPN VII Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after November</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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).</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> <ul style="list-style-type: none"> 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. d. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <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> <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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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</p> <p>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 November 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 procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>PTPN III KRBTN There are several area in Division 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 There was land conflict between PT PN V with community in Senama Nenek village, located in Sei Kencana Estate and Terantam Estate for approximately $\pm 2,800$ Ha (± 550 Ha under Terantam Estate and $\pm 2,250$ Ha under Sei Kencana E tate). During this initial audit, this area has been released in accordance with a court decision.</p> <p>PTPN VI</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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> <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>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>PTPN III</p> <p>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</p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN VI</p> <p>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 – 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>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		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.
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 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> <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)</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>because the organization still in-process to get Land Use Right (HGU).</p> <p>PTPN VI 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 es- tate 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 Reg- ulation no.05 Year 2012 jo Minister of Environment & Forestry Regulation no.P.38/MENLHK/SETJEN/KUM.1/7/2019 or Min- ister 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-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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 behalf 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, PT MAJI, Unit of Durian Luncuk business, Unit of Bunut business, Unit of Bukit Cermin business and PT Bukit Kautsar.</p> <p>PTPN VII</p> <p>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>

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

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

NCR No.	: 2021.01	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 5 December 2021
Standard Ref. & Requirement	1.1.3 Records of requests for information and responses are maintained		
Evidence observed (filled by auditor): The Company already has a SOP for Information and Response Requests Storage Period No. SPO 06 revision 03 dated August 1, 2017. This procedure explains the timeframe for responding to requests for information and document retention periods. For example, documents requesting information and responses regarding the assistance have shelf life of 10-15 years and others.			
Non-Conformance Description (filled by auditor): Company (Unit Pasir Mandoge and Sei Kopas) have not been able to show all records of requests for information from stakeholders who enter the company along with evidence of their responses.			
Root Cause Analysis (filled by organization audited): There is no special officer who is responsible for documenting all records of requests for information from stakeholders along with evidence of their responses.			
Correction (filled by organization audited): Shows a list of requests for information from stakeholders and their responses			
Corrective Action (filled by organization audited): Make an appointment of PIC who is responsible for documenting all records of requests for information from stakeholders along with evidence of their responses and provide socialization according to their jobdes			
Assessor Evaluation and Conclusion (filled by auditor): Verification on November 1, 2021 The company shows evidence of improvement in the form of: <ul style="list-style-type: none">• List of external communications recapitulation of Pasir Mandoge for the 2020/2021 period. The recapitulation document informs the date of receipt of the document, sender, communication media, subject, follow-up and status.• Mandoge Estate Manager Decree No. PAM/SK/01/X/2021 Plantation dated October 1, 2021 regarding the Appointment of a Documentation Officer for Stakeholder Information Requests.• List of recapitulation of external communications of Sei Kopas for the 2021 period. The recapitulation document informs the date of receipt of the document, sender, letter number, topic, follow-up and status. For example :<ul style="list-style-type: none">- Letter No. 140/018/SK/2021 dated March 12, 2021 regarding the application for paint assistance. A response letter dated March 15, 2021, No. SKO/X/47A/III/2021 has been shown . . → but has not shown evidence of a response letter has been delivered to the applicant (who delivered a letter).- Letter No. 600/326 dated April 5, 2021 regarding requests for road repairs. The response letter dated April 9, 2021, No. SKO/X/59A/IV/2021. → but has not shown evidence of a response letter has been delivered to the applicant (who delivered a letter).- Letter No. 140/68 dated July 9, 2021 regarding the request for assistance for piled up land. A response letter dated 12 July 2021 No. SKO/X/498A/VII/2021 has been shown. → but has not shown evidence of a response letter has been delivered to the applicant (who delivered a letter).• Decree of the Sei Kopas Estate Manager No. SKO/SK/04/X/2021 dated October 1, 2021 regarding Special Officers for external consultation and communication. The decree also attaches the tasks of the PIC who is appointed to conduct			

consultation and communication. But, the letter does not mention the specific officer appointed to document the incoming letter documents and their responses.

- List of external communications recapitulation of Pasir Mandoge for the 2020/2021 period. The recapitulation document informs the date of receipt of the document, sender, communication media, subject, follow-up and status. For example, letter No. 421.2/083/SMP.sw/PAM/VI/2021 regarding requests for assistance. The letter has been responded to by letter No. PKS PAM/X/47A/VI/2021 dated June 21, 2021 along with a letter of receipt of goods that has been signed by stakeholders.
- Mandoge POM Manager Decree No. PKS PAM/SK/IX/2021 dated October 1, 2021 regarding the Appointment of a Documentation Officer for Stakeholder Information Requests.

Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on November 25, 2021

SEI KOPAS:

The company shows evidence of improvement in the form of:

- Evidence of handover of land aid on 12 July 2021 (according to letter number 140/68 dated 9 July 2021) from the Sei Kopas unit to Silau Jawa Village.
- Decree of the Sei Kopas Estate Manager No. SKO/SK/04/X/2021 dated October 1, 2021 regarding Special Officers for external consultation and communication. The decree also attaches the tasks of the PIC who is appointed to conduct consultation and communication. But, the letter does not mention the specific officer appointed to document the incoming letter documents and their responses.
- Minutes of socialization of the procedure for the retention of information requests dated October 1, 2021.

MANDOGE

The company shows evidence of improvement in the form of:

- Minutes of socialization of the procedure for storing information requests for information dated November 1, 2021.

Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on November 30, 2021

The company shows evidence of improvement in the form of:

- Mandoge → sample incoming mail and responses. For example, letter No. 140/42/2020 dated April 3, 2020 regarding requests for assistance. The letter has been responded to and submitted to stakeholders through letter No. PAM/X/42/IV/2020 April 5, 2020. Other examples of incoming letters No. 451/099 dated January 25, 2021 regarding work dispensation. The letter has been responded to and submitted to stakeholders through letter No. PAM/X/10/II/2020 on January 28, 2021.
- Sei Kopas → company has demonstrated a response letter and evidence of handing over the letter to stakeholders. For example, incoming letter No. 140/018/SK/2021 dated March 12, 2021 which was responded to on March 15, 2021 and incoming letter No. 600/326 dated April 5, 2021 has been responded to on April 9, 2021.

Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on December 5, 2021 .

The company shows evidence of improvement in the form of:

- Decree No. SKO.MU/KPTS/10/XII/2021 dated December 1, 2021 regarding special officers who are responsible for documenting incoming letters and external responses in the Sei Kopas unit.
- Minutes of socialization of incoming letter documentation and responses dated December 3, 2021. Socialization was carried out to officers appointed to document incoming letters and external responses in the Sei Kopas unit.
- Minutes of socialization of incoming letter documentation and responses dated December 3, 2021. Socialization was carried out to officers appointed to document incoming letters and external responses at the Pasir Mandoge unit.

Based on the explanation above, the discrepancy is declared Fulfilled and will be re-observed at the next assessment.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Rizliani A Hsb

NCR No.	: 2021.02	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: Surveillance-2
NC Grade	: Minor	Date of Closing	: ASA-2 (29 Oktober 2022)
Standard Ref. & Requirement	2.2.2 All contracts, including contracts with FFB suppliers, have separate clauses regarding the fulfillment of relevant legal obligations, and can be proven by the relevant third party.		
Evidence observed (filled by auditor): The company shows the following documents: <ul style="list-style-type: none">• Work Agreement between Pasir Mandoge Estate and CV Irhan for FFB Transport at Afdeling 1 No. 04.04/SPKP/Angkut – langsir-TBS/10.11/II/2021• Work Agreement between POM and CV Karya Mandiri for the transportation of palm kernel No. 04.05-Peng/S.Perj/01/II/2021.• Work Agreement between POM and CV Wahana Adidaya Pertiwi for the transportation of CPO No. 04.05-Peng/S.Perj/02/II/2021.• Work Agreement between Sei Kopas Estate and PT Mitra Eisa Mandiri No. GMD-I/RO-TAN/SPK/Angkut,Langsir TBS/44/VI/2021• Work Agreement between Sei Kopas Estate and CV Ratu Badis Brothers No. GMD-I/RO-TAN/SPK/Angkut,Langsir TBS/58/VI/2021• Work Agreement between Tonduhan Estate and PT Anugrah Puetra Mandiri No. 04.04/SPKP/Angkut-Langsir-TBS/740, 741/VII/2021• Evidence of payment for BPJS Employment CV Anugrah Perkasa for August 2021, which was paid on August 16, 2021• Evidence of payment for BPJS Employment CV Irhan in August 2021, which was paid on August 16, 2021• List of BPJS participant cards for the October 2019 period, Nusantara Putra Doge contractor, which consists of 14 workers.• Evidence of payment for BPJS Employment for the month of August to be paid on September 3, 2021 and attachment of BPJS cards for 8 workers.• List of wages for CV Anugrah Putra Mandiri workers in August for 14 workers. From the list of wages, it is known that the wages of contractor workers are still below the applicable minimum wage			
In the Work Agreement above, it has been explained about the obligation to fulfill regulations by contractors such as providing PPE, participating in the BPJS program and being obliged to comply with other regulatory provisions.			
The results of interviews with contractor workers for FFB loading and unloading activities in the Pasir Mandoge Estate revealed that 2 contractor workers (Nusantara Putra Doge) had not been included in the BPJS Employment program.			
Non-Conformance Description (filled by auditor): Based on the explanation above, it is concluded that the company has not been able to demonstrate compliance with relevant laws and can be proven by the third party concerned, but not limited to such as evidence of BPJS payments, payment of wages for each contractor employee accordance with applicable minimum wage and others.			

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

There is no evaluation of the work of third parties regarding the fulfillment of legal obligations

Correction *(filled by organization audited):*

1. Showing the BPJS Employment card for Nusantara Putra Doge employees
2. Show proof of payment of wages for CV Anugrah Putra contractor workers in accordance with the applicable Minimum Wage

Auditor Response :

- How to improve compliance with other regulations? is the fulfillment of the relevant law only related to wages and BPJS?

Corrective Action *(filled by organization audited):*

Demonstrate the evaluation of the work of third parties regarding the fulfillment of legal obligations

Auditor Response :

Is there a PIC appointed to evaluate third party work (for the Pasir Mandoge unit)? Does the appointed PIC understand their duties and responsibilities (for all units except Tonduhan)?

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

Verification date November 1, 2021.

- The company shows evidence of improvement in the form of:
- Proof of Employment BPJS participant cards for Nusantara Putra Doge contractors for 14 workers.
- Proof of BPJS TK transfer for Nusantara Putra Doge contractor April – July 2021. For example, July payments will be paid on July 12 2021. □ Please provide details of names of workers paid
- Evaluation of vendor compliance for the January – December 2020 period with CV Irhan and CV Putra Doge vendors with the result that the vendor/contractor has met all requirements.
- List of wages for transporting FFB by CV Anugrah Mandiri (Tonduhan Plantation) for 14 workers. The wage for workers with 25 HK is Rp. 2,836,659. The 2021 Simalungun UMK is Rp. 2,607,089, 49.
- Minutes of dissemination of vendor performance evaluation procedures and their completeness on 27 September 2021 attended by 16 participants.
- Proof of payment for BPJS TK for CV Anugrah Mandiri for the month of July – August 2021. For example, the August payment will be paid on September 3, 2021. □ Please provide details of the name of the worker being paid
- Proof of Employment BPJS participant card for CV Anugrah Mandiri contractors for 5 workers.
- SK No. TON/KPTS/417/X/2021 regarding officers monitoring the duties and responsibilities of vendors in the Tonduhan plantation.
- Form for the track record of the Tonduhan Plantation work service provider
- Monitoring program of Tonduhan plantation vendor's duties and responsibilities. □ Does the description checked include the work agreement between the contractor and the contractor?

In addition, the company has not shown evidence in the form of:

- Fulfillment of wages for contractor workers CV Putra doge is in accordance with applicable regulations.
- Fulfillment of relevant laws (wages, BPJS and others) for other contractors (other than Anugrah Mandiri and Putra Doge) according to the above incompatibility.
- Evaluation for other contractors (besides Anugrah Mandiri and Putra Doge) according to the discrepancy above.

Please respond to the yellow flagged auditor's response and send further evidence.

Based on the explanation above, the discrepancy is still open.

Verification date November 25, 2021

SEI KOPAS

The company shows evidence of improvement in the form of:

- Decree of the Sei Kopas Plantation Unit Manager No. SKO/S.Kpts/07B/X/2021 dated October 1, 2021 regarding officers who are responsible for evaluating compliance with Sei Kopas Estate unit vendor regulations.
- Minutes of socialization with vendors on October 1, 2021. The socialization was attended by 15 participants.

Please respond to the yellow flagged auditor's response and send further evidence.

Based on the explanation above, the discrepancy is still open.

ASA-2 verification on October 29, 2022

The company shows evidence of improvement in the form of a list of contractor workers, attendance of contractor workers, payment of wages for contractor workers, payment of BPJS for workers and work agreements for contractor workers, for example CV Irhan, CV Wahana Adidaya Pertiwi, CV Ratu Badis Bersaudara and PT Anugrah Puetra Mandiri.

Based on the explanation above, the discrepancy is declared fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Kiki Fadli

NCR No.	: 2021.03	Issued by	: Briyogi Shadiwa
Date Issued	: 11 September 2021	Time Limit	: Surveillance-2
NC Grade	: Minor	Date of Closing	: ASA-2 (29 Oktober 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): Company showing annual report document using RSPO Metric Template. However, there are still some items that have not been filled in by management, for example: <ul style="list-style-type: none">- The company's HCV area.- Training of employees related to RSPO. In addition, there is no information for Tonduhan and Sei Kopas supplier plantations in the template metric.			
Non-Conformance Description (filled by auditor): The annual report using the RSPO Metric Template has not fully presented.			
Root Cause Analysis (filled by organization audited): Lack of understanding of the unit of certification to fill in the RSPO Metrics Template.			
Correction (filled by organization audited): Improve proper RSPO Metrics Templates such as company HCV extent and RSPO related employee training.			
Corrective Action (filled by organization audited): 1. Determine the PIC in filling out the RSPO P&C Metrics Template 2. Conduct training for PICs in filling out the RSPO P&C Metrics Template			
Assessor Evaluation and Conclusion (filled by auditor): Verify November 24, 2021 <ul style="list-style-type: none">- The company shows evidence of improvement, including:- Decree of PKS Manager Pasir Mandoge concerning the Appointment of Officers for Filling in the RSPO P & C Metric			

Template (No.: PKSPAM/SK/14/X/2021) on October 1, 2021. The document determines the PIC who is in charge of filling out the RSPO Metric Template.

- Record of Socialization for Filling in P & C Metric Template Basic Info which was conducted on 30 November 2021. The training aims to improve the competence of officers who are responsible for filling out the RSPO Metric Template

However, the company has not established preventive/corrective actions in accordance with the root cause analysis that has been determined.

Current verification of ASA-2

The company has filled out the latest version of the metric template file and can show it during the ASA-2 audit activity to the auditor team. Then the company has also assigned a PIC whose job is to fill in the metric templates from PKS employees. Based on root cause analysis, corrective actions and evidence shown, discrepancies in this indicator can be declared Fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Briyogi Shadiwa / Hasiholan Sihombing

NCR No.	:	2021.04	Issued by	:	Septian Maulana/Rizliani Aprianita Hsb
Date Issued	:	11 September 2021	Time Limit	:	10 December 2021
NC Grade	:	Major	Date of Closing	:	25 November 2021
Standard Ref. & Requirement	:	3.6.1 All operational activities risks assessed to identify the H&S issues. Mitigation plans and procedures are documented and implemented			
Evidence observed (filled by auditor): Pasir Mandoge (Estate and factory) <ul style="list-style-type: none">• The results of the field visit to the fertilizer warehouse at Pasir Mandoge afdeling 8 found that there were workers who were tasked with sweeping the fertilizer. Based on the review of the HIRAC document, the Pasir Mandoge unit has not identified the potential hazards and risks of cleaning the fertilizer warehouse (sweeping fertilizer).• Observation to St. The sterilizer was found by 4 contractor workers who were doing welding activities. However, in the HIRAC PKS Mandoge has not identified the potential hazards and risks of welding activities.• In addition, based on the results of interviews with sterilizer operators and verification of HIRAC documents, it was found that the PPE at the sterilizer station only consisted of gloves, masks, goggles, helmets, shoes and safety belts. Based on the results of the audiometric examination in 2020, it was found that 2 boiled operators had suspected NIHL (noise-induced hearing loss). From the results of a follow-up examination in 2021, it is known that the personnel was diagnosed have hearing loss. Related to this, the company has not identified the potential noise hazard and its control in the sterilizer area. Tonduhan Estate Based on the results of visits to the workshop and interviews with workshop staff at the Tonduhan Estate, it was discovered that there were welding activities. In addition, from the results of the visit to the warehouse, it was known that there were pesticide mixing activities. However, the HIRAC Estate Tonduhan has not identified the potential hazards and risks of welding activities and mixing pesticides. Estate Sei Kopas Based on field observations, it is known that the central pesticide warehouse has pesticide mixing activities. However, the HIRAC Estate Sei Kopas has not identified the potential hazards and risks of mixing pesticides.					
Non-Conformance Description (filled by auditor):					

The Company has not been able to show evidence that all operating activities have been assessed for risk to identify OHS problems, and mitigation plans and procedures are documented

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

There is no special officer responsible for reviewing the results of risk identification

Correction *(filled by organization audited):*

Carry out HIRAC repairs in accordance with working conditions in the field both at the Mill and Estate

Corrective Action *(filled by organization audited):*

Appoint a PIC who is responsible for making and reviewing the results of risk identification

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

Verification November 4, 2021

The company has shown evidence of improvement as follows:

- Decision of the Manager of the Pasir Mandoge Business Unit No. PAM/MU/Kpts/49/IX/2021 dated September 13, 2021 regarding the appointment of General OHS as the PIC responsible for reviewing the results of risk identification.
- Pasir Mandoge Mill Manager Decree No. PKS PAM/SK/12/X/2021 dated October 1, 2021 regarding the determination of the PIC in charge of reviewing the results of risk identification.
- Decree of the Download Unit Manager No. TON.MU/Kpts/ /IX/2021 dated September 14, 2021 regarding the determination of the PIC in charge of reviewing the results of risk identification.
- Decree of the Sei Kopas Unit Manager No. SKO/SK/09/X/2021 dated October 1, 2021 regarding the determination of the PIC in charge of reviewing the results of risk identification.
- Revision of the HIRAC St. document. The sterilizer has added a source of noise hazard.
- HIRAC Welding activities.
- HIRAC cleaning activities of the fertilizer warehouse office.
- HIRAC welding activities
- HIRAC pesticide mixing activities

Based on the results of the assessment of the adequacy of the Root Problem Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification November 25, 2021

The company has shown a recording of HIRAC socialization, for example, which was conducted on October 11, 2021 at Kebun Sei Kopas, in addition the company also showed plans for identification and evaluation of HIRAC documents which will be carried out in December 2021.

Based on the results of the assessment of the adequacy of the identification of the Root Problem Analysis, Preventive Actions and Corrective Actions that have been shown by the company, the non-conformance is declared to have been fulfilled.

Follow up on next audit *(filled by auditor):*

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Septian Maulana/Rizliani Aprianita Hsb

NCR No.	: 2021.05	Issued by	: Septian Maulana/Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 25 November 2021

Standard Ref. & Requirement	3.6.2 The effectiveness of the H&S plan to address health and safety risks to people is monitored
Evidence observed (filled by auditor):	
First aid kit and bag:	
<ul style="list-style-type: none"> Observations in the Pasir Mandoge Mill workshop area, found a povidin iodine item that has expired in 2020 in the first aid kit. The results of the field visit at Block 04AT Afdeling 3 Estate Pasir Mandoge, it is known that in the harvest foreman's first aid bag there are only 8 types of items and no monitoring of usage is available. In addition, at the same location, in the Afdeling Assistant's First Aid bag, it was found that only 11 types of items were available and no usage monitoring was available. Observations in the area of the Mill Pasir Mandoge Engineering Room area, found 8 types of items in the first aid kit and one item (eyewash) has expired in July 2021. The first aid kits at the offices of Afdeling 7 and 8 Estate Pasir Mandoge are not available for betadine, monitoring usage, and eye wash (Afdeling 8) has expired. The first aid kit at the afdeling 3 Estate Tonduhan fertilizer warehouse is not yet equipped with scissors, mitela cloth and teardrops, but the first aid items in the checklist are complete. The results of the field visit at Block 04B Afdeling 3 Estate Tonduhan, it was found that the fertilizer foreman's first aid bag was not equipped with eye wash water and glasses, but the first aid items in the checklist were stated to be complete. The results of the field visit at Block 08D Afdeling 2 Sei Kopas Estate, it is known that in the harvest foreman's first aid bag there are only 9 types of items and there is no checklist of items that must be brought to the field The results of interviews with the company obtained information that the standard of completeness of the contents of the first aid kit that was brought to the field was different from the standard of the contents of the first aid box in the room. However, the company has not been able to show justification for the standard / completeness of the items in the first aid kit in the field. 	
HSE Instructions	
<ul style="list-style-type: none"> Observation to St. The engine room has provided an OHS warning in the form of a smoking ban, but cigarette butts and cigarette packs were found in the area. Based on the results of field visits, the Mill process area has not been equipped with evacuation routes and visitor lines. Field visit to the fertilizer warehouse for Afdeling 8 Estate Pasir Mandoge found MSDS for Boron fertilizer in English. The warehouse clerk interviewed admitted that he did not understand a foreign language (English). Field visit at Warehouse Afdeling 7 Estate Pasir Mandoge no MSDS available for NPK fertilizer. A field visit at the Tonduhan Estate Pesticide Warehouse found MSDS for English speaking Spreeder and Starane. The warehouse clerk interviewed admitted that he did not understand a foreign language (English). 	
OHS Competent Personnel	
<ul style="list-style-type: none"> Based on the results of field visits and a study of document data on the installation permit/machinery and equipment of Pasir Mandoge Mill, it is known that the company has 2 units of turbines with a capacity of the Shinko brand (1,800 KVA/1,931.07 HP) and the Coppus brand (1,500 KVA/1,609.23). HP) and 2 generator units with a capacity of Genset 1 (500 KVA/536HP) and Genset 2 (675 KW/905.19 HP). Based on the results of interviews with engine room officers, it is known that the Mill operates 2 shifts in 1 day and the engine room personnel in each shift consist of 2 people. Based on Permenaker No. 12 of 2015 concerning Electrical Occupational Safety and Health Article 7 states that companies that have electricity generation of more than 200 KVA are required to have OHS in the electricity sector. In addition, the requirements for the number of personnel are in accordance with Permenaker 38 of 2016 concerning OHS Power and Production Aircraft, namely for prime mover units with a capacity of up to 214.47 HP, 1 class 2 operator is required and a unit with a capacity > 214.47 HP requires 1 class operator. 1 and 1 class 2 operator. There is no welder certificate at the Tonduhan Estate and Pasir Mandoge Mill. Based on the review of the license list and personnel certificate documents as well as interviews with the relevant PIC, the following data are known: <ul style="list-style-type: none"> The company has 1 personnel who already have a Class 1 Power Plane Operator license No. 7840/PM/PTP/X/2019 valid until. October 18, 2024. 	

- The company does not yet have OHS for Electricity.

Non-Conformance Description (filled by auditor):

The Company has not been able to demonstrate that the effectiveness of the OHS plan to deal with OHS risks in people has been monitored

Root Cause Analysis (filled by organization audited):

- There is no planned training program related to OHS and the special officer in charge
- Lack of supervision regarding the contents of first aid drugs and OHS instructions at the work site

Correction (filled by organization audited):

- Show a letter of application for OHS Electricity, Welder, and Class 1 power aircraft operator training for Pasir Mandoge POM
- Show the application letter for Welder training for Tonduhan Estate
- Complete the contents of the first aid kit in accordance with the applicable laws and regulations and monitor its use
- Complete the OHS instructions at the job site

Corrective Action (filled by organization audited):

- Plan training programs related to OSH and appoint responsible officers
- Appoint an officer who is responsible for monitoring the contents of first aid drugs and OHS instructions

Assessor Evaluation and Conclusion (filled by auditor):

Verification November 4, 2021

The company shows evidence of improvement as follows:

- Decree of Sei Kopas Estate Unit Manager No. SKO/SK/ IX/2021 dated October 2, 2021 regarding the appointment of a PIC who is responsible for checking and providing the contents of the first aid kit and waist bag for the Sei Kopas Estate unit.
- Letter No. RS Bal/X/390/X/2021 dated October 22, 2021 regarding the completeness of the first aid kit
- Documentation of Emergency Accident First Aid and Waist Bags for Field Foreman
- Proof of completing the contents of the first aid kit at the Afdeling III Office of the Tonduhan unit
- MSDS Herbicide Spreader and Starane in Indonesian
- Letter No. TON/04.07/105/IX/2021 dated September 15, 2021 regarding Proposed Welder Training
- Letter No. TON/04.07/755/IX/2021 dated September 22, 2021 concerning Applications for Issuance of Welder Certificates

Based on the results of the assessment of the adequacy of the Root Problem Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification November 25, 2021

The company can show additional evidence of improvements including:

- Monitoring of training related to RSPO and ISPO and In House Training/Socialization in 2021 for the Pasir Mandoge POM, as well as Training Need Analysis of the Tonduhan and Sei Kopas Estates.
- Certificate of Electrical OHS Candidate Training from OHS service Company dated 28 October 2021
- Certificate of Training for Class I Power and Production Aircraft Operators from PJK3 dated 28 October 2021
- Certificate of Class I Welder OHS License Training from OHS service Company dated October 28, 2021
- Decree of the Pasir Mandoge Business Unit dated November 10, 2021 regarding the appointment of a PIC who is responsible for monitoring the box and first aid instructions.
- Decision Letter of the Pasir Mandoge Mill Unit Manager dated November 1, 2021 regarding the appointment of a First Aid Drug Monitoring Officer
- Decree of the Tonduhan Unit Manager dated November 23, 2021 regarding the appointment of an Identification Officer and Training Program Plan at the Tonduhan Estate Unit.
- Decree of the Tonduhan Unit Manager dated November 23, 2021 regarding the appointment of a First Aid Medicine Box Monitoring Officer at the Tonduhan Estate Unit.
- Records of Inspection Evaluation of No Smoking Compliance on November 13, 2021

Based on the assessment of the adequacy of the Root Problem Analysis, Preventive Actions and Corrective Actions that have been shown by the company, the non-conformance is declared to be fulfilled.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Septian Maulana/Rizliani Aprianita Hsb

NCR No.	: 2021.06	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 5 December 2021
Standard Ref. & Requirement	3.7.1 There is a documented training program available for all staff, workers, smallholders and <i>outgrowers</i> that takes into account gender-specific needs and covers aspects of the RSPO principles and criteria in a form that they can understand and includes an assessment of the training.		
Evidence observed (filled by auditor): Training Need Analysis <ul style="list-style-type: none">• Training Need Analysis Unit of Mandoge Estate in 2021 which consists of Fertilization Training, First Aid Officer Training, limited pesticide handling training, harvest training and chemist training.• Training Need Analysis of Mandoge POM in 2021 which consists of training for internal auditors for OHS, risk management, first aid, inspection and investigation, fire safety and health experts, welders, Class III overhead crane operators.• Training Need Analysis of Sei Kopas Estate for 2021 which consists of training on emergency response, fire management, first aid, general OHS, electricity, firefighters, welders and limited pesticide training.• Training Need Analysis of Tonduhan Estate for 2021 which consists of training on fertilizers, plantation management systems, first aid kits, welder training, limited pesticide handling training, harvesting, chemist training, chemical and fertilizing training in HCV areas Training Program <ul style="list-style-type: none">• The Mandoge Estate 2021 training program consists of training on environmental management and monitoring programs, household domestic waste management, simulation of emergency response and land fires and implementation procedures and health checks.• Training program for Sei Kopas Estate in 2021 which consists of tree census training, plantation management system policies, fertilization, monitoring and management of HCV, chemist and midrib trimming.• Training program for Tonduhan Estate in 2021 which consists of training on pesticides, IPM, early warning system, BMP and competency improvement for foreman, HCV management, and hazardous waste management. Non-Conformance Description (filled by auditor): The company has not been able to demonstrate that the identification of training needs has been carried out in accordance with the needs of the workers and that the training program for workers has covered all aspects of the RSPO principles and criteria.			
Root Cause Analysis (filled by organization audited): Lack of understanding of officers in identifying training needs and training programs that cover all aspects of the RSPO principles and criteria.			

Correction *(filled by organization audited):*

Revise the training program in accordance with the identification of training needs that needed by workers and the training program that covers all aspects of the RSPO principles and criteria

Corrective Action *(filled by organization audited):*

Provide understanding/socialization to officers in order to develop identification of training needs that needed by workers and training programs that cover all aspects of the RSPO principles and criteria

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

Evaluation on November 1, 2021

The company shows evidence of improvement in the form of:

- The 2021 Pasir Mandoge Internal Training Program consists of 11 trainings including HCV Management and Monitoring Training, RSPO ISPO internal auditor training, IPM training, Chemist officer training, fire fighting training, occupational health and safety training, river border and resource management water training, training on HIRAC preparation, first aid training, RKL-RPL training and GHG training. Identification of training that cover all aspects of the RSPO principles and criteria has not been shown as the basis for determining the training.
- The recording of the socialization of the fulfillment of the Pasir Mandoge Estate RSPO document on 23 August 2021 was attended by 21 participants.
- Identification of Factory training needs in 2021 which explains the No. SAP, position, training requirements according to the position and type of training proposed.
- Training Program related to RSPO for the Mandoge POM unit in 2021 which consists of 27 training programs.
- IHT/ socialization related to RSPO for Mandoge POM as many as 24 activities. For example, the socialization of mandatory report of employment on October 10, 2021.
- Training Need Analysis of Internal Training of Sei Kopas Estate which consists of 7 trainings including IPM, EWS, Chemical and spraying equipment calibration training, HCV management, ganoderma census training, fertilizer implementation training and first aid training. TNA informs the field of work, type of training, training objectives, position, estimated time and realization of implementation.
- Training Need Analysis of External Training of Sei Kopas Estate which consists of 8 trainings including electronic manifest and reporting training, welder and electricity, RSPO awareness training, first aid training, limited pesticide applicator training, risk management training, general OHS fire training. TNA informs the field of work, type of training, training objectives, position, estimated time and realization of implementation.
- Training Need Analysis Internal Training of Tonduhan Estate in 2021 which consists of 8 trainings between fertilizer training, first aid, welder, limited pesticide handling, harvesting, chemistry training for pikul market plates, chemical and fertilizing training in HCV areas, and harvesting under the electricity network. TNA informs the field of work, type of training, training objectives, position, estimated time and realization of implementation.
- The Tonduhan estate training plan for 2021 consists of 7 trainings including pesticide training, IPM control training, EWS training, BMP training, HCV management and hazardous waste management.

Based on the results of the assessment of the adequacy of the Root Problem Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on November 30, 2021

The company shows evidence of improvement in the form of:

Sei Kopas

- The training program related to RSPO in 2021 which consists of 14 training programs. The document also informs the number of workers who will be given training.
- Monitoring of training related to RSPO in 2021. For the period June – October 2021, there are 4 trainings that have been realized. The document also informs the number of workers who have received training.
- Socialization related to RSPO which consists of 10 socialization activities for the period of 2021. For the period May – October 2021, there are 2 socialization activities that have been realized. The document also informs the number of workers who will be given socialization.

- Identification of training needs for 2021 that informs the name, title and proposed type of training.

Tonduhan

- Identification of training needs for the Tonduhan estate that informs the name, title and type of proposed training
- The 2021 training program and monitoring consists of 24 types of training. Based on the results of monitoring, there are 13 types of training that have been realized.

Based on the results of the assessment of the adequacy of the Root Problem Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on December 5, 2021.

The company shows evidence of improvement in the form of:

- Revision Identification of training needs for Sei Kopas, Tonduhan and Pasir Mandoge Estate Units in 2021.
- Socialization program for Sei Kopas, Tonduhan and Pasir Mandoge units related to RSPO including socialization of hazardous and domestic waste management
- Decree No. TON.MU/Kpts/16/XI/2021 dated November 23, 2021 (Tonduhan) regarding the identification and planning of training programs. The appointed officers are Personnel Assistant and document control officer.
- Decree No. SKO/S.Kpts/07A/X/2021 dated October 1, 2021 (Sei Kopas) regarding the identification and planning of training programs. The appointed officers are the Assistant of Personnel and Cranial.
- Decree No. PAM/MU/Kpts/27/XII/2021 dated December 3, 2021 (Mandoge) regarding the identification and planning of training programs. The appointed officers are Assistant Personnel, Cranial Personnel and document control officer.
- Minutes of the socialization of identification and training programs on December 3, 2021 in the Sei Kopas unit to the PIC appointed to carry out identification and training programs.
- Minutes of the socialization of identification and training programs on December 3, 2021 in the Mandoge unit to the PIC appointed to carry out identification and training programs.
- Minutes of the socialization of identification and training programs on December 3, 2021 in the Tonduhan unit to the PIC appointed to carry out identification and training programs.

Based on the explanation above, the non-conformance is declared Fulfilled and will be re-observed at the next assessment.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Rizliani A Hsb

NCR No.	:	2021.07	Issued by	:	Briyogi Shadiwa
Date Issued	:	11 September 2021	Time Limit	:	Surveillance-2
NC Grade	:	Minor	Date of Closing	:	24 November 2021
Standard Ref. & Requirement	:	3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">- Based on the SOP for Handling Certified Palm Oil Products (Doc. No.: 04.03/UNIT/SUS/P/001), it is known that weighbridge operator is in charge of verifying certified FFB through SPB.- The results of interviews with 3 weighbridge operators, the workers admitted that they had never attended training related to SCCS.- The weighbridge operator explained that they only accept FFB that has evidence of delivery that has been stamped with					

CSPO (RSPO certified product). From the results of the interview, information was also obtained that there was no FFB with Non-certified status that entered the factory.

- From the results of document review and interviews with management, FFB from Sei Kopas Units that have not been certified (outside the scope) were sent to Pasir Mandoge Mill.
- The mill informed that there are still FFB receipt from Sei Kopas Estate which are outside the scope of certification which are stamped with CSPO (certified products). The company showed a SCCS socialization record for Pasir Mandoge Mill employees on September 9, 2021, but the SCCS socialization records did not explain in detail the separation of certified and non-certified FFB at the weighbridge. In addition, there are no SCCS training records for Sei Kopas Estate.

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

There is not enough evidence that all personnel related to the supply chain have been given specific training and in accordance with the tasks they are doing.

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

Lack of understanding by both the weighing clerks of the Pasir Mandoge POM and Sei Kopas Estate employees regarding the delivery of Non-certified FFB sent to the Pasir Mandoge POM.

Correction *(filled by organization audited):*

- Recapitulating uncertified FFB from October 2020 to August 2021 Sei Kopas Estate.
- Showing the FFB receipt with the CSPO stamp and not the CSPO stamp from the Sei Kopas Estate
- Provide training to SCCS PIC of Sei Kopas Estate and Pasir Mandoge POM.
- Appoint PIC of Sei Kopas Estate who is responsible for handling uncertified FFB.

Corrective Action *(filled by organization audited):*

Evaluating the results of monitoring mass balance on a regular basis by the Chief Engineer for each year as a framework for the consistency of supply chain implementation that can be understood by all responsible personnel.

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

Verification October 27, 2021

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

- Record of Socialization of RSPO Principles and Criteria and Implementation of the Supply Chain Certification System (SCCS) on 19 October 2021 which was attended by PICs who are directly competent with the implementation of supply chain systems such as PPD (Document Control Officer) Pasir Mandoge, Document Control of Unit Sei Kopas, Chief Machinist, Crane, and others.
- Recorded proof of FFB cover letter from certified and uncertified Sei Kopas units, for example:
 1. FFB cover letter dated 30 September 2021 from Blocks 10AG and 06D which are RSPO certified blocks (RSPO stamp).
 2. FFB cover letter dated September 9, 2021 from Block 99R which is a block that is not RSPO certified (no RSPO stamp).

Based on this objective evidence, the company has implemented the SCCS system regarding the separation of certified and uncertified FFB. However, the company still has to establish future preventive actions (corrective actions).

Verification November 24, 2021

The company shows evidence of further improvements, including:

- Records of certified and uncertified product balance sheets for 2020 and 2021 which explain that Pasir Mandoge POM does not receive FFB from third parties other than plantations managed by PTPN IV.
- Records of SCCS training conducted on October 19, 2021. The SCCS training was attended by those in charge of SCCS implementation for the Sei Kopas unit
- The company has also established preventive measures in order to consistently apply supply chain procedures

Based on the objective evidence, the non-conformance has been met and will be reviewed for the consistency of its application in the next assessment.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Broyogi Shadiwa

NCR No.	: 2021.08	Issued by	: Briyogi Shadiwa
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 24 November 2021
Standard Ref. & Requirement	3.8.7 Purchasing and Goods in i. The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received. ii. The mill shall inform the CB immediately if there is a projected overproduction of certified volume. iii. The mill shall have a mechanism in place for handling of non-conforming FFB and/or documents .		
Evidence observed (filled by auditor): <ul style="list-style-type: none">- Operator / Weighing Officer explained that they only accept FFB that has proof of delivery that has been stamped with CSPO (RSPO certified product) .- The results of the review of the SCCS realization document, from October 2020 to July 2021, it was found that the number of Non-certified FFB from Sei Kopas Estate that entered the mill every day was the same in each month.			
Non-Conformance Description (filled by auditor): The mill has not been able to show evidence that the verification and recording of the total tonnage and source for certified FFB, and the total tonnage for uncertified FFB has been carried out accurately.			
Root Cause Analysis (filled by organization audited): Lack of understanding by both the weighing clerks of the Pasir Mandoge POM and Sei Kopas Estate employees regarding the delivery of Non-certified FFB sent to the Pasir Mandoge POM.			
Correction (filled by organization audited): <ul style="list-style-type: none">• Recapitulating uncertified FFB from October 2020 to August 2021 Sei Kopas Estate.• Showing the FFB receipt with the CSPO stamp and not the CSPO stamp from the Sei Kopas Estate• Provide training to SCCS PIC of Sei Kopas Estate and Pasir Mandoge POM.• Appoint PIC of Sei Kopas Estate who is responsible for handling uncertified FFB.			
Corrective Action (filled by organization audited): Evaluating the results of monitoring mass balance on a regular basis by the Chief Engineer for each year as a framework for the consistency of supply chain implementation that can be understood by all responsible personnel.			
Assessor Evaluation and Conclusion (filled by auditor): Verification October 27, 2021 The company has shown evidence of improvement in the form of: <ul style="list-style-type: none">• Record of Socialization of RSPO Principles and Criteria and Implementation of the Supply Chain Certification System (SCCS) on 19 October 2021 which was attended by PICs who are directly competent with the implementation of supply			

chain systems such as PPD (Document Control Officer) Pasir Mandoge, Document Control of Unit Sei Kopas, Chief Machinist, Crane, and others.

- Recorded proof of FFB cover letter from certified and uncertified Sei Kopas units, for example:
 1. FFB cover letter dated 30 September 2021 from Blocks 10AG and 06D which are RSPO certified blocks (RSPO stamp).
 2. FFB cover letter dated September 9, 2021 from Block 99R which is a block that is not RSPO certified (no RSPO stamp).
- Based on this objective evidence, the company has implemented the SCCS system regarding the separation of certified and uncertified FFB. However, the company still has to establish future preventive actions (corrective actions).

Verification November 24, 2021

The company shows evidence of further improvements, including:

- Records of certified and uncertified product balance sheets for 2020 and 2021 which explain that Pasir Mandoge POM does not receive FFB from third parties other than plantations managed by PTPN IV.
- Records of SCCS training conducted on October 19, 2021. The SCCS training was attended by those in charge of SCCS implementation for the Sei Kopas unit
- The company has also established preventive measures in order to consistently apply supply chain procedures

Based on the objective evidence, the non-conformance has been met and will be reviewed for the consistency of its application in the next assessment

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Briyogi Shadiwa

NCR No.	2021.09	Issued by	Briyogi Shadiwa
Date Issued	11 September 2021	Time Limit	10 December 2021
NC Grade	Major	Date of Closing	24 November 2021
Standard Ref. & Requirement	3.8.12 Record keeping i. The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. ii. Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock. iii. For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. iv. For Mass Balance Module, the mill: a) shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)		

Evidence observed (filled by auditor):

- Operator / Weighing Officer explained that they only accept FFB that has proof of delivery that has been stamped with CSPO (RSPO certified product) .
- The results of the review of the SCCS realization document, from October 2020 to July 2021, it was found that the number of Non-certified FFB from Sei Kopas Estate that entered the mill every day was the same in each month.

Non-Conformance Description (filled by auditor):

The mill has not been able to show evidence that the verification and recording of the total tonnage and source for certified FFB, and the total tonnage for uncertified FFB has been carried out accurately.

Root Cause Analysis (filled by organization audited):

Lack of understanding by both the weighing clerks of the Pasir Mandoge POM and Sei Kopas Estate employees regarding the delivery of Non-certified FFB sent to the Pasir Mandoge POM.

Correction (filled by organization audited):

- Recapitulating uncertified FFB from October 2020 to August 2021 Sei Kopas Estate.
- Showing the FFB receipt with the CSPO stamp and not the CSPO stamp from the Sei Kopas Estate
- Provide training to SCCS PIC of Sei Kopas Estate and Pasir Mandoge POM.
- Appoint PIC of Sei Kopas Estate who is responsible for handling uncertified FFB.

Corrective Action (filled by organization audited):

Evaluating the results of monitoring mass balance on a regular basis by the Chief Engineer for each year as a framework for the consistency of supply chain implementation that can be understood by all responsible personnel.

Assessor Evaluation and Conclusion (filled by auditor):
Verification October 27, 2021

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

- Record of Socialization of RSPO Principles and Criteria and Implementation of the Supply Chain Certification System (SCCS) on 19 October 2021 which was attended by PICs who are directly competent with the implementation of supply chain systems such as PPD (Document Control Officer) Pasir Mandoge, Document Control of Unit Sei Kopas, Chief Machinist, Crane, and others.
- Recorded proof of FFB cover letter from certified and uncertified Sei Kopas units, for example:
 1. FFB cover letter dated 30 September 2021 from Blocks 10AG and 06D which are RSPO certified blocks (RSPO stamp).
 2. FFB cover letter dated September 9, 2021 from Block 99R which is a block that is not RSPO certified (no RSPO stamp).

Based on this objective evidence, the company has implemented the SCCS system regarding the separation of certified and uncertified FFB. However, the company still has to establish future preventive actions (corrective actions).

Verification November 24, 2021

The company shows evidence of further improvements, including:

- Records of certified and uncertified product balance sheets for 2020 and 2021 which explain that Pasir Mandoge POM does not receive FFB from third parties other than plantations managed by PTPN IV.
- Records of SCCS training conducted on October 19, 2021. The SCCS training was attended by those in charge of SCCS implementation for the Sei Kopas unit
- The company has also established preventive measures in order to consistently apply supply chain procedures

Based on the objective evidence, the non-conformance has been met and will be reviewed for the consistency of its application in the next assessment

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Briyogi Shadiwa

NCR No.	: 2021.10	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 30 November 2021
Standard Ref. & Requirement	6.1.5 The existence of a gender committee with specific objectives to raise awareness, identify and address issues of concern, and provide opportunities and enhancements for women..		
Evidence observed (filled by auditor): <ul style="list-style-type: none">Gender committee structure in each unit, including Pasir Mandoge, Sei Kopas and Tonduhan unitsSocialization documents related to the gender committee consisting of minutes of meetings, attendance and photos of implementation. The socialization documents shown are as follows:<ul style="list-style-type: none">Minutes of socialization for the Pasir Mandoge unit on 26 June 2021 which was attended by 23 participants. However, the discussion in the minutes of the meeting did not contain information that the reporting mechanism related to women's issues such as sexual harassment, sexual violence and others was submitted through the gender committee.Minutes of socialization for the Tonduhan unit on May 14, 2021. In the minutes of the meeting, it is explained about the call to report if you experience, know, see and hear cases of sexual harassment. However, it does not contain information that the reporting mechanism related to women's issues such as sexual harassment, sexual violence and others is submitted through the gender committeeMinutes of socialization for the Sei Kopas unit on March 19, 2021. The minutes of the meeting explained the company's policies related to sexual harassment, sexual violence and the protection of women. However, it does not contain information that the reporting mechanism related to women's issues such as sexual harassment, sexual violence and others is submitted through the gender committee			
The results of interviews with 2 female workers in Block 04BB Pasir Mandoge Estate, 2 female workers in Block 04B Tonduhan Estate, 2 female workers in Block 10G Sei Kopas Estate and 1 female worker in Afdeling II office, it was found that workers did not know about the gender committee to handle issues -Women's issues such as sexual harassment, sexual violence and others.			
Non-Conformance Description (filled by auditor): Based on the explanation above, it is concluded that there is not enough evidence that the company has socialized the reporting mechanism related to women's issues through the gender committee.			
Root Cause Analysis (filled by organization audited): Lack of supervision over the results of socialization regarding women's issues such as sexual harassment, sexual violence and others.			
Correction (filled by organization audited): Show evidence of socialization related to the gender committee that discusses women's issues such as sexual harassment, sexual violence and others			
Corrective Action (filled by organization audited): Evaluating the results of the socialization regarding the socialization of women's issues such as sexual harassment, sexual violence and others by the Assistant Plantation Personnel and Document Control Officers after the socialization from the gender committee			

Assessor Evaluation and Conclusion (filled by auditor):

Evaluation on November 1, 2021.

The company shows evidence of improvement in the form of:

- Attendance and minutes of socialization for the Pasir Mandoge unit on 26 June 2021 which was attended by 23 participants from the Pasir Mandoge. Unit also showed an evaluation of the results of employee training / gender committee socialization to 23 female workers. The technical evaluation of the training/socialization of the gender committee is carried out has not been shown.
- Minutes of socialization for the Sei Kopas unit on September 24, 2021 to 17 participants. However, in the minutes not include information that reporting mechanisms related to women's issues such as sexual harassment, sexual assault and other gender delivered by committee. The gender committee socialization evaluation form regarding sexual harassment, sexual violence, discrimination and reporting mechanisms has been shown.
- Minutes of socialization for the Tonduhan unit on September 24, 2021 to 17 participants. However, in the minutes not include information that reporting mechanisms related to women's issues such as sexual harassment, sexual assault and other gender delivered by committee. The gender committee socialization evaluation form regarding sexual harassment, sexual violence, discrimination and reporting mechanisms has been shown.

Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on November 25, 2021

MANDOGE

The unit shows evidence of improvement in the form of:

- Gender committee socialization evaluation form for Mandoge Unit
- Decree No. PAM/S.Kpts/62/XI/2021 on November 1, 2021 regarding the Socialization and Evaluation of the result of the Gender Committee Socialization

SEI KOPAS

The unit shows evidence of improvement in the form of:

- Gender committee socialization evaluation form on October 7, 2021
- Decree No. SKO/S.Kpts/070/X/2021 dated October 1, 2021 concerning Officers who are responsible for handling the gender committee of the Sei Kopas unit

TONDUHAN

The unit shows evidence of improvement in the form of:

- Gender committee socialization evaluation form on October 7, 2021
- Decree No. TON.MU/Kpts/II/XI/2021 on 19 November 2021 regarding the Socialization and Evaluation of the results of the gender committee socialization

Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.

Verification on November 30, 2021.

The company (Pasir Mandoge) showed evidence of improvement in the form of an evaluation form for the socialization of the gender committee, the mechanism for reporting sexual harassment and others on November 26, 2021.

Based on the explanation above, NC No. 2021.10 is declared Fulfilled and will be re-observed at the next assessment.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Rizliani A Hsb

NCR No.	: 2021.11	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 30 November 2021
Standard Ref. & Requirement	6.2.2 There is a work agreement along with related documents that stipulates detailed wages and work requirements (for example regular working hours, deductions, overtime, sick leave, right to vacation (leave), maternity leave, reasons for dismissal, notice period before termination of work, etc. according to national regulatory requirements) and salary breakdown documents that provide accurate information on compensation for work performed.		
Evidence observed (filled by auditor): The results of field observations in the area of the Afdeling 7 Residential Final Disposal Site, it was found that several people were carrying out harvesting activities. From the results of the interview, known that there is 1 worker who is not an employee of the company and helps harvest work in the area. From the results of the interview, known that the person is a family member of company employee who is harvesting in the area.			
Non-Conformance Description (filled by auditor): Based on the explanation above, it concluded that there are still people who carry out the company's operational activities without having a work agreement.			
Root Cause Analysis (filled by organization audited): Lack of socialization to workers about the prohibition of hiring family members or workers who do not have work agreements			
Correction (filled by organization audited): Making an Internal memo/circular letter to prohibit the employment of family members or workers who do not have a work agreement			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">• Socializing the prohibition of harvesting activities that involve family members or workers who do not have a work agreement• Demonstrate daily monitoring/inspection by the appointed PIC			
Assessor Evaluation and Conclusion (filled by auditor): Evaluation on November 1, 2021 The company shows evidence of improvement in the form of: <ul style="list-style-type: none">• Circular Letter related prohibition of hiring those who do not have employment ties No. PAM/SE.Intern/28/IX/201 dated September 13, 2021.• Record of socialization of harvest workers not using daily worker or using family assistance that has no relationship with the company on September 7, 2021, which was attended by 15 participants from Afdeling 7. In the minutes it was also stated that if there are harvesters who still use the family cup, they will be given a warning letter. Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.			
Evaluation on November 25, 2021 The company shows evidence of improvement in the form of monitoring / inspection of employees in the field every day in October 2021. Based on the results of the assessment of the adequacy of the Root Cause Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.			

Verification on November 30, 2021

The company showed evidence of improvement in the form of a Manager's Decree dated November 1 regarding the appointment of a PIC who carried out field monitoring to ensure that no workers brought family members or other people to help with the work.

Based on the explanation above, the discrepancy is declared Fulfilled and will be re-observed at the next assessment.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : Rizliani A Hsb

NCR No.	: 2021.12	Issued by	: Septian Maulana/Rizliani Aprianita Hsb
Date Issued	: 11 September 2021	Time Limit	: 10 December 2021
NC Grade	: Major	Date of Closing	: 24 November 2021
Standard Ref. & Requirement	6.7.3 Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.		
Evidence observed (filled by auditor): Mill			
<ul style="list-style-type: none">- The results of interviews with 3 sorting workers revealed that the workers bought their own PPE in the form of boots. The safety shoes provided by the company are in damaged condition.- Results of interviews with 2 workers in St. On the loading ramp, it is known that workers buy their own PPE in the form of boots and gloves. The PPE in the form of safety shoes and gloves provided by the company is in a damaged condition.- Results of interviews with 6 workers at St. Sterilizer, St. Press, St. Clarification, St. Engine room and St. Boiler, it is known that the workers are known that the workers buy their own PPE in the form of boots. The PPE in the form of safety shoes provided by the company is in a damaged condition.- Based on the review of the matrix document for Palm Oil Mill Protective Equipment in 2021, it is known that the type of processing work uses PPE safety shoes.			
Estate			
<ul style="list-style-type: none">- The results of the interview in block 04B Afdeling III with 6 fertilizer workers at the Tonduhan Estate, it was found that the workers used PPE in the form of masks that were provided by themselves because the PPE was damaged.- The results of interviews with 3 harvest workers in Afdeling III in Tonduhan Estate revealed that harvesters work without wearing glasses. Based on the results of the interview, it is known that the use of glasses reduces the ability of vision because it is foggy when worn. The study of the HIRAC document for FFB harvesting activities revealed that one of the risk controls was the use of PPE in the form of boots, goggles, helmets and gloves.- Based on the results of field visits to the activities of Harvest afdeling 2 and Losse fruit transport afdeling 1 Sei Kopas Estate, it is known that workers use the boots provided by themselves.• Based on visits and interviews at the Sei Kopas workshop, it was found that the welders only had PPE in the form of gloves, helmets, boots and welding masks. Studying the HIRAC Estate Sei Kopas document, it is known that the risk control of welding activities is one of them by using PPE in the form of welding goggles/masks, masks, overval clothes, leather chest layers, gloves, safety shoes, and helmets.			
Non-Conformance Description (filled by auditor):			

The company has not been able to show evidence that all workers have used the appropriate PPE and provided it to all workers.	
Root Cause Analysis <i>(filled by organization audited):</i> Lack of supervision on the condition of PPE that has been given to employees	
Correction <i>(filled by organization audited):</i> Show proof of handover of PPE to Mill employees for damaged PPE	
Corrective Action <i>(filled by organization audited):</i> Monitoring the PPE condition of Mill employees every quarter	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification November 4, 2021 The company shows evidence of improvements including, as follows: <ul style="list-style-type: none"> - Minutes of socializing the use of PPE on October 9, 2021 at the Sei Kopas Estate - Documentation of handover of PPE to workers, for example: safety boots, welding equipment, and workers at the Mill - The results of monitoring the use of PPE at the Mill on June 30, 2021 but have not yet informed the condition Based on the results of the assessment of the adequacy of the Root Problem Analysis, Evidence of Corrective Action and Preventive Actions that have been shown by the company, this discrepancy has not been met.	
Verification November 25, 2021 The company has confirmed the auditor's response to the Root Problem Analysis, Corrective Actions and Preventive Actions, as well as showing additional evidence of improvement in the form of recordings of monitoring the use of PPE, for example for Estate Sei Kopas in October 2021 and Estate Tonduhan in November 2021 which informs the type of PPE used and its condition.	
Based on the analysis of the adequacy of the root cause, preventive actions and evidence of improvements that have been shown by the company, the non-conformance is declared to have been fulfilled.	
Follow up on next audit <i>(filled by auditor):</i> Based on verification on ASA 2, this indicator is still a non-conformity. A more detailed explanation is presented on the NCR ASA-2 form below.	
Verified by	: Septian Maulana/Rizliani Aprianita Hsb

NCR No.	:	2021.13	Issued by	:	Radytio Puspanjana
Date Issued	:	11 September 2021	Time Limit	:	Surveillance-2
NC Grade	:	Minor	Date of Closing	:	29 November 2021
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): Hazardous waste					

- The company has a hazardous waste management SOP with SPO number 02 revision 03 effective August 27 2018 and approved by the Head of the Planning Section. The SOP explains that hazardous waste generated by operational activities is stored in a hazardous Waste Temporary Storage.
- The results of the field visit when the ASA-1 audit was conducted, information was obtained that there was hazardous waste located not in a licensed place, for example:



Hazardous waste Used oil drums are used as water reservoirs at hazardous waste storage on mill



Hazardous waste used inner fertilizer sacks on landfill disposal division 3 Tonduhan Estate.



Hazardous waste used lamp in the workshop room of Sei Kopas estate

- There is hazardous waste in the division 7 fertilizer warehouse and the Afdeling 7 storage warehouse at Pasir Mandoge Estate in the form of used chemical packaging.
- There is an used oil drum in front of the boiler station, Pasir Mandoge mill.
- There is a used/damaged Hazardous waste pesticide sprayer in the (old) fertilizer warehouse of the Tonduhan estate.
- There is Hazardous waste in the form of plastic fertilizer waste in division 2 Sei Kopas estate.

Solid Domestic Waste

The company has an SOP for domestic waste management which is explained in SOP 20 revision 03 effective January 2, 2018 and approved by the Head of Planning. The SOP explains that every employee housing must be equipped with a trash can with lightweight, rust-resistant and water-resistant specifications. Temporary trash cans in housing are separated organic and inorganic, construction of final waste disposal sites, far from creeks, landfill sanitation system (burial) with a distance of at least 300 m from the TPA to housing. The cleaning staff periodically picks up trash and throws it into the landfill. However, based on field visits during the ASA-1 audit, it was found that domestic waste was left in an open condition and scattered, for example:



Domestic waste is dumped behind the division housing 3 Tonduhan estate



Domestic waste is dumped behind the workshop area of Sei Kopas estate

- There is domestic waste on Pasir Mandoge estate land application.
- There is domestic waste disposed of behind the housing division 7 Pasir Mandoge Mill.
- There is a lot of domestic waste scattered in the WTP area Pasir Mandoge Mill.
- There is domestic waste dumped in block 08 division 2 Sei Kopas Estate.

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that the management of hazardous waste and domestic waste has complied with the established procedures.

Root Cause Analysis (filled by organization audited):

Lack of understanding of employees and residents living in housing regarding the management of domestic waste and hazardous waste.

Correction (filled by organization audited):

Show proof of waste disposal that is in accordance with domestic and hazardous waste management procedures.

Corrective Action (filled by organization audited):

Socializing procedures for hazardous waste management to employees and residents living in division housing complex

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification 4 November 2021.

- Documents of proof of delivery of hazardous waste packaging used for pesticides 13 pcs, bottles of used pesticides with the brand metsulindo 5 pcs dated 7 September 2021 from division VII (seven) to the central warehouse (proof of delivery 009/VII/09/21).
- Minutes of the socialization of hazardous waste management and household domestic waste on September 7, 2021, which was attended by plant assistant division VII, foreman 1, employees. (attached is the list of attendees for the socialization activity, namely from division VII, which is located at the guest house Kemuning of Pasir Mandoge estate).
- (Pasir Mandoge Estate). There is a meeting minutes regarding domestic waste management on August 24, 2021 at guest house Kemuning. The discussion at the meeting included an explanation regarding the procedures for managing domestic (household) waste, namely by sorting organic and inorganic, organic into compost and inorganic into handicrafts with high economic value. The minutes of the meeting are signed by the general HR Assistant and approved by the general manager.
- Minutes of the socialization of hazardous waste management on September 16, 2021 (Pasir Mandoge estate, guest house Kemuning) which explains the management of hazardous waste. There is monitoring of hazardous waste as of September 16, 2021, as from division 1-10, used inner of fertilizer waste, used jerry cans for pesticides, used ink bottles, used glyposate bottles stored in the hazardous waste warehouse.
- Approval for issuance and amendment of basic guidelines and work instructions for hazardous waste management dated January 1, 2021, document No. 04.03/P/002 prepared by the head of the section and approved by the Director.
- Minutes of socialization activities for the management of hazardous Waste and household domestic waste (Sei Kopas estate) on September 24, 2021, which was attended by assistant personnel, technical assistants, employees. (attached is a list of attendance at the socialization event at the workshop).
- Minutes of the return of hazardous waste from Tonduhan estate on October 9, 2021, namely 3 pcs used pesticide sprayers and used inner fertilizer sacks. Minutes of the socialization of hazardous waste management on October 9, 2021, took place at the hazardous waste temporary storage, tonduhan estate.
- Minutes of returning hazardous waste from Pasir Mandoge mill dated September 8, 2021, namely 2 pcs of used fuel drums, 4 pcs of used hazardous jerry cans and 8 pcs of used paint cans. Attached is a photo of the transferred hazardous waste.
- Minutes of the meeting on the management of Domestic waste and hazardous waste on September 24, 2021, at the administrative assistant office of Pasir Mandoge mill.
- Minutes of the meeting on the management of Domestic waste and hazardous waste on September 9, 2021, at the Pasir Mandoge mill Central Warehouse.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused NC.

Auditor verification 25 November 2021.

The company shows proof of improvement consist of:

Hazardous waste

- Updated hazardous waste logbook on October 1, 2021 at Pasir Mandoge mill, hazardous waste storage which explains that hazardous waste has been stored in used oil drums and used hazardous chemical packaging.
- hazardous waste logbook on November 4, 2021 at Tonduhan estate, hazardous waste storage which explains that hazardous waste has been stored in pesticide sprayer used and fertilizer inner packaging.
- Updated hazardous waste logbook on October 15, 2021 at hazardous waste storage Sei Kopas estate which explains that hazardous waste has been stored hazardous waste in the form of plastic fertilizer waste and a photo of the implementation of the hazardous waste transported.
- Updated hazardous waste logbook on October 1, 2021 at hazardous waste storage Pasir Mandoge mill which explains that hazardous waste has been stored hazardous waste in the form of used pesticide packaging and a photo of the implementation of the hazardous waste transported.

Domestic waste

- Documentation of cleaning up domestic waste scattered in the WTP area and in the Pasir Mandoge mill office area.
- Documentation of cleaning up domestic waste that was scattered and disposed of behind the housing estate of division 3, Tonduhan Mandoge estate.
- There is domestic waste disposed of in block 08 division 2 Sei Kopas estate.
- Documentation of cleaning of domestic waste disposed of in the land application area of the Pasir Mandoge estate, division VII, assistant housing and guest house Kemuning.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused NC consist of evidence cleaning process of burn marks and domestic waste located in the workshop and block 8 C afdeling II and workshop Sei Kopas Estate.

Auditor verification 29 November 2021.

The company shows proof of improvement consist of:

Documentation of cleaning of burn marks and domestic waste located in the workshop and block 8 C afdeling II and workshop Sei Kopas Estate.

Based on the evidence of improvement submitted, it is concluded that this NCR has been fulfilled

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator is still a non-conformity. A more detailed explanation is presented on the NCR ASA-2 form below.

Verified by	:	Radytio Puspanjana
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NCR No.	:	2021.14	Issued by	:	Radytio Puspanjana
Date Issued	:	11 September 2021	Time Limit	:	Surveillance-2
NC Grade	:	Minor	Date of Closing	:	29 November 2021
Standard Ref. & Requirement	:	7.3.3 The unit of certification does not use open fire for waste disposal.			

Evidence observed (filled by auditor):

- The company has a waste management procedure without burning which is described in SOP 20 revision 03 effective January 2, 2018 and approved by the Head of Planning. The SOP explains that each employee housing must be equipped with a trash can and disposed of with a landfill (burial) sanitation.
- Base on field visits and interviews with workers during the ASA-1 audit, obtained information that there are former waste burning activities in open places, for example:
 - Former domestic waste burning in the guesthouse area.
 - Former domestic waste burning on the mill office.
 - Former domestic waste burning in the staff housing of Pasir Mandoge estate.
 - Former domestic waste burning behind the workshop area of Sei Kopas estate.

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that in carrying out waste management it has not completely used open burning for its destruction.

Root Cause Analysis (filled by organization audited):

Lack of understanding of employees and residents living in housing regarding the management of domestic waste and hazardous waste, including the prohibition of using open burning for their destruction.

Correction (filled by organization audited):

Show proof of waste disposal that is in accordance with domestic waste management procedures.

Corrective Action (filled by organization audited):

Socializing procedures for hazardous waste management to employees and residents living in division housing, including the prohibition of using open burning for its destruction.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification 4 November 2021.

The company shows proof of improvement consist of:

- Minutes of the socialization of hazardous waste management and household domestic waste (Sei Kopas unit) on October 12, 2021, which was attended by assistant personnel, technical assistants, employees. (attached is the attendance list of the socialization activities which took place in the office yard). Photo of organic and inorganic landfill Sei Kopas estate.
- Minutes of the meeting on the management of Domestic waste and hazardous waste on September 9, 2021, at the Pasir Mandoge Mill Central Warehouse.
- Minutes of the meeting on the management of Domestic waste and hazardous waste on September 24, 2021, at the administrative assistant office of Pasir Mandoge Mill.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused NC consist of evidence correction process of domestic waste on housing complex, kemuning guesthouse, Pasir Mandoge mill office, and workshop Sei Kopas estate.

Auditor verification 25 November 2021.

The company shows proof of improvement consist of:

Domestic waste

- Documentation of cleaning up domestic waste scattered in the WTP area and in the Pasir Mandoge mill office area.
- Documentation of cleaning up domestic waste that was scattered and disposed of behind the housing estate of division 3, Tonduhan Mandoge estate.
- There is domestic waste disposed of in block 08 division 2 Sei Kopas estate.
- Documentation of cleaning of domestic waste disposed of in the land application area of the Pasir Mandoge estate, division VII, assistant housing and guest house Kemuning.

Based on the evidence submitted, the non-conformance in this indicator has not been fulfilled, the company needs to show evidence of improvements that are still lacking.

Auditor verification 29 November 2021.

The company showed proof of improvement in the form of documentation of cleaning activities for domestic waste burning located at the Sei Kopas workshop.

Based on the evidence of improvement submitted, it is concluded that this NCR has been fulfilled.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator is still a non-conformity. A more detailed explanation is presented on the NCR ASA-2 form below.

Verified by : Radytio Puspanjana

NCR No.	:	2021.15	Issued by	:	Radytio Puspanjana
Date Issued	:	11 September 2021	Time Limit	:	10 December 2021
NC Grade	:	Major	Date of Closing	:	9 December 2021
Standard Ref. & Requirement	:	7.8.2 Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) or Simplified Guide Management and Rehabilitation of Riparian Reserves (2018).			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">- The plan for the protection of watersheds and wetlands in the form of riparian is described in SOP No. SPO 05 revision 03 effective August 27 2018 regarding riparian management mechanisms. The riparian management plan includes:<ul style="list-style-type: none">• Identification of river type classification consisting of: small river (< 1 m), small river (1-10 m), medium river (10-20 m), river (40-80 m), large river (80-220 m), and rivers (> 220 m).• Determine the minimum boundaries: 100 m large river border, 50 m small river/tributary border, 100 m area around lake/reservoir, 200 m radius area around springs.• Re-allocation of riparian, swamps, springs into protected areas with the following procedures: conduct an inventory of the location, area and then mapped.• Restore the riparian according to their designation.• Riparian on planted area, the vegetation should be maintained by promoting vegetation growth in the riparian areas by prohibiting chemical spraying.- The company has carried out the identification of the wetland as described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV area, information is obtained which is the area of water flow and wetlands including:					
	Division	Block	Name		
	1	95 B	Riparian Bah Boluk river		
	2	94 N	Waterfall Bah Hapusuk		
		99 U	Riparian Bah Horas river		
	3	98 D	Riparian Bah Hapusuk river		
		11 F	Riparian Bah Hapusuk river		
		98 B	Riparian Bah Horas river		
		03 G	Riparian Pembuaya river		
		98 E	Waterfall dan Hydropower Forest		
	1	94 G	Riparian Aek Sopang		
		99 P	Swamp border division 1 and 2		

2	10 B	Spring
	93 A	Riparian Aek Sopang river
	99 Y	Swamp border division 1 and 2
3	11 F	Spring dan Forest of riparian Bah Hapasuk river
2	99 Y	Spring

- Based on the results of the verification of the Purchase Order document No. PO 4100124035 dated May 5, 2020 and the 2020 replanting evaluation document, information was obtained that the company was replanting in division II Tonduhan estate blocks 93 A and 93 C.
- Based on field visit at the Tonduhan estate division II block 93 A and 93 C, it is known that there is an HCV area, namely the Aek Sopang riparian that has been replanted (replanting) planting 2020.
- Based on field visit in the Tonduhan estate division I block 95D, the Aek Boluk riparian, it is known that there is no marking of the riparian area.
- Based on field visit in the Tonduhan estate division III, block 04B, the Aek Bahoras riparian, it is known that there has been no marking of the riparian area. In addition, the results of interviews with 5 fertilizer workers, it was found that fertilizer workers did not know the border area of fertilizer application.
- Based on field visits in the Sei Kopas estate division 6 block 07 M on the Ambulutu riparian, it is known that there is no clear marking of the riparian area (only 1 tree on the side of the road).
- Based on the results of interviews with the company, replanting activities on HCV area were carried out, with the consideration that the HCV area of the Aek Sopang riparian was not cultivated by nearest community.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence that the management of the riparian has been managed according to its plan.

Root Cause Analysis (filled by organization audited):

Lack of understanding of employees in the maintenance of Protected Areas and HCV areas in accordance with SOP.

Correction (filled by organization audited):

Replanting oil palm plantations that have been planted with woody plants.

Corrective Action (filled by organization audited):

The socialization the SOP for the maintenance of HCV areas to division employees Provide marking of the surrounding area for the prohibition of the application of chemicals around riparian in accordance with the HCV identification document.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification 4 November 2021.

- Decree No.TON.MU/KPTS/74/IX/2021 on evaluating the management plan and monitoring of HCV areas related to the RSPO P&C. The decree explains the need to form a team to evaluate the management plan and monitoring of the HCV area related to the RSPO Tonduhan P&C. The team responsible for its implementation is the assistant plant for afdeling 1-3. The office holder is responsible if there is an error in the decree.
- Minutes of HCV socialization activities on October 4, 2021 with unit managers, personnel assistants, security, for village officials, activities made by team sustainability.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused.

Auditor verification 25 November 2021.

The company shows proof of improvement consist of:

- A written commitment document from the Management of the Tonduhan Plantation Unit signed by the assistant head of the plant, administrative assistant, estate personnel, plant assistant division 1, 2 and 3 regarding not to carry out replanting and damage to vegetation in the HCV area according to the HCV identification document for the Tonduhan estate and to carry out management of HCV monitoring in accordance with the recommendations contained in the HCV document.
- HCV rehabilitation program located in afdeling 1 block 95D for the period November 2021-November 2022.

- Photo of the border markings of the Aek Bah Boras riparian block 98B division III marked with red paint on oil palm trees.
- The satellite image 2020 map document that informs the boundary of the Tonduhan estate HGU, the HCV area affected by replanting of 4.31 Ha on the Bah Sopang riparian of the division 2 Tonduhan estate.
- Inventory data on the HCV area of the Aek Sopang riparian, Tonduhan estate dated November 25, 2021.
- News of the revocation of oil palm trees for the 2020 planting year in the Bah Sopang riparian area on 15 September 2021 as many as 65 trees or 0.46 Ha in blocks 20A and 20 C.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused NC consist of evidence correction of document identification of riparian areas for replanting and rehabilitation program management riparian

Auditor verification 3 December 2021.

The company shows proof of improvement consist of:

- HCV Map of Tonduhan estate with a scale of 1: 6,092 which describes the HCV Aek Sopang area of 4.13 Ha with 292 trees affected by replanting. The data sources used are PTPN IV location maps, 2019 Indonesia maps and 2021 Orthomosaic photos. Analysis of the calculation of the number of trees affected by replanting identified through satellite image maps by the PTPN IV Geospatial Team as many as 292 trees.
- The satellite map 2020 document that informs the boundary of the Tonduhan estate HGU, the HCV area affected by replanting of 4.13 Ha on the Bah Sopang riparian and the boundary of the Tonduhan estate division 2.
- Minutes of the results of field visits environmental agency Simalungun agency and stakeholders at the Tonduhan estate on November 29, 2021. The location for the visit to the HCV 4 area is in blocks 93 A and 93 C. There is also information that the new plantations planted with oil palm in 2020 have been removed and 105 trees have been planted. carried out entirely because of considerations that it can cause erosion and the potential to be worked on by other parties who are not responsible.
- Minutes on November 29, 2021 regarding the taking of 300 mahogany tree seedlings from the Balimbingan estate which will be planted as material for the enrichment of the HCV area aek Sopang division II Tonduhan estate.
- HCV rehabilitation program located in afdeling 1 block 95D for the period November 2021-November 2022.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused NC consist of evidence correction of the completeness of the program in question is the target number of principal (enrichment plants) from the implementation of the monthly rehabilitation program from 3 – 11 of 2022 and the location of the blocks that are the rehabilitation target.

Auditor verification 9 December 2021.

The company showed evidence of improvement in the form of a mahogany tree rehabilitation program in the HCV area on the Bah Sopang riparian and the boundary of division 2 of the Tonduhan estate for the period 2021 – 2022. The rehabilitation plan to be carried out is as follows:

- On November 2021, Block 20 A (0.62 Ha) plan 45 trees and realization 45 trees.
- On December 2021, Block 20 A, 20 C and 20 E (0.99 Ha) plan 73 trees.
- On January 2022, Block 20F and 19 A (2.52 Ha) plan 182 trees.
- Total 4.13 ha with 300 trees for 45 trees and has realization.

**PROGRAM PENANAMAN POHON MAHONI
AREAL NKT AFD II KEBUN TONDUHAN**

NO BLOK	HA	RENCANA	REALISASI	KETERANGAN
BLN : NOP 2021				
20A	0,62	45	45	
BLN : DES 2021				
20A	0,53	39	-	
20C	0,30	22	-	
20E	0,16	12	-	
JUMLAH	0,99	73	-	
BLN : JAN 2022				
20F	1,10	80	-	
19A	1,42	102	-	
JUMLAH	2,52	182	-	
TOTAL	4,13	300	45	


Mazlan M. Munthe
Ast. Afdeling II

Diketahui Oleh,

Supri Mira Atmaja
Manajer unit

Based on the evidence submitted, the discrepancy in this indicator is declared to have been fulfilled and will be re-observed in the next audit.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by : **Radytio Puspanjana**

NCR No.	:	2021.16	Issued by	:	Radytio Puspanjana
Date Issued	:	11 September 2021	Time Limit	:	10 December 2021
NC Grade	:	Major	Date of Closing	:	9 December 2021
Standard Ref. & Requirement	:	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 plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).			
Evidence observed (filled by auditor):					
- The company has identified the HCV area in December 2016. Based on the results of the identification, the existing HCV areas in the Tonduhan estate include:					
Division		Block	Name		
1		95 B	Riparian Bah Boluk river		
2		94 N	Waterfall Bah Hapusuk		
		99 U	Riarian Bah Horas river		

3	98 D	Riparian Bah Hapasuk river
	11 F	Riparian Bah Hapasuk river
	98 B	Riparian Bah Horas river
	03 G	Riparian Pembuaya river
	98 E	Waterfall dan Hydropower Forest
1	94 G	Riparian Aek Sopang
	99 P	Swamp border division 1 and 2
2	10 B	Spring
	93 A	Riparian Aek Sopang river
	99 Y	Swamp border division 1 and 2
3	11 F	Spring dan Forest of riparian Bah Hapasuk river
2	99 Y	Spring

- In a follow-up effort from the identification of HCV areas in December 2016 the company has developed a plan to manage and monitor HCV areas for 2020 – 2021, while the management and monitoring plans include:

Management

- Install HCV signboards.
- Supervise and maintain HCV areas.
- Planting of forest native plants.
- Maintain HCV grave areas.

Monitoring

- Monitoring the intensity of disturbance in the HCV area and flora & fauna.
- Knowing the changing conditions of the HCV area.
- Knowing the level of erosion.
- Knowing the use of natural resources.

- Meanwhile, the implementation of the management plan and monitoring of the HCV area is stated in the report document on the implementation of the management and monitoring of the HCV area for the 2021 period. Based on the results of monitoring the HCV area conducted in July 2021, information was obtained for the HCV area of the Aek Sopang riparian in division II on good condition.
- Based on the results of the verification of the Purchase Order document No. PO 4100124035 dated May 5, 2020 and the 2020 replanting evaluation document, information was obtained that the company was replanting in division II Tonduhan estate blocks 93 A and 93 C.
- Based on field visit at the Tonduhan estate division II block 93 A and 93 C, it is known that there is an HCV area, namely the Aek Sopang riparian that has been replanted (replanting) planting 2020.
- Based on the results of interviews with the company, replanting activities on HCV area were carried out, with the consideration that the HCV area of the Aek Sopang riparian was not cultivated by nearest community.

Non-Conformance Description (filled by auditor):

The implementation of the management and monitoring plan for the HCV area has not been carried out in accordance with the existing plan and the plan has not been developed in consultation with the relevant stakeholders.

Root Cause Analysis (filled by organization audited):

Lack of understanding of employees in the maintenance of Protected Areas and HCV areas in accordance with SOP.

Correction (filled by organization audited):

Replanting oil palm plantations that have been planted with woody plants.
Shows the minutes of the removal of oil palm plantations in the HCV area
Inventory of the number of oil palm plantations and their extent in the HCV area

Corrective Action (filled by organization audited):

The socialization the SOP for the maintenance of HCV areas to division employees Provide marking of the surrounding area for the prohibition of the application of chemicals around riparian in accordance with the HCV identification document.the shows the riparian rehabilitation program for the planted riparian area.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification 4 November 2021.

- Decree No.TON.MU/KPTS/74/IX/2021 on evaluating the management plan and monitoring of HCV areas related to the RSPO P&C. The decree explains the need to form a team to evaluate the management plan and monitoring of the HCV area related to the RSPO Tonduhan P&C. The team responsible for its implementation is the assistant plant for afdeling 1-3. The office holder is responsible if there is an error in the decree.
- Minutes of HCV socialization activities on October 4, 2021 with unit managers, personnel assistants, security, for village officials, activities made by team sustainability.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused.

Auditor verification 25 November 2021.

The company shows proof of improvement consist of:

- A written commitment document from the Management of the Tonduhan Plantation Unit signed by the assistant head of the plant, administrative assistant, estate personnel, plant assistant division 1, 2 and 3 regarding not to carry out replanting and damage to vegetation in the HCV area according to the HCV identification document for the Tonduhan estate and to carry out management of HCV monitoring in accordance with the recommendations contained in the HCV document.
- HCV rehabilitation program located in afdeling 1 block 95D for the period November 2021-November 2022.
- Photo of the border markings of the Aek Bah Boras riparian block 98B division III marked with red paint on oil palm trees.
- The satellite image 2020 map document that informs the boundary of the Tonduhan estate HGU, the HCV area affected by replanting of 4.31 Ha on the Bah Sopang riparian of the division 2 Tonduhan estate.
- Inventory data on the HCV area of the Aek Sopang riparian, Tonduhan estate dated November 25, 2021.
- News of the revocation of oil palm trees for the 2020 planting year in the Bah Sopang riparian area on 15 September 2021 as many as 65 trees or 0.46 Ha in blocks 20A and 20 C.

Based on the evidence submitted, the non-conformance in this indicator is declared unfulfilled, the company needs to show evidence of improvement in accordance with the results of field visits that caused NC consist of evidence correction of document identification of riparian areas for replanting and rehabilitation program management riparian

Auditor verification 3 December 2021.

The company shows proof of improvement consist of:

- HCV Map of Tonduhan estate with a scale of 1: 6,092 which describes the HCV Aek Sopang area of 4.13 Ha with 292 trees affected by replanting. The data sources used are PTPN IV location maps, 2019 Indonesia maps and 2021 Orthomosaic photos. Analysis of the calculation of the number of trees affected by replanting identified through satellite image maps by the PTPN IV Geospatial Team as many as 292 trees.
- The satellite map 2020 document that informs the boundary of the Tonduhan estate HGU, the HCV area affected by replanting of 4.13 Ha on the Bah Sopang riparian and the boundary of the Tonduhan estate division 2.
- Minutes of the results of field visits environmental agency Simalungun agency and stakeholders at the Tonduhan estate on November 29, 2021. The location for the visit to the HCV 4 area is in blocks 93 A and 93 C. There is also information that the new plantations planted with oil palm in 2020 have been removed and 105 trees have been planted. carried out entirely because of considerations that it can cause erosion and the potential to be worked on by other parties who are not responsible.
- Minutes on November 29, 2021 regarding the taking of 300 mahogany tree seedlings from the Balimbingan estate which will be planted as material for the enrichment of the HCV area aek Sopang division II Tonduhan estate.
- HCV rehabilitation program located in afdeling 1 block 95D for the period November 2021-November 2022.

Auditor verification 9 Desember 2021.

- The process of compiling the HCV monitoring and evaluation document for the 2021 period, unit certification has involved external stakeholders involved in the preparation of the management plan and HCV monitoring using a questionnaire method(included replanting impact) involving Parolian Village, Tonduhan Village, Buntu Turunan Village, Seribu Asih Character Village the people of Parolian Village, Islamic Religious Leaders in Tonduhan Village, Buntu Turunan Village Officials, Buntu Turunan Village Community Leaders, Contractors, Buntu Bayu Village and journalists. Each village

representative involved includes village communities who have lived for a long time, women and men and youth leaders. Meanwhile, internal stakeholders involved in the preparation of management plans and social monitoring using a questionnaire method involving the Plantation Workers Union (SP-Bun), religious leaders and the Gender Committee.

The company showed evidence of improvement in the form of a mahogany tree rehabilitation program in the HCV area on the Bah Sopang riparian and the boundary of division 2 of the Tonduhan estate for the period 2021 – 2022. The rehabilitation plan to be carried out is as follows:

- On Nopember 2021, Block 20 A (0.62 Ha) plan 45 trees and realization 45 trees.
- On December 2021, Block 20 A, 20 C and 20 E (0.99 Ha) plan 73 trees.
- On January 2022, Block 20F and 19 A (2.52 Ha) plan 182 trees.
- Total 4.13 ha with 300 trees for 45 trees and has realization.

Based on the evidence submitted, the discrepancy in this indicator is declared to have been fulfilled and will be re-observed in the next audit.

Follow up on next audit (filled by auditor):

Based on verification on ASA 2, this indicator has been fulfilled in accordance with the corrective actions taken by the company. A more detailed explanation will be presented in the summary report ASA-2.

Verified by	:	Radytio Puspanjana
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3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment

NCR No.	: 2022.01	Issued by	: Kiki Fadli																																									
Date Issued	: 29 October 2022	Time Limit	: 27 January 2023																																									
NC Grade	: Major	Date of Closing	: 10 January 2023																																									
Standard Ref. & Requirement	6.2.3 There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.																																											
Evidence observed (filled by auditor): <ul style="list-style-type: none"> The company shows PTPN IV Directors Regulation No. 04.01/PER/01/III/2022 concerning guidelines for providing harvest premiums, loading premiums and processing premiums, in letter C regulates compensation for employees who work when the factory does not process on weekdays, Sundays and national holidays, for example for effluent operators treatment and operator fat fit, namely for weekdays IDR 25,748, Sundays IDR 51,496 and national holidays IDR 68,661. Based on interviews with Effluent operators, it was stated that the personnel worked on holidays with a total of 3 working hours. This is also stated in the foreman's book, for example on August 14, 2022 from 06.30 to 09.30 for employees with the initials RS. The company also shows compensation for PKS employees for one shift, for example for the August 2022 period, namely: <table border="1" data-bbox="233 892 1088 1087"> <thead> <tr> <th rowspan="2">DAY/DATE</th><th colspan="2">PERSONNEL</th></tr> <tr> <th>RHS (Fatfit Operator)</th><th>RS (Effluent Operator)</th></tr> </thead> <tbody> <tr> <td>Sunday, 14 August 2022</td><td>51.496</td><td>51.496</td></tr> <tr> <td>Wednesday, 17 August 2022</td><td>68.661</td><td>-</td></tr> <tr> <td>Sunday, 28 August 2022</td><td>51.496</td><td>51.496</td></tr> <tr> <td>TOTAL</td><td>171.653</td><td>102.992</td></tr> </tbody> </table> If the simulation of giving overtime is in accordance with CLA article 21 and government regulations 35 of 2021 article 31, they are as follows: <table border="1" data-bbox="233 1155 1307 1318"> <thead> <tr> <th rowspan="2">PERSONNEL</th><th rowspan="2">MONTHLY WAGE</th><th rowspan="2">HOUR WAGES</th><th colspan="3">OVERTIME COMPENSATION (3 HOURS)</th><th rowspan="2">TOTAL</th></tr> <tr> <th>14 August 2022</th><th>17 August 2022</th><th>28 August 2022</th></tr> </thead> <tbody> <tr> <td>RHS</td><td>2.524.389</td><td>14.592</td><td>87.551</td><td>87.551</td><td>87.551</td><td>262.653</td></tr> <tr> <td>RS</td><td>2.851.187</td><td>16.481</td><td>98.885</td><td>-</td><td>98.885</td><td>197.770</td></tr> </tbody> </table> From the simulation results, it is known that there is a difference in overtime pay for work carried out on Sundays, namely Rp. 91,000 for RHS and Rp. 94,778 for Hospitals. 				DAY/DATE	PERSONNEL		RHS (Fatfit Operator)	RS (Effluent Operator)	Sunday, 14 August 2022	51.496	51.496	Wednesday, 17 August 2022	68.661	-	Sunday, 28 August 2022	51.496	51.496	TOTAL	171.653	102.992	PERSONNEL	MONTHLY WAGE	HOUR WAGES	OVERTIME COMPENSATION (3 HOURS)			TOTAL	14 August 2022	17 August 2022	28 August 2022	RHS	2.524.389	14.592	87.551	87.551	87.551	262.653	RS	2.851.187	16.481	98.885	-	98.885	197.770
DAY/DATE	PERSONNEL																																											
	RHS (Fatfit Operator)	RS (Effluent Operator)																																										
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			14 August 2022	17 August 2022	28 August 2022																																							
RHS	2.524.389	14.592	87.551	87.551	87.551	262.653																																						
RS	2.851.187	16.481	98.885	-	98.885	197.770																																						
Non-Conformance Description (filled by auditor): The company has not been able to demonstrate that the implementation of wages and overtime payments is fully in accordance with the decrees issued and regulations in force.																																												
Root Cause Analysis (filled by organization audited): Lack of understanding of clerk 1 in the Engineering office in the implementation of the calculation of workers' overtime payments.																																												
Correction (filled by organization audited): <ul style="list-style-type: none"> Shows the results of the Bipartite meeting between Management and <i>SPBUN</i> regarding the maximum overtime limit of 1.5 hours. Implement the circular letter Policy of PKS Manager Pasir Mandoge regarding Work on Holidays so as to maximize working days to minimize overtime. Shows work absences and overtime hours carried out by workers according to the Manager's circular letter Policy. 																																												
Corrective Action (filled by organization audited): Carry out regular outreach to technical office clerks 1 and other workers regarding the policy on workers' overtime hours																																												

Assessor Evaluation and Conclusion (filled by auditor):

Verification date January 4, 2023

The company has shown evidence of improvement as follows:

- List of employee attendance and overtime work orders when not processing with overtime hours of 1.5 hours.
- Socialization regarding overtime compensation when not processing to clerks and other workers which was held on December 15 2022 which was attended by 6 participants.
- Proof of November 2022 overtime payments for employees with the initials RHS and RS.

However, there are still a number of things that need to be explained and reviewed by the company, such as:

- In the first bullet for corrective action, please show the results of the LKS Bipartite meeting between management and SPBUN.
- In the second Bullet in the corrective action, please indicate the SE policy for the PKS manager for Work on Holidays.
- On corrective action, how to follow up on the difference in overtime pay that has been carried out by workers.

Based on this, the discrepancy in this indicator is declared not fulfilled.

Verification date January 10, 2023

The company shows evidence in the form of:

- Results of the LKS Bipartite meeting between company management and SPBUN which was held on December 7, 2022, which determined the calculation of overtime referring to PP 35 of 2021 and for overtime when not processing is limited to 1.5 hours.
- The circular letter of the manager regarding work on Sundays explained that some work could only be carried out when the mill did not process such as fatfit matches so that they would be compensated for overtime with a maximum of 1.5 hours of work.

Based on this, the discrepancy in this indicator is declared fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Kiki Fadli

NCR No.	:	2022.02	Issued by	:	Kiki Fadli
Date Issued	:	29 Oktober 2022	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	28 Januari 2023
Standard Ref. & Requirement	:	6.2.7 Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">Based on the list of employees at Pasir Mandoge Estate and Sei Kopas Estate for the September 2022 period, it is known that there were 67 Fixed Period Working Agreement harvesters at Pasir Mandoge Estate and 82 Fixed Period Working Agreement harvesters at Sei Kopas Estate.The company shows the calculation of the need for harvesters for the Pasir Mandoge and Sei Kopas Estate with the following details:					

<ul style="list-style-type: none"> - The need for labor to harvest the Pasir Mandoge Estate is 475 people while the number that is already available is 332 people (permanent worker: 265 people and Fixed Period Working Agreement: 67 people) so there is a difference of 143 people. - The need for harvesting workers for Sei Kopas Estate is 310 people, while the number that is already available is 211 people (permanent worker: 129 people and Fixed Period Working Agreement: 82 people), so there is a difference of 99 people. • Based on interviews with harvest workers, for example to 1 harvest worker (with the initials JAS) in Afdeling III Block 03i and 1 harvest worker (with the initials RF) in Afdeling IV Block 04 BJ Kebun Pasir Mandoge, it was conveyed that the worker is an employee with Fixed Period Working Agreement status with working period starting from 2019. • Government Regulation No 35 of 2021 concerning Fixed Period Working Agreement, outsourcing, working time and rest time, and termination of employment in article 4 paragraph 2 states that Fixed Period Working Agreement cannot be held for permanent jobs. <p>Non-Conformance Description <i>(filled by auditor):</i> The company has not been able to show enough evidence that all the main work has been done by permanent workers.</p>
<p>Root Cause Analysis <i>(filled by organization audited):</i> The authority to appoint harvest workers because harvesting work is permanent in PT. Nusantara Plantation III (Persero)</p>
<p>Correction <i>(filled by organization audited):</i></p> <ul style="list-style-type: none"> • Identify all types of work performed by permanent employees • PT. Perkebunan Nusantara IV has written to PT. Perkebunan Nusantara III (Persero) regarding the appointment of Fixed Period Working Agreement harvest workers • Coordinate with the HR Section (PTPN IV Management) regarding the proposal to appoint Fixed Period Working Agreement harvest workers to become permanent workers (permanent worker) of PT. Nusantara Plantation IV <p>Auditor's Response Is there any recent coordination from PTPN IV to PTPN III regarding the appointment of Fixed Period Working Agreement harvest workers? Please indicate.</p>
<p>Corrective Action <i>(filled by organization audited):</i> Shows the Time Plan for appointing Fixed Period Working Agreement harvest workers to become permanent workers (permanent worker) according to the coordination results of PTPN IV and PTPN III (Persero) with a gradual mechanism in 2023.</p> <p>Auditor's Response</p> <ul style="list-style-type: none"> • Please indicate the need for harvesters and the progress of their appointment. • Are there any personnel from PTPN IV who are tasked with coordinating with PTPN III and what is the coordination mechanism like? Please indicate.
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification Date 29 December 2022 The company has not sent proof of improvement so that the non-compliance with this indicator is declared as Not Fulfilled.</p> <p>Verification date January 4, 2023 The company has not filled in the root of the problem, corrective actions and preventive actions as well as evidence of corrective and preventive actions, so that non-compliance with this indicator is declared as Not Fulfilled.</p> <p>Verification date January 10, 2023 The company has not filled in the root of the problem, corrective actions and preventive actions as well as evidence of corrective and preventive actions, so that non-compliance with this indicator is declared as Not Fulfilled.</p>

Verification date January 16, 2023

The company shows evidence in the form of a matrix of work program plans for sub-personnel and the HR department which contains a time plan for the recruitment and selection of Mill and plantation workers. But still need explanation and proof of improvement from the company such as:

- On correction : Please show identification of all types of work performed by each permanent employee.
- On correction : Is there any recent coordination from PTPN IV to PTPN III regarding the appointment of Fixed Period Working Agreement harvest workers? Please indicate.
- On correction : Please show coordination with the HR Department (PTPN IV Management) regarding the proposal to appoint Fixed Period Working Agreement harvest workers to become permanent workers.
- On corrective action : Please show the time plan for the appointment of Fixed Period Working Agreement harvest workers to become permanent workers, because what is sent is a matrix for recruiting and selecting employees.
- On corrective action : Are there any personnel from PTPN IV who are tasked with coordinating with PTPN III and what kind of coordination mechanism is this? Please indicate.

Based on this, the discrepancy in this indicator is declared not fulfilled

Verification date January 27, 2023

The company still shows previous evidence in the form of a matrix of work program plans for sub-personnel and the HR department which contains a time plan for the recruitment and selection of Mill and plantation workers. But still need explanation and proof of improvement from the company such as:

- On correction : Please show identification of all types of work performed by each permanent employee.
- On correction : Is there any recent coordination from PTPN IV to PTPN III regarding the appointment of Fixed Period Working Agreement harvest workers? Please indicate.
- On correction : Please show coordination with the HR Department (PTPN IV Management) regarding the proposal to appoint Fixed Period Working Agreement harvest workers to become permanent workers.
- On corrective action : Please show the time plan for the appointment of Fixed Period Working Agreement harvest workers to become permanent workers, because what is sent is a matrix for recruiting and selecting employees.
- On corrective action : Are there any personnel from PTPN IV who are tasked with coordinating with PTPN III and what kind of coordination mechanism is this? Please indicate.

Based on this, the discrepancy in this indicator is declared not fulfilled

Auditor verification Date January 28, 2023

The company shows evidence of improvement, including the following:

- Identification of types of work in the estate that are permanent.
- Matrix/time line for hiring Fixed Period Working employees to become permanent worker and calculating the need for harvesting workers.
- Coordination of PTPN IV with holding PTPN with the result that PTPN IV is directed to be able to submit a budget for hiring Fixed Period Working employees to become permanent worker.

Based on this, the non-conformity in this indicator declared Fulfilled.

Follow up on next audit (filled by auditor):

Verified by	:	Kiki Fadli
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NCR No.	: 2022.03	Issued by	: Rahmat Abdiansyah
Date Issued	: 29 October 2022	Time Limit	: ASA-3
NC Grade	: Minor	Date of Closing	:
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): Emergency response <ul style="list-style-type: none"> Basic Guidelines and Technical Work Instructions for the Management of Hazardous and Toxic Chemicals with Document Number 04.03/P/005 dated 1 September 2021 explaining that the procurement, storage and distribution of hazardous and toxic chemicals is complete with labeling and MSDS. The results of field observations in the Pasir Mandoge Fertilizer Warehouse area of Afdeling 5 found that there were no symbols of hazardous materials and names of fertilizer types. Based on the Pasir Mandoge Estate HIRAC document, it was explained that in the Pupuk Warehouse area risk control measures were carried out by installing OHS signs. The results of field observations in the Sei Kopas Afdeling 5 Estate Pupuk Warehouse area revealed that there were no MSDSs for NPK, Borate, and Dolomite fertilizers. In addition to the Sei Kopas Oil Warehouse area, it is known that there is no MSDS for Lubricants, Rorate and Mediterranean types. The results of field observations in the WWTP area revealed that there were no OHS warnings in the form of OHS symbols, restricted areas, and a ban on entering the WWTP area other than officers. In addition, in the WWTP area there were workers who brought children aged 5 years and were in the pump house. In the HIRAC Mill document it is explained that in the WWTP area risk control measures are carried out by installing OHS signs. The results of field observations at the Mill Area, the Auditor Team conducted a Simulation of emergency response equipment, namely the Hydrant at the Boiler station. Hydrant simulation results show that the Hydrant cannot function. Based on the Pasir Mandoge POM Fire Hydrant Inspection Report for the period of 22 October 2022 it is known that the Hydrant at the Boiler Station is in good condition. First aid kit incomplete Based on the results of field observations, incomplete first aid kits were found, namely: <ul style="list-style-type: none"> In the Block 03 I Afdeling 3 Harvesting activity at Pasir Mandoge Estate, the harvest foreman's First Aid Bag: Betadine/Providene Iodine is not available. In the Block 04 BJ Afdeling 4 Harvesting activity at Pasir Mandoge Estate, the Foreman's First Aid Bag was not provided with a flashlight and Aquades was replaced with bottled Mineral Water. In addition, the company has not been able to show justification for replacing Aquades with bottled mineral water. In Afdeling 4 & 5 Rinse Houses at Pasir Mandoge Estate, the Aquades First Aid Box was replaced with bottled Mineral Water. In addition, the company has not been able to show justification for replacing Aquades with bottled mineral water. There are no first aid kits in the Pasir Mandoge POM WWTP area. In the Block 09 AF Afdeling 3 Sei Kopas Estate Harvesting activity, the Harvest Foreman's First Aid Bag is not available Aquades, triangular cloth, and Betadine Expired in September 2022. In the Block 10 AF Afdeling 5 Sei Kopas Estate Harvesting activity, the Foreman's First Aid Bag was not available Aquades, triangular cloth, and Hansaplast. Monitoring of first aid kits and inspection of first aid kits for the September 2022 period for POM and Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate. Monitoring results show that the first aid kit is complete. Non-Conformance Description (filled by auditor): Based on this evidence, the Company has not been able to show evidence of the implementation of emergency preparedness and first aid kits at the workplace			

Root Cause Analysis <i>(filled by organization audited):</i>	
Correction <i>(filled by organization audited):</i>	
Corrective Action <i>(filled by organization audited):</i>	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Follow up on next audit <i>(filled by auditor):</i>	
Verified by	:

NCR No.	:	2022.04	Issued by	:	Rahmat Abdiansyah
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Major (Recurring)	Date of Closing	:	19 Desember 2022
Standard Ref. & Requirement	:	6.7.3 Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.			
Evidence observed (filled by auditor):					
Based on the results of field observations and interviews with employees, it was found that PPE was inappropriate, damaged and provided by the employees themselves, with the following evidence:					
Pasir Mandoge POM					
<ul style="list-style-type: none">In the Pasir Mandoge POM area, it was found that Fat Fit employees were working without wearing PPE, such as helmets and safety shoes. The HIRAC document explains that the PPE used in Fat Fit activities is in the form of gloves, masks, helmets and work shoes.In the Pasir Mandoge POM WWTP area it is known that the Operator's PPE condition in the form of Safety Shoes is in damaged condition and the PPE is purchased by the Operator himself.In the Sortasi area of Pasir Mandoge POM it was discovered that there were 3 employees wearing boots because the safety shoes provided by the company were damaged. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.In the Pasir Mandoge POM Loading Ramp area it was discovered that there were 4 employees wearing boots and the shoes were provided by the employees themselves. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.In the area of the Sterilizer Station, it is known that there are employees who wear boots and do not wear ear plugs. Whereas in the HIRAC document it is explained that the PPE used at the Sterilizer Station is in the form of gloves, masks, helmets, shoes, and ear plugs.At Kempa Station it was discovered that there was 1 employee who wore safety shoes in a damaged condition and 1 employee who wore boots that were provided by themselves. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.At the Seed Factory Station, it was discovered that there were employees who did not use PPE in the form of Ear Plugs. Whereas in the HIRAC Document it is known that the PPE used at the Seed Mill Station is in the form of Gloves, Ear Plugs,					

Masks, Shoes, and Helmets.

- In the area of the Clarification Station, it was discovered that there were employees wearing boots. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- The results of field observations to the central warehouse in Pasir Mandoge POM, there is no PPE stock available.

Estate Pasir Mandoge

In the harvesting activities in Block 03 I Afdeling 3 it was discovered that there were 3 Employee PPE in the form of boots in damaged condition. The results of interviews with these employees revealed that the boots were provided by the employees themselves. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work.

Estate Sei Kopas

In the harvesting activity in Block 09 E Afdeling 2 it was discovered that there was employee PPE in the form of boots that were purchased by themselves. In addition, the employee does not know the mechanism for replacing PPE by the company. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work. Then the results of field observations to the central warehouse at Sei Kopas Estate, there was no PPE stock available.

Estate Tonduhan

In the activities of 2 harvesting employees in Block 03G Afdeling 3 and 1 Harvesting Employee in Block 04F Afdeling 3 it was found that there were still employee PPE in the form of boots purchased by the employees themselves. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work. Then the results of field observations to the central warehouse in Tonduhan Estate, there is no PPE stock available.

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

Based on this evidence, the Company has not been able to show evidence that all workers have used appropriate PPE, and that it is provided free of charge to all workers in the workplace

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

- There is still a lack of discipline among workers in using PPE at work
- Delays in the PPE procurement process at the PTPN IV Head Office.
- The monitoring form does not include monitoring items such as the condition of PPE and PPE purchased by workers or provided by the company.

Correction *(filled by organization audited):*

- Carry out an inventory of workers' PPE
- Provide PPE to workers according to the applicable HIRARC.
- Making lockers (PPE storage areas) at the Afdeling office to monitor the use and return of PPE to ensure that PPE is not taken back to workers' homes

Corrective Action *(filled by organization audited):*

- Assign a PIC who is responsible for monitoring the use and return of PPE to the lockers prepared by the company by workers.
- Revise the PPE daily monitoring form which includes monitoring items such as the condition of PPE and PPE purchased by workers or provided by the company.
- Creating a mechanism for procuring PPE stock other than the PPE needed by workers.

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

Verification December 19, 2022

The company shows evidence in the form of:

- The company shows an inventory of employee PPE and proof of provision of PPE from the results of the inventory, for employee PPE that is damaged, for example at Estate Pasir Mandoge which has conducted daily monitoring of harvesters in the November 2022 period and has provided PPE in the form of boots to harvesters on November 23 2022.
- Indicate the revision of the monitoring form which contains monitoring items, namely the condition of PPE and PPE purchased by workers or provided by the company.
- Mechanism for procurement of PPE and 5% stock which explains that the company ensures workers wear PPE and provides stock of 5% of the number of employees.
- Documentation and field visits, related to the implementation of making lockers in each department used for placing PPE for employees and establishing a PIC, namely foreman I who is assigned to monitor the implementation of using PPE lockers.
- Conduct outreach to employees regarding the mechanism for placing PPE in lockers for each department, for example what was done at Afdeling II of Sei Kopas Estate on November 1 2022 which was attended by 19 people.
- Mechanism for storing PPE in lockers listed in the memo from the board of directors' office to the unit explained in point 5, namely that workers are required to store PPE in the storage room of each department.
- Field visits to Mill, Pasir Mandoge Estate, Tonduhan Estate and Sei Kopas Estate found that the implementation of the use of PPE in the field was in accordance with HIRAC with good conditions and was informed that PPE was provided by the company. In addition, there were also storage areas in the form of lockers in the afdeling office and the Mill security post.

Based on this, the discrepancy in this indicator is declared fulfilled and will be observed in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Briyogi Shadiwa / Kiki Fadli

NCR No.	:	2022.05	Issued by	:	Rahmat Abdiansyah
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Minor raised to MAJOR	Date of Closing	:	11 Januari 2023
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):					
Hazardous Waste					
<ul style="list-style-type: none">SOP for Hazardous Waste Management No. SPO 02 rev 03 dated 27 August 2018 which explains that Hazardous waste generated by operational activities is stored in the Hazardous Waste Temporary Storage.The Unit of Certification has the document Basic Guidelines and Work Instructions of PT Perkebunan Nusantara IV No. Document 04.03/P/005 dated 1 September 2021 which states that the handling of used chemical packaging that is no longer used is to damage the packaging (punch/press) so that it cannot be reused and store the used packaging in the TPS Hazardous Waste warehouse.Based on field observations during the ASA-2 Audit, Hazardous waste was found not in a licensed location, as follows:<ol style="list-style-type: none">3 pcs of glyphosate used in the housing of Pasir Mandoge POM's employees, 3 pcs in the Estate Pasir Mandoge Afdeling 4 and Afdeling 5 housing complex.Used Pertamina drums are used as water reservoirs of 1 pcs in the Rinse House Afdeling I Pasir Mandoge Estate, 1 pcs in Pasir Mandoge POM housing and 1 pcs in Pasir Mandoge Estate Afdeling 5 housing.					
Domestic Waste					
<ul style="list-style-type: none">SOP related to Household Domestic Waste Management No. SPO 20 rev.02, dated 2 January 2015 which explains that every housing must be equipped with a trash can; Each employee collects waste in the bins provided, and cleaning staff periodically collects waste and takes it to Landfill using the tools provided.Based on the results of field observations in the area, evidence of piles of domestic waste was obtained in the following locations:<ol style="list-style-type: none">The residential area of the Emplacement near the Pasir Mandoge POM Office (afdeling II Estate Pasir Mandoge).					

2. The Housing Areas of Pasir Mandoge Estate Afdelling 4 and Afdelling 5.
3. In Block 04 AD Pasir Mandoge Estate, Afdelling 2.
4. On the Pulpul River Border 04 BH Afdelling IV Pasir Mandoge Estate.
5. In Housing Afdelling 3 Pasir Mandoge Estate
6. In Housing Afdelling 2 Tonduhan Estate.
7. Behind the Tonduhan Estate Afdeling 2 Fertilizer warehouse.
8. In Housing Afdelling 3 and Afdelling 5 Sei Kopas Estate.

Based on the results of interviews with workers and management representatives, it is known that there are no cleaning workers who regularly collect waste and take it to Landfill.

Non-Conformance Description (filled by auditor):

Based on this evidence, the company has not been able to show that the implementation of Hazardous and Domestic Waste Management is carried out according to the procedures it has.

Root Cause Analysis (filled by organization audited):

- Lack of Management's supervision and evaluation of the management of B3 waste and domestic waste according to procedures.
- Lack of discipline of workers and their families in managing B3 waste and domestic waste according to procedures.

Correction (filled by organization audited):

Auditor Response 29 December 2022 :

- At the time of the previous ASA-1 assessment, the company had conducted a root cause analysis namely "Lack of understanding of employees and residents living in housing regarding the management of domestic waste and B3 waste." Then at the time of the ASA-2 assessment, the same discrepancy was still found. Has the root of the problem previously been thoroughly evaluated and repaired by the company? Please re-analyze what is the root of the problem besides the lack of supervision that was conveyed.

Auditor Response January 5, 2023:

- Is the root cause that has been determined correctly the root cause of the non-conformity found? The root of the problem in the ASA-1 assessment is related to "Lack of understanding of employees and residents living in housing about the management of domestic waste and B3 waste", while the determination of the root problem in the current ASA-2 assessment is related to "Lack of management oversight of the management of domestic B3 waste according to procedures" and after that it was revised to "Lack of discipline of workers and their families in managing B3 waste and domestic waste according to procedures"
- Please ensure whether the root of the problem is right on target? Has determining the root of the problem in the previous assessment (ASA-1) succeeded in closing the discrepancy? Has the root of the problem in the ASA-1 assessment been evaluated?
- In the ASA-2 assessment, is the root cause of the problem related to a lack of discipline unrelated to a lack of supervision?
- Please ensure the accuracy of root cause determination, if it is felt that the determination of root causes in the ASA-1 assessment has not been resolved, and is added to the determination of other root causes in this ASA-2 assessment, then you are welcome and not limited to just one root cause.

Corrective Action (filled by organization audited):

- Carrying out cleaning of domestic waste to TPSA owned in Afdeling
- For Hazardous waste that still exists in the location of the department, factory and fertilizer warehouse, the work unit will transfer the Hazardous waste to Hazardous Waste Storage.
- Carry out outreach to all employees and their families as well as communities around the plantations to dispose of waste in designated places and prohibit burning waste.
- Carry out socialization to all employees and their families as well as communities around the plantations not to reuse ex-B3 waste for household needs.
- Issue a letter of reprimand to workers in Afdeling III who are still burning garbage in the residential areas for workers in Afdeling III Sei Kopas Estates.

Auditor Response 29 December 2022 :

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of the implementation of waste disposal according to procedures in the following locations:

- The residential area of the Emplacement near the Pasir Mandoge PKS Office (afdelling II Kebun Pasir Mandoge). >> Already available and implemented.
- Housing Areas of Kebun Pasir Mandoge Afdelling 4 and Afdelling 5. >> Already available and implemented.
- In Block 04 AD Kebun Pasir Mandoge Afdelling 2. >> Already available and implemented.
- At Pulpul River Rim 04 BH Afdelling IV Kebun Pasir Mandoge. >> Already available and implemented.
- In Housing Afdelling 3 Kebun Pasir Mandoge. >> Already available and implemented.
- In the Tonduhan Afdelling 2 Housing Complex. >> Not yet shown.
- Behind the Tonduhan Afdelling 2 Fertilizer Warehouse. >> Not yet shown.
- In Housing Afdelling 3 and Afdelling 5 Kebun Sei Kopas. >> Not yet shown.

Please complete the proof of improvement for the Tonduhan Estate Unit and the Sei Kopas Estate Unit.

Auditor Response 5 January 2023 :

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of the implementation of waste disposal according to procedures in the following locations:

- The residential area of the Emplacement near the Pasir Mandoge PKS Office (afdelling II Kebun Pasir Mandoge). >> Already available and implemented.
- Housing Areas of Kebun Pasir Mandoge Afdelling 4 and Afdelling 5. >> Already available and implemented.
- In Block 04 AD Kebun Pasir Mandoge Afdelling 2. >> Already available and implemented.
- At Pulpul River Rim 04 BH Afdelling IV Kebun Pasir Mandoge. >> Already available and implemented.
- In Housing Afdelling 3 Kebun Pasir Mandoge. >> Already available and implemented.
- In the Tonduhan Afdelling 2 Housing Complex. >> Already available and implemented.
- Behind the Tonduhan Afdelling 2 Estates Fertilizer warehouse. >> Already available and implemented.
- In Housing Afdelling 3 and Afdelling 5 Kebun Sei Kopas. >> Already available and implemented.

Thus, corrective action is acceptable.

Assessor Evaluation and Conclusion (filled by auditor):

- Establish a PIC who is responsible for managing B3 waste and domestic waste in Afdeling.
- Make a schedule for transporting domestic waste to TPSA.

Auditor response December 29, 2022:

Corrective action is a corrective action against the root of the problem that has been determined and analyzed, please adjust it again with the results of the root cause analysis that has been determined.

Auditor's Response 5 January 2023 :

Corrective action is a corrective action against the root cause that has been determined and analyzed.

Follow up on next audit (filled by auditor):

Auditor Team Verification December 29, 2022:

- The unit of certification has determined the root of the problem, correction and corrective action, but these three things have not been accepted because there are still responses from the auditor team, please check again on the root cause, correction and corrective action section.
- The unit of certification has shown evidence of improvement in the form of:
 - a. Community socialization regarding waste transportation on October 27 2022 in Dusun II Pasir Mandoge which was attended by 22 socialization participants (APK, Kadus Pasir Mandoge, Assistant Afd.II, Dusun II Community). Cross-Sumatra road ditches can cause flooding, public awareness is needed not to throw garbage in the Trans-Sumatra road ditches, the Company works closely with the Village Head and Kadus in Waste Management.
 - b. Socialization of Hazardous Waste Management, at the Afdeling IV Office on 27 October 2022 which was attended by 30 Participants (Plant Assistants, Foreman I, Head of Staff I, Head of Production and all

- Employees). The socialization contains information related to the definition of B3 waste and identification of B3 waste, B3 waste management, the impact of violations of the B3 waste management mechanism for the environment and society.
- c. Socialization of Hazardous Waste Management on 1 November 2022 in Afdeling I which was attended by 56 participants from employees. The socialization explained the findings of the RSPO Audit stage surveillance-2 and the order to return the hazardous waste to the Central Warehouse.
 - d. Socialization of Domestic Waste on 27 October 2022 in Afdeling IV which was attended by 21 Participants (Assistant, Foreman, Pemel Foreman, Harvesters, Loaders, Maintenance Employees). The socialization explained related to Domestic Waste Management, an appeal to separate organic and inorganic waste and then place it in the trash that has been provided and not dispose of garbage, schedules for domestic waste transportation to be carried out by vehicles provided by the company and disposed of at TPSA Organic and Inorganic.
 - e. Socialization of Domestic Waste and Hazardous Waste Management at Pasir Mandoge PKS on December 12, 2022 which was attended by 30 Participants (Management and Employees of PKS Pasir Mandoge). No 20 of 2021 concerning Environmental Administration and Protection, as well as Regulation of the Minister of Environment and Forestry Number 6 of 2021 concerning Procedures for Requirements for B3 Waste Management. The socialization also explained that the company will monitor the management and handling of B3 waste, and will carry out socialization periodically.
 - f. Socialization of Domestic Waste Management of B3 Waste and Household Waste on October 27, 2022 at Afdeling V Pasir Mandoge which was attended by 71 participants. The socialization consists of household domestic waste management, schedule for domestic waste transportation, management and mandatory return of B3 waste to licensed TPS LB3 in a central warehouse, domestic wastewater storage to a shelter.
 - g. Decree of Assistant Afdeling I Pasir Mandoge Number PAM/SK/I/2022 dated 5 November 2022 regarding the Appointment of B3 Waste Management Monitoring Officers.
 - h. Decree of Assistant Afdeling II Pasir Mandoge Plantation Number PAM/SK/II/XI/2022 dated 5 November 2022 regarding the Appointment of Domestic Waste Management Monitoring Officer
 - i. Decree of Assistant Afdeling IV Pasir Mandoge Plantation Number PAM/SK/IV/XI/2022 dated 4 November 2022 regarding Appointment of B3 Waste Management Monitoring Officer.
 - j. Decree of Assistant Afdeling IV Pasir Mandoge Estate Number PAM/SK/IV/XI/2022 dated 4 November 2022 regarding the Appointment of Domestic Waste Management Monitoring Officers.
 - k. Decree of PKS Manager Pasir Mandoge PKS number PAM/SK/14/IV/2022 regarding the Appointment of B3 Waste Management Monitoring Officer on April 1, 2022.
 - l. Decree of Assistant Afdeling V Pasir Mandoge Plantation Number PAM/SK/V/XI/2022 regarding Appointment of B3 Waste Management Monitoring Officer.
 - m. Receipt of delivery of B3 waste from an unlicensed location to TPS LB3 located at the Central Warehouse, for example returning a Used Pertamina Drum found in Afdeling I Pasir Mandoge to the Central Warehouse on 21 November 2022.

Based on the explanation above, it is concluded that this Non-Conformity is still not fulfilled.

Auditor Team Verification January 5, 2023:

- The unit of certification has determined the root of the problem, correction and corrective action, but these three things have not been accepted because there are still responses from the auditor team, please check again on the root cause, correction and corrective action section.
- The unit of certification has shown evidence of improvement in the form of:
 - a. Monitoring evaluation of domestic waste management afdelling I to VIII and Sei Kopas Estate unit emplacement in November 2022, 30 November 2022, where the document contains details regarding monitoring activities related to monitoring results, monitoring evaluation and information.
 - b. Monitoring evaluation of domestic waste management afdelling I to VIII and the Sei Kopas unit Estates emplacement December 2022, December 27, 2022, where the documents provide details related to monitoring activities, monitoring results, monitoring evaluation and information.
 - c. Schedule for transporting domestic waste to TPSA section 1 to Kebun Emplasmen VIII Sei Kopas Unit November 2022 - January 2023.

- d. Schedule for Domestic Garbage Transportation Afdeling I to III November 2022 and December 2022 Tonduhan Estates Unit.
- e. Schedule of Domestic Garbage Transport Afdeling I to III for the period January – December 2023 Tonduhan Plantation Unit.

Based on the explanation above, it is concluded that this Non-conformity is still not fulfilled.

Auditor Team Verification January 11, 2023:

- The unit of certification has determined the root cause, correction and corrective action, these three things have been accepted and have been able to close the discrepancy.
- The unit of certification has shown additional evidence of improvement in the form of:
 - a. Evidence of waste disposal according to procedures in Afdelling 2 Housing Complex, Tonduhan Estate behind the Fertilizer Estate Tonduhan Afdelling 2 warehouse, in Housing Afdelling 3 and Afdelling 5 Sei Kopas Estate.
 - b. Decree of the Tonduhan Plantation Unit Manager regarding the Appointment of a Domestic Waste Management Monitoring Team for all Afdeling in the Tonduhan Estate Unit number TON/MU/KPTS/54/XI/2022 dated 1 November 2022,
 - c. Checklist for the Completeness of Domestic Waste Management Facilities for all Afdeling in the Tonduhan Estate Unit on 30 November 2022.
 - d. Decree of the Sei Kopas Estate Unit Manager regarding the Appointment of Officers who are responsible for the Evaluation and Monitoring of Domestic Waste for the Sei Kopas Garden Business Unit for all Afdeling No. SKKO/KPTS/153A-153E/XI/2022 dated 1 November 2022
 - e. Socialization of Domestic Waste Management Afdeling I Tonduhan Business Unit to Families and Workers and Families of Workers on December 15, 2022.
 - f. Dissemination of Domestic Waste Management for All Sei Kopas Business Unit Afdeling to Families and Workers and Working Families on December 15, 2022.
 - g. Schedule and realization of domestic waste transportation for all Business Units of POM Pasir Mandoge for the period 2022 – 2023 on 31 December 2022.
 - h. Evaluation of the domestic waste management of the Pasir Mandoge business unit, December 31, 2022. This evaluation explains the suitability and non-compliance of the monitoring findings carried out by the company.
 - i. Letter of Reprimand for Employees of Afdeling III Number PAM/ST/163/XI/2022 on December 26, 2022. The warning was because he disposed of waste that was not in accordance with procedures.

Based on the explanation above, it is concluded that this Non-Conformity has been fulfilled.

Verified by : **Rahmat Abdiansyah**

NCR No.	:	2022.06	Issued by	:	Rahmat Abdiansyah
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Minor raised to MAJOR	Date of Closing	:	17 January 2023
Standard Ref. & Requirement	:	7.3.3 The unit of certification does not use open fire for waste disposal.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">• The company has a non-burning waste management procedure described in SPO 20 revision 03 effective date January 2 2018 which explains that each employee's housing must be equipped with a trash bin and disposed of with a landfill sanitation system (burial) at the final landfill.• Based on the results of field observations, it was found that there were traces of burning domestic waste:<ul style="list-style-type: none">1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Pasir Mandoge Estate),2. Housing complex of Pasir Mandoge Estate Afdeling 4 dan Afdeling 5					

3. Housing complex Pasir Mandoge Estate Afdeling 3
4. Housing Tonduhan Estate Afdeling 2
5. Behind the Fertilizer Temporary Warehouse Afdeling 2, Tonduhan Estate

Non-Conformance Description (filled by auditor):

The company has not been able to prove that it does not use burning for the destruction of domestic waste in accordance with its own procedures.

Root Cause Analysis (filled by organization audited):

- Lack of management oversight of domestic waste management according to procedures
- Lack of discipline of workers and their families in managing domestic waste according to procedures

Auditor Response 29 December 2022 :

At the time of the previous ASA-1 assessment, the company had carried out a root cause analysis, namely "a lack of understanding of employees and residents living in housing regarding the management of domestic waste and B3 waste including the prohibition of using open burning for their destruction." still found the same. Has the root of the problem previously been thoroughly evaluated and repaired by the company? Please re-analyze what is the root of the problem besides the lack of supervision that was conveyed.

Auditor Response January 5, 2023:

- Is the root cause that has been determined correctly the root cause of the non-conformity found? The root of the problem in the ASA-1 assessment is related to "Lack of understanding of employees and residents living in housing about the management of domestic waste and B3 waste", while the determination of the root problem in the current ASA-2 assessment is related to "Lack of management oversight of the management of domestic B3 waste according to the procedure" and after that it was revised to "Lack of discipline of workers and their families in managing B3 waste and domestic waste according to procedure"
- Please ensure whether the root of the problem is right on target? Has determining the root of the problem in the previous assessment (ASA-1) succeeded in closing the discrepancy? Has the root of the problem in the ASA-1 assessment been evaluated?
- In the ASA-2 assessment, is the root cause of the problem related to a lack of discipline unrelated to a lack of supervision?
- Please ensure the accuracy of root cause determination, if it is felt that the determination of root causes in the ASA-1 assessment has not been resolved, and is added to the determination of other root causes in this ASA-2 assessment, then you are welcome and not limited to just one root cause.

Correction (filled by organization audited):

- Carrying out domestic waste cleaning throughout the plantation and PKS environment to the owned TPSA.
- Carry out outreach to all workers and their families as well as communities around the plantations to dispose of waste in a designated place and not burn waste.

Auditor Response 29 December 2022 :

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of cleaning up burnt residue and socialization of domestic waste management and the prohibition of burning for waste destruction according to procedures in the following locations:

1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Kebun Pasir Mandoge). >> Not yet shown.
2. Pasir Mandoge Estate Housing Afdeling 4 and Afdeling 5. >> Not yet shown.
3. Pasir Mandoge Afdelling Estate Housing 3. >> Not yet shown.
4. Tonduhan Estate Afdelling Housing 2. >> Already available and implemented.
5. Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate.>> Already available and implemented.

Please complete the proof of improvement for the Pasir Mandoge Estate Unit and the Pasir Mandoge POM.

Auditor Response 5 January 2023:

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of cleaning up burnt residue and socialization of domestic waste management and the prohibition of burning for waste destruction according to procedures in the following locations:

1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Kebun Pasir Mandoge). >> Not yet shown.
2. Pasir Mandoge Estate Housing Afdeling 4 and Afdeling 5. >> Not yet shown.
3. Pasir Mandoge Afdelling Estate Housing 3. >> Not yet shown.
4. Tonduhan Estate Afdelling Housing 2. >> Already available and implemented.
5. Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate. >> Already available and implemented.

Please complete the proof of improvement for the Pasir Mandoge Estate Unit and the Pasir Mandoge POM.

Auditor Response 11 January 2023:

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of cleaning up burnt residue and socialization of domestic waste management and the prohibition of burning for waste destruction according to procedures in the following locations:

1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Kebun Pasir Mandoge). >> Not yet shown.
2. Pasir Mandoge Estate Housing Afdeling 4 and Afdeling 5. >> Not yet shown.
3. Pasir Mandoge Afdelling Estate Housing 3. >> Not yet shown.
4. Tonduhan Estate Afdelling Housing 2. >> Already available and implemented.
5. Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate. >> Already available and implemented.

Please complete the proof of improvement for the Pasir Mandoge Estate Unit and the Pasir Mandoge POM.

Corrective Action (filled by organization audited):

- Establish a PIC who is responsible for managing domestic waste.
- Make a schedule for transporting domestic waste on a regular basis

Auditor Response 29 December 2022 :

Please be able to show proof of carrying out regular domestic waste collection. Is the domestic waste transport schedule carried out for the entire scope of the Certification Unit or only for the scope which is an example of evidence of non-compliance? Please show supporting evidence.

Auditor Response January 5, 2023:

Please show the Letter of Determination of the PIC responsible for managing domestic waste for the Tonduhan Plantation Business Unit, and the schedule for transporting domestic waste for the Pasir Mandoge Plantation Business Unit.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Team Verification December 29, 2022:

- The root cause of the problem that has been determined is not yet acceptable to close the discrepancy.
- The corrections that have been made are acceptable, but the company has not been able to show proof of the implementation of domestic waste cleaning for the Tonduhan Plantation Business Unit.
- The stipulated corrective action has not been accepted based on the results of verification of supporting evidence submitted regarding the implementation of said corrective action.
- The unit of certification has submitted several documents as evidence of the implementation of the corrective actions taken, while some of these documents are as follows:
 - a. Socialization of Domestic Waste / Household Garbage Management on October 27, 2022 in Dusun II Pasir Mandoge which was attended by 22 Participants (Employees and Community).
 - b. Socialization of Domestic Waste and Hazardous Waste Management on December 12, 2022 at Pasir Mandoge POM which was attended by 30 Participants (PKS Pasir Mandoge Employees).
 - c. Socialization of Tonduhan Unit Household Domestic Waste Management on 14 November 2022 at Afdeling II of the Tonduhan Estate which was attended by 9 Participants consisting of Afdeling Assistants and housewives.

- d. Decree of PKS Manager Pasir Mandoge Number PKS PAM/SK/05/IV/2022 dated 1 April 2022 concerning Appointment of Domestic Waste Management Monitoring Officers.
- The unit of certification conveys the procedure for managing domestic waste in accordance with the procedures owned by the company, and conveys that all employees and the public are required to dispose of waste in the designated place and then transport it to the final disposal site (TPA) through this socialization activity. The unit of certification has also shown documentary evidence in the form of implementation photos and a list of attendees of socialization participants.
- For the socialization conducted at the Tonduhan Plantation Unit explained that for domestic waste disposal it is carried out in the space provided and it is prohibited to litter, and it is strictly prohibited not to burn waste within the Tonduhan Plantation business unit environment.

Based on the information above, the company has provided documented evidence of corrective actions taken to close the discrepancies. However, the company has not been able to show the timeline for socialization activities which is stated to be carried out periodically, has not included targets and targets for the success of these socialization activities, evaluation related to socialization, and has not been able to show the results of monitoring waste management in employee housing, plantations and PKS. and have not been able to show evidence or a checklist for monitoring the transportation of domestic waste as scheduled once a week for transporting waste to TPSA. This socialization has not been able to ensure that this will not happen again, because the socialization activities have not included a work timeline, and achievement goals and an evaluation of the implementation of these activities.

Based on this explanation, this Non-Conformity is still stated as still in OPEN status.

Auditor Team Verification January 5, 2023:

- The identified root cause is acceptable to close the discrepancy.
- The corrections made have been acceptable, but the company has not been able to show evidence of the implementation of domestic waste cleaning for the Pasir Mandoge Business Unit and Pasir Mandoge PKS.
- The stipulated corrective action has not been accepted based on the results of verification of supporting evidence submitted regarding the implementation of said corrective action.
- The unit of certification has submitted several additional documents as evidence of the implementation of the corrective actions taken, while some of these documents are as follows:
 - a. Evaluation of monitoring of domestic waste management of afdelling I to VIII and the Sei Kopas garden unit emplacement in November 2022, November 30, 2022, in which the documents provide details regarding monitoring activities related to monitoring results, evaluation monitoring and information.
 - b. Evaluation of monitoring of domestic waste management of afdelling I to VIII and the Sei Kopas garden unit emplacement in December 2022, December 27, 2022, in which the documents provide details related to monitoring activities, monitoring results, evaluation monitoring and information.
 - c. Domestic waste transport schedule to TPSA section 1 to VIII Sei Kopas Garden Unit Emplasmen November 2022 - January 2023.
 - d. Schedule for the Transport of Domestic Waste for Afdeling I to III in November 2022 and December 2022 for the Tonduhan Garden Unit.
 - e. Schedule for Domestic Waste Transport Afdeling I to III for the January – December 2023 Period Tonduhan Plantation Unit.

Based on this explanation, this Non-conformity is still declared as Unfulfilled.

Auditor Team Verification January 11, 2023:

- The identified root cause is acceptable to close the discrepancy.
- The corrections made have been acceptable, but the company has not been able to show evidence of the implementation of domestic waste cleaning for the Pasir Mandoge Business Unit and Pasir Mandoge PKS.
- The stipulated corrective action has not been accepted based on the results of verification of supporting evidence submitted regarding the implementation of said corrective action.
- The unit of certification has shown additional evidence of improvement in the form of:
 - a. Evidence of waste disposal according to procedures in Afdelling 2 Housing Complex, Tonduhan Estate, behind the

- Tonduhan Afdelling 2 Estate's Fertilizer warehouse, in Afdelling 3 Housing Complex and Afdelling 5 Sei Kopas Estate. However, it has not shown evidence of cleaning burnt marks as explained in the correction section.
- Decree of the Tonduhan Plantation Unit Manager regarding the Establishment of a Domestic Waste Management Monitoring Team for all Afdeling in the Tonduhan Estate Unit number TON/MU/KPTS/54/XI/2022 dated 1 November 2022,
 - Checklist for the Completeness of Domestic Waste Management Facilities for all Afdeling in the Tonduhan Plantation Unit on 30 November 2022.
 - Decree of the Sei Kopas Plantation Unit Manager regarding the Appointment of Officers who are responsible for the Evaluation and Monitoring of Domestic Waste for the Sei Kopas Estate Unit for all Afdeling No. SKKO/KPTS/153A-153E/XI/2022 dated 1 November 2022.
 - Socialization of Domestic Waste Management Afdeling I Tonduhan Estate Unit to Families and Workers and Families of Workers on December 15, 2022.
 - Dissemination of Domestic Waste Management for All Sei Kopas Estate Unit Afdeling to Families and Workers and Working Families on December 15, 2022.
 - Schedule and realization of domestic waste transportation for all Pasir Mandoge POM Business Units for the period 2022 – 2023 on December 31, 2022.
 - Evaluation of the domestic waste management of the Pasir Mandoge Estate unit, December 31, 2022. This evaluation explains the suitability and non-compliance of the monitoring findings carried out by the company.
 - Letter of Reprimand for Employees of Afdeling III Number PAM/ST/163/XI/2022 on December 26, 2022. The warning was because he disposed of waste that was not in accordance with procedures.

Based on the explanation above, it means that this Non-conformity has not been fulfilled.

Auditor Team Verification January 17, 2023:

- Corrections. The company has been able to show proof of the implementation of domestic waste cleaning for the Pasir Mandoge Business Unit and the Pasir Mandoge PKS. The evidence of cleaning up the burnt waste domestic waste shown is in the following locations:
 - Emplacement housing near the Pasir Mandoge PKS Office (Afdeling II Pasir Mandoge Estates).
 - Pasir Mandoge Estate's Housing Afdeling 4 and Afdeling 5.
 - Mandoge Afdelling 3 Housing Estate.
 - Tonduhan Afdelling 2 Estate.
 - Behind the Housing Fertilizer Warehouse Afdelling 2 Estate.
- The stipulated corrective action has been accepted based on the results of verification of supporting evidence submitted regarding the implementation of the corrective action.

Based on the explanation above, it is concluded that this Non-conformity has been fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Rahmat Abdiansyah

NCR No.	: 2022.07	Issued by	: Hasiholan Sihombing
Date Issued	: 29 October 2022	Time Limit	: 27 January 2023
NC Grade	: Major	Date of Closing	: 20 December 2022
Standard Ref. & Requirement	Certification System 5.5.3 Requirements for uncertified management units: a. No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12. Any new plantings since 1 January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each		

	<p>new planting development, compliance with the NPP shall be verified by an RSPO accredited CB.</p> <p>b. Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8</p> <p>c. Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2</p> <p>d. Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1</p>
<p>Evidence observed <i>(filled by auditor):</i></p> <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, this document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), issues of land conflict (criteria 4.4,4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation (criterion 7.12).</p> <p>Non-Conformance Description <i>(filled by auditor):</i></p> <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>	
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <p>The revision of the timebound plan is coordinated directly by Holding Perkebunan Nusantara. So that the time bound plan used is based on what has been approved by the RSPO</p>	
<p>Correction <i>(filled by organization audited):</i></p> <p>Revise the updated timebound plan and send it to Holding Perkebunan Nusantara</p>	
<p>Corrective Action <i>(filled by organization audited):</i></p> <p>Coordinate with Perkebunan Nusantara Holding for revision of the timebound plan.</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Verification on December 20, 2022</p> <p>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.</p> <p>In some of the self-assessment results, there are also plans for unit certification to be carried out over 2023, for example the Molek Air Garden 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.</p> <p>In this regard, this discrepancy 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.</p>	
<p>Follow up on next audit <i>(filled by auditor):</i></p>	
<p>Verified by</p>	<p>:</p>

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	2.3.2 minor	<p>For all indirectly obtained FFB, the unit of certification obtains evidence according to Indicator 2.3.1 from collection centers (middlemen), agents or other intermediaries.</p> <p>Based on the list of FFB suppliers at Pasir Mandoge POM, it is known that there are 3rd party external FFB suppliers who act as agents/collectors of FFB from farmer groups or surrounding communities who are engaged in oil palm plantation business. The company already has geolocation data for these agents but has not been able to show all farmer data or FFB source data sent to collectors along with information regarding land ownership status, geolocation information from the location of origin of FFB, identity of FFB suppliers, plantation area of FFB suppliers/farmers who sent fruit to agent. Based on the provisions of the RSPO P&C 2018 endorsed INA-NI April 2020 it is stated that the time requirement for supplying smallholders to fulfill the requirements according to indicator 2.3.1 is three years after the OPM is certified. For PKS Pasir Mandoge, three years since being certified by the RSPO is October 14, 2023.</p> <p>Thus, units of certification are encouraged to obtain evidence in accordance with Indicator 2.3.1 from collection centers (collectors), agents or other intermediaries.</p>
2	3.6.1 Major	<p>All operational activities are assessed for risk to identify OHS issues. Mitigation plans and procedures are documented and implemented.</p> <p>The results of observations in the Mill area show that in the Mill area and Pasir Mandoge Estate there is a Biogas Power Plant (PLTBg) with a capacity of 2x1,025 kW. The verification results of HIRAC PKS documents and Kebun Pasir Mandoge found that the activities at the Biogas Power Plant (PLTBg) had not been identified in the HIRAC because operational activities were not carried out by PTPN IV. The results of interviews with company representatives found that the PLTBg was managed by PT Karya Mandoge Energi where the PLTBg area was leased to PT Karya Mandoge Energi.</p> <p>The company has the opportunity to ensure a risk assessment to identify OHS problems and mitigate the existence of Biogas Power Plant (PLTBg) activities in the company area.</p>
3	6.7.1 Major	<p>Person in charge of Occupational Safety and Health (K3) is identified. Records of periodic meetings between the person in charge and the workers are available. The interests of all parties regarding safety, health and welfare were discussed at the meeting. Any issues that arise are recorded.</p> <p>Pasir Mandoge POM OHS Committee Secretary is a personnel who has attended General OHS Expert training from Occupational Safety and Health Service Company and has OHS Expert Appointment Decree No. 5/38864/AS.02.04/IX/2019 dated 23 September 2019 with a validity period of up to 23 September 2022 on behalf of Maruli Rahmad Ritonga. The company has submitted the OHS Expert appointment letter extension file to Occupational Safety and Health Service Company on August 1, 2022. The company can show the progress of the OHS Expert Appointment Certificate extension from PT Emcotama with Certificate Number B.26/EMCOTAMA-SK/X/2022 dated October 26, 2022 which stated that the Appointment Expert OHS a.n Maruli Rahmad Ritonga was still in the process of being issued at the PNK3 Directorate of the Indonesian Ministry of Manpower. The company can also show evidence that the OHS Committee Secretary has also attended the OHS Expert Competency Improvement training on 12-13 October 2022 which was held by the Ministry of Manpower of the Republic of Indonesia. The training is a requirement for OHS Expert Appointment extension. The company can also show that the application for an extension of</p>

No	Ref. Std.	Description
		<p>Appointment OHS Expert Secretary OHS Committee to Occupational Safety and Health Service Company was on 1 August 2021.</p> <p>Pasir Mandoge Estate OHS Committee Secretary is a personnel who has attended General OHS Expert training from OHS Service Company and has a valid General OHS Expert Appointment Decree No. 5/3868/AS.02.04/IX/2019 dated 23 September 2019 with a validity period of up to 23 September 2022 on behalf of Agus Salim. The company has submitted the OHS Expert Appointment extension file to OHS Service Company on August 1, 2022. The company can show the progress of the OHS Expert Appointment Certificate extension from PT Emcotama with Certificate Number B.26/EMCOTAMA-SK/X/2022 dated October 26, 2022 which stated that the OHS Expert Appointment a.n Agus Salim was still in the process of being issued at the PNK3 Directorate of the Indonesian Ministry of Manpower. The company can also show evidence that the OHS Committee Secretary has also attended the OHS Expert Competency Improvement training on 12-13 October 2022 which was held by the Ministry of Manpower of the Republic of Indonesia. The training is a requirement for OHS Expert OHS Service Company extension. The company can also show that the application for an extension of OHS Expert Appointment Secretary OHS Committee to OHS Service Company was on 1 August 2021.</p> <p>Tonduhan Estate The company can show evidence that it has a OHS Committee organization that has been approved by the Manpower Office of Sumatera Utara Province based on the Decree of the Head of the Sumatera Utara Province Manpower Office No. 566/560-7/DYK/SU/WIL.III/2021 dated 30 August 2021. The OHS Committee Secretary is a personnel who has attended General OHS expert training from OHS Service Company and has general OHS expert Appointment Decree Number 5/3860/AS.02.04/IX/2019 and valid until 23 September 2019 on behalf of Tatang. The company has submitted the general OHS expert Appointment extension file to OHS Service Company on August 1, 2022. Then the company can show a statement letter Number B.07.A/EMCOTAMA-SK/X/2022 on October 7, 2022 from OHS Service Company PT EMCOTAMA which explains that the Appointment Extension as The General OHS Expert is in the process of being published at the Directorate of OHS Institutional Development at the Indonesian Ministry of Manpower. The company can also show that the application for an extension of OHS expert Appointment Secretary OHS Committee to OHS Service Company was on 1 August 2021.</p> <p>The company has the opportunity to ensure that progress on the extension of general OHS expert Appointment Secretary OHS Committee can run positively.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	The company has received a PROPER certificate for the 2020-2021 period with a blue rating from the Indonesian Ministry of Environment and Forestry.
2	Have a biogas installation (methan capture) in POME management.
3	Commitment to implement the principles of sustainable oil palm plantation management.
4	The company has personnel who are competent in their respective fields
5	The company no longer using pesticides with the active ingredient paraquat

3.5 Summary of Arising Issues from Public and Auditor Verification



Issues from Public	Auditor Verification
Suka Makmur Village (Community Leader) – Pasir Mandoge Scope <ul style="list-style-type: none"> There are no issues related to land disputes. The company plays an important role in socializing the control of the covid pandemic. Village relations with the company are good. There are no issues related to environmental pollution The company has realized the construction of a mosque in Suka Makmur Village. The company has conducted socialization regarding the existence of animals, HCV, and land fires to the community. 	<p>There are no negative issues that need further verification.</p>
Tonduhan Village (Village Head) – Tonduhan Estate Scope <ul style="list-style-type: none"> The company absorbs workers from the village. There are no problems or conflicts over land ownership between the company and the surrounding community. There have been no issues regarding environmental pollution in the last 1 year. The company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting certain animals around the plantation area. Socialization of the prohibition of burning has been carried out for land clearing activities. The company routinely provides assistance to villages in the form of CSR and direct assistance as well as by providing training facilities and knowledge transfer for independent oil palm smallholders in Tonduhan Village. There is no communication problem between the village and the company and the company always responds to requests from the village. 	<p>There are no negative issues that need further verification.</p>
Silau Jawa Village (Secretary Village) – Sei Kopas Estate Scope <ul style="list-style-type: none"> The company absorbs workers from the village. There are no problems or conflicts over land ownership between the company and the surrounding community. There have been no issues regarding environmental pollution in the last 1 year. There is no communication problem between the village and the company and the company always responds to requests from the village. 	<p>There are no negative issues that need further verification.</p>
Department of Agriculture Asahan District <ul style="list-style-type: none"> There is no fire issue in the company. 	<p>There are no negative issues that need further verification.</p>

Issues from Public	Auditor Verification
<ul style="list-style-type: none"> The company's plantation business permit is in accordance with the provisions. Plantation business activity reports reporting is routinely reported by the company Assessment of Estate class is carried out by the Sumatera Utara Provincial Agriculture Office In general, fire control facilities are considered sufficient. In addition, during the last 5 years there has never been a case of land fires in the company area or in Asahan District. CSR is going well. 	
Employee Cooperative (Pasir Mandoge) <ul style="list-style-type: none"> The form of cooperative business is savings and loans The last Member Meeting will be held in September 2022. The value of the obligatory savings of members depends on the wages of each group. The company provides support in the form of providing facilities such as a room if the cooperative management is going to hold an annual member meeting or other meetings. 	There are no negative issues that need further verification.
Office of Manpower and Transmigration Asahan District <ul style="list-style-type: none"> The determination of wages is in accordance with the minimum wage Fixed Period Working Agreement has been recorded and has been notified to the Department of Manpower. The company has sent mandatory reports such as OHS Committee & work accident reports and union meeting activities. So far, there has never been a report from employees regarding industrial relations and so on. Communication between the company and the Department is well established. 	There are no negative issues that need further verification.
Chair of the Gender Committee (Pasir Mandoge) <ul style="list-style-type: none"> The gender committee consists of representatives of men and women There have been no cases of sexual harassment in the last 1 year Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic. Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination. There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity 	There are no negative issues that need further verification.

Issues from Public	Auditor Verification
Plantation Workers Union (SPBUN Pasir Mandoge) <ul style="list-style-type: none"> The company has provided PPE and wages in accordance with applicable regulations The company routinely conducts high-risk health checks and periodic health checks. There are Fixed Period Working Agreement workers for harvest work. The Fixed Period Working Agreement records have been submitted to the Department of Manpower The company has provided socialization regarding CLA, company policies, work procedures and others. 	There are no negative issues that need further verification.
Land Agency of Asahan District <ul style="list-style-type: none"> There are no land disputes that have been certified. The company has reported an annual HGU usage report 	There are no negative issues that need further verification.
PT Employee Nusantara Jaya (Outsourcing Company) <ul style="list-style-type: none"> Contract workers follow wages from PTPN IV without any deductions given to outsourcing companies Contract workers have been registered with Social Security Agency of Employment and Health 	There are no negative issues that need further verification.
Employee Cooperative (Sei Kopas) <ul style="list-style-type: none"> The form of cooperative business is savings and loans The last Member Meeting will be held in August 2022. The value of the obligatory savings of members depends on the wages of each group. The company provides support in the form of providing facilities such as a room if the cooperative management is going to hold an annual member meeting or other meetings. 	There are no negative issues that need further verification.
Chair of the Gender Committee (Sei Kopas) <ul style="list-style-type: none"> The gender committee consists of representatives of men and women There have been no cases of sexual harassment in the last 1 year Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic. Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination. There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity 	There are no negative issues that need further verification.
Plantation Workers Union (SPBUN Sei Kopas)	There are no negative issues that need further verification.

Issues from Public	Auditor Verification
<ul style="list-style-type: none"> The company has provided PPE and wages in accordance with applicable regulations The company routinely conducts high-risk health checks and periodic health checks. There are Fixed Period Working Agreement workers for harvest work. The Fixed Period Working Agreement records have been submitted to the Department of Manpower The company has provided socialization regarding CLA, company policies, work procedures and others. 	
PT Andalan Bintang Cemerlang (Local Contractor) <ul style="list-style-type: none"> Contract workers follow wages from PTPN IV without any deductions given to outsourcing companies Contract workers have been registered with Social Security Agency of Employment and Health 	There are no negative issues that need further verification.
Workers Union (SP BUN Tonduhan) <ul style="list-style-type: none"> The company has provided PPE and wages in accordance with applicable regulations The company routinely conducts high-risk health checks and periodic health checks. The company has provided socialization regarding CLA, company policies, work procedures and others. 	There are no negative issues that need further verification.
Land Agency of Simalungun District. -	The related office could not be contacted because there were other agendas
Plantation Agency of Simalungun District. -	The related office could not be contacted because there were other agendas
Manpower Office of Simalungun District <ul style="list-style-type: none"> Determination of wages is in accordance with provincial minimum wage. The company has sent mandatory reports such as OHS Committee & work accident reports and union meeting activities. So far, there has never been a report from employees regarding industrial relations and so on. Communication between the company and the Office is well established. 	There are no negative issues that need further verification.
Employee Cooperative (Tonduhan) <ul style="list-style-type: none"> Cooperatives have been registered with the Office of Cooperatives. The form of business of the Cooperative is Savings and Loans Each member makes mandatory contributions at the time of registration as a member and voluntary contributions every month. 	There are no negative issues that need further verification.

Issues from Public	Auditor Verification
<ul style="list-style-type: none"> The company provides support in the form of facilities such as rooms. 	
PT Ratu Badis (Local Contractor) <ul style="list-style-type: none"> There are no complaints to the company The company routinely conveys socialization related to OHS, policies and procedures that apply in the company Payments have been made according to the agreement of both parties The wages of contractor workers are in accordance with the applicable minimum wage. 	<p>There are no negative issues that need further verification.</p>
Gender Committee (Tonduhan) <ul style="list-style-type: none"> The gender committee consists of representatives of men and women There have been no cases of sexual harassment in the last 1 year The company provides break time for new mothers to breastfeed their children Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic. Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination. There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity 	<p>There are no negative issues that need further verification.</p>
Employee Cooperative (Tonduhan and Sei Kopas) <ul style="list-style-type: none"> The form of cooperative business is savings and loans The last Member Meeting will be held in August 2022. The value of the obligatory savings of members depends on the wages of each group. The company provides support in the form of providing facilities such as a room if the cooperative management is going to hold an annual member meeting or other meetings. 	<p>There are no negative issues that need further verification.</p>
CV Pelita Jaya - CPO Transporter <ul style="list-style-type: none"> The scope of the Cooperation agreement covers the transportation of CPO. The contractor provides vehicles and labor units such as drivers and loaders. So far there have been no complaints related to payments or Cooperation agreements. All contractor workers are permanent workers and have been provided with PPE as well as social security facilities for <i>BPJS</i> Health and <i>BPJS</i> Employment. 	

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perkebunan Nusantara IV Management Representative</p>  <p>Pirgok Panggabean Tuesday, 17 January 2023</p> </div> <div style="text-align: center;"> <p>MUTU International Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Tuesday, 17 January 2023</p> </div> </div>

Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Suka Makmur Village (Pasir Mandoge)	Asahan District	-	Direct	25 October 2022	✓	
2	Gender Committee (Pasir Mandoge)	Asahan District	-	Direct	25 Oktober 2022	✓	
3	Worker Union of POM and Estate (Pasir Mandoge)	Asahan District	-	Direct	25 Oktober 2022	✓	
4	Silau Jawa Village (Sei Kopas Estate)	Asahan District	-	Direct	26 October 2022	✓	
5	Tonduhan Village (Tonduhan Estate)	Simalungun District	-	Direct	25 Oktober 2022	✓	
6	Department of Agriculture Asahan District	Asahan District	-	By Phone	25 Oktober 2022	✓	
7	Employee Cooperative (Pasir Mandoge)	Asahan District	-	By Phone	25 Oktober 2022	✓	
8	Department of Manpower and Transmigration	Asahan District	-	By Phone	25 Oktober 2022	✓	
9	National Land Agency	Asahan District	-	By Phone	25 Oktober 2022	✓	
10	PT Employee Nusantara Jaya (Outsourcing Company) – Pasir Mandoge	Asahan District	-	By Phone	25 Oktober 2022	✓	
11	Employee Cooperative (Sei Kopas Estate)	Asahan District	-	By Phone	25 Oktober 2022	✓	
12	PT Andalan Bintang Cemerlang (Local Contractor) – Sei Kopas Estate	Asahan District	-	By Phone	25 Oktober 2022	✓	
13	SPBUN (Sei Kopas Estate)	Asahan District	-	By Phone	25 Oktober 2022	✓	
14	Gender Committee (Sei Kopas Estate)	Asahan District	-	By Phone	25 Oktober 2022	✓	
15	Department of Manpower and Transmigration	Simalungun District	-	By Phone	25 Oktober 2022	✓	
16	National Land Agency	Simalungun District	-	By Phone	25 Oktober 2022		✓
17	Plantation Agency	Simalungun District	-	By Phone	25 Oktober 2022		✓
18	Worker Union (Tonduhan Estate)	Simalungun District	-	By Phone	25 Oktober 2022	✓	
19	Gender Committee (Tonduhan Estate)	Simalungun District	-	By Phone	25 Oktober 2022	✓	
20	Employee Cooperative (Tonduhan)	Simalungun District	-	By Phone	25 Oktober 2022	✓	
21	Local Contractor (PT Ratu Badis) – Tonduhan Estate	Simalungun District	-	By Phone	25 Oktober 2022	✓	
22	CV Pelita Jaya (CPO Transporter)	Asahan District	-	By Phone	25 Oktober 2022	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
23	Pasir Mandoge POM <ul style="list-style-type: none"> • 4 Loading ramp Operators • 2 Sterilizer Operators • 2 engine room Operators • 3 Sort operators • 3 Security • 1 weighbridge operator • 1 Nut Operator • 1 Sttion Clarification Operator • 2 Boiler Operators • 1 WTP Operators • 2 officers for material warehouses, chemical warehouses and temporary storage areas for hazardous and toxic waste materials • 1 Workshop operator 	Asahan District	-			✓	
24	Pasir Mandoge Estate <ul style="list-style-type: none"> • 10 harvest worker • 3 harvest foreman 	Asahan District	-			✓	
25	Sei Kopas Estate <ul style="list-style-type: none"> • 5 harvest foreman • 7 harvest worker • 1 Worker in Workshop • 1 Worker in HCV • 2 Worker in Pesticide warehouse. 	Asahan District	-			✓	
26	Tonduhan Estate <ul style="list-style-type: none"> • 2 harvest foreman • 3 harvest workers • 4 maintenance workers • 1 Worker in Workshop • 1 Worker in HCV • 1 Worker in Pesticide warehouse. 	Simalungun District	-			✓	
27	Sawit Watch	Bogor	info@sawitwatch.or.id	Via Email	13 October 2022	-	✓
28	WWF	Jakarta	wwf-indonesia@wwf.or.id	Via Email	13 October 2022	-	✓
29	Walhi	Jakarta	informasi@walhi.or.id	Via Email	13 October 2022	-	✓
30	AMAN	Jakarta	rumahaman@cbn.net.id	Via Email	13 October 2022	-	✓

Appendix 2. Assessment Program

DATE	24 – 30 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 24 October 2022		
07.05 – 10.00	JAKARTA → MEDAN	LEO/HAS/RAB/ KID/HEN All Auditor, Management Representatives of PTPN IV
10.00 – 14.00	From the Airport to the Audit Location	
15.00 – 17.00	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)	
Tuesday, 25 October 2022		
08.00 – 12.00	<ul style="list-style-type: none">Stakeholders' consultation to related agenciesStakeholder consultation to affected communities' owners by phone.Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, third Party Supplier (if any), local NGO (if any).	KID/HEN HAS/RAB KID/HEN
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Field observation to Pasir Mandoge POM: <ul style="list-style-type: none">Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)Implementation of Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)Implementation of Environmental aspects, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & Land Application	HAS RAB KID/HEN
16.30 – 17.00	Submission of audit Progress	All Auditor
Wednesday, 26 October 2022		
08.00 – 12.00	Field Observation to Pasir Mandoge Estate <ul style="list-style-type: none">Implementation of Legal Aspect (Land Ownership, Legal Boundaries); HCV;Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety aspect, Implementation of Employment Procedure and Mechanism AspectImplementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, worship Place).	HAS/HEN RAB KID
12.00 – 14.00	Break	
14.00 – 16.30	Document Verification	All Auditor

DATE	24 – 30 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.30 – 17.00	Submission of audit Progress	All Auditor
Thursday, 27 October 2022		
08.00 – 12.00	<p>Field Observation to Tonduhan Estate:</p> <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); HCV; • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety aspect, Implementation of Employment Procedure and Mechanism Aspect • Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, worship Place). <p>Field Observation to Sei Kopas Estate:</p> <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); HCV; • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety aspect, Implementation of Employment Procedure and Mechanism Aspect • Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, worship Place). 	<p>HAS & HEN</p> <p>RAB</p> <p>KID</p>
12.00 – 14.00	Break	
14.00 – 16.30	Document Verification	All Auditor
16.30 – 17.00	Submission of audit Progress	All Auditor
Friday, 28 October 2022		
08.00 – 11.30	Continue document verification and completing checklist	All Auditor
11.30 – 14.00	Break	All Auditor
14.00 – 16.30	Continue document verification and completing checklist	All Auditor
16.30 – 17.00	Submission of audit Progress	All Auditor
Saturday, 29 October 2022		
08.00 – 12.00	Continue document verification and completing checklist	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 15.30	Internal discussion by auditor team preparing for Closing Meeting	All Auditor

DATE	24 – 30 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
15.30 – 17.00	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
17.00 – 21.00	Travel from audit location to the airport	All Auditor
Sunday, 30 October 2022		
10.30 – 12.55	MEDAN (KNO) -> JAKARTA (CGK)	All Auditor