

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management Organization : **Sawit Langkat Palm Oil Mill subsidiary of PT Perkebunan Nusantara IV.**
 Plantation Name : PT Perkebunan Nusantara IV – Sawit Langkat Estate
 Location : Village of Banjaran, Sub District of Padang Tualang, District of Langkat, Province of Sumatera Utara, Indonesia.
 Certificate Code : **MUTU-RSPO/115**
 Date of Certificate Issue : 25 June 2018 Date of License Issue : 18 January 2023
 Date of Certificate Expiry : 24 June 2023 Date of License Expiry : 24 June 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3 (Remote)	03 to 06 August 2021	Arif Faisal Simatupang (Lead Auditor), Ardiansyah, Rindu Galih Rezza Rachmansyah and Sentot Adi Subandono	Briyogi Shadiwa	Ardiansyah
ASA-3+ASA-4 (Onsite)	08 to 12 August 2022	Haikal Ramadhan Kharismansyah (Lead Auditor), Leonada, Arief Tajalli, and Mia Rahmah Qadryani		

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3+ASA-4	11 January 2023

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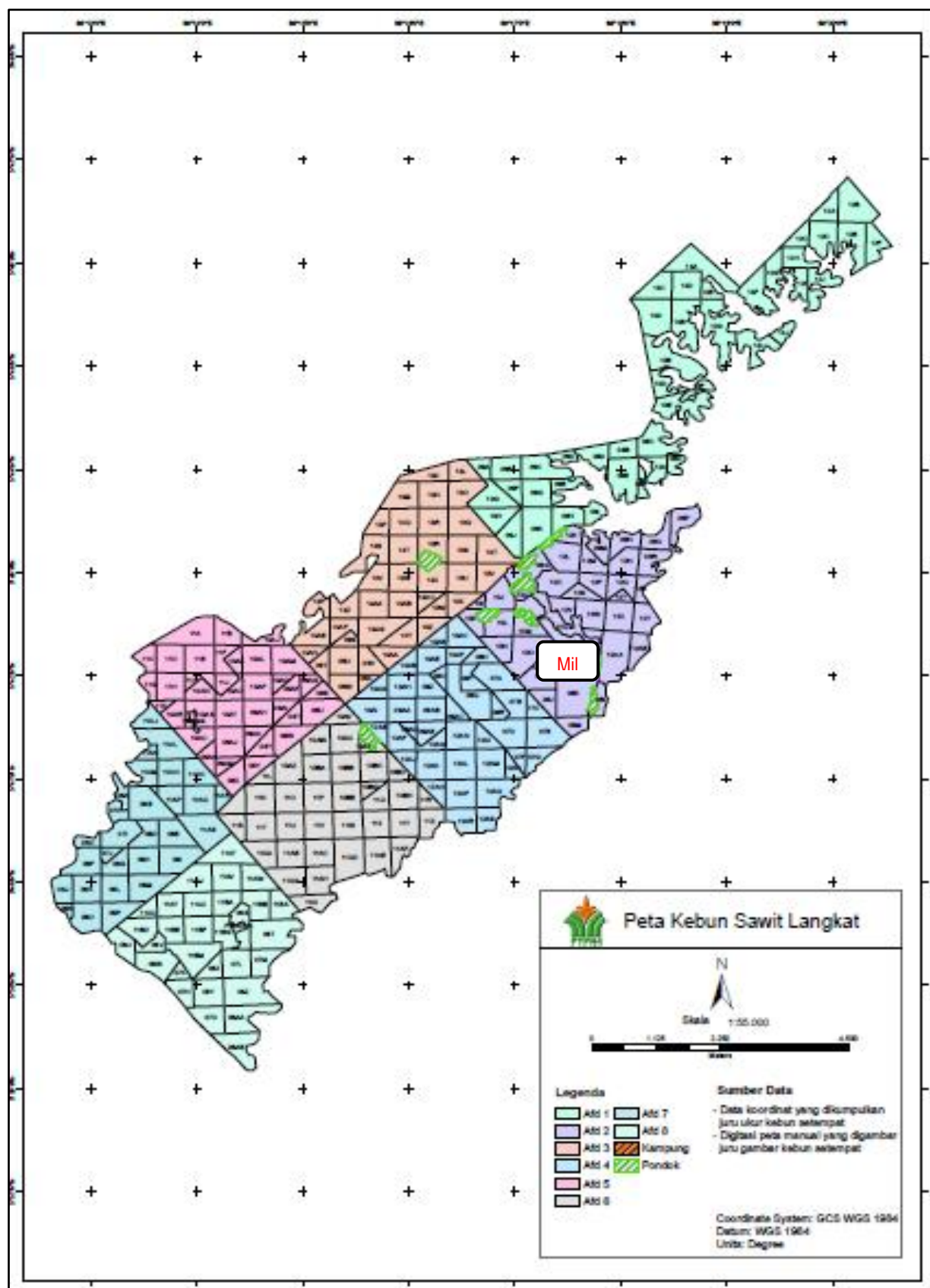
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Figure 1. Location Map of PT Perkebunan Nusantara IV - Sawit Langkat



Figure 2. Operational Map of PT Perkebunan Nusantara IV - Sawit Langkat



Abbreviations Used

ANDAL	:	<i>Analisis Dampak Lingkungan</i> – Environmental Impact Assessment (EIA)
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Agency)
CH	:	Certificate Holder
CLA	:	Collective Labor Agreement (<i>Perjanjian Kerja Bersama</i>)
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
DLH	:	<i>Dinas Lingkungan Hidup</i> (Environmental Services)
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gas
HCS	:	High Carbon Stock
HCV	:	High Conservation Value
HR	:	Human Resource
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
KDTU	:	<i>Kepala Dinas Tata Usaha</i> (Head of Administration)
LD50	:	Lethal Dose 50% of Responses
MUSPIKA	:	<i>Musyawarah Pimpinan Kecamatan</i> (District Leader Conference)
NGO	:	Non-Government Organization
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
PIC	:	Personal in Charge
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PTKP	:	<i>Permintaan Tindakan Koreksi dan Pencegahan</i> (Corrective and Preventive Action Request)
PTPN	:	Perseroan Terbatas Perkebunan Nusantara
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification Standard
SDM	:	<i>Sumber Daya Manusia</i> (Human Resources)
SE	:	<i>Surat Edaran</i> (Company Circular Letter)
SEL	:	<i>Study Evaluasi Lingkungan</i> (Environmental Evaluation Study)
SIA	:	Social Impact Assessment
SOP	:	Standard Operational Procedure
SP Bun	:	<i>Serikat Pekerja Perkebunan</i> (plantation workers union)
SPK	:	<i>Surat Perjanjian Kerja</i> (Work Agreement)
TBS	:	<i>Tandan Buah Segar</i> (Fresh Fruit Bunch)
TPSA	:	<i>Tempat Pembuangan Sampah Akhir</i> (Final Waste Disposal)
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit</i> (Oil Palm Leaf Eating Caterpillars)
UPT	:	<i>Unit Pelaksana Teknis</i> (Technical Implementation Unit)
WHO	:	World Health Organization
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used		
		<ul style="list-style-type: none">Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	Sawit Langkat Palm Oil Mill 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 – North Sumatera, Indonesia	
1.2.4	Telephone	+62 61-8452244	
1.2.5	Fax	+62 61-8455177	
1.2.6	E-mail	ptb@ptpn3.co.id	
1.2.7	Web page address	http://www.ptpn3.co.id/	
1.2.8	Management Representative who completed the application for certification	Pirgok Panggabean	
1.2.9	Registered as RSPO member	1-0030-06-000-00; 13 December 2006	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Sawit Langkat Mill and Sawit Langkat Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Sawit Langkat Mill	Banjaran Raya Village, Padang Tualang Sub-District, Langkat District, Sumatera Utara Province, Indonesia	N 03° 42' 03"E 98° 17' 38"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Sawit Langkat Estate	Banjaran Raya Village, Padang Tualang Sub-District, Langkat District, Sumatera Utara Province, Indonesia	N 03° 42' 45"E 98° 17' 03"
1.5	Description of Area Statement		
1.5.1	Tenure		

	<ul style="list-style-type: none">StateCommunity	6,173.50 Ha					
		- Ha					
	Total						
1.5.2	Area Statement						
	Description	TOTAL (Ha)					
	Total area	6,173.50					
	Planted (All planted is mature area)	5,492.72					
	Emplacement, mill and building	185.00					
	Road and Trench	406.49					
	Graveyard	2.00					
	Hazardous Waste Warehouse	1.00					
	HCV	86.29					
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	TOTAL (Ha)					
	2006	528.84					
	2007	324.00					
	2008	424.00					
	2009	554.40					
	2010	1047.48					
	2011	1145.00					
	2012	850.00					
	2013	617.00					
	2016	2.00					
	TOTAL	5,492.72					
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 (%)
	Sawit Langkat	20	181,861.42	41,832.62	23.00	7,112.04	3.91
	*Production data source from 16 months before assessment (April 2021 to July 2022)						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (ton/year)	Yield (ton/ha/year)	Supplied to Mill	
						FFB (ton/year)	%
	Sawit Langkat	6,173.50	5,492.72	163,602.31	29.79	163,602.31	100
	* Production data source from 16 months before assessment (April 2021 to July 2022)						
1.7.3	FFB description from other source						
	Name of sources/Organization	Type of Organization	number of	Production	Supplied to Mill		

	(RSPO certified / non-certified)		smallholders	Area (Ha)	FFB (tones/year)	
RSPO Non Certified						
	Sawit Langkat Estate Non HGU	PT Perkebunan Nusantara IV – Sawit Langkat Business Unit		113.42	1,575.49	
	CV Harapan Kita	Independent Supplier			4,831.61	
	CV Metro Mandiri	Independent Supplier			11,702.97	
	TOTAL				18.110.07	
* Production data source from 16 months before assessment (April 2021 to July 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 (Ton)		Actual Production of previous audit (MT)	
	FFB Processed		209,802		243,551.22	
	CPO Production		51,205		57,312.06	
	Palm Kernel (PK) Production		8,247		9,538.00	
1.8.2	Product selling					
	Type of selling product		Actual selling product for last year (August 2020 to July 2022) (MT)			
	CSPO sold as RSPO certified product		11,381.70			
	CSPK sold as RSPO certified product		4,266.52			
	CSPO sold under another scheme		0			
	CSPK sold under another scheme		0			
	CSPO sold as conventional		43,802.66			
	CSPK sold as conventional		4,838.41			
1.8.3	Estimate of Certified FFB Claim					
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)	
	Sawit Langkat	6,173.50	5,492.72	124,000	22.58	
*Projected FFB production for 12 months of certificate						
1.8.4	Estimate of Certified Palm Product Claim					
	Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO Out put (tones) Extraction (%)	Palm Kernel Out put (tones) Extraction (%)	Supply Chain Module
	Sawit Langkat	20	124,000	28,520 23.00	4,960 4.00	MB
*Projected CSPO and CSPK production for 12 months of certificate						
1.9	Other Certifications					
	ISO 9001:2015			-		
	ISO 14001: 2015			-		
	ISO 45001:2018			-		
	ISCC			-		
	Others			ISPO MUTU-ISPO/217		

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 Distrct, 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)	2023	Deli Serdang District,	

			Estate		Sumatera Utara Province	
	Sisumut (PTPN III)	2015	Sisumut Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
			Aek Nabara Utara Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
	Rambutan (PTPN III)	2016	Tanah Raja Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
			Gunung Monaco Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
			Silau Dunia Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
			Sarang Ginting Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
			Sei Putih Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
			Rambutan Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
			Bandar Betsy Estate	2022	Simalungun District, Sumatera Utara Province	
	Sei Daun (PTPN III)	2015	Sei Daun Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
			Bukit Tujuh Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
	Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
	Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhan Batu Selatan District, Sumatera Utara 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	Province 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
		Bah Birong Ulu	2022	Simalungun, Sumatera Utara	-
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
Adolina (PT PN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
Bah Jambi (PTPN IV)		Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (30.0 Ha)
Dolok Sinumbah (PT PN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
		Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang (PT PN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Bukit Lima	2022	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	2022	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	2022	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage

	Sawit Langkat (PT PN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Audit (10.0 Ha) Certified on June 2018
			Sawit Langkat	2022	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)	2022	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 (PT PN IV)	2022	Sosa	2022	Padang Lawas, Sumatera Utara	Preparation
	PT Agro Sinergi Nusantara (PT PN IV)	2022	PT Agro Sinergi Nusantara	2022	Aceh Barat, Aceh	Preparation
	PT Sinergi Perkebunan Nusantara (PTPN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
	Tandun (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	2019	Terantam	2019		Kampar District, Riau	Certified

	(PT PN V)				Province, Indonesia	
			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 (PT PN VII)	2023	Sungai Lengi	2023	Muara Enim District, 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	2022	Luwu Timur, District, Sulawesi Tengah	-
			Malili	2022	Luwu Timur, District, Sulawesi Tengah	-
			Asera	2022	Luwu Timur, District, Sulawesi Tengah	-
*Last update on September 2022						
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard					
	The UoC hasn't have any associated smallholder scheme					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-3 (Remote)	<p>1. Arif Faisal Simatupang (Lead Auditor) Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm plantation company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit, he was assessing the aspects of best management practices of agronomy and processing. During this assessment, he verified the aspects of plantation legality, Best Management Practices and supply chain.</p> <p>2. Ardiansyah (Auditor). Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (SIO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in Bahasa and Malay. During this audit, he verified Environment, GHG and HCV.</p> <p>3. Rindu Galih Rezza Rachmansyah (Auditor). Indonesian citizen, Bachelor of Agriculture with major in Plant Pest and Disease. Has one year experience as Field Expert in Pesticide Company and 3 years' experience in Industrial Forest Management, Forest Rehabilitation and Reclamation on Indonesia Stated Owned Company as Assistant. Training which had attended including Lead Auditor ISO 9001, ISO 14001, ISO 17021, ISO 19011, ISO 45001, SA 8000, Lead Auditor ISPO, Lead Auditor RSPO, RaCP and NPP Awareness and OHSAS 18001:2007. Has involved in several audit activities related to sustainable palm oil since 2017 in the aspects of legality, environment, Best Management Practices (BMP), social, worker welfare and OHS. During assessment, he assigned to verification towards Worker Welfare, Social and OHS.</p> <p>4. Sentot Adi Subandono (Trainee Auditor). Indonesia citizen, Bachelor of Agriculture, Department of Agricultural Cultivation. He has five years of experience working since 2005 as Plantation Operational Staff and nine years as Internal Auditor in private oil palm plantations in Indonesia. The training that has been attended includes the Basic Management Development Program of Palm Oil Plantation, Use of Limited Pesticides, Best Practices in Internal Auditing, Fraud Auditing: Prevention, Detection, and Investigation, Operational Risk Approach in Internal Auditing, General Occupational Health and Safety Expert, ISPO, ISO 9001: 2015. During this assessment, he verified the aspects of Best Management Practices under the supervision of the Lead auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
ASA-3 and ASA-4 (Onsite)	<p>1. Haikal Ramadhan Kharismansyah (Lead Auditor). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years' experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001:2015, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS. Did some audit ISPO scheme with aspects best management practices. During this assessment verified Legal, Worker Welfare, Transparencies, FPIC, SCCS, TBP and Partial Certification.</p> <p>2. Leonada (Auditor). Bachelor of agriculture for plant breeding and seed technology program study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and experience in plasma management. Training and awareness have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, ISCC training, HCV, GHG, SA 8000, ISO 17021;2011, ISO 17065;2012, ISO 19011;2011, training of lead auditor ISO 9001;2008, lead auditor ISO 14001;2005 training, training of management development program agronomy, training of analysis</p>

base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, training of health and safety management system (SMK3) auditor, and currently working on independent certification bodies as an auditor. In this audit e conducted an assessment on BMP and OHS.

3. **Arief Tajalli (Auditor).** Indonesian citizen, Bachelor of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agricultural University. Has been involved as a researcher at a wildlife laboratory, Faculty of Forestry, IPB. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011 and ISPO Auditor training by Mutu Institute and RSPO Auditor Training by Checkmark, also participating in several IHT in the field of environment, BMP, and so on. Has participated in several audit simulation activities related to the sustainable palm oil certification system since 2020 with social, environmental, GHG, and waste management aspect. During this assessment, he verified the Environmental, GHG, and Waste management aspects.
4. **Mia Rahmah Qadryani (Auditor Trainee).** Indonesian citizen. Bachelor of Agriculture Majoring in Pest and Plant Disease, Universitas Padjadjaran. The training she has followed namely: ISO 9001 in 2021, ISO 19011 in 2021, Auditor ISPO in 2022, Awareness ISO 17021 in 2021, Awareness ISO 17065 in 2021, Awareness ISO 9001 in 2021, Awareness ISO 14001 in 2021, Awareness ISO 45001 in 2021, and Awareness ISO 19011 in 2021. She has participated in several audit simulation activities related to the social and worker welfare. During this audit, she verified Worker Welfare and Transparencies supervised by Lead Auditor.

Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.

2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3 (Remote)	Number of auditors: 3 auditors & 1 auditor trainees Number of days for ASA-3 at site: 2 days Number of working days for ASA-3 at site: 6 Working days.
ASA-3 and ASA-4 (Onsite)	Number of auditors: 3 Auditor & 1 Auditor trainee Number of days for ASA-3 and ASA-4 audit: 5 days Number of working days for ASA-3 and ASA-4 audit: 15 Working days
2.2.2	Assessment Process
ASA-3 (Remote)	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perkebunan Nusantara IV – Sawit Langkat to the requirements of Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20th April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>For this section (Surveillance-3), the assessment was conducted in One method: document review, aiming to observe the sufficiency of types or substances from required documents. Improvement of findings from recertification findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of this remote Audit report.</p> <p>The opening meeting was held on 3 August 2021 at 08.00 am through a teleconference (Zoom). As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, Support Team from sustainability department and other relevant staff. while the closing meeting will take place on 6 August 2021. attended by the same participants as the opening meeting. The presentation of documents is presented quite well using email.</p> <p>The assessment program please find Appendix 2</p>
ASA-3 and	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT AMP Plantation to the requirements of Indonesia National Interpretation of Principles and Criteria for Sustainable

ASA-4 (Onsite)	<p>Palm Oil Production 2018, endorsed on 20th April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The scope of certification of Sawit Langkat POM with FFB supplied by one (1) Estates: Sawit Langkat Estate. The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (Recert). Improvement of findings from ASA-2 findings were observed by auditors at this ASA-3 & ASA-4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-3 & ASA-4.</p> <p>The opening meeting was held on 08 August 2022. As for the participants who attended the opening meeting included Estate and Mill Managers, Support Team from Medan and other staff at Sawit Langkat POM. Closing meeting was held on 12 August 2022 attended by the same participants as the opening meeting. Management PTPN IV Sawit Langkat Business Unit accept all the onsite ASA-3 & ASA-4 audit results.</p> <p>The assessment program please find Appendix 2.</p>
2.2.3	Locations of Assessment
ASA-3 (Remote)	Will be completed during the onsite audit
ASA-3 and ASA-4 (Onsite)	<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>Sawit Langkat POM</p> <ul style="list-style-type: none"> • Land Application. Observation related to effluent handling. • Water Treatment Plant. Observations related work procedure, safety aspect, worker welfare, environment aspect etc. • WWTP. Observation related to effluent handling and potential for environmental pollution. • Reservoir. Observations related work procedure, safety aspect, worker welfare, environment aspect etc. • Hazardous waste storage. Observation about storage condition, hazardous waste stock, emergency response facility, and waste management. • Oil storage. Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock. • General storage. Observation about storage condition, PPE stock, emergency response and OHS implementation. • Chemical material storage. Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock. • Empty Bunch Area. Observation related to waste management. • Workshop. Observation related to work procedure, OHS and workers welfare aspect. • Security. Observation Related SCCS implementation and worker welfare aspect. • Weighbridge Station. Observation Related SCCS implementation and worker welfare aspect. • Engine room. Observation related best practices, OHS aspect, worker welfare aspect, and emergency response. • Boiler. Observation related best practices, OHS aspect, worker welfare aspect, and emergency response. • Sortation and Grading. Observation related best practices, OHS aspect, worker welfare aspect, and emergency response. • Press station. Observation related best practices, OHS aspect, worker welfare aspect, and emergency response.

Sawit Langkat Estate

- **Boundaries No. BPN 38 Block 10B**, Field observations to see the suitability of the coordinates, position and condition of the stake.
- **Boundaries No. BPN 30 Block 13A**, Field observations to see the suitability of the coordinates, position and condition of the stake.
- **Boundaries No. BPN 64 Block 9C**, Field observations to see the suitability of the coordinates, position and condition of the stake.
- **Boundaries No. BPN 65 Block 12AC**, Field observations to see the suitability of the coordinates, position and condition of the stake.
- **Boundaries No. BPN 83B Block 12AB**, Field observations to see the suitability of the coordinates, position and condition of the stake.
- **HCV Area Riparian River Block 12AA, 12AB, 12AC, 08H, 08 I and 09 B Afdeling 1 and 2**. Observation related to management of environmental aspect and boundaries to planted area.
- **Certified and Non-certified Area, block 09M and 12L**. Field observations to see the suitability of the management, position and marking.
- **FFB Harvesting, Block 11AQ/AR, 13A. Afdeling 1**. Observation related FFB quality, OHS, and worker welfare.
- **Pesticide Application, Block 10AL. Afdeling 5**. Observation related FFB transportation, environmental aspect, OHS, and manpower.
- **Housing Facilities, Afdeling 1 and 5**. Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, and electricity facility.
- **Fertilizer Warehouse**. Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used.
- **Agrochemicals Warehouse**. Observation related to management of oil and agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used.
- **Spare part warehouse**. Observation minimum stock of PPE.
- **Firefighting warehouse and simulation of firefighting equipment**. Observation related to OHS and firefighting facilities and emergency simulations.
- **Clinic**. Observations and interviews of health, environmental, training, and employment facilities.
- **Workshop**. Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **Pesticide mixing area**. Observation related pesticide mixing area, PPE storage, safety aspect.
- **Rinse House**. Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Daycare, Afdeling 1 and 5**. Observations and interviews with workers related to labor and OHS aspects.
- **Landfill, Block 13A**. Observations related to domestic waste management, OHS, and environmental management.
- **Harvesting**. Observation related best practices, OHS aspect and worker welfare aspect.
- **Manual upkeep**. Observation related best practices, OHS aspect and worker welfare aspect.
- **Circle and Path Spraying**. Observation related best practices, OHS aspect and worker welfare aspect.
- **Manuring**. Observation related best practices, OHS aspect and worker welfare aspect.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-3 (Remote)	Will be completed during the onsite audit
ASA-3 and ASA-4 (Onsite)	Summary of stakeholder consultation process Consultation of stakeholders for PT Perkebunan Nusantara IV - Sawit Langkat was held by: <ul style="list-style-type: none"> • Public Notification on website on RSPO and MUTU Website on 25 July 2022 • Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 1 August 2022 • Public consultation meeting with government institution 9 August 2022

	<ul style="list-style-type: none"> Public consultation meeting with communities on 9 August 2022 Public consultation meeting with internal stakeholders and contractor 9 August 2022
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (RC) will be conducted eight (8) months to twelve (12) months 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 Sawit Langkat POM - PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III consisting of one (1) mill and one (1) oil palm estates, namely Sawit Langkat POM and Sawit Langkat Estate

During the assessment, there were ten (10) Nonconformities were assigned against Major Compliance Indicators, five (5) Nonconformities assigned against Minor Compliance Indicator and six (6) 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).

MUTUAGUNG LESTARI found that Sawit Langkat 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	Unit of certification showed SOP of communication and consultation (No SPO 03 revision 3) validated on 2 January 2017 which explains the types of documents which are publicly accessible such as vision and mission, balance sheet, productivity, assets, CSR and others. UoC also mentioned inaccessible documents, such as management reports, minutes of meetings, Direction Decree, work agreement letter and other confidential letters.	
	These documents can be accessed by sending a request to the management. Based on the interview with Agencies of Langkat District, they stated that if they needed information, they would contact the company through the mobile app or information request letter and the company always responded and submitted mandatory report in accordance with its period.	
1.1.2	The unit of certification can show evidence that information has been received in an appropriate form and language regarding stakeholder involvement, rights and obligations of the company that is conveyed to all relevant stakeholders, including:	
	<u>Compliance with Social and Environment Regulation</u>	
	<ul style="list-style-type: none"> Evidence of the PTPN IV RKL-RPL Report for the Langkat Palm Oil Unit Semester 1, 2022, which was reported to the Langkat Regency Environmental Service on 5 July 2022. Evidence of PTPN IV's Hazardous and Toxic Waste Management Report for the Langkat Palm Oil Unit Quarter 2, 2022, which was reported to the Langkat Regency Environmental Service on 5 July 2022. Evidence of the PTPN IV Liquid Waste Management Report for the Langkat Palm Oil Unit Quarter 2, 2022, which was reported to the Langkat Regency Environmental Service on 5 July 2022. 	

The company has compiled a report on RKL-RPL and Hazardous Waste Management and reported it to the Langkat Regency Environmental Service, but the company has not been able to show evidence of reporting these documents to KLHK through SIMPEL (Electronic Reporting System). Based on this, companies are encouraged to report RKL-RPL and Hazardous Waste Management to KLHK through SIMPEL as regulated in PermenLHK Number P.87/Menlhk/Setjen/Kum.1/11/2016 concerning Electronic Licensing Reporting System for the Environmental Sector for Business and/or Activity. (OFI).

Compliance with BMP and OHS Regulation

Report on the development of the plantation business in semester 1 of 2022 which was reported to the Langkat Regency Agriculture Service in July 2022

Compliance with Legal Regulation

Report on the utilization of HGU to the Langkat Regency BPN for the 2021 period which was submitted on January 28, 2022

Compliance with Manpower Regulation

UoC also showed the mandatory report submitted related to worker welfare in accordance with its period, here as follows: Reporting of Employment Report for PTPN IV Sawit Langkat via online in 2021 on 23 December 2021 and must be reporting back on 23 December 2022.

Based on the document review, all documents and information which are publicly accessible (mentioned in 1.1.1) are provided in Bahasa and understandable by each stakeholder.

1.1.3

Unit of certification showed SOP of communication and consultation (No SPO 03 revision 3) validated on 2 January 2017 which explains the PIC of handling information, publicly accessible documents, the flow of handling information requests, and the maximum time limit of responding to the information request which is three months since the date of information request received.

UoC had recorded every requested information on a logbook of incoming and outgoing letters. Based on document verification, it was found that during 2021-2022 all incoming letters are requests for funds and the company has responded to the fund request. UoC only showed outgoing letters which are the company's report to each stakeholder according to its period, not as the respond to incoming letters.

Based on the interview with villagers (Banjaran Jaya Village, Kebun Balok Village, and Dusun IX Besilam Jaya Village), they have understood mechanism of communication and consultation. Normally, headman of the village or communities would send a letter as a form of communication.

1.1.4

UoC also showed the record of the socialization regarding the SOP mentioned in 1.1.1 on 25 July 2022 attended by every stakeholder such as: contractor workers and communities. In addition, based on the interviews with the villagers, labor union and gender committee, it is known that they had sufficient understanding of communication and consultation procedures

1.1.5

UoC showed the current list of stakeholders which informed the internal and external stakeholders. The stakeholders include the government agencies, heads of the community, local suppliers, contractors, and internal stakeholder. In the current list of stakeholders, it was also explained the names, relation, addresses, categories and contact person numbers. In addition, based on the document review of stakeholder list and all contractor collaborating agreements, it's known that all third parties collaborated with UoC for 12 months period before this assessment conducted has been put in the stakeholder.

During the assessment, auditor has verified the list of stakeholders by calling the contact person randomly (e.g: the agencies in Langkat Regency, PT Dewa Barat Sentosa, and PT Pelita Jaya) to ensure the validity of its contact person put in the list of stakeholders.

Status: Comply

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

1.2.1

The certification unit has a code of conduct that was signed by the Commissioner and President Director in 11 April 2019. The code of conduct regulates conduct guidelines relating to conflicts of interest, bribery, political activities, drugs and gambling, business entertainment, gifts, souvenirs, donations, and disgraceful acts which constitute a prohibition for businessman. It is also stated that the company builds trust and a good reputation for and for stakeholders by referring to the principles of transparency, accountability, objectivity and fairness, all of which are the embodiment of the company's code of business conduct.

This policy covers all operational activities of PTPN IV Unit Sawit Langkat, including the prohibition of corruption, bribery and fraud in the use of funds and resources as well as compliance with reasonable business practices. Besides, based on interview with workers in Sawit Langkat Estate and Sawit Langkat POM, who stated that all of them had received socialization related to the company's code of ethics which includes prohibition of corruption, bribery and fraud in the use of funds and resources and adherence to reasonable business practices in all operational areas.

1.2.2

In monitoring compliance and the application of ethical behavior policies, the company conducts internal audit in 2021 for all units, where the result is that there are no violations from ethical behavior aspects such as corruption, bribery and fraud that occurred in the operational areas of Sawit Langkat Estate and Mill. In addition, it is also proven by the workers who have been routinely given the socialization of the code of ethics every year and can carry out all of them well without exception.

In addition, the company provides a complaint book for workers as a facility for Workers if there are violations related to ethical behavior. Based on the document review, it is known that there are no reports from workers related to violations of ethical behavior. This is line with the results of interviews with workers in the sampling units such as Sawit Langkat (Mill and Estate) who stated that all of them had received socialization related to the company's code of ethics which includes prohibition of corruption, bribery and fraud in the use of funds and resources and adherence to reasonable business practices in all operational areas.

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 Sawit Langkat POM certification unit is under the PTPN IV company, in compliance with the compliance, the company has complied with the relevant laws and regulations, namely by having the following documents:

Compliance with Social and Environment Regulation:

- The results of environmental studies in the form of Environmental Impact Analysis (ANDAL) and RKL-RPL documents for 2004 on behalf of PTPN IV Langkat Sawit Unit for the scope of Plantations and Mills. The study was carried out for the development plan of 1 Factory Unit with a capacity of 40 Tons of FFB/Hour and an oil palm plantation of 7,375.60 Ha located in Padang Tualang District, Langkat Regency, North Sumatra.
- The ANDAL document has been approved by the Regent of Langkat Number 660.1-25/PDL-LKT/2005 dated January 20, 2005 regarding the approval of the ANDAL and RKL-RPL documents for PTPN IV Langkat Palm Oil Unit.
- Hazardous and Toxic Waste Storage Permit Document Number 660-0033/SIPLB/DPMP2TSP-LKT-2020 which was legalized by DPMP2TSP Langkat Regency on April 22, 2020.
- Document of Technical Approval for Wastewater Disposal applied to Land for PTPN IV Langkat Palm Oil Unit Number 660-0012/IPAL/DPMP2TSP-LKT/2020 which was legalized by DPMP2TSP Langkat Regency on 20 May 2020.
- The Groundwater Concession Permit owned by the company is based on the Decree of the Governor of North Sumatra Number 546/834 dated June 16, 2020 (Referring to the Technical Recommendation) which is valid for 3 years. The company has an obligation to collect water with a quota of 5 liters/second.
- The Groundwater Concession Permit owned by the company is based on the Decree of the Governor of North Sumatra Number 546/848 dated June 16, 2020 (Referring to the Technical Recommendation) which is valid for 3 years. The company has an obligation to collect water with a quota of 5 liters/second.
- The Water Resources Concession Permit owned by the company is based on the Decree of the Governor of North Sumatra Number 610/1135 dated August 24, 2020 (Referring to the Technical Recommendation) which is valid for 3 years. The company has an obligation to collect water with a quota of 19.44 liters/second.

Compliance with BMP and OHS Regulation

- Has used pesticides that are registered and officially registered
- Already have an SIO for operators according to requirements

Compliance with Manpower Regulation

- UoC has implemented a minimum wage and the fulfillment of overtime wages
- UoC already has and implements a pay scale structure

Compliance with Legal Regulation.

The company has shown the legal compliance toward Indonesia law such as land title (HGU) and plantation business permit (IUP) that will be described in more detail in indicator 4.4.1

2.1.2

The unit of certification has basic guidelines and work instructions for identification and evaluation of compliance with laws and regulations and other requirements. document 04.01/KOL/P/034 dated August 1, 2018. The guidelines include informing the person in charge of identifying and updating regulations as part of corporate legal and investor relations with a period of once a year.

List of regulation which applicable with unit of certification activity i.e :

- PP No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs
- PP No 36 of 2021 concerning Wages
- PP No 37 of 2021 concerning Job Loss Guarantee
- PermenLHK Number P.12 of 2020 concerning Storage of Hazardous and Toxic Waste
- Regulation of the Minister of Manpower number 4 Of 2022 concerning payment procedures and terms for "Jaminan Hari Tua"

The list of regulation last update on June 2022. Evaluation of law registers for contractors described in 2.2.2 and 2.2.3. In addition, once a year also conduct RSPO internal audit.

2.1.3

The Company has procedure related to HGU poles that described in the SOP No. 12 dated January 2, 2015, revision 02. The procedure explains that:

- Monitoring of poles conducted every 6 months.
- If a damaged/non-functioning boundary pole is found, it will be notified to Civil engineering department for repairs.
- If the boundary pole is missing (none) then it is reported to the Unit Manager and then informed to the Legal and Land Section for repair program.

Based on the field visits to BPN pole No 38 block 10B, BPN pole No 30 block 13A, BPN pole No 64 block 9C, BPN pole No 65 block 12 AC, and BPN pole No 83B block 12 AB it is known that the boundary pole are in good condition according to with the results of the last monitoring carried out in July 2022. The monitoring and maintenance period for HGU pole is twice a year

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

In monitoring the existence of contractors for plantation and mill activities, UoC had documented the list of contractors, type of business, contact persons, work agreements, and ensuring other matters related to compliance with laws and regulations in Indonesia. The contractors collaborate in the activities of operational vehicles rental such as CPO transport, FFB transport, Kernel transport, security outsourcing, and hazardous waste transport, here as follows:

- Sawit Langkat Estate cooperating with 3 contractors, as follows: PT Dewa Barat Sentosa collaborating in FFB Transport which has 31 workers, CV Alif Utama collaborating in plantation upkeep which has 16 workers, and PT Wira Manggala collaborating in security outsourcing worker.
- Sawit Langkat POM cooperating with 4 contractors, as follows: CV Pelita Jaya collaborating in CPO transport, PT Veronika collaborating in hazardous waste transport, and CV Karya Mandiri collaborating in kernel transport.

In managing the contractor, the certification unit has a copy of the collaboration agreement in each unit. For example, for agreement between two parties, such as: Work Agreement of CV Alif Utama (No. GMD III/SPK/PEMEL. TM/159/X/2021) for collaborating in plantation upkeep dated on 12 October 2021 which is valid for a year.

The explanation above can be concluded that the UoC has managed and documented the list of contractors along with its supporting documents.

2.2.2

UoC showed that there were several separate clauses on the work agreement between the company and the contractor related to fulfilling legal obligations in Indonesia. Some of these obligations are related to the registration of workers' health and social security insurance, the provision of minimum wages, the obligation to use PPE, other permits such as tax payment, etc. To ensure the compliance with these clauses, UoC always requests the requirements for the completeness before the contractor does work.

In addition, UoC has carried out an evaluation of each contractor to see the performance of the contractors and the compliance of the contractors to the existing regulation, for example the evaluation of CV Alif Utama in 2022. There were several important indicators in the evaluation including work quality, punctuality, grievance handling, and the comprehension regarding anti bribery policy. However, the evaluation isn't including the compliance regarding existing regulation yet.

Based on the interviews with contractor, contractor workers, and documents verification, it's revealed that workers had received wages and were registered in the BPJS program. For example:

- Proof of payment of wages period of June 2022 for CV Alif Utama on behalf of RF, SJ, TS, and TB (initial) who received wages of Rp. 2,711,000.
- BPJS *Ketenagakerjaan* (Social Security Insurance) payments for CV Alif Utama contractor workers have been completely fulfilled for period of July 2022.

Auditor already confirmed the number of contractor workers and the number of total BPJS payment for contractor workers. The total number of Social Security Insurance has been in accordance with the number of contractor workers. Meanwhile the health insurance, most contractor workers were registered in BPJS TK, while the rest registered in government program.

2.2.3

UoC showed that on each work agreement between the unit of certification and the contractor (e.g: the agreement between UoC and CV Alif Utama No. GMD III/SPK/PEMEL.TM/159/X/2021), there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to UoC's commitment against forced labour, underage worker, and not to employ workers from human trafficking.

To ensure the compliance with these clauses, the company always requests the requirements for the completeness before the contractor does work.

Based on the document review and the field observation, it revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker worked. Based on the interviews with contractor, contractor workers, and documents verification, it revealed that they had a good understanding related to the minimum age of worker, the prohibition of forced labor and the human trafficking.

Status: Comply

2.3

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

2.3.1

Based on document review and stakeholder consultation, it is known that Mill did not receive the FFB directly from the other source however obtain FFB from agent as described in 2.3.2

2.3.2

Based on the processing data of the Sawit Langkat Palm Oil Mill for the April 2021 – July 2022 period, it is known that there are sources of FFB from other parties, namely PT Metro Mandiri Abadi and PT Harapan Kita. The results of interviews with FFB supplier

representatives revealed that both of them were FFB collection agents and received FFB from various parties. They also said they did not know the exact source of FFB because they had never checked the source of FFB, including the number of farmers supplying it.

The company provided information that it actually had data on FFB suppliers from both parties, for example for PT Metro Mandiri Abadi: Siti Fatimah and Sukinah (Geolocation indicated by Village SK land status). PT Harapan Kita: Paimin, Hartono, Suhardi (Geolocation indicated status). Based on production data, it is known that the FFB received from the two collection agents for the period April 2021 - July 2022 was 4,831.61 tons for PT Harapan Kita and 11,702.97 tons for PT Harapan Kita.

FFB production for each supplier if averaged is as follows:

- CV Harapan Kita → 4,831.61 tons: 3 farmers: 16 months = 100.66 tons of FFB/month for each farmer.
- CV Metro Mandiri → 11,702.97 tons: 2 farmers; 16 months = 365.71 tons of FFB/month for each farmer.

From these data it is known that there is an amount of FFB production with an amount that is above the average so that it is possible to have other sources of FFB besides the five farmers. Thus it can be concluded that the Company has not been able to provide sufficient evidence that it has information for all FFB obtained from indirect sources such as geolocation and land ownership status. This become **nonconformity No.2022.01 with a minor category**

2.3.2 Status: **Nonconformity No.2022.01 with minor category**

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 & 3.1.3

The PTPN IV Langkat Sawit Unit certificate holder has a five-year production projection contained in the Long-Term Plan for the 2020-2024 period, which includes, among others, the projected area statement, production (FFB), oil (CPO), core (Kernel), plantation costs, factory costs, oil prices, core prices, revenues from oil sales and core sales, expenses and profit/loss gains. For example, some projections are shown in the table below:

	2020	2021	2022	2023	2024
Main Estate (ton)	128,560	133,388	135,683	136,496	135,258
CPO (ton)	30,854	32,080	32,632	32,896	32,597
Kernel (ton)	5,142	5,336	5,427	5,460	5,410

The unit of certification shows a monthly evaluation document of the long-term plan, in the Monthly Management Report. This report includes an overview of operational activities, a statement of financial position (balance sheet), a cash flow statement, production costs and cost of goods, and a list of inventories.

The Certificate holder shows the Management Review Meeting document on July 26, 2021 which was attended by the Manager, Assistant head, Chief Engineer, KDTU (Head of Administration), HR Assistant, Assistant, and SP Bun. The Management Review Meeting discussed the results of the RSPO internal audit which was held from 22 to 24 July 2021 and follow-up improvements, measurement of customer satisfaction, process performance, achievement of quality objectives, and concerns about implementing the quality management system by making PTKP (Requests for Corrective and Preventive Actions).

3.1.2
There is no replanting plan for the next five years since ASA-3 and ASA-4 conducted. The last replanting activities is carried out in 2016. Replanting isn't planned for the next five years due the productivity and population of oil palm still on standard

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:

Social and Environmental Aspect

- The company no longer uses pesticides with the active ingredient paraquat.
- The use of renewable energy according 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 actions such as 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.

BMP and OHS Aspect

The certificate holder is consistent in implementing sustainable oil palm plantations. One of them is shown by the use of pesticides that have been registered with the Fertilizer and Pesticide Commission, fertilization based on soil and leaf tissue analysis, and the application of integrated pest control. Other than that, there is an internal audit for operational conduct once a year for ensure the operational plan carried out according the target

Manpower Aspect

Unit of certification has monitored and reviewed their performance and taken actions of continuous improvement towards worker welfare aspects, here as follows:

- Unit of certification committed to provide complaints report that is filled out by internal and external parties if they have any complaint against the company.
- Unit of certification committed to provide rules and regulations that are always updated if there were any updates, such as worker minimum wage based on the stipulation of minimum wages by the Governor of Sumatera Utara and other labor regulations.
- Unit of certification is also committed to avoiding acts of discrimination, sexual harassment, child labor, or acts of human rights violations in the work environment by giving socialization and provide grievance mechanism of any discrimination and sexual harassment.
- Unit of certification committed to provide worker's welfare by giving rice supply allowance each working days.

3.2.2

Certification Unit already has an annual report document using the RSPO metric template version 2.1 format 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	: Sawit Langkat POM PT. Perkebunan Nusantara IV
RSPO Membership Number	: 1-0082-09-000-00
Name of Certified Unit	: Sawit Langkat POM PT. Perkebunan Nusantara IV
Name of Certification Body	: PT Mutuagung Lestari
RSPO PalmTrace ID Number	: RSPO_PO1000004497
Number of Mills	: 1
Number of Estates	: 1
Production Area (ha) - Estate	: 5,492.72
Certified Area (ha) - Estate	: 6,173.50
High Conservation Value (HCV) Area (ha)	: 86.29
Peatlands - Planted (ha)	: 0
Peatlands - Unplanted (ha)	: 0
Freshwater Usage per PO produced tonne	: 2.89

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The representative of the certification holder said that there had been no revision of the SOP since the previous audit. Several SOPs related to plantation and processing activities, including:

- Work Instructions for OHS Management System dated May 6, 2013 the second revision was approved by the Unit Manager which explains safe working practices for all operational activities, both in factories and plantations. For example, IK Weighbridge (4.3.13-SAL-DP-IK-01), IK UAP Turbine Station (4.3.13-SAL-DP-IK-06), IK Cutting Saw Machine (4.3.13-SAL-DT-IK -01), IK Welding LPG (4.3.13-SAL-DT-IK-05), IK Material Handling, BKB and B3 Waste (4.3.13-SAL-DTU-IK-01), Fertilization IK (4.3. 13-SAL-TAN-IK-02), Harvest IK (4.3.13-SAL-TAN-IK-08).
- Standard Operating Procedures for Oil Palm Plants, which were adopted on August 1, 2007, describe procedures starting from land acquisition, land clearing, nurseries, replanting, plant maintenance to transporting FFB.
- Basic Guidelines and Work Instructions for plant parts prepared in June 2013 and approved by the President Director, explaining Work Instructions ranging from land acquisition, land clearing, nurseries, replanting, plant maintenance to FFB transportation.
- Processing SOP, as well as the process of monitoring and measuring the quality of CPO in the Basic Guidelines and Work Instruction documents, issued in June 2013 which was approved by the President Director which includes work instructions from weighbridges, loading ramps, processing stations (processing stations, boilers, purification, etc.) to product quality.
- The company also has procedures for handling certified palm oil products with document number 04.03/UNIT/SIS/P/001 Rev 2 dated May 1, 2019. The procedure contains handling of certified products such as recording, receiving, shipping, controlling, tracking, claiming procedures, and K3 elements.

These procedures are relevant and cover all aspects of operations in plantations and mills. SOPs are kept in each unit (plantation/factory) and are available in Indonesian.

3.3.2

The company can show the Sawit Langkat Audit Results Affirmation Document No. 04.Dirut/04.Dirops/R/14/V/2019, May 17, 2019. The mechanism for checking the implementation of procedures is carried out through internal audits which are carried out every year as well as reviews conducted by estate and mill managers every month.

3.3.3

The certificate holder has carried out routine monitoring and follow-up on the implementation of the procedure. In addition to internal sustainability audits, the company also conducts regular audits according to the Annual Audit Work Program. In 2021, regular audits are scheduled to be held on 26 – 30 July and 02 – 05 August 2021. based on the results of the audit, it was found that there were several nonconformity and at the time this assessment was carried out, all discrepancies had been followed up by the unit

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

The certification unit already has several documents related to social and environmental impact studies that are carried out independently or participatively by involving affected stakeholders in collaboration with accredited independent experts. Some of the documents held by the unit of certification are as follows:

Environmental Impact Assessment (EIA)

The Sawit Langkat POM certification unit is under the company PT Perkebunan Nusantara IV (PTPN IV), the company already has an Environmental Impact Assessment (EIA) study document that has covered all areas that fall within the scope of certification and can be proven based on the following documents:

- The results of environmental studies in the form of Environmental Impact Analysis (ANDAL) and RKL-RPL documents for 2004 on behalf of PTPN IV Sawit Langkat Unit for the scope of Plantations and Mills. The study was carried out for the development plan of 1 Factory Unit with a capacity of 40 Tons of FFB/Hour and an oil palm plantation of 7,375.60 Ha located in Padang Tualang District, Langkat Regency, North Sumatra.
- The ANDAL document has been approved by the Regent of Langkat Number 660.1-25/PDL-LKT/2005 dated January 20, 2005 regarding the approval of the ANDAL and RKL-RPL documents for PTPN IV Sawit Langkat Unit.

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 as well as 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.

Social Impact Assessment (SIA)

The certification unit has conducted a Social Impact Assessment (SIA) which was carried out in 2015 by PT Surveyor Indonesia. The Social Impact Analysis was conducted in March 2015 within the PTPN IV HGU area of Sawit Langkat Unit with an area of $\pm 6,475$ Ha (HGU No. 14402/IV/1997). The scope of the study includes the planned expansion area, as well as villages and hamlets that are directly adjacent to the company in several villages, including Banjaran Raya Village, Tanjung Putus Village, Tanjung Selamat Village, Besilam Village, Kebun Balok Village, Paluh Pakih Village, Karya Jadi Village. This study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the villagers around the company, environmental management efforts in the social, economic and cultural fields as well as community perceptions about its existence and benefits. Social impact assessments are included as part of the complement of all environmental impact assessments. The assessment involves all affected parties, both internal and external stakeholders, including employees, trade unions, village heads around the plantation, local NGOs and farmer representatives of relevant stakeholders. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. The report also contains a matrix of Social Management Plan and Social Monitoring Plan which contains recommendations for managing identified social impacts.

Community representatives who became resource persons in this assessment were village heads, village officials, traditional leaders, and farmers. 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 study results 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 from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

High Conservation Value Assessment (HCVA)

The certification unit has also conducted studies related to areas with high conservation value as evidenced by the 2016 HCV Assessment Results document. The company has conducted an HCV assessment by PT Surveyor Indonesia using the 2003 toolkit. The HCV assessment was carried out for the entire scope of the PTPN IV unit Sawit Langkat (Sawit Langkat Estate). The total scope of the HCV study area is $\pm 6,475$ Ha (referring to HGU No. 14402/IV/1997) with a total identified HCV area of 86.29 Ha. HCV assessment through stakeholder consultation conducted in March 2015. Stakeholders who attended included staff, cooperative management, Banjaran Raya Village residents, Tebing Tanjung Village residents, Paluh Pakih Village residents, Karya Jadi Village residents, Kebun Balok Village residents, Besilam Village residents and employees.

The study explains the impacts arising from plantation activities on the environment, social, and protected flora and fauna. The HCV assessment also involves several affected parties, both internal and external stakeholders. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. The report also contains a matrix of High Conservation Value Area Management and Monitoring Plans which contains recommendations for the management of all identified HCV areas.

Based on the results of the 2016 HCV identification document review, information was obtained that the impact assessment on HCV, biodiversity and RTE species carried out also included areas outside the concession boundary. The HCV area consists of protected areas for flora and fauna and river borders as well as protection of cultural values from the surrounding community. Based on the verification of these documents, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended with reference to the relevant environmental management guidelines.

The differences in the HGU area reference in the ANDAL, HCV and SIA documents as well as the scope of certification are caused by several changes to the HGU certificate, including:

- HGU area of 7375.6 Ha refers to certificate no. 5/23/23 January 7, 1975.
- HGU area of 6.475 Ha refers to certificate No. 14402/IV/1997, the changes were made based on the results of the 1998 cadastral

calculations by BPN.

- HGU area of 6173.5 Ha refers to certificate no. 16/HGU/BPN/2006, amendment based on the extension of the HGU and the release of the disputed area from the HGU, dated 22 August 2006.

3.4.2

The company already has documents on the results of social and environmental impact assessments in the form of RKL-RPL documents for Semester 2 of 2021 and Semester 1 of 2022 as well as a Social Impact Analysis Report for the period of 2021-2022. However, based on the results of document verification, as well as interviews and field observations, the following information was obtained:

Environmental Impact Assessment (EIA)

- The results of the verification of the RKL-RPL document for semester 2 of 2021 on the Surface Water Management and Trend Evaluation component stated that all test parameters were still below the stipulated regulatory norms. However, based on document verification, the results of tests carried out in the Upstream and Downstream of the Basilam River indicate that there are parameters that are above the quality standard according to PPRI No.22 of 2021, namely BOD, COD and Chlorine. In addition, there was an increase in several parameters from upstream to downstream such as BOD (3.08 to 3.49), COD (31.4 to 34.7) and Oil and Grease (0.10 to 0.13). Based on this, the compiled RKL-RPL documents are not relevant to the actual conditions based on the results of the tests that have been carried out.
- The results of the verification of the RKL-RPL documents for semester 2 of 2021 and Semester 1 of 2022 also do not contain information related to the management of disturbances from stationary sources (noise and vibration) as well as test results on Monitoring Wells, while all these components are required to be managed as stated in the Matrix RKL-RPL.
- The results of the verification of the RKL-RPL documents for semester 2 of 2021 and Semester 1 of 2022 also show that the two documents are not much different in terms of discussion and analysis of the test results

Social Impact Assessment (SIA)

- The results of interviews with workers and management stated that there are currently drug cases in the area around the company, related to this, the company has not been able to show evidence of management that has been carried out to anticipate social issues related to drugs.
- The results of interviews with workers and management stated that the Land Application leak that entered the river received protests from the affected community, because the river was still used as a source of water and fish ponds. Related to this, the company has not been able to show the handling and follow-up to avoid any social conflicts that may occur.
- The results of interviews with the Environment Agency and the Land Office of Langkat Regency recommend providing appropriate assistance/CSR to the surrounding community. The Plantation Service also added that if they cannot provide 20% land assistance for plasma development, then it can be done through Community Empowerment. However, the results of interviews with the Village Head stated that there was no community involvement in preparing CSR programs and there were several requests from the Village that were not conveyed because there was no facilitation to accommodate their aspirations.
- The company can show the results of social management documents for the period July 2021 – July 2022, but the document has not explained the three points above.

Based on the evidence obtained, this is a discrepancy because:

- The company has not been able to compile an RKL-RPL report as requested in the RKL-RPL Matrix and KepmenLH No.45 of 2005 concerning Guidelines for Compiling an RKL-RPL Report and evaluate the test results on parameters that exceed the threshold value according to actual conditions.
- The company has not been able to show evidence of the results of follow-up and management of potential social impacts. As well as compiling it in a comprehensive and comprehensive document of the results of social monitoring and management activities.

(Non-conformity Number 2022.02)

3.4.3

The unit of certification has made efforts in implementing the management and monitoring of social and environmental impacts, however, as explained in indicator 3.4.2, it shows that there are several non-conformities in its management. Nevertheless, the certification unit continues to periodically update the management in a participatory manner. Some documentary evidence of the efforts that have been made are as follows:

Environmental Impact Assessment (EIA)

The company involves the Environment Agency to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents sent every certain period which can be proven in indicator 1.1.2. 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. This can be proven based on the results of interviews with the Langkat Regency Environmental Service and the minutes of the DLH visit which was carried out on 23 May 2022. Monitoring and updating related to environmental impact management is also carried out in conjunction with an evaluation of HCV management which is described in more detail in indicator 7.12.4. In general, all recommendations from the evaluation of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

However, based on the results of field observations and document verification, several non-compliances related to environmental and social management were obtained which were all explained in the related criteria, for example for waste management described in Criterion 7.3, water management in Criterion 7.8 and HCV management in Criterion 7.12.

Social Impact Assessment (SIA)

Based on the analysis of the PTPN IV Social Impact Monitoring and Management document for the Sawit Langkat unit in 2021, the social impact assessment was carried out based on the perceptions of the community representatives at the assessment location representing the community as many as 23 people. the company has analyzed the positive and negative impacts arising from each activity, for example physical assets for production activities that have positive and negative impacts on both external and internal levels. The company conducts annual and quarterly evaluations of the Social Impact Monitoring and Management activities that have been carried out to harmonize data collection related to community perceptions related to the SIA Management Plan and adjust to the latest needs according to conditions in the field. However, based on the results of field observations and interviews with stakeholders, it shows that there are several social issues that have the potential to have a negative impact that have not been listed in the 2021 SIA management report.

3.4.2	Status: Non-conformity Number 2022.02
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3.5

A system for managing human resources is in place.

3.5.1

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement period 2022 to 2023 written in Bahasa. In general, these procedures describe:

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

Based on the interview with SPBUN and workers, it's known that workers have a sufficient understanding of the procedures related to recruitment, promotion, retirement and factors causing termination of employment. Workers explain that in the acceptance process carried out in accordance with the terms / conditions according to ability / expertise, promotion is based on an assessment of the performance of each employee each year, and one of the causes of termination of employment can occur if the worker has committed a serious violation. Based on this explanation, certification unit has explicitly state the indiscriminatory policy during the recruitment selection, hiring and promotion process

Based on the explanation and description above, it can be concluded that the certification unit has documented procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment and is available to workers and their representatives in accordance with applicable laws such as Law No. 13 of 2003, Law no. 11 of 2020 and other regulations related to employment.

3.5.2

Unit of Certification documented some labor procedures that have been carried out properly, such as recruitment, promotion, performance appraisal, and termination. The following are some sample labor procedures that have been implemented and are well documented by certification unit, including:

- Recruitment document in accordance with the recruitment requirements such as application letter, statement of police report, identity card (KTP), family identity card (KK), the result of written test, the result of interview test, and work agreement letter. For example, a worker on behalf of ITL (initial) who started working as a Manager's Driver with 3 months' probation.
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of MR (initial) decree No. GMD-III/Kpts/R/13/XII/2021 who had a promotion based on worker's appraisal, from harvesting foreman to first foreman in afdeling III on 24 December 2021.

Based on the interviews with the Manpower Agency of Langkat District, the company had been applied the existing labor procedures in accordance with the regulations. During 2021 to 2022, there were no issues related to manpower.

Status: Comply

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

3.6.1

The certification unit has had a policy of occupational safety and health were written in Bahasa. The policy has been legalized. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health (P2K3) every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the regular meetings to assess effectiveness.

Certification unit have document of hazard identification, risk assessment and risk control (HIRAC) which issued on 02 January 2021. It will be reviewed if any occupational accident happens. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation video at boiler and engine room, harvesting and spraying activity in estate it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reducing the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

Based on the results of interviews with SPBUN can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work. For example, mill employees exposed to high noise such as boiler employees and engine rooms who have used a complete hearing protection device according to risk analysis, namely ear muff and ear plug. There is no complaints from employees exposed to high noise exposure. To ensure that all workers are in good health then certification unit do the medical checkup. The results of each employee's health examination have been properly stored. Last medical checkups conducted in October 2020.

3.6.2

The company has monitored the effectiveness of the OHS plan, which is included in the P2K3 (OHS committee) report and has been reported to the relevant offices on a regular basis every 3 months. Based on the results of interviews with representatives of the Langkat Regency Manpower Office, it is known that so far, the company has routinely reported. The results of the verification of the P2K3 report revealed that the items discussed in the report included training, outreach, and recording of work accidents as well as monitoring of OHS facilities and infrastructure.

Status: Comply

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

3.7.1

Based on the document review of Sawit Langkat Estate training list in 2022, there were 13 training programs planned in 2022. However, there were only 2 trainings held in 2022 of the 13 trainings planned. Based on the interview with the workers in plantation operational activities such as harvesting and pesticide application also mill areas such as weighbridge station and hazardous waste storage, it's known that the person responsible in related work hasn't had enough understanding related to supply chain, ISPO, RSPO, HCV areas, and other knowledge standard towards their job description.

Based on the interview with the management, the information related to the boundaries of certified and non-certified area couldn't be explain. UoC also hasn't showed the record of trainings related to workers' competence such as HCV training, ISPO training, RSPO training, and pesticide spraying equipment calibration related to pesticide efficiency.

Based on the explanation above, **this indicator raised as a major non-conformity No. 2022.03.**

3.7.2

UoC showed the training record activity and socialization that had been carried out to all workers, contractors, smallholders, and related stakeholders. The following is an example of training/socialization documentation that had been carried out, for example: Training of firefighting simulation on 17 June 2022 which was attended by workers, contractor workers, and occupants.

Based on the interview with the workers in plantation operational activities such as harvesting and pesticide application also mill areas such as weighbridge station and hazardous waste storage, it's known that the person responsible in related work hasn't had enough understanding related to supply chain, ISPO, RSPO, HCV areas, and other knowledge standard towards their job description. This matter has been raised as a non-conformity in indicator 3.7.1.

3.7.3

The recording of the training on the supply chain system for personnel was on July 09, 2022 in the Sawit Langkat POM meeting room and was attended by 9 participants such as processing assistants, Quality Assurance assistants, production crews, FFB clerk, weighing clerk and security. Based on the results of interviews with security officers and weighbridge officers at the mill, it is known that they have understood the acceptance of RSPO certified FFB which is marked by the presence of a CSPO stamp. However, they didn't have enough understanding regarding SCSS.

3.7.1 Status: Nonconformity No. 2022.03 with Major Category

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

Based on document verification, the Mill only implement the MB Module, which received FFB both from certified and uncertified sources (third party FFB suppliers). Verification of Mass Balance record, the Mill has recorded well the separation of FFB and products (CPO and PK) from certified and uncertified FFB sources. The Mill only claimed certified products from certified sources.

3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate, and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year production. The data are shown in the following table:

Product	Estimate Production period of April 01, 2021 – Sep 24, 2022	Actual Production (MT) of previous audit (April 2021 to July 2022)	Estimate Production for 12 month (MT)
FFB	67,802	163,602.30	124,000.00
CSPO	16,326	38,611.05	28,520.00
CSPK	2,813	6,409.00	4,960.00

*Estimated production is obtained from actual production one year prior to the assessment (August 2021 – July 2022)

*There is an overproduction of certified products when compared to the quota. This is explained in more detail in 3.8.7

3.8.4

The mill has meet the requirement regarding to the reporting of its supply chain, as it has been registered as RSPO member and on RSPO IT Platform:

License ID	CB116585
Member Name	Sawit Langkat Palm Oil Mill PT Perkebunan Nusantara IV
Member ID	RSPO_PO1000004524
RSPO Membership Number	1-0082-09-000-00 (PT Perkebunan Nusantara IV)
Issued On	06/06/2022
Issued By	PT Mutuagung Lestari

Start Date 01/04/2021
End Date 24/09/2022

3.8.5

Based on the results of field visits to blocks 9M and 12L, it is known that in that 1 block there are RSPO certified and non-certified areas and physically in the field there are no signs for the separation of certified and non-certified FFB including how the FFB is separated at the FFB collecting point. In PDIK PTPN4 Document No: 04.03/Unit/Sus/P/001 dated 01 August 2018 Revision No. 03 Revision Date 01 November 2021 has not yet provided detailed information regarding the mechanism and implementation in the field related to the separation of RSPO certified and non-certified FFB, especially in blocks whose area is divided into certified or non-certified areas.

Thus, it can be concluded that the company has not shown sufficient evidence that its supply chain procedures have discussed in detail the separation of certified and non-certified FFB. This becomes nonconformity **No.2022.04 with Major category**

3.8.6

The Procedure to conduct annual internal audit including supply chain refers to Procedure No. 21 dated 2 January 2018. In the SOP mentioned that internal audit is done annually. Internal audit of SCCS describe the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. Unit of certification has conducted internal audit for RSPO standard, including supply chain conducted by Strategic Planning and Sustainability Division from Head Office Medan. Internal audit held on 03 – 07 July 2022. Based on result of internal audit, known that there is no non-conformity related supply chain indicator.

3.8.7

Product	Estimate Production period of April 01, 2021 – Sep 24, 2022	Actual Production (MT) of previous audit (April 2021 to July 2022)
FFB	67,802	163,602.30
CSPO	16,326	38,611.05
CSPK	2,813	6,409.00

- PTPN4 Sawit Langkat Palm Trace dated August 11, 2022 includes quota information and license period as follows:
FFB : 67,802 MT
CSPO : 16,326 MT
CSPK : 2,813 MT
Start date : April 01, 2021
End date : September 24, 2022
- Monitoring of Langkat Palm Oil Mill SCCS for the period April 1 2021 – July 2022 shows actual production as follows:
FFB : 163,602.30
CSPO : 38,611.05
CSPK : 6,409.00
- Based on a comparison between the quota and actual production, it is known that there is overproduction for FFB, CSPO, and CSPK and if you look at the details of the company's monitoring, overproduction has occurred since October 2021.
- In PDIK PTPN4 Document No: 04.03/UNIT/SUS/P/001 dated 01 August 2018 Revision No: 03 Revision Date: 01 November 2021 stated that if the realization of CSPO and CSPK production has reached 80% then it is reported to the Sustainability planning section for further record additions to the RSPO Palm Trace.
- Request for additional certified product quota to CB on 11 August 2022 (at the time of the audit) with an estimated addition of FFB in the amount of 139,587 MT, CSPO 32,879 MT, and CSPK 5,434 MT → This request for additional volume is made when over production has occurred with a period of 10 months since overproduction occurred

Based on this description, it can be concluded that the Company has not shown sufficient evidence that it has immediately notified CB if it is estimated that there is an excess of certified volume. This becomes **Nonconformity No.2022.05** with the Major category.

3.8.8

Based on document verification obtained information in the license period it was known if the certified product sold under RSPO as described in the table below:

Dispatch period (MT) (01 April 2022 to July 2022)	
CSPO sold under RSPO Scheme	10,000
CSPO sold under other scheme	-
CSPO sold as conventional	10,981.47
CSPK sold under RSPO Scheme	1,832.13
CSPK sold under other scheme	-
CSPK sold as conventional	1,629.28

Product	Actual Production (MT) of previous audit (01 April 2022 to July 2022)
FFB	67,802
CSPO	38,611.05
CSPK	6,409.00

Based on the data, there is no over sales of certified products or any non-certified products that are claimed to be certified products. Examples of sales documents shown include:

Seller Member Name : Sawit Langkat Palm Oil Mill PT Perkebunan Nusantara IV Member ID : RSPO_PO1000004524 Buyer Member Name : PT Musim Mas – Belawan Member ID : RSPO_PO1000000076 Transaction Seller Contract Number: 0153/HOLDING/CPO-L/N-IV/V/2022 Seller Reference Number: 200/HOLDING/CPO-MB/SAL/VII/2022	Product Details Product Name : CSPO Supply Chain Model : Mass Balance Volume : 500 MT Transport Shipping/BL Date : 09/06/2022 Traceability Transaction ID : TR-3c5083b2-d086 Creation date : 22/07/2022 Confirmation date : 28/07/2022
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3.8.9; 3.8.10; 3.8.11

The company has the agreements with a third party in terms of transporting CPO & PK that ensure the compliance of RSPO SCCS and the certification bodies have access to the outsourcing contractor or operation if an audit is deemed necessary. The CSPO and CSPK were transported by CV. Pelita Jaya based on agreement No. 04.05/S.Perj/01/II/2021 dated 15 January 2021.

3.8.12

Monitoring of Sawit Langkat Palm Oil Mill SCCS for the period 01 April 2021 – July 2022:

CSPO production: 38,611.05 MT	CSPO despatch : 10,000 MT
CPO production : 3,221.56 MT	CSPO Kredit : 5,000MT
CSPK production : 6,409.00 MT	CPO despatch : 14,203.03 MT
PK production : 703.03 MT	CSPK despatch : 1,832 MT
	PK despatch :2,332.32

There has not been shown a balancing record either in real time or 3 months related to the production and expenditure of goods. In addition, if the calculation of the difference between production and sales is carried out, the product stock records are obtained as follows:

- CSPO/CPO: 41,832.62 MT – 10,000 MT – 14,203.03 MT – 5,000 MT = 12,629.59 MT
- CSPK/PK: 7,112.04 MT - 4,164.45 MT = 2,947.59 MT
- From the results of field visits and interviews with management representatives, it is known that the capacity of the company CPO Storage Tank is 3,000 MT and the PK storage bunker capacity is 240 Mt plus 750 MT of storage in the warehouse so that the total PK storage is ± 1,000MT
- From this explanation, there are inaccurate records where the total stock is > the total storage capacity, for example for CSPO/CPO (CPO storage tank capacity is 3,000 MT but stock records are 12,629 MT).

Based on the description above, it can be concluded that the company has not shown enough evidence that:

1. Have a record of balancing both in real time and 3 months related to the production and expenditure of goods
2. Have kept records and reports covering all aspects of this RSPO SCCS requirement accurate, complete and up to date.

This become nonconformity **No.2022.06** with the Major category

3.8.13 & 3.8.14

Sawit Langkat POM has determined the extraction rate for CPO and PK to be produced. Based on actual production of CPO and PK for 12 month certificate periode, the average extraction rate for CPO is 23.00 % and PK is 3.91%. The Extraction rate for production projections will be update annually based on the actual production of CPO and PK.

3.8.15

The Mill do not apply RSPO Supply Chain of IP Module.

3.8.16

- Monitoring of the Sawit Langkat Palm Oil Mill SCCS for the period 01 April 2021 – July 2022
CSPK Production : 6,409.00 MT
PK production: 703.03 MT
CSPK despatch: 1,832.13 MT
PK despatch: 2,332.32 MT
- From the data above, information was obtained that CSPK was sold as conventional in the amount of 1,629.28 MT obtained from 703.03 MT – 2,332.32 MT
- Until the audit is completed, there is no information regarding write-offs if RSPO certified volumes are sold through other schemes or conventional methods

Based on the description above, it can be concluded that the company has not been able to show enough evidence that it has remove stock if RSPO certified volumes are sold through other schemes or by conventional (for CSPK). This becomes nonconformity No.2022.07

3.8.17

Based on transaction report documents, all CSPO and CSPK are claims as Mass Balance and the claim has been conducted in accordance with RSPO on communication and claim rules.

3.8.5	Status: Nonconformity No.2022.04	
3.8.7	Status: Nonconformity No.2022.05	
3.8.12	Status: Nonconformity No.2022.06	
3.8.16	Status: Nonconformity No.2022.07	

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

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

4.1.1
The company has Respect for Human Rights Policy (No. 07, revision 02, date 02 Jan 2015). In conducting its business, the company respects the human rights and dignity of all people in accordance with applicable legal requirements. The company treats all working people fairly and without discrimination. This policy states a form of respect for human rights, for example freedom of association. The company respects the rights of people in communities that are affected by the company's activities.

The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and factories. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit.

During the audit carried out, the team auditor has been trying to ensure this policy has been communicated and implemented through stakeholder consultation. Based on interviews with SPBUN, the surrounding community ((Banjaran Jaya Village, Kebun Balok Village,

and *Dusun IX Besilam Jaya Village*), and contractors known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in offices, socializing in the housing, and socializing with workers during the morning briefing before the activities started. Aside from that, it is known that so far from 2020 to 2021 there has never been any intimidation/act of violence committed by the certification unit against workers, communities, contractors, or other parties who cooperate with the company. If there is a problem, usually the unit of certification will negotiate in a good manner and without resorting to violence.

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

4.1.2

The company has a code of conduct that was signed by the Commissioner and President Director in 11 April 2019 which explained that the company does not use violence to maintain peace and order. Based on interview with communities (*Banjaran Jaya Village*, *Kebun Balok Village*, and *Dusun IX Besilam Jaya Village*), and field observations, there were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area of this scope of certification.

Based on interview to the internal and external stakeholder it's known that the no initiate acts of violence or any form of intimidation in its all operations.

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

UoC had the communication procedure stated in several documents as follows:

- SOP of Internal Communication and Handling Workers' Complaints No. SPO 19 rev 02 validated on 2 January 2015.
- SOP of Communication and Consultation with the communities No. SPO 03 rev 04 validated on 2 January 2017.

Both policies explained activities of handling grievances related to manpower or non-manpower (e.g: facilities, etc). In addition, it's explained that complaints which have not been resolved by both parties can be proceeded to a court agreed by both parties according to the laws and regulations and if the complaint has not met the solution, then the complaint can be submitted through the RSPO complaint panel mechanism.

Based on the interviews with the surrounding communities (*Banjaran Jaya Village*, *Kebun Balok Village*, and *Dusun IX Besilam Jaya Village*), occupants, and workers (harvesters and mill operators), the workers had a good understanding of the communication procedures and personnel who served as communicators between the company and the community so that illiterate people can be informed by the related communicators.

4.2.2

Unit of certification showed SOP of Internal Communication and Handling Workers' Complaints No. SPO 19 rev 02 validated on 2 January 2015 and SOP of Communication and Consultation with the communities No. SPO 03 rev 04 validated on 2 January 2017. Both policies explained the activities of handling grievances related to manpower or non-manpower (e.g: facilities, etc). In the general mechanism of handling grievance, is stated as follows:

- The company's commitment to protect the anonymity of whistleblowers.
- Submission verbally or in writing to the contact person of the company or through labor union.
- Responses will be given at a maximum of 3 months for external complaint5s.

All complaints will be summarized and recorded in the List of Complaint. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder and also recorded in the List of External Complaint Monitoring.

4.2.3

Based on interviews with workers and external or internal stakeholders, it's known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected. Based on the interview with both internal and external stakeholders, they informed that there were no complaints or grievances against the UoC.

Based on the documents review of the worker's grievance logbook period of 2021 to 2022, it is known that no complaint/grievance from workers. Based on the interviews with government agencies, surrounding communities, gender committees, labor unions and workers, it's known that there were no further complaints against the unit of certification.

4.2.4

UoC showed the SOP of Internal Communication and Handling Workers' Complaints No. SPO 19 rev 02 validated on 2 January 2015 and SOP of Communication and Consultation with the communities No. SPO 03 rev 04 validated on 2 January 2017. These policies explained the mechanism of handling any grievances and access to the Manpower Agency (tripartite) and RSPO complaint system if the grievance didn't meet any solution.

In addition, UoC also showed the company's socialization using poster for all workers and external stakeholders posted in strategic spots e.g in front of mill office. This poster explained the mechanism of all grievances through the labor union or each worker's supervision and will be recorded in the grievance logbook. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder and also recorded in the grievance logbook.

Status: Comply

4.3

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

4.3.1

The contribution to the development of the surrounding community is shown by the CSR program. The 2022 CSR program shown by the company includes:

- Besilam Village: Producing Clean Water
- Sei Bamban Village: Construction of mosque domes and ablution areas
- Paluh Pakih Village: Road Paving
- Karya Jadi Village: Adding domes and rehabilitating the musholla building; Paving the road
- Tebing Tanjung Selamat Village: Road Paving; Mosque Fence
- Banjaran Raya Village: Making Trash Cans
- Besilam Bukit Lembasa Village: Road Paving
- Kebun Balok Village: Making concrete buses; Construction of the dome of the mosque
- Tanjung Putus Village: Road Paving

Based on the document review, it was stated that the program was made at the request of the village. However, based on the results of interviews with representatives of Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam, it is known that so far, they have never been involved in the preparation of CSR programs. Village representatives also said that there had never been community involvement in the preparation of the program. In addition, community representatives also said that so far CSR has been running but in the form of social assistance so that in the future they really hope for CSR in the form of community empowerment or productive business cooperation.

Thus, the company has the opportunity to re-ensure that the community contribution program that will be prepared has involved the parties and communicated it. **OFI**

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

PTPN IV – Sawit Langkat has managed totaling area for about 6,475 Ha, which consist of 6,173.5 Ha as scope of certification and 301,5 Ha that out of certification scope and has planned to be certified in late 202 (describe at time bound plan on basic info 1.10.1). The plantation of sawit langkat is a former of dutch colonial era plantation, that has been nationalized by government decree No. 19 dated 2 May 1959. The company has obtained HGU since 1966 (HGU No. 1/HGU/66 dated 31 January 1966) and was extended in

2006 by decree of National Land Agency No. 16/HGU/BPN/2006 dated 22 August 2006 for 6.173,5 Ha valid through December 2041.

The 301.50 Ha area was actually part of the HGU before the extension with a total of 6,475 Ha, but due to being identified as a cultivated area it was suspended from the area of the HGU extension in 2006 so that the HGU that was granted an extension of 6,173.50 Ha. An area of 113.42 Ha has been reclaimed through compensation, while the remaining 188.08 Ha is still in the negotiation stage and is still controlled by occupant.

Beside HGU the company also has a Plantation Business Permit in accordance with the Decree of the Langkat Regent No. 525.26-17/K/2013 dated 14 June 2013 with an area of 6,173.5 Ha with a Palm Oil Mill with a capacity of 20 tons of FFB per hour.

4.4.2; 4.4.4; 4.4.5; 4.4.6

PTPN IV Sawit Langkat Business Unit was established before the independence of the Republic of Indonesia under the name N.V. Hout Industrie Mij. "Langkat" belongs to the Dutch colonial. Then after independence it was nationalized based on government regulation no. 19 of 1959 dated May 2, 1959. The company then obtained a HGU based on the Decree of the Minister of Agrarian Affairs No. SK. 1/HGU/66 dated January 31, 1966. The HGU was obtained not through the process of compensating for community land, but rather continuing the plantation business that had existed before the pre-independence era. Thus, there is no history of land acquisition within the scope of the certification area.

Information regarding the origin of the company land acquisition was also obtained from interviews with representatives of Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam who stated that the plantation had indeed been in operation since the colonial period

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

PTPN IV Sawit Langkat Business Unit was established before the independence of the Republic of Indonesia under the name N.V. Hout Industrie Mij. "Langkat" belongs to the Dutch colonial. Then after independence it was nationalized based on government regulation no. 19 of 1959 dated May 2, 1959. The company then obtained a HGU based on the Decree of the Minister of Agrarian Affairs No. SK. 1/HGU/66 dated January 31, 1966. The HGU was obtained not through the process of compensating for community land, but rather continuing the plantation business that had existed before the pre-independence era. Thus, there is no history of land acquisition within the scope of the certification area.

Information regarding the origin of the company land acquisition was also obtained from interviews with representatives of Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam who stated that the plantation had indeed been in operation since the colonial period.

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; 4.6.4

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

PTPN IV Sawit Langkat Business Unit was established before the independence of the Republic of Indonesia under the name N.V. Hout Industrie Mij. "Langkat" belongs to the Dutch colonial. Then after independence it was nationalized based on government

regulation no. 19 of 1959 dated May 2, 1959. The company then obtained a HGU based on the Decree of the Minister of Agrarian Affairs No. SK. 1/HGU/66 dated January 31, 1966. The HGU was obtained not through the process of compensating for community land, but rather continuing the plantation business that had existed before the pre-independence era. Thus, there is no history of land acquisition within the scope of the certification area.

Based on legal document verification, interview with Village representative Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam known that no new planting and area expansion by unit management. Based on the results of the interview, it was also stated that the company operational area is a Dutch plantation area that has been nationalized and there is no customary right within estate operational areas.

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; 4.7.3

There is no new land acquisition until this assessment. PTPN IV Sawit Langkat Business Unit was established before the independence of the Republic of Indonesia under the name N.V. Hout Industrie Mij. "Langkat" belongs to the Dutch colonial. Then after independence it was nationalized based on government regulation no. 19 of 1959 dated May 2, 1959. The company then obtained a HGU based on the Decree of the Minister of Agrarian Affairs No. SK. 1/HGU/66 dated January 31, 1966. The HGU was obtained not through the process of compensating for community land, but rather continuing the plantation business that had existed before the pre-independence era.

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; 4.8.4

Based on the results of interviews with representatives of Banjaran Jaya Village, Kebun Balok Village, and the Head of Dusun IX Besilam Jaya, also representatives of the BPN of Langkat Regency, it is known that there are no land conflicts within the company area. However, based on the results of a field visit to the HCV area along the Basilam River block 12 AB, it is known that the area has been planted with rubber trees (*Hevea brasiliensis*). Then the results of a field visit to afdeling 1 showed that the entire HCV area along the Basilam River was included in the community's claim area. Related to this, the company has not been able to show justification or identification of claims/occupation by the community within the company operational areas. Nonconformity have been accommodated in indicator 7.12.4

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

Based on document review, field observations and interviews with staff and management, it is known that the company only obtains FFB supplies from third parties, namely FFB middleman suppliers. The price used in the purchase of FFB refers to the calculation results of fluctuations in CPO and PK prices. The company shows an example of a payment for the July 2022 period which was paid directly to the supplier's account according to the current price. The company can also show the Minutes of Meeting Results of the FFB Purchasing Pricing Team for that period. The current and previous FFB prices are publicly available and can be accessed online. In this case, the middleman acts as a container for FFB from outside sourced from independent farmers and Ramps (small collectors) with the form of cooperation only limited to buying and selling FFB and there is no form of cooperation agreement, because anyone who wants to sell FFB to the middleman will be accepted as long as an agreement is obtained. price. And the company in this case is not involved in determining the price.

The price of FFB set by the company in the cooperation agreement only applies to companies and middlemen, several considerations in determining the price of FFB such as the price of CPO, PK, transportation costs, and proposed prices from suppliers. Prior to making a payment, the verification of the correctness of the payment calculation has been checked by both parties in the FFB sale and purchase calculation document, so that all complaints and confirmations related to payments have been completed before the

payment is made. The pricing mechanism has been explained in the FFB sale and purchase agreement signed by both parties. Interviews with the management unit and FFB suppliers also stated that the predetermined FFB price can be accessed by suppliers, information on price changes is carried out via SMS, online communication media and telephone from the PIC to the supplier.

5.1.2

For the period 2021 - 2022, based on the results of document review and interviews with management, there are no plasma plantations within the company. In addition, the company also does not obtain FFB supplies from independent smallholders directly. The company only purchases FFB from the middleman with a FFB purchase contract agreed by both parties, for example for PT Metro Mandiri Abadi with a cooperation agreement number SAL/CV.HARAPAN KITA/SP-TBS/08/IX/2022 which was made on 1 August 2022 and valid for 4 months. The price of FFB is determined in the work agreement agreed by both parties, several considerations in determining the price of FFB such as the price of CPO, PK, transportation costs, and proposed prices from suppliers. In addition, the unit of certification periodically explains the price of FFB to suppliers whenever there is a change, the company also has a mechanism to convey prices. Based on the results of interviews with FFB suppliers, stated that the price set by the company was appropriate, where if there was an update on the price, the company immediately conveyed it through communication media and put it on the bulletin board.

5.1.3, 5.1.4 and 5.1.5

For the period 2021 - 2022, based on the results of document review and interviews with management, there are no plasma plantations within the company. In addition, the company also does not obtain FFB supplies from independent smallholders directly. The company only purchases FFB from middleman.

5.1.6

The Cooperation Agreement Letter explains the procedure/system for paying the net proceeds from the sale of FFB. Based on interview with FFB supplier stated about payment is made based on the Minutes of the FFB sale and purchase which has been agreed and signed by all parties. As for examples for fruit payments for external FFB suppliers, for example, proof of FFB payment to PT Metro Mandiri Abadi dated August 7, 2022 for the FFB delivery period on August 1-5 2022. It is explained in the invoice in the form of the amount of FFB received, the price applicable on the date of delivery, and the total payment after deducting income tax (PPH22). Each payment data has been equipped with weighing data, grading reduction data and proof of transfer. Based on this explanation, it is known that the management unit has made fruit payments to the middleman supplier FFB in accordance with the contract it has, either the payment period or the price determined for the period 1-14 August 2022.

5.1.7

The company has tested the electronic weigh bridge which was carried out on 9 December 2021 for Sawit Langkat Factory by the Department of Commerce and Industry, Langkat Regency with evidence document Test Result Certificate number 510.3-165/SKHP/UPT-ML/XII/2021 with serial number 961721 and maximum capacity of 50.000 Kg and valid until 9 December 2022. Sawit Langkat POM only have one weighbridge.

The results of observations and interviews with weigh bridge operators obtained information that the certification unit has routinely performed the calibration of weighing equipment by third parties.

5.1.8

The company has not carried out socialization related to RSPO certification to independent smallholders because the company does not yet have a list of independent smallholders who are collaborating with them. Based on the results of interviews with collectors as FFB suppliers on behalf of PT Metro Mandiri Abadi stated that the company had never conducted socialization related to RSPO, as well as interviews with other FFB suppliers on behalf of CV Harapan Kita stated that they had never received socialization related to RSPO from the company. This is an opportunity for improvement in indicator 5.2.1.

5.1.9

The company has procedures related to communication, consultation and coordination contained in the SOP document for Handling Customer and Environmental Complaints (external), Number 13 which has been effective since 02 January 2015 and the SOP for Communication and Consultation with the Community Number SPO 03, effective January 02, 2015. Procedures It explains technically the guidelines for receiving various complaints submitted by stakeholders or other parties and the process for resolving them. Companies through their respective departments have recorded requests for information and responses. Based on the results of the

document review, it is known that for the 2021 period there were only requests for information and assistance, and there were no complaints from farmers or the surrounding community. The company has also appointed officers who act as communicators between the company and the community so that people who cannot read/write can be informed by the relevant communicators.

As explained in indicators 5.1.1 – 5.1.5, PTPN IV Sawit Langkat unit does not have a plasma smallholder scheme, and the Company is also not directly involved with independent smallholders but with FFB suppliers in the form of middlemen. Based on the results of interviews with FFB suppliers regarding the complaint handling mechanism, they stated that complaints can be submitted through letters or direct submissions through communication media and/or in regular meetings. The informant also stated that for the period 2021-2022 there were no complaints, the entire cooperation process that had been going on so far was going well.

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 document review, field observations and interviews with FFB suppliers, staff and management, it is known that the company purchases FFB from third parties in the form of collectors. The results of interviews with collectors stated that they obtained FFB from independent farmers and small collectors. Respondents also stated that there had never been any socialization to themselves or the farmers who collaborated with them in participating in the RSPO Certification. This correlates with the absence of a list of farmers who cooperate with the collectors (non-compliance with indicator 2.3.2). In this regard, the company has the opportunity to improve to ensure that efforts to increase the interest of farmers to join the RSPO have been carried out and documented after obtaining a list of farmers who indirectly cooperate with the company. **(OFI)**.

5.2.2, 5.2.3, 5.2.4 and 5.2.5

As explained in indicators 5.1.1 – 5.1.5, PTPN IV Sawit Langkat unit does not have a plasma smallholder scheme, and the Company is also not directly involved with independent smallholders but with FFB suppliers in the form of middlemen. The company has not carried out socialization related to RSPO certification to independent smallholders because the company does not yet have a list of independent smallholders who are collaborating with them. Based on the results of interviews with collectors as FFB suppliers on behalf of PT Metro Mandiri Abadi stated that the company had never conducted socialization related to RSPO, as well as interviews with other FFB suppliers on behalf of CV Harapan Kita stated that they had never received socialization related to RSPO from the company. This is an opportunity for improvement in indicator 5.2.1.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

UoC had a Policy concerning on equal employment opportunity policy stated in the PTPN IV plantation management system policy which was validated in January 2022 by the Director. The group aims to provide fair and equal opportunities to all its workers. The company seeks to prevent discrimination in the workplace. In employing all employees, the company committed to the principle of equality and would not discriminating anyone in the recruitment practice or in the performance of company business operation.

UoC also showed the record of the company's socialization for instance the socialization which was conducted on 11 January 2022 attended by occupants, staffs, contractor workers. Based on the workers' recruitment document and interviews with the workers, UoC had provided equal opportunities in recruitment and operational activities. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

6.1.2

UoC showed job vacancy announcements and work agreement letters between workers and company which showed that there was no payment requested during the recruitment process. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

Based on the interviews with the manpower agency, gender committee, labor unions, and workers (harvesters and mill operators), it is known that workers have never felt that the company has discriminated against them. It was explained that all activities from recruitment, performance appraisal, and promotion were given equal opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in labor unions, politics, or age. The company also didn't request for any payment during the recruitment process.

6.1.3

During recruitment process, the company had set the standard of competence that required based on the offered position. Selection had include evaluation of skills, performance and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of the worker as well. Records on manpower procedure had been documented, as verified randomly, as follows:

- Recruitment document in accordance with the recruitment requirements such as application letter, statement of police report, identity card (KTP), family identity card (KK), the result of written test, the result of interview test, and work agreement letter. For example, a worker on behalf of ITL (initial) who started working as a Manager's Driver with 3 months probation.
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of MR (initial) decree No. GMD-III/Kpts/R/13/XII/2021 who had a promotion based on worker's appraisal, from harvesting foreman to first foreman in afdeling III on 24 December 2021.

6.1.4

Based on the field observation, interviews with the paramedic and workers, it is known that there were no discriminatory in pregnancy testing given by the company. The pregnancy test conducted only to ensure that no pregnant workers in any agrochemical works such as pesticide application and fertilizing activities proven by there was no requirement regarding pregnancy test in recruitment SOP, job hiring announcement, and medical test during recruitment. UoC also showed the list of pregnant women which informed all pregnant workers are placed in non-agrochemical works such as day care officer and housing maintenance worker.

There was no requirement regarding pregnancy test in recruitment SOP, job hiring announcement, and medical test during recruitment. Based on the interview with women workers (daycare officers), there was no pregnancy test during recruitment process. The pregnancy test only carried out for female workers to make sure that they not do any agrochemical works when pregnant.

6.1.5

Gender committees had been formed which are chaired by the head of gender committee. The structure of the gender committee consists of male and female workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations or complaints of female workers.

The gender committee also showed their work program in 2022, as follows:

- Socialization of the gender committee and grievance mechanism
- Improving child nutrition/prevent stunting.

Based on the interview with the workers in harvesting, upkeep, and mill activities, it's known that the workers has known the existence of gender committee and their work programs as well.

6.1.6

Equal payment of wages has been made by the unit of certification, by considering the ability, performance, expertise, work period and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the types of work respectively. In addition, based on the documents review of structure and scale wage, it was found that the UoC already had a wage scale structure for each worker based on position and grade (not based on gender or origins).

Based on the interviews with workers (harvesters, maintenance workers, and mill operators), the workers already know that there was a wage scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. Based on the document review of worker's pay slip in both gender and the interviews with the workers in the same grade and same job, it's known that the monthly wages received are in accordance with the grade owned by each worker, for example:

the payslip for the period of July 2022 female worker on behalf of HBN (initial) and male worker on behalf of DBS (initial) in the same scope of work (upkeep).

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
UoC had procedures related to recruitment, selection, remuneration, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement period 2022 to 2024 written in *Bahasa*. This CLA has been signed by the head of manpower agency of Langkat District. This CLA explained the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. It's applied to all workers and had been routinely disseminated by the certification unit to all workers in morning brief.

Based on the document review of workers' payslip period of July 2022 and interviews with workers (harvesters, pesticide application workers, and mill operators) and labor union representatives, it concluded that workers have a sufficient understanding of their rights (wages, overtime, incentives, etc.) listed in the CLA and in accordance with routine socialization provided by the certification unit. Workers' wages in 2022 have been above the minimum wage set by the government. Wage based on years of service, ability, attendance and job performance (structure and scale wage) and there were no late payments every month.

Based on the explanation above, it can be concluded that the workers have understood the work requirements that have been socialized by the certification unit in an understandable language (*bahasa*).

6.2.2
UoC has CLA period 2022 to 2023 provided in *Bahasa* that explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave, and other provisions. These all stated in each worker's work agreement. Explanations related to the contents of the company regulation, including:

- Article 19 to 20 concerning working time which explains that there are 2 types of working time in the company, namely by working 8 hours per day or 5 working days in a week and 7 hours per day or 6 working days in a week in which the total working hours are 40 hours in a week.
- Article 33 concerning wages which explains that the lowest wage of worker couldn't be lower than the minimum wage set by the government every year.
- Article 52 concerning social and security insurance which explains that the company committed to register all workers in social and security insurance.

In addition, remuneration is generally stated in CLA, and specifically stated in a decree as follows:

- Decree of Sumatera Utara Governor No. 188.44/794/KPTS/2021 concerning the minimum wage of the regencies in Langkat District in 2022 which stated that the minimum wage of Langkat District in 2022 is Rp. 2,711,000/month.
- Management decree of harvesting allowance and deductive in harvesting, and FFB transport. This document stated about the harvesting worker daily basis and the allowance they will received if their output more than daily basis, for example: in flat area for the mature crop >3 years receive Rp. 40.00/Kg FFB.
- Management Decree No. 04.07/Kpts/15/III/2022 regarding the basic salary and specific allowances for workers in grade IA until IVD for the period of 2022. These documents stated the structure of wage according to their work period and their grade.

Based on the field observation activities during the audit, there were no family members of workers who helped work in the field without work ties.

6.2.3
UoC showed Direction Decree of PTPN IV No. 04.01/PER/01/III/2022 related to the determination of allowance in harvesting, transporting, and production. So the UoC had their own allowance calculation in production workers in mill instead of overtime. Based on the document review of the payslip document in June and July 2022 for workers on behalf of HT (initial) as boiler operator, and AG (initial) as engine room operator, it's known that the allowance of production they received above the overtime payment they should got (as in auditor simulation).

A review of payslip document (harvester, maintenance worker, security, and mill operators) for June and July 2022, proved that the wages received were above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022. For example, workers' wages on behalf of ML (initial), MK (initial), and ERB (initial), have a different wage based on wage scale structure in 2022 and all wages above the minimum wage. Payslip document gives accurate information on compensation consist of basic wage, allowance, working days and deduction.

6.2.4

UoC has provided welfare facilities to occupants in the form of housing, water supply, educational facilities, mosque, school transportation, and other facilities in each unit. Based on the field visit in the housing area, it revealed that workers were provided with adequate housing facilities with and there was daycare for children. The house is inhabited by 1 family with 2 bedrooms and 1 bathroom.

In addition, the company also provided waste disposal sites for domestic waste management. For health services, the company provides clinic and paramedics. Based on field observations, it's known that the facilities and infrastructure provided for workers are still functioning properly.

In general, the facilities provided by the certification unit are in good condition and sufficient quantities related to the number of workers in each unit. Based on field observation, all housing has well-maintained drainage and provided the clean water to consume. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing which repaired if there were damage (usually if there were any damage, the worker will inform it and it will be handled directly by the company).

6.2.5

UoC has provided accessible food sources by providing small canteen in the workers' area for lunch. In addition, there were also workers who open small business stalls to sell daily necessities in each housing. Based on the interviews with workers (harvesters and mill operators), labor unions and gender committees, it's known that workers have no difficulty in getting food sources because the company located near district area where the workers can buy, they needs to the markets.

6.2.6

In Indonesia there were no living wage standard is established, so UoC still implemented the national minimum wages for all workers. In addition to the payment of minimum wages, certification unit has been conducting an assessment of the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSPO Guidance for Implementing a Decent Living Wage.

UoC has the determination of assessment prevailing wage and all kinds of benefit for DLW simulation in 2022 has been included in the calculation of food costs (rice), housing facility costs, electricity, and water costs. The results of these calculations are known that the standard of prevailing wage currently given / simulated by the certification unit is above the stipulation of the minimum wage, as follows: basic salary as much as Rp. 2,115,139 per month and the total wage and inkind benefits are Rp. 4,725,358 per month.

Based on interview with works and document verification, the calculation data of prevailing wages is rational in accordance with the local price (Langkat District).

6.2.7

Based on the document review of workers list in July 2022, it's known that there were still 113 contract workers in harvesting worked in Afdeling 1 to 8. It's also informed that 53 contract workers started on 1 July 2022 and 60 contract workers on 1 February 2022. Based on the field visit and the interview with the workers in afdeling 1 and 2, it's known that there were still contract workers in harvesting,

UoC then showed the record of contract workers registered in Manpower Agency as follows:

- Proof of registered worker in Manpower Agency No. 568-434.3/DISNAKER/2022 for 61 contract workers dated on 6 June 2022. It also informed that the contract workers placed in harvesting and the work agreement were valid from 1 May 2022 to 31 July 2022.

- Proof of registered worker in Manpower Agency No 568-649.3/DISNAKER/2022 for 53 workers dated on 8 August 2022. It's informed that the worker placed in harvesting and the work agreement were valid from 1 July 2022 to 30 September 2022.

UoC showed contract worker work agreement of PTPN IV on behalf of ARS, SWR, SR, AH (initial) placed in harvesting dated on 1 May 2022 until 31 July 2022. Based on the document review of Internal Memo No. 04.07/KOL/eM-1991/VIII/2022 related to PTPN IV contract workers promotion dated on 8 August 2022. This document explained regarding workers' work agreement letter for 61 workers were extended until 31 Oktober 2022 (3 months extend).

UoC then showed the letter No. SAL/04.04/07/VIII/2022 dated on 2 August 2022 regarding the proposal of contract workers addition. It's also explained that the harvesting workers in Sawit Langkat Estate were 175 permanent workers and 113 contract workers. UoC then informed that they proposed on contract workers addition as much as 55 workers since there were still in needs of harvesting workers. This document also mentioned the list of 86 harvesting workers candidate in 2022.

In addition, it stated in Government Regulation No. 35 of 2021 in the contract worker (PKWT) section explained that contract worker (PKWT) cannot be held for permanent work and contract worker can be held based on a period of time (work that doesn't take too long to complete, seasonal work, work related to new products) or the completion of a certain job (work that once completed and work that is temporary).

Based on the explanation above, this indicator raised as a Minor Non-Conformity No. 2022.08

6.2.7 | Status: Minor Non-Conformity No. 2022.08

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

UoC had a policy concerning on the freedom of association stated in the PTPN IV plantation management system policy which was validated in January 2022 by the Director. Besides, Collective Labor Agreement period of 2022 to 2023 in article 5 to 9 related to the recognition of labor union and the facility provided by the company to support labor union activities. It stated that the group respects workers' rights to freedom of association and association with other individuals and collectively expresses. The policy was published in Bahasa which can be understood by all employees.

Based on the interviews with labor union representatives in each unit, it explained that the company had given freedom of association and labor unions have been formed. The establishment of the union was in accordance with the applicable laws and regulations and has been recorded in Manpower Agency of Sumatera Utara Province, for instance the Registration Number. 567/50/DSTKM/2001 of Labor Union (SPBUN). Based on the interview with the manpower agency and workers in field, it's known that UoC has 1 labor union (SPBUN). UoC gave the freedom for worker to express their aspiration democratically and there was no intervention against labor union activity.

Based on the interview with permanent and contract workers, it's known that they already knew the existence of labor union and the policy of the freedom in association. Based on the interviews with labor union members representatives, it's known that there was no force or pressure to be a member of labor union. The membership of labor union was voluntary.

6.3.2

UoC has documented the records of meetings between labor unions and management representatives as well as with internal labor union meetings. The following are examples of records of meetings conducted by labor unions in 2021, here as follows: The meeting between the labor union in all units and management representative in June 2021 to discuss about workers' grievance.

Based on the interviews with labor union representatives and their members who work in each unit, it's known that the labor union held meetings whenever it's needed. The meetings accommodated in bipartite and internal meeting and there has been no labor issue that brought to Manpower Agency.

6.3.3

Based on the interviews with the labor union representatives, there was no interference in the selection or labor union operational

activities. All processes of selecting, decisions making and planning activities, members' aspirations to their representatives run democratically. The worker who is currently placed as the Chairman of the Labor Union in each unit is a worker in estate, then there will be no conflict of interest that occurs with the company because there were no workers who have the authority as decision-makers (staff class and above). UoC also involved the labor union in drafted the collective labor union.

The establishment of the union was in accordance with the applicable laws and regulations and has been recorded at the Manpower Agency. Unit of certification was giving freedom for workers to express their aspirations and did not give any intervention related to labor union activity. Based on the interview with workers, it's known that there was no mandatory to be the member of labor union. The membership of labor union is voluntary.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

UoC had a policy concerning on children/underage worker protection stated in the PTPN IV plantation management system policy which was validated in January 2022 by the Director. It stated that the group committed to not employ child labor in any operational activities and will be inform contractors and any parties regarding this policy. UoC then showed that they had socialized the policy to all parties including smallholders and contractors before the agreement signed.

6.4.2

Based on the document review of workers list in all units, it's known that there were no workers under the age of 18 and there was no child around the work area. UoC always asked for workers candidate's personal ID card. UoC also did not employ young worker and there was no internship program.

Based on the interview with contractor workers and village representatives, it's known that they all knew the minimum age of workers.

6.4.3

Based on documents verification and field observation, there were no workers under the age of 18 and there was no child around the work area. UoC also did not employ young worker and there was no internship program.

6.4.4

Uoc had socialized the policy to all parties including smallholders and contractors for instance the socialization held on 11 January 2022 attended by workers and contractor workers. Based on documents verification and field observation, there were no workers under the age of 18 and there was no child around the work area. In addition, UoC also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement.

Status: Comply

6.5

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

6.5.1

UoC had a policy concerning on reproductive rights and the prevention of sexual harassment and violence, as follows:

- PTPN IV plantation management system policy which was validated in January 2022 by the Director. This policy stated that every worker is entitled to receive protection against sexual harassment in the workplace and if convicted of sexual abuse, there will be penalized in accordance with applicable regulations.
- UoC's mechanism regarding the protection of reproductive rights. This mechanism stated that UoC committed to not placed pregnant women in any agrochemical works such as pesticide application and fertilizing activity.

UoC also showed the record of the company's socialization using the poster posted in UoC's strategic spots. This poster explained the mechanism of all grievances including violence and sexual harassment. However, illiterate people can submit their complaints through the representative of internal stakeholder (gender committee and labor union).

6.5.2

UoC showed the collective labor agreement period of 2022 to 2023 which stated that the UoC had provided paid leave for maternity as three months and for woman in menstruation period as 2 days paid leave. Based on the documents review and interviews with workers (harvesters, maintenance workers, and mill operators), disallowance of sexual harassment, violence, and pregnant worker

in any agrochemical activities had been routinely socialized by the management in morning brief.

Based on the interviews with the gender committee and daycare officer, the company had given about 30 minutes for breastfeeding woman. There were no grievance or complaint related to sexual harassment during 2021 to 2022.

6.5.3

Based on the interview with the management and the document review, it's known that most female workers in UoC's operational areas were no longer in reproductive age to pregnant (middle age women). However, based on the interviews with gender committee representatives and field observation, it is known that the UoC has provided a certain place for breastfeeding at daycare with special time to breastfeed. There was no prohibition from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered / picked up by the foreman at these times.

6.5.4

UoC showed the collective 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. In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower). UoC also provided whistleblowing by email, company website, and letter to complaint reporting unit for any confidentiality grievance.

Based on the interviews with workers it's known that the workers already have sufficient understanding of the grievance mechanism. Related complaints of sexual harassment can be submitted to the gender committee. In the last year period, there was no complaint related to sexual harassment, violence at work/reproductive rights.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

Based on the document review and the interview with then labor union and gender committee, it's known that there were no migrant workers in UoC's operational area. Based on the interviews with manpower agency, gender committee, labor union, and workers at Mill and Estates, it's known that local and non-local workers have never felt discriminated and forced to work by the company. There were no significant obstacles related to employment or violations of company regulations. UoC provided output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the incentive payment. No penalty was given to the harvester if it does not get output due to natural factors such as rain.

Based on pay slip document and foreman notes of harvesters daily output, the harvesters have earned more than daily output target and the wages the harvesters received was above the minimum wage. There was no pressure/forced in doing overtime work, workers who had overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation.

6.6.2

Based on documents review and interviews with the manpower agency, gender committee, labor union, and workers at mill and estate, it's known that there was no migrant worker in all units. UoC still have contract workers but all the rights for contract workers have been in accordance with the applicable law. Based on the interview with the contract workers, it's known that there was no recruitment fee during the recruitment process.

Status: Comply

6.7

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

6.7.1

The certification unit have persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (P2K3) established in each management unit. The P2K3 team has received approval from the Head of Manpower of the Province of Sumatera Utara and the P2K3 secretary is a certified occupational health and safety expert.

PTPN IV Sawit Langkat Unit has a P2K3 organization which is currently still actively operating in plantations and factories. The P2K3 organization has been officially registered and ratified by the North Sumatra Provincial Manpower Office for plantations and factories. The main function of the P2K3 organization is as a forum for planning, implementing and evaluating all OHS activities in each certification unit. The currently active P2K3 organization has been ratified by the North Sumatra Provincial Manpower Office in

accordance with Decree No. KEP.120-7/DTK/SU/2018 dated June 29, 2018 regarding the Ratification of the P2K3 Composition of PTPN IV Sawit Langkat Unit, with the composition of General Chair, Chairs 1-4, secretary, deputy secretary, fire chief, P2K3 admin, Emergency Response Team, Risk Management Team, Inspection and Investigation Team, Internal Audit Team, Core Fire Team, Medical Team, Logistics and Communication Team, Rescue Team, Evacuation Team, Security Team and Fire Team. Each position in the structure has a description of their respective duties. The P2K3 Secretary is a General OHS Expert at PTPN IV Sawit Langkat Unit in accordance with the Appointment Decree No. 5/3859/AS.02.04/XI/2019 dated 23 September 2019 by the Minister of Manpower of the Republic of Indonesia and is valid for 3 years.

At the time of the assessment, it was discovered that there was a change in the P2K3 organizational structure in July 2021, this caused the company to submit a request for approval of the new P2K3 structure to the North Sumatra Provincial Manpower Office. This is evidenced by the existence of Letter No. SAL/X/148/VII/2021 dated July 15, 2021 concerning Sharpening the P2K3 Composition of PTPN IV Sawit Langkat Unit from the company to the agency. The letter was received by the North Sumatra Provincial Manpower Office on July 15, 2021, as evidenced by the receipt along with the wet stamp of separation.

In carrying out evaluation and monitoring related to the implementation of OHS in the company, the P2K3 organization holds regular meetings every month to ensure the implementation of OHS runs properly. The following are recordings/minutes of meeting activities carried out by the P2K3 organizations owned:

- The P2K3 meeting held on June 8, 2021 discussed the evaluation of the implementation of OHS in May 2021 and the plan for the implementation of OHS in June 2021, such as the implementation of inspection activities and the implementation of OHS which are less active so that the target for fulfillment in June 2021 is the implementation of routine inspections which can lead to there is OHS compliance in June 2021.
- The P2K3 meeting which was held on May 10, 2021 discussed the evaluation of the implementation of OHS in April 2021 and the plan for the implementation of OHS in May 2021, such as the results of OHS supervision and inspection which found that the hydrant tank was in bad condition, and targeted to be repaired that month so that to the attention of all parties.

Based on the results of interviews with representatives of P2K3 management, it is known that P2K3 meetings are held regularly every month and are always well documented. The general OHS Expert appointment letter is still valid until 2023 and the evaluation of the implementation of OHS every month is monitored by each P2K3 member and worker, which will be discussed at the P2K3 meeting.

Based on the description above, it can be concluded that the company has established an OHS organization with an adequate number of personnel in accordance with the legislation which is currently still active and holds regular monthly meetings.

6.7.2

The company can show the Emergency Handling procedure No. 4.3.16, No. Revision 2, dated May 6, 2013 made by OHS Committee. The scope of procedures includes control strategies, organization, communication systems and reporting systems, as well as generally regulating and giving flexibility to any authorized party to take action in accordance with the current conditions, and there is an Organization Structure for Emergency Control of the Langkat Palm Oil Unit Year 2020 which set on February 26, 2020. Simulation was performed regularly to ensure the preparedness of emergency response equipment in the certification unit. The routinely emergency simulation that has been conducted by certification unit for example:

- First aid training on January 21, 2021 provided by the company's team of doctors and paramedics to workers including all first aid workers in each unit.
- Training and Firefighting Simulation on July 9, 2021, which was attended by 33 participants in the plantation and factory units.
- Training and Firefighting Simulation on January 30, 2021, which was attended by 26 participants in the plantation and factory units.

Based on the results of field observations in the mill and plantation, it is known that the certification unit has carried out the procedures that have been well related to the emergency response, such as the evacuation route in the mill / office / housing area, the availability of first aid kits in the room or those carried by the first aid officer. in field, and every personnel that have responsibility related to this has understood well the procedures that are owned.

Certification unit also has a first aid box in each unit and based on document review, it's concluded that the contents in the first aid box are sufficient (21 items) and certification have total of 83 first aid kit. There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers. There were zero accidents in PTPN IV Sawit Langkat since 2019

until March 2021.

Based on interviews with SPBUN, it is known that since 2019 there has never been a work accident in all units and if an accident occurs in the field, the certification unit has provided first aid services. In PTPN IV Sawit Langkat Unit each foreman as first aid before a follow-up examination is carried out at the nearest clinic or hospital. The first aid officer (foreman) in the field states that training has been routinely carried out by the company and there are also several officers who have received certificates as First Aid Officers from government agencies and at the time the explanation of the use of each item is quite clear.

6.7.3

Based on the field observation to Afdeling 1, Afdeling 2 and Afdeling 5 it is known that there are rinse houses used for workers who use pesticides and the following conditions are found:

- Unstable water discharge
- Room to rinse/shower, wash, and dry clothes combined
- Rinsing room which only has 1 shower
- There is a rinse room which is only limited by a cloth with the next room
- The condition of the building with holes in the walls and roof at several points
- There is no special place for storing clean clothes in the rinse house

From the list of employees, it is known that the average number of pesticide applicators is 6-8 people and consists of men / women/ Thus the company has the opportunity to consider providing rinse houses that are more appropriate compared to the number of employees and the availability of supporting infrastructure so that rinse houses that have been provided can be used optimally by all workers. OFI

6.7.4

UoC provided health services such as clinics and paramedics. Based on field observations, it was known that the facilities and infrastructure provided due to medical services for workers are in proper condition. Based on the documents review and interviews with workers (harvesters, pesticide applicators, mill operators), it's known that total workers in July 2022 was 670 total workers (75 workers in mill, 482 permanent workers in Estate, and 113 contract workers in Estate) and it revealed that all workers were registered in the BPJS program. The BPJS has been paid for all workers in accordance with the number of total workers in its payment period, proven as follows:

- BPJS (Health Insurance) payments for all workers in PTPN IV have been completely fulfilled and the last proof of payment is on 2 August 2022 for period of July 2022.
- BPJS (Social Security Insurance) payments for 660 workers have been completely fulfilled and the last proof of payment for period of July 2022.

Based on the interviews with workers (harvesters, pesticide applicators, and mill operators) and labor union, they informed that they had the acknowledgement of their involvement in BPJS program and they also held the BPJS card.

6.7.5

The company shows records of work accidents for the period January - December 2021 as follows:

Estate

- Number of Lost Time Injuries : 4
- Total hours worked : 354,304
- Lost Time Injury Frequency Rate : 11

Mill

- Number of Lost Time Injuries : 1
- Total hours worked : 354,304
- Lost Time Injury Frequency Rate : 3

Status: Comply

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

7.1

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

7.1.1, 7.1.2

Integrated pest control has been implemented and its implementation monitored by the certificate holder. This is shown from the results of the July 2021 census for Rats, Oil Palm Leaf Eating Caterpillars (UPDKS) and Ganoderma. From the census documents, it is known that there were no rats and UPDKS attacks. For UPDKS, the certificate holder has anticipated in the form of biological control by planting host plants for UPDKS predators such as *Turnera subulata* and *Antigonon leptosus*. The results of the Ganoderma census show that as of June 30, 2021, plants affected by Ganoderma, both living and dead, totaled 178 trees (0.03% of the population). For the control of Ganoderma, currently it is still in the form of isolation of the affected principal and waiting for the Research department. The use of *Turnera subulata* and *Antigonon leptosus* shows that the certificate holder does not use invasive species according to the Minister of Environment and Forestry Regulation No. P. 94/MENLHK/SEKJEN/KUM.1/12/2016.

7.1.3

Based on the results of the document review, interviews with the parties and results of field visits, it is known that the company has never used fire in controlling pests and plant diseases

Status: Comply

7.2

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

7.2.1; 7.2.5; 7.2.6; 7.2.9

The unit of certification has SOPs and work instructions for weed management, guidelines covering selection, storage, application method, handling if contaminated, knowing the signs and symptoms of pesticide poisoning, and first aid for poisoning cases. To ensure that the pesticides used are in line with the target, the company identifies the types of weeds found in the operational area. The company uses a herbicide with an active ingredient of glyphosate with the trademark Elang 480 AS and Gempur 480 SL, and a herbicide with an active ingredient Methyl metsulfuron with the trademark Metsulindo 20 WP. The three herbicides have received permits from the government and are registered with the Pesticide Commission. Based on document verification, it is known that there is no use of chemicals with the active ingredient paraquat, materials that are included in WHO groups 1a and 1b, and materials that are prohibited from the stockholm convention.

Pesticide handling workers have been given training, which will be held on June 16, 2021. The training was attended by Managers, Plant Assistants, Afdeling Assistants, Foreman, and chemist workers. The results of the document review, it is known that the spray application is not carried out through the air.

7.2.2 & 7.2.3

Companies can show records of pesticide use that explain the active ingredients used and the LD50 of the active ingredients, the treatment area, the amount of active ingredient used per hectare and the number of applications. Apart from that, biological control agents have also been used. Based on the results of pest monitoring, it is known that there are no pest that exceed the economic threshold, so the company only uses pesticides for weed control.

7.2.4

Based on the results of a document review, interviews with workers, and results of field visits, it is known that there is no prophylactic use of pesticides

7.2.7

Based on field observations, chemical storage warehouses are equipped with ventilation, fire suppression facilities, OHS symbols and Hazardous symbols.

7.2.8

The company has a SOP for the Management of Hazardous and Toxic Waste Number 02 dated January 2, 2017. The SOP explains the mechanism for storing used pesticide packaging according to the recommendations, placing chemicals that have dissimilar characteristics, the preparation and release of chemicals is carried out first-hand. first out (FIFO), chemical containers must have labels, chemicals are only issued upon request approved by the authorities and well-documented records of storage and release of

agrochemicals (including pesticides) are documented. The company has also conducted socialization to employees regarding the prohibition on the use of hazardous waste packaging including used pesticide packaging on April 29, 2022.

However, based on the results of field observations in licensed and transit hazardous waste warehouses as well as several other locations, it was found that some used pesticide packages were reused and were not placed in licensed locations. This has become a non-compliance with indicator 7.3.1 regarding waste management.

7.2.10

Based on the results of interviews with CV Alif Utama spraying employees at the Afdeling 2 location Block D12 K with the initials NL, DL, VR, SJ, and JD and 6 other people in Afdeling 1 it is known that the employee has worked > 1 year as a pesticide applicator. From the results of the interviews, it is known that workers feel they have never taken a health examination. This is in line with the explanation from the management representative who said that the responsibility for health checks lies with the vendor. Thus it can be concluded that the company has not been able to show sufficient evidence that it has records of the results of annual special medical examinations for all pesticide operators and documented evidence of follow-up of the results of their inspections. This become nonconformity No.2022.13 with Major Category.

7.2.11

Based on the results of interviews with spraying workers and foremen, it was found that there were no pregnant or breastfeeding female workers who did work that had contact with chemicals, and every month there was a recording of menstruation monitoring in each department.

7.2.10	Status: Nonconformity No.2022.13 with Major Category
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7.3

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

7.3.1

The company has identified waste resulting from operational activities, the identification is grouped based on activities that generate waste, name of waste, waste code, type of solid or liquid, and its management. The determination and classification of waste codes uses the reference to Government Regulation number 101 of 2014. The company also has several procedures related to waste management and utilization which are listed in several documents, including:

- Quality and Environmental Policy of PTPN IV Sawit Langkat Unit (points 4 and 7)
- SOP Number PKS.SAL-PL-MR-04 concerning Hazardous Waste Management
- SOP Number PKS.SAL-PL-MR-05 regarding Non-B3 Waste Management
- SOP Number PKS.SAL-PL-MR-02 regarding Land Application Management
- SOP Number 02 regarding Hazardous Waste Management (PTPN IV Procedure as a whole)
- SOP Number 17 concerning Utilization of Palm Oil Mill Waste (PTPN IV Procedure as a whole)
- Work Instruction Number C.18 on Liquid Waste Management-Land Application

However, based on the results of field visits in several locations, the following information was obtained:

Hazardous Waste Management

- It was found that B3 waste was stored/disposed in inappropriate places in all sample locations (Afdeling and Factory). This is also reinforced by the condition of TPS LB3 which is relatively full, while the transportation will be carried out on January 26, 2022.
- It was found that B3 waste was reused, such as used drums as water containers at the Afdeling 1 security post, and used jerry cans used for water storage in Afdeling 5.
- Several types of B3 waste were found that were not stored at TPS LB3 such as used chemical packaging (jerricans and plastic sacks) in the WTP engine room, used paint cans in scrap metal stockpiles, used jerrycans for pesticides in several locations, used filters in warehouse areas, used oil bottles in block 12AA, piles of sacks of fertilizer in several afdeling areas and so on.
- The results of field observations in the Clinic area obtained information that medical waste (other than syringes) was stored not in special containment for the storage of medical and infectious waste.
- There is no management at TPS LB3 transit, such as installation of symbols and labels, provision of emergency response facilities, preparation of waste according to type, and provision of special places/containers for each type of waste.
- The officer in charge of B3 waste cannot explain about the management of B3 waste. Hazardous waste in the temporary storage

warehouse (afdeling) is mixed with other goods. Based on the results of document verification, information was obtained that there was no recording of the entry and exit of waste in the temporary storage warehouse (afdeling).

Domestic Waste Management

- There is a lot of domestic waste/waste in all sample areas (Afdeling and Factory), and from all the sample areas it was also found that there were waste burning activities.
- The results of interviews with workers and field observations obtained information that there is no sustainable form of domestic waste management, such as temporary trash cans to separate types of waste, use of landfills as landfills, and domestic waste transportation activities.
- The results of field observations to the landfill area showed that it was empty, while the results of interviews with management stated that waste was transported once a week.
- Sanitation and irrigation channels in residential areas are not functioning properly.

Solid Waste Management

- There are several locations for storing boiler ash in several locations (outside the factory area), but there is no indication of its use. The boiler ash stockpile is also carried out in the area around the river border.
- In the stockpiling area of empty stump, shell and fiber, it indicates that the capacity of the stockpiled area has exceeded the capacity of the stockpile so that it enters the irrigation canal.

Liquid Waste Management

- Based on the results of observations in the WWTP area, it shows that the flowmeter is in a damaged condition.
- The company also has not been able to show the data on the results of the recapitulation of the use of liquid waste that is applied to the land.
- The results of observations in the Land Application area also show that not all long beds are functioning properly, of the 4 Long beds sampled, only 1 is functioning, while the other 3 are in receding condition and there is a flow of liquid waste. This is because there is a leak downstream of the long bed that enters the river.

Related to this, the company has shown corrective actions from several field findings in the form of evidence of improvements such as collecting B3 waste found in the field and placing it in LB3 TPS. However, the evidence for corrective action has not been comprehensive, and has not been able to show the root cause and evidence of corrective action to ensure that the findings will not reoccur.

By the time the ASA-2 audit was carried out, the management of B3 waste and liquid waste had become a non-conformity and the company had taken corrective and corrective actions to meet the discrepancy. However, during the ASA 3 + ASA 4 audit, it was still found that there was B3 waste that was not managed in accordance with applicable SOPs and regulations.

Based on the information above, several evidences of non-compliance were obtained when referring to the applicable procedures and laws, including:

- Quality and Environmental Policy of PTPN IV Sawit Langkat Unit (points 4 and 7)
- SOP Number PKS.SAL-PL-MR-04 concerning Hazardous Waste Management
- SOP Number PKS.SAL-PL-MR-05 regarding Non-B3 Waste Management
- SOP Number PKS.SAL-PL-MR-02 regarding Land Application Management
- SOP Number 02 regarding Hazardous Waste Management (PTPN IV Procedure as a whole)
- SOP Number 17 concerning Utilization of Palm Oil Mill Waste (PTPN IV Procedure as a whole)
- Work Instruction Number C.18 on Liquid Waste Management-Land Application
- Decree of the Head of Bapedal Number 3 of 1995 concerning Technical Requirements for LB3 Management
- PP RI Number 101 of 2014 concerning Management of Hazardous and Toxic Waste
- PP RI Number 74 of 2001 concerning Management of Hazardous and Toxic Materials
- PP RI Number 81 of 2012 concerning Management of Household Waste and Similar Waste
- PermenLHK Number 12 of 2020 concerning Storage of Hazardous and Toxic Waste
- PermenLHK Number 59 of 2016 article 7 concerning Leachate Management.

Based on this, the company has not been able to show sufficient evidence that it has implemented waste management as regulated in the existing procedures and applicable laws and regulations. **(Non-conformity Number 2022.09).**

7.3.2

Based on interviews with the manager of the Hazardous Waste Warehouse in the Sawit Langkat POM area and temporary storage warehouses in Afdeling 3 and 5, information was obtained that the informants did not understand the procedures for hazardous waste management. The company also cannot show evidence that the waste generated has been managed in accordance with applicable procedures and regulations. This has become a non-conformity with indicator 7.3.1.

7.3.3

The company conducts open burning to destroy waste, as evidenced by field observations at all sample locations, namely Afdeling 1 – 5, emplacements and factory areas. In this regard, there has been a non-conformity with indicator 7.3.1.

7.3.1	Status: Non-conformity Number 2022.09	
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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, 7.4.2, 7.4.3

The certificate holder has procedures related to maintaining soil fertility (Business Unit No. A. 10 June 2013). The procedure regulates the basis of fertilization, soil and leaf analysis activities, organic and inorganic fertilization, and fertilization management. The company refreshes the application of fertilizer to workers. As an example, the Borate Fertilization Field Day Report is shown in Afdeling 7, Block 11 AN on July 31, 2021. Field Day participants include the Head of the Plant Service, Assistant Afdeling, Foreman 1, Fertilizer Foreman, and Fertilizer Workers Afdeling 7.

In determining fertilization recommendations, it is done through leaf and soil tissue analysis. The certification unit shows the results of leaf analysis that were tested between October - December 2020 as many as 209 samples from afdeling 1 - 8. The leaf analysis test parameters were N, P, K, Ca, Mg. for soil tissue analysis using soil tissue analysis 2017, with the parameters in the soil test included criteria for soil fertility, soil type, pH, C-organic elements, total N, P-total, K, Ca, Mg, Na, and CEC status as well as results of evaluation of soil fertility. The company said that it has applied empty jars and liquid waste. The company shows application documents for 2020 and 2021. From the review of documents for 2021, it is known that 17,785,820 kg have been applied up to July 2021. Meanwhile, from the liquid waste application data, it is known that 20,703 m³ have been applied up to July. 2021.

7.4.4

Based on the results of the document review, it was found that the fertilization carried out was in accordance with the recommendations and targets set. Fertilization that has been implemented includes macro and micro fertilizers. The company also has conduct soil and leaf sampling unit routinely every 5 year and every year.

	Status: Comply	
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7.5

Practices minimize and control erosion and degradation of soils.

7.5.1

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

7.5.2 & 7.5.3

Based on a study of the areal statement document, it was found that the planting year was between 2006-2016, when the RSPO onsite audit activity was carried out, the company did not carry out replanting activities.

	Status: Comply	
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7.6

Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

7.6.1

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

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

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

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

7.6.2 & 7.6.3

Based on a study of the areal statement document, it was found that the planting year was between 2006-2016, when the RSPO onsite audit activity was carried out, the company did not carry out replanting activities

Status: Comply

7.7 No new planting on peat, regardless of depth after November 15th, 2018 and all peatlands are managed responsibly.

7.7.1 – 7.7.5

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

7.7.6 & 7.7.7

The company has a map of soil type, geology, slopes with scale 1: 45.000. Based on the study of land type map and field verification, the entire area of the Estate is a mineral land. There was no peat soil in the operational area. There 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

Based on the 2004 ANDAL document, the 2016 HCV identification results, as well as a map of river flows and water sources, it can be seen that there are several water source points in the operational area, namely the Besilam River, Tenang River, Parbus River, Titi Papan River, and the Black River which are within the scope of the unit certification. Based on this document, it is also known that the water source management plan is to test the quality of surface water every 6 months, monitoring wells every 6 months and drill wells every 1 year. All tests were carried out by a KAN accredited laboratory (LP-1284-IDN). Related to this, the company shows the results of surface water quality testing for the first semester of 2022. The company conducted surface water tests at 2 sample points, namely Upstream and Downstream of the Besilam River. Based on the analysis of the test results for all these locations, it shows that there are several test results parameters that are not in accordance with the applicable quality standards, namely Government Regulation Number 22 of 2021 class 2. Parameters that are not in accordance with the quality standards include BOD, CO and Chlorine. However, the RKL-RPL document does not explain the discrepancy in the value of the parameter and mentions that all quality standards are in accordance with this, related to this it has become a non-conformity in indicator 3.4.2.

In addition, based on the results of field observations and document verification, the following information was obtained:

- The results of observations in the Sterilizer area found that there was a jet of black and oily water (boiled) flowing into the irrigation, the results of tracing the irrigation flow showed that the flow merged with the irrigation canal in the Fat pit area.
- The results of observations in the EFB, Shell, and Fiber stockpiling areas show that the leachate generated from the landfill flows into irrigation, the results of the irrigation flow tracing show that the flow joins the irrigation canals in the Fat pit area.
- Observations in the Fat pit area indicate that there is an oily flow of water originating from leakage and overflow of Sludge. The

results of tracing the flow of water show that the flow joins the irrigation canal at the 2 points above, and flows into the land.

- The results of observations in the CPO storage tank area, showed that there were traces of oil runoff that pooled on the ground with a fairly large area ($\pm 20\text{m}^2$) that flowed into the Deoling pond area.
- Observations in the Deoling Pond area showed that there were traces of runoff from liquid waste and sludge that flowed into the land around the factory.
- The results of observations on the land area, show that there are many puddles of liquid waste and sludge covering an area of ± 1.6 Ha (measurement using satellite image analysis). The liquid waste is then channeled into an artificial canal, where the artificial canal is already full of sludge and scum.
- The results of observations in the downstream area of the canal, indicate that the canal empties into a tributary of the Basilam River, Block 12AA, Afdeling 2, with coordinates (N 03° 42' 20.71", E 98° 17' 52.08"), where the river is an area that has been designated as HCV. The results of the observations show that the sewage and scum flows directly mix with the water flow of the Basilam River. This indicates that there is pollution of the water source (Basilam River) which is used by the community so that it has the potential to cause negative impacts.
- The results of the verification of the results of the Semester 2 2021 surface water test conducted in the Upstream and Downstream of the Basilam River also showed that there was an increase in several parameters such as BOD (3.08 to 3.49), COD (31.4 to 34.7) and Oil and Grease (0.10 to 0.13).
- The company also has not been able to show a water management plan that aims to support the efficient use of water sources and their continuous availability.

Related to this, the company has shown corrective action by blocking the flow of water from the Basilam tributary with embankments. However, the evidence of corrective action has not been well targeted, and has not been able to show the root of the problem and evidence of corrective action to ensure that these findings will not happen again.

By the time the Stage-2 audit activity was carried out, it had become a non-conformity and the company had taken corrective and corrective actions to meet the discrepancy. However, during the ASA 3 + ASA 4 audit, it was still found that there were indications of liquid waste pollution in the Basilam River.

Based on the information above, several evidences of non-compliance were obtained when referring to the applicable procedures and laws, including:

- Quality and Environmental Policy of PTPN IV Sawit Langkat Unit (points 4 and 7)
- SOP Number PKS.SAL-PL-MR-05 regarding Non-B3 Waste Management
- Work Instruction Number C.18 on Liquid Waste Management-Land Application
- Government Regulation Number 22 of 2021 concerning the Implementation of Environmental Protection and Management.
- PermenLHK Number 59 of 2016 article 7 concerning Leachate Management.

Based on this, the company has not been able to show sufficient evidence that the company's activities do not have an impact on environmental pollution, especially water sources used by the community; manage water resources to ensure efficient use of water sources and their continuous availability; and carry out liquid waste management as regulated in the applicable procedures and regulations.

(Non-conformity Number 2022.10).

7.8.2

Based on the results of field observations, interviews and document review, the following information was obtained:

- Observations in the downstream area of the sewerage canal, show that the sewage and scum flows directly mix with the Basilam tributary, Afdeling 2, with coordinates (N 03° 42' 20.71", E 98° 17' 52.08") and empties into the Basilam River, where both rivers are natural watercourse areas that have been designated as HCVs.
- Observations on the flow of water from block 07R, Afdeling 2 show that there is a pile of solid waste (boiler ash/solid) piled up on the river border.
- Several watersheds in Afdeling 1 and 2 also show that there is no form of riparian management such as marking chemical application boundaries, installing signboards for prohibiting chemical application, restoration of riparian zones and so on.

The company has not been able to show sufficient evidence that it has protected the water flow within its operational area and

implemented the Quality and Environmental Policy owned by PTPN IV Sawit Langkat unit (points 4 and 7).
(Non-conformity Number 2022.11)

7.8.3

The unit of certification has facilities for the management of POME produced from palm oil processing with a capacity of 20-ton FFB/hour using WWTP. POME that has been managed at WWTP will then be used as a fertilizer substitution in Land Application (LA). Before being distributed to the Land Application, all POME is entered into the WWTP with a single-feeding system which is then processed to reduce pollutant elements so that it is suitable for application to land. Waste treatment facilities owned are 5 ponds consisting of Deolng Pond, Anaerobic Pond, and Facultative Pond and 2 Aerobic Pond. The outlet is in pond 3 (Facultative Pond) with a total pool volume of 65,731 m³. Currently the condition of the pond is not in accordance with ANDAL 2004 and the layout of the WWTP pond owned because the condition of the WWTP pond has changed its function from the previous one to treat liquid waste to be discharged into water bodies, which is currently being applied to land. So, for the 2 aerobic pools, the function is changed to an emergency pool.

The company also has a Wastewater Utilization Permit based on the Wastewater Disposal Technical Approval Document which is applied to the land for PTPN IV Sawit Langkat Unit Number 660-0012/IPAL/DPMP2TSP-LKT/2020 which was legalized by DPMP2TSP Langkat Regency on 20 May 2020. In the permit There is also an obligation to monitor groundwater quality using monitoring wells located in 3 locations. There is an obligation in the permit document, namely to monitor potential environmental impacts at any time and ensure the quality of POME that will be applied to the land is in accordance with applicable quality standards. However, the company cannot show the results of the recapitulation of the POME application to the Land Application for the period 2021 – 2022 because the flowmeter is not functioning, besides that there is also a leak in the long bed that enters the river flow, related to this, it becomes a non-compliance with indicator 7.3.1.

To determine the feasibility of POME quality, the company conducts monthly testing using quality standards that refer to the Ministry of Environment Decree No. 28 of 2003 concerning Technical Guidelines for Assessment of Wastewater Utilization in Palm Oil Plantations. The company can show evidence regarding the results of POME quality measurement in the form of a document of the results of tests carried out by a laboratory accredited by KAN (LP-1284-IDN). Based on the results of the analysis of the test results for the period January - July 2022, it shows that all parameters are in accordance with the applicable quality standards, namely KepmenLH Number 29 of 2003. This shows that POME produced from FFB management activities is feasible to be applied to Land Applications. The company can also show the results of testing on monitoring wells for the semester 1 of 2022 carried out by a KAN accredited laboratory (LP-1284-IDN) on 20 June 2022. namely Regulation of the Minister of Health No. 416 of 1990.

7.8.4

The company already has a Water Resources Concession Permit which is contained in several documents, including:

- The Groundwater Concession Permit owned by the company is based on the Decree of the Governor of North Sumatra Number 546/834 dated June 16, 2020 (Referring to the Technical Recommendation) which is valid for 3 years. The company has an obligation to collect water with a quota of 5 liters/second.
- The Groundwater Concession Permit owned by the company is based on the Decree of the Governor of North Sumatra Number 546/848 dated June 16, 2020 (Referring to the Technical Recommendation) which is valid for 3 years. The company has an obligation to collect water with a quota of 5 liters/second.
- The Water Resources Concession Permit owned by the company is based on the Decree of the Governor of North Sumatra Number 610/1135 dated August 24, 2020 (Referring to the Technical Recommendation) which is valid for 3 years. The company has an obligation to collect water with a quota of 19.44 liters/second.

However, based on the results of field observations, interviews and document review, the following information was obtained:

- The results of field observations in the WTP area show that the Flowmeter at the inlet and outlet is not working (damaged).
- The results of interviews with PAPs also stated that there had never been a record of the use of water for the FFB processing process since the Flowmeter was damaged.
- The results of the verification of water use data for FFB processing also show that the data are not actual data on water use for FFB processing, but only monthly water usage estimates.

Based on this, the company has not been able to show sufficient evidence that the use of water at the factory has been monitored, recorded and documented according to actual conditions.

(Non-conformity Number 2022.12)

7.8.1	Status: Non-conformity Number 2022.10	
7.8.2	Status: Non-conformity Number 2022.11	
7.8.3	Status: Non-conformity Number 2022.12	

7.9
Efficiency of fossil fuel use and the use of renewable energy is optimized.

7.9.1
The Certification Unit has made efforts to improve the efficiency of the use of fossil fuels and optimize renewable energy, these efforts are also monitored and documented. The biofuel in question is solid waste in the form of shells and fiber which is used to substitute fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization for the period July 2021 – June 2022 shows that from 131,474 Tons of FFB processed, it can produce biofuel in the form of 7,889 tons of shells and 18,403 Tons of fiber, all of which are used for boiler fuel substitution or equivalent to 20% of the total FFB processed.

Based on the data analysis of the use of diesel fuel for FFB processing, information on the estimation of diesel fuel needed to generate electricity in the factory area is 1,684,110 liters/year or 12.8 liters/ton FFB. However, due to the efficient use of diesel fuel which is substituted with biofuel, it can reduce the use of diesel to only 99,158 liters/year or equivalent to 0.75 liters/ton of FFB. This shows that the use of Biofuel can reduce by 99% the use of diesel for the last 12 months.

The results of interviews with the company stated that this efficiency is very useful because it can reduce diesel consumption even though the use of biofuel has not been maximized because the generators owned have not been able to produce more efficient energy, which is above 3.5 kWh / liter of diesel, currently the generators owned only produce 2 kWh / liter of diesel. Energy efficiency is also applied to all of the company's operational activities by minimizing the use of fuel by contract workers, including all machinery and transportation operations. The total utilization of diesel fuel for 2021 is 183,336 liters, where there is an increase in the use of diesel fuel from 2020, which is 157,506 liters, this is due to a small amount of FFB that is processed, so that the production of shells and fiber for diesel substitution is reduced. Currently, the company has not utilized methane gas to produce electricity.

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 minimize GHG emissions.

7.10.1
The Certification Unit has carried out an inventory of GHGs contained in the Greenhouse Gas Emissions Mitigation Program document for the 2022 period, based on document analysis it can be concluded that the company has identified the source of GHG produced by the Sawit Langkat POM unit and its suppliers. Identification of significant sources of GHG emissions are identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of the GHG calculation to the public which was submitted to the RSPO GHG website.

Reduction of fossil fuels in Sawit Langkat POM has been carried out by using fiber and shells for fuel substitution. The company also uses POME to be applied to land with test results from the monitoring period January – June 2022 which show that all wastewater testing parameters have met the applicable quality standards. Based on document review for example, pesticide use monitoring, diesel fuel monitoring, HCV identification and others it was found that accurate data had been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January – December 2021 is as follows:

General Information

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	1	122,086	5,548.88
Group Plantation	0	0.00	0.00
3rd Party	2	8,922	0.00
Total	3	131,008.00	5,548.88

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	0.65	tCO ₂ e/tProduct	Oil palm planted on mineral soil	5,548.88	Ha
PK	0.65	tCO ₂ e/tProduct	Oil palm planted area on peat	0.00	Ha
PKO	0	tCO ₂ e/tProduct	Total oil palm planted area	5,548.88	Ha
PKE	0	tCO ₂ e/tProduct	Conservation area (Forested)	0.00	Ha
OER	23.06	%	Conservation area (non-Forested)	0.00	Ha
KER	3.97	%	FFB Production per hectare	23.61	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO ₂ e	tCO ₂ e/t FFB	Emission Source	tCO ₂ e
POME	9,339.49	0.07	PK from own mill	0.00
Fuel Consumption	673.80	0.01	PK from other sources	0.00
Grid Electricity Utilization	0.00	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00	Total Crusher Emissions	0.00
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
Total	9,913.29	0.08		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	55,891.84	0.00	0.00	55,891.84
CO2 Emissions from Fertilizer	5,293.88	0.00	0.00	5,293.88
N2O Emissions from Peat	0.00	0.00	0.00	0.00
N2O Emissions from Fertilizer	3,861.34	0.00	0.00	3,861.34
Fuel Consumption	252.83	0.00	0.00	252.83
Peat Oxidation	0.00	0.00	0.00	0.00
Sinks				
Crop Sequestration	-52,978.04	0.00	0.00	-52,978.04
Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	12,321.85	0.00	713.76	13,035.61

FFB Supplier

Supplier Name	FFB Production by Estate/Plantation (t)	FFB Supplied by Estate/Plantation (t)	Percentage of FFB supplied by Estate/Plantation (%)
Sawit Langkat Estate	122,086.00	122,086.00	100.00
CV Harapan Kita	3,847.66	3,847.66	100.00
PT Metro Mandiri	5,074.34	5,074.34	100.00

Palm Oli Mill Effluent Treatment

Description	Unit	Value
POME Produced	t/yr	78,605.31
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0
COD value before anaerobic digestion	mg/l	3,000
COD value after anaerobic digestion	mg/l	902

COD removed during digestion	tCOD/tPOME	0.03
POME Produce	t/yr	78,605.31
CH4 (Total)	t/yr	419.75
Applied N in POME	t/yr	35.37
Total N2O emission from POME	tCO2e/yr	0.24

**POME is only processed in WWTP*

Based on the results of the RSPO Palm GHG data verification, information was obtained that all HCV areas were identified as areas planted with palm oil. The results of the GHG calculation are also not significantly different from the results of the previous calculation, which is 0.68 tCO₂e/tProduct.

7.10.2

The Certification Unit did not carry out any new developments after 2014, based on the verification of the area statement document, it is known that currently the entire planted area has entered the 2nd cycle. However, the company has managed GHG by conducting an inventory of emission sources. Companies can show identification documents of activities that generate emissions for the period 2022 for factories and plantations. This is done to estimate the carbon stock in the management area along with potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is drawn up and implemented. The plan made by the certification unit has determined what actions will be taken to reduce GHG emissions, for example adopting good low emission management practices for mills such as better POME management, efficient boilers and others. Likewise for the scope of plantations such as optimal use of fertilizers, energy-efficient transportation, good water management, application of compost and restoration of peatlands and conservation areas. These criteria cover plantations, mill activities, roads, and other infrastructure (including canals and access roads and outer boundaries).

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel, performing maintenance on operational equipment on a regular basis, and utilizing POME in Land Applications. Companies can show records of GHG mitigation for Estate and Mill units, for example the use of appropriate fertilizers, routine maintenance of operational vehicles, socialization of the prohibition of burning waste, implementation of efficient use of electricity and integrated pest control to minimize the use of pesticides as well as local forestry plant planting activities in river border areas.

7.10.3

The certification unit has identified the source of pollution and the mitigation plan contained in the document Identification and Mitigation and Monitoring of Greenhouse Gases for the 2022 period. The company has also carried out management and monitoring related to the results of the identification and mitigation plan as evidenced through the RKL-RPL document for semester 1 of 2022 and has reported it to the Langkat Regency Environmental Service on July 5, 2022. Based on the verification of the document, it shows that in the management of air pollution, the certification unit has tested air emissions on boilers and generators as well as ambient air. The test was carried out by a KAN accredited laboratory (LP-389-IDN) on October 10, 2021. Based on the analysis of the value of the test results, it can be concluded that there is no value that is above the applicable quality standard, namely PermenLH Number 07 of 2007 for Boilers, PermenLH Number 13 year 2009 for Genset and PPRI No. 22 of 2021 for ambient air.

In addition, the company has also carried out management for interference from immovable sources. The test was carried out by a KAN accredited laboratory (LP-389-IDN) on October 10, 2021. The tests carried out by the company included testing for odor, vibration, and noise in the work area and housing. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable statutory regulation, namely KepmenLH Number 48 of 1996 for noise, KepmenLH number 49 of 1996 for vibration, and KepmenLH Number 50 of 1996 for odors.

However, for noise measurement results, based on Permenakertrans Number 5 of 2018 for several FFB processing areas, namely the boiler and kernel area, it shows that they are above the required quality standard values. Under these conditions, to reduce the potential for harm to hearing, the company has prepared several control actions plans to reduce the impact on the health factors of operators working in the workplace. Efforts that have been made by the company include:

- Regular maintenance program for tools/machines to keep them awake.
- Arrangement of working time by means of job rotation so that the amount of noise exposure to workers can be controlled (should not be >8 hours/day for a noise level of 85 dBA).

- Preparation of HIRARC (Hazard Identification Risk Assessment & Risk Control) documents for all activities in the Factory and socializing it to all related employees
- Conduct periodic socialization and training of SOPs to related operators.
- Installation of "Noise Zone" warning boards and mandatory use of PPE.
- Regular checks and evaluations of the health of the workforce and the work environment at stations with a potential level of noise hazard.
- Examination of the use of PPE by safety officers related to the discipline of using PPE.
- Provide PPE in the form of earplugs and earmuffs and conduct audiometric health checks for factory employees.

The results of interviews with boiler officers stated that there was never any hearing loss experienced by the interviewees or other factory workers, the company has also carried out routine health checks. The resource person also explained that the obligation to use PPE in the work area is an obligation that must not be violated, warnings about the use of PPE and checking the completeness of PPE are also applied in the company.

Status: Comply

7.11

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

7.11.1

The Sawit Langkat POM certification unit can show the procedures for preventing and overcoming land fires in the SOP document for Overcoming Land Fires No. 01 revision 02 which was ratified on January 2, 2015. The scope of the SOP includes planning, prevention, mitigation, post-fire management and reporting and coordination of firefighting work. and Land Preparation, where the procedure explains that land clearing is done by mechanical means and Zero Burning. The land clearing procedure is carried out by not burning but doing it mechanically.

The company also has a SOP for New Land Clearing which shows the work process on land preparation by not burning in land clearing activities. The company can also show documentation of replanting activities using mechanical (heavy equipment) and chipping methods not by burning.

Based on the results of field observations, no replanting areas were found, and for the area of the youngest planting year, 2016 in Afdeling 2, information was obtained that there were no signs of land clearing by burning. All land clearing activities used mechanical. Based on interviews with management and the Environment Agency, it was also stated that the company is committed to not burning for land clearing.

7.11.2

The company has procedures related to fire prevention and control which are contained in the SOP document for Overcoming Land Fires Number 01 Revision 02 dated January 2, 2015. Based on the review of the document, it is known that the fire control techniques owned by the company have referred to the prevailing laws and regulations in Indonesia, including Government Regulation Number 4 of 2001, Minister of Environment and Forestry Regulation Number 10 of 2010 and Minister of Agriculture Number 11 of 2015. Fire control and prevention programs have been included in the program for Monitoring Firefighting Facilities and Infrastructure for the period 2021, for example, monitoring APAR, monitoring firefighting equipment and fire simulation. The company has also managed, monitored, prevented and controlled land and forest fires, including the following:

- Establishment of a firefighting team equipped with the necessary equipment.
- Training on Land Fire Fighting Simulation and APAR Simulation for the TPKD team and employees
- Provide firefighting equipment that refers to the Regulation of the Minister of Agriculture Number 05 of 2018.
- Monthly monitoring of fire extinguishers with the results of inspections at the location of fire extinguisher installation with powder, foam and CO2 types in plantations and factories in ready-to-use condition.

The company already has complete facilities and infrastructure as shown in the document List of Fire Extinguishing Equipment and Other Equipment with the latest update in January 2022. Based on field observations at the Hydrant location, it shows that the company manages these facilities and infrastructure well, the results of interviews with several employees also stated that the company had made efforts to prevent and control fires through the installation of signboards, socialization, and fire simulations by the factory and estate firefighting teams.

The results of interviews with the Plantation Service and the Environment Service stated that the firefighting equipment owned by the company was sufficient for fire control. The Company has a fire control system which is described in the Report on the Preparedness Report of Plantation Land Fire Control Systems, Facilities and Infrastructure for the First Semester of 2021.

However, based on the results of the verification of the list of Emergency Response Facilities and Infrastructure for Fire Fighting, it shows that the facilities and infrastructure owned by the company are not in accordance with Ministry of Agriculture Regulation No. 5 of 2018 concerning Clearing and/or Processing of Plantation Land without Burning. In addition, the company also has not been able to show evidence that it has involved the surrounding community in efforts to prevent and control fires. However, based on the results of interviews with related offices and village heads, it is stated that there has never been a land fire in the area around the company. Related to this, companies are encouraged to make improvements in equipping fire prevention facilities and infrastructure as well as involving the surrounding community to anticipate land fires. (OFI).

7.11.3

Based on document review, interviews with management units and workers accompanied by simulations of fire extinguishers, it can be seen that the company has human resources capable of preventing and dealing with fires. This is also supported by adequate equipment and routine activities in conducting emergency response team simulations. Emergency Response Team members are employees selected by the company and trained to participate in simulations who are expected to be able to handle emergency conditions, and master the role and security measures.

However, the results of interviews with management and document review did not reveal information that the company had involved stakeholders, especially the surrounding community for fire prevention and control measures. Currently, the company only involves the district fire department and the police. Based on this, it has become OFI on indicator 7.11.2.

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 and 7.12.8

Based on management information and a review of the area statement, it was found that there were no new plantings and land clearing above 2005. The results of interviews with management showed that the latest land clearing activities were only for replanting activities. The HCV Identification Assessment was published in October 2016 with an assessment time of March 2015, the HCV Identification assessment was carried out after the 2nd cycle of oil palm planting (replanting). Meanwhile, the HCS assessment does not apply because there are no new developments after 15 November 2018. The company can also show the Disclosure of Liability document that was sent to the RSPO Compensation panel in 2016, in the document stating that PTPN IV Unit Sawit Langkat POM are free from non-disclosure, compliant land clearance or **Zero Liability**. Based on this information, it can be concluded that the RACP procedure is not applicable.

7.12.2

Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company does not have an obligation to conduct a High Carbon Stock (HCS) study. The HCV assessment for the Sawit Langkat unit was carried out in March 2015 with the final document in October 2016. The HCV assessment was carried out by PT Surveyor Indonesia, chaired by Henry Marpaung using the 2008 HCV toolkit. The HCV identification assessment was carried out for the scope of PT Perkebunan Nusantara IV for the Sawit Langkat unit consisting of 8 Afdeling with a total study area of ±6,475 Ha (referring to HGU No. 14402/IV/1997). A peer review of the HCV identification report was carried out by Dr. Kunkun J Gurmaya as RSPO registered HCV Assessor. A public consultation was also held on March 10, 2015 at the Mess Unit Sawit Langkat, PTPN IV and was attended by several relevant stakeholders. The following is data on the distribution of HCV areas, including:

HCV Type	Location	HCV area	Total (Ha)
HCV 1 and HCV 4	Afdeling 1	Riparian river	12.31
	Afdeling 2	Riparian river	18.08
	Afdeling 3	Riparian river	11.14

	Afdeling 4	Riparian river	10.33
	Afdeling 5	Riparian river	5.88
	Afdeling 6	Riparian river	10.22
	Afdeling 7	Riparian river	6.52
	Afdeling 8	Riparian river	10.73
HCV 4	Afdeling 2	Besilam river water absorption area	0.15
	Afdeling 5	Pasir river water absorption area	0.04
	Afdeling 8	Putri Pool and water absorption area	0.34
HCV 6	Afdeling 4	Public cemetery	0.03
	Afdeling 6	Public cemetery	0.50
	Afdeling 7	Public cemetery	0.02
TOTAL			86.29

Based on the data from the HCV assessment, it can be seen that the area of HCV included in the scope of certification is 86.29 hectares or equivalent to 1.33% of the total HGU area. However, data on the area of HCV in the Basic Info, Area Statement, and Matrix Template for the 2022 period do not show area data because all of them are identified as oil palm planted areas. In addition, there are several HCV areas that have been controlled by the community and have been removed from the HGU, so that the company can no longer manage these areas, but the company has not been able to show data regarding how many HCV areas can actually be managed, and how many can no longer be managed. managed, it becomes a non-conformity in indicator 7.12.4.

7.12.3

Indicator 7.12.3. currently irrelevant to Indonesia, until further decisions from the RSPO.

7.12.4

Based on the results of field observations, interviews and document review, the following information was obtained:

- The results of field observations in several areas of HCV Afdeling 1 and 2 show that there is no form of management of HCV areas such as marking of HCV area boundaries, signboards marking HCV areas, prohibition of chemical application, restoration of HCV areas and so on.
- The results of field observations in the HCV area of Block 12AA Afdeling 2 indicate that the company disposes of liquid waste from the Basilam tributary which is an HCV area.
- The results of field observations in the Basilam River border HCV area block 12AB indicate that there are land claims by the community whose current condition has been planted with Rubber Trees (*Hevea brasiliensis*).
- The results of interviews and analysis of the Basilam River Border Map in Afdeling 1 show that the entire Basilam River Border HCV area is included in the community's claim area, but the company has not been able to show any evidence of mediation or specific management plans for the areas claimed by the community.
- Regarding points 3 and 4 above, the company has not been able to show data regarding how much HCV area can actually be managed, and how much can no longer be managed because it has been claimed by the community.
- The company has not been able to show the integrated management plan document which has been reviewed at least once in five years which was prepared by involving the relevant stakeholders.

In addition, when referring to OFI on surveillance-3 remote audit, information is obtained that the company has the opportunity to conduct more in-depth/detailed monitoring of RTEs to ensure the presence of RTE species in the company's operational areas. Related to this, the company has not been able to show detailed/ detailed flora and fauna monitoring results, for example completing protection status, ensuring accurate monitoring data, completing species to be monitored (referring to HCV document and if there are additional species), and so on.

Based on this, the company has not been able to show sufficient evidence that it has implemented protection of the HCV area in its entirety, carried out program development involving all relevant stakeholders, ensured employee understanding regarding HCV management, and documented comprehensive management activities.

(Non-conformity Number 2022.14)

7.12.5

The company has identified the needs of the community as well as the areas needed by the affected community to meet their basic

needs, taking into account the potential for positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the existence of an HCV 6 area in the form of a public graveyard. The company has identified and carried out activities to minimize risks and impacts both for the community and for the environment, for example by providing regular socialization to the community not to apply chemicals in river areas to avoid pollution, not to clear land by burning, and so on. In addition, the PTPN IV Group as the parent of the unit Sawit Langkat POM has collaborated with local stakeholders such as the Environment Service, Police, Fire Department, local NGOs, as well as community leaders around the management area. The company has also approached relevant stakeholders, including:

- Provide executive summary to relevant parties such as local government and surrounding communities.
- Socialization on HCV is carried out periodically to surrounding villages.
- Make an agreement with the surrounding village to maintain the HCV area in the company area.

The unit of certification has also considered various land tenure and management options to protect the HCV area in a way that also protects the rights and livelihoods of local communities. Since the area managed by the company is entirely an oil palm planted area which is directly adjacent to the settlement, the level of potential conflict between the HCV area and the community is quite high. Potential conflicts identified during the audit were the large number of HCV areas currently owned by the community (the Basilam river border). As a result, these locations can no longer be managed by the company and now they have become fields and planted with oil palm.

The results of field observations in the HCV 6 area in the form of a public cemetery also show that the company continues to provide access for the community to carry out cultural activities in the area. Potential conflicts that may arise from the provision of access for the public to enter the company's area are the high rate of theft of FFB and facilities owned by the company. The management stated that it is difficult to control this potential, because if access is closed it will cause unrest in the community, but if access is still given, the company often suffers losses due to theft. Until the Surveillance 4 audit was conducted, there was no documented evidence of the efforts made by the company to resolve the issue. This has become a non-compliance with indicator 3.4.2 regarding the management of social impacts.

The company can also show the Minutes of Consultation and Evaluation of the Management and Monitoring of the HCV area on 28 June 2022, involving the local village government. In this activity, it was discussed related to the existence of the HCV area in the company's area as well as the expectations and suggestions from the local village government, among others, it is hoped that the company will continue to monitor the existence of the HCV area, complete the HCV warning board and conduct periodic socialization to the surrounding community regarding the presence of HCV. as an important area to protect the existence of biodiversity.

7.12.6

Disciplinary measures for workers who catch, harm or collect RTE species are regulated in the Internal Office Memo which is updated annually, such as the latest document Number SAL/SE/intrn/16/1/2022 published on January 24, 2022 regarding Zero Tolerance Policy. against hunting activities of RTE species. This memo explains that all workers are not allowed to catch, harm, collect or kill protected animals. Violation of this matter will be subject to sanctions by the company until it is reported to the authorities with reference to Law of the Republic of Indonesia Number 5 of 1990.

In addition, the company has also carried out socialization about the existence of endangered plants and animals to employees and the surrounding community which is shown in the official report of the socialization which is accompanied by photo evidence of activities and attendance list with details of activities with evidence of the official report, for example the socialization conducted on 21 - 23 February 2022 to all Afdeling workers and foremen.

However, based on the results of field observations to residential areas as well as Afdeling HCV areas 1 to 5, it shows that the installation of warnings is an indirect form of socialization, for example the HCV area markers are installed in the front area of the office, while for the HCV areas there are no warning boards marking the HCV area. This has become a non-compliance with indicator 7.12.4 regarding the management of HCV areas.

Based on the 2016 HCV Identification Assessment Report conducted by the company, there are protected, rare and endangered species that are included in HCV 1. In this regard, the company is recommended to monitor the presence of protected wildlife species on a regular basis and record their distribution and area the roam. Meanwhile, when referring to the 2022 HCV Area Management and Monitoring Plan document, the monitoring action section does not include monitoring protected, rare, and endangered species

included in HCV 1. However, the company can show animal monitoring documents for 2021 – 2022 even though it is in the document. There is no reference to the protection status, namely PermenLHK Number 106 of 2018 concerning Changes in Protected Endangered Plants and Animals or the list of RTE (Rare, Threatened and Endangered) species according to CITES.

Based on this, the company has the opportunity to develop a more comprehensive HCV area management plan as recommended in the 2016 HCV assessment result document, complete the flora and fauna monitoring form which is equipped with the latest protection status references and ensure that RTE monitoring is carried out more deeply / details to ensure the presence of RTE species in the company's operational areas. **(OFI)**

7.12.7

Monitoring of protected areas in the 2022 period is carried out regularly every semester to ensure the security of the area. Monitoring activities are carried out in several river border locations and all areas of the company's management. This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every year by showing the results of HCV monitoring carried out in 2022. The results of observing fauna in the plantation area still found several types of protected animals that were included in the protection status, namely the *Musang (Cynolgale bennetti)* with Endangered status (IUCN Redlist and Law No. 7 of 1999).

However, the company has not been able to show the annual evaluation of HCV area management, follow-up to improve the HCV area management plan which is made every 5 years, reviews related to management and monitoring activities in 2021 and other supporting documentation. Based on this, it has become a non-conformity in indicator 7.12.4.

7.12.4	Status: Non-conformity Number 2022.14
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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or √
ASA-3 & ASA-4	PTPN IV Sawit Langkat do not use RSPO trademark and CB Logo.	✓
	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-3 & ASA-4	PTPN IV Sawit Langkat do not use RSPO trademark and CB Logo.	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
ASA-3 & ASA-4	PTPN IV Sawit Langkat do not use RSPO trademark and CB Logo.	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA-3 & ASA-4	PTPN IV Sawit Langkat do not use RSPO trademark and CB Logo.	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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 area from crumb rubber to oil palm at Batang Toru Estate,</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018. 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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>November 2018 by Samsul Ulum (license : ALS15013US) as lead assessor and some assessor members i.e R.Sukasmianto, Moh.Yasin, Bahrn, Pemi Aprilis, Devis Rachman, Ihwan Rafina, Roland Sinulingga and Endra Gunawan on behalf PT Fodec Khatulistiwa. It has carried out public consultation dated on 20 February 2018 (initial public consultation) & 4 June 2018 (public consultation for the result of HCV assessment). There are some evidences that public consultations has involved stakeholders. Current condition that HCV assessment report has been satisfactory category on 23 March 2021.</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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units 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</p> <p>The Tanjung Lebar Business Unit postponed to February 2022, due to single membership consolidation and approval process by RSPO Secretariat and the Disclosure & Liability of Tanjug 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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>business units (Ophir, PLK, Solsel, 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 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 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 (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018. d. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>PTPN V 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),</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35th BHCWVG 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</p> <p>There are several area in Afdeling VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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 Estate). During this initial audit, this area has been released in accordance with a court decision.</p> <p>PTPN VI 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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>claim from the communities during period January to October 2021.</p> <p>PTPN VII The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>PTPN III Based on self assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute issues, since last year period until the partial audit conducted on 8-9 November 2021.</p> <p>PTPN V There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN VI There is a mechanism of resolving grievance and compliant from employee and industrial action. It has covered in the collective labour agreement between PT Perkebunan Nusantara VI and SP- BUN PTPN VI (labour union) period of 2020 to 2021 (article 76 – 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. 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 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.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>PTPN V There has been no significant legal non-compliance in PTPN V and its subsidiary. The company is not in the process of any litigation. PT PN V has acquired HGU (land title) for all of its subsidiaries except the part of Sei Berlian estate (Sei Berlian-2) because the organization still in-process to get Land Use Right (HGU).</p> <p>PTPN VI 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, Ba- tanghari 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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 forest areas from government 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 service decree no.007/IL/DPMPSTSP-LK/I/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</p>

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

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-2 Assessment

NCR No.	:	2020.01	Issued by	:	Leonada/Rindu Galih Rezza Rachmansyah
Date issued	:	19 November 2020 (Onsite)	Time limit	:	04 November 2021
NC Grade	:	Minor rise to Major	Date Of Closing	:	06 Augustus 2021
Standard Ref. & Requirement	:	2.1.2. A documented system is in place to ensure legal compliance. This system has the means to track changes to applicable regulations, and includes a list and evidence of evaluation of legal compliance by all contracted third parties, including: recruitment agencies, service providers and workers.			
Observed Evidence: (filled by auditor): Based on the results of document verification, the following evidences are found: <ul style="list-style-type: none">The company has a mechanism to ensure compliance with the regulations described in the basic guidelines and work instructions for identification and evaluation of compliance with laws and regulations and other requirements No. document 04.01 / KOL / P / 034 dated 1 August 2018.Evaluation results are available for the implementation of operational activities, shown in the evaluation of compliance with the 2020 regulations.The company currently has a partnership with contractors including: CV Mitra Abadi (transportation of empty lengths) and CV Anugerah Cahaya (Transportation of FFB)The company also published a circular in the form of a vendor evaluation memo from the Head of the Planning and Sustainability Division No. 04.03 / Kol / M-422 / VIII / 2020 dated 31 August 2020, to ensure evaluation of regulatory compliance to the contractor. However, the company has not been able to show evidence of evaluation of regulatory compliance for contractors					
Non-conformance description: (filled by auditor): The company has not been able to show evidence of legal compliance evaluation for all contracted third parties.					
Root Cause Analysis (filled by organization audited): Unit's lack of understanding of third-party legal compliance Monitoring of legal compliance evaluation has not been carried out for all contracted third parties There is no PIC who is responsible for monitoring the evaluation of legal compliance for all contracted third parties.					
Correction (filled by organization audited): Outreach to third parties regarding legal compliance Indicate SK PIC who is responsible for monitoring the evaluation of legal compliance for all third parties.					
Corrective Action (filled by organization audited): Make monitoring evaluation of legal compliance for CV Mitra Abadi and CV Anugerah Cahaya					
Assessor Evaluation and Conclusion (filled by auditor): Verifikasi tanggal 06 Agustus 2021. The unit of certification has determined root causes, corrective and preventive actions to resolve existing non-conformities. In addition, some evidence of improvement has also been shown as follows: <ul style="list-style-type: none">There is a vendor evaluation and eligibility document (document No. SAL/04.05/94/IV/2021) on April 1, 2021 related to the evaluation results of 2 vendors (CV Pelita Jaya and CV Harapan Kita) which explains that the evaluation of the performance of the two vendors is the result it is good and worthy to return to work with the company. The points assessed are related to					

performance such as quality of work, reporting of work, smooth payment and completion of work. But related to compliance with government regulations has not been shown.

- There is a vendor evaluation and eligibility document (document No. SAL/04.04/39/IV/2021) on April 1, 2021 related to the evaluation results of 13 vendors (including CV Langkat Utama) which explains that the performance evaluation of the two vendors was good and worthy to return to work with the company. The points assessed are related to performance such as quality of work, reporting of work, smooth payment and completion of work. But related to compliance with government regulations has not been shown.
- In accordance with the proof of improvement provided above, there is still some evidence that cannot be shown, namely:
- The company has not clearly identified compliance with regulations relevant to contractors, such as labor regulations, OHS, and others.
- Evaluation and monitoring of compliance with laws and regulations for all vendors working with the company (Contractors, Suppliers and Transporters).
- PIC who is responsible for evaluating and monitoring compliance with laws and regulations for all vendors working with the company (Contractors, Suppliers and Transporters).

Based on this, the discrepancy No. 2020.01 is declared not fulfilled and the non-conformity grade becomes Major (previously minor).

Verified by : **Rindu Galih Rezza Rachmansyah**

NCR No.	: 2020.02	Issued by	: Nurdin Chaeriana/Brigitta Prita
Date Issued	: 02 July 2020 (Remote)	Time Limit	: 24 September 2020
NC Grade	: Critical	Date Of Closing	: 26 August 2020
Standard Ref. & Requirement	3.4.3 The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.		
Evidence observed (filled by auditor): The company has presented the Environmental Management Plan & Environmental Monitoring Plan (RKL RPL) Report Semester II 2019 which informs the report on the implementation of environmental management. From the results of river noise and water quality testing there are parameters that exceed the quality standards with the following details: Noise test results refer to KepmenLH No. 48 of 1996 appendix I regarding the quality standard for the level of industrial area designation. It is known that the results at the backyard office location are 74.9 dBA, while the Threshold Limit Value for noise is 70 dBA. The measurement of river water quality at the downstream of Basilam river with the quality standard refers to PP RI No. 82 of 200 the value of Total Phosphate as P is 0.33 mg / l, while the determined threshold value is 0.2 mg / l. In the 2nd semester of 2019 RKL RPL report there was no evaluation related to parameters that exceeded the threshold value.			
Non-Conformance Description (filled by auditor): Based on the description, the certification unit has not evaluated the test results on parameters exceeding the threshold value. So, this is not in accordance with the Guidelines for the Preparation of RKL RPL Reports regulated in KepmenLH No 45 of 2005.			
Root Cause Analysis (filled by organization audited): Lack of understanding from officer that responsible to report the RKL RPL Unevaluated the RKL RPL report			
Correction (filled by organization audited): Evaluate the water quality of Basilam riparian			

Socialization the management of water to the society
Maintain the engine room
Revise the RKL RPL report and evaluate quality test of water and noise

Corrective Action (filled by organization audited):

Do the socialization the method of RKL RPL reporting to improve the knowledge of person in charge.

Assessor Evaluation and Conclusion (filled by auditor):

Verification 11 August 2020

- The CH show the evidences: Evaluated result of noise level test, which the noise level is affected by the engine room failure. So, the company followed up with the engine room maintenance. The engine room maintenance show in maintenance document on 24 July 2020.
- Conduct the socialization of RKL RPL report on 16 July 2020.

Verification 26 August 2020

The company has reported the RKL RPL report for first semester of 2020 to the environment agency of Langkat Regency. The RKL RPL report has completed with plan and realization of environment management and monitoring.

Based on the evidence verification for the NC correction, it can be concluded that the NC is closed.

Verified by : Nurdin Chaeriana/Brigitta Prita/Leonada

NCR No.	: 2020.03	Issued by	: Brigitta Prita/Hasiholan Sihombing
Date Issued	: 02 July 2020 (Remote & Onsite)	Time Limit	: Next surveillance
NC Grade	: Non-critical	Date Of Closing	: 06 Augustus 2021
Standard Ref. & Requirement	3.7.2 Records of training are maintained, where appropriate on an individual basis.		
Observed evidence: <i>(filled by auditor):</i>			
During the remote audit, the following evidences were found:			
<ul style="list-style-type: none">• The company has shown records of training for estate and mill employees such as evidence of first aid training, use of pesticides/chemical applications and use of PPE.• The company has not been able to show the training records including HCV training, SCCS & RSPO training for workers & contractors.			
During the onsite audit, the following evidences were found:			
The results of field observations in the mill area show that the company has 2 turbine engines in use with a capacity of 728 KW/910 KVA and 800 KW/1000 KVA respectively and 1 unit of generator used with a capacity of 544 KVA, but cannot show personnel who already have License for Power and Production Aircraft Operators and personnel who already have electrician occupational safety and health experts' certificates.			
Description of Non-Conformity <i>(filled by auditor):</i>			
The company has not been able to show all evidence that training has been maintained and is available to every individual.			
Root Cause Analysis <i>(filled by organization audited):</i>			
<ul style="list-style-type: none">• Monitoring of the availability of training and its documentation related to the implementation of the RSPO P&C has not been carried out			

- There is no PIC responsible for monitoring the availability of training and its documentation regarding the implementation of the RSPO P&C.

Correction (filled by organization audited):

Show evidence of HCV, SCCS & RSPO training/socialization to workers
Show Power and Production Aircraft Operator License and OHS Expert Electricity.

Corrective Action (filled by organization audited):

Monitoring the availability of training and its documentation related to the implementation of the RSPO P&C
Establishing a PIC who is responsible for monitoring the availability of training and its documentation related to the implementation of the RSPO P&C.

Assessor Evaluation and Conclusion (filled by auditor):
Verification date 06 August 2021.

The unit of certification has determined root causes, corrective and preventive actions to resolve existing non-conformities. In addition, some evidence of improvement has also been shown as follows:

- There are two (2) Class 1 Power and Production Aircraft Operator Licenses for Steam Turbine assigned on 15 March 2021 and valid until 15 March 2026.
- There are eight (8) Class 1 Power and Production Aircraft Operator Licenses for Motor Diesel which were established on March 15, 2021 and are valid until March 15, 2026.
- Certificate No. B.05/EMCOTAMA-SK/VIII/2021 dated 05 August 2021 concerning information that workers with the initials JMR are employees of PTPN IV – Langkat Sawit Unit have attended OHS training as Prospective OHS Electrical Experts held on 07-25 June 2021 and when This certificate, SKP (Decree of Appointment) and authority card as OHS Electrical Expert are still in the process of being issued at the OHS Directorate of the Ministry of Manpower of the Republic of Indonesia.
- Evidence in the form of minutes, attendance and documentation of training/socialization activities related to the RSPO P&C in 2021 has been shown such as SCCS, HCV, RSPO training, pesticide application, fertilizer application, company policies, code of ethics and so on.
- Documents for monitoring the availability of training and its documentation for the 1st semester of 2021 (January-June) on July 1 2021 made by the PIC monitoring the availability of training and its documentation, namely the Document Control Officer with the initials PTN.

Based on this, the discrepancy No. 2020.03 is stated to have been fulfilled.

Verified by : Rindu Galih Rezza Rachmansyah

NCR No.	:	2020.04	Issued by	:	Hasiholan Sihombing
Date Issued	:	18 November 2020 (Onsite)	Time Limit	:	Next surveillance
NC Grade	:	Non-critical	Date Of Closing	:	
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.			
Observed evidence: <i>(filled by auditor):</i>					
-					

Description of Non-Conformity: *(filled by auditor):*

The company has not been able to show evidence of having implemented adequate training provided for personnel performing important tasks for the effective implementation of the Supply Chain Certification Standard (SCCS).

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

There has not been monitoring of training needs related to the implementation of the RSPO P&C

There is no PIC responsible for monitoring training needs related to the implementation of the RSPO P&C

Correction *(filled by organization audited):*

Show proof of training/socialization of officers responsible for implementation of Supply Chain Certification Standards (SCCS).

Corrective Action *(filled by organization audited):*

Monitor training/socialization related to the implementation of the RSPO P&C

Assign a PIC responsible for implementation of the Supply Chain Certification Standard (SCCS)

Assessor Evaluation and Conclusion *(filled by auditor):*
Evaluation on August 6, 2021:

- The company has shown evidence of improvement in the minutes of supply chain training for the last period May 5 2021 with the latest P&C material. In addition, there is a decree appointing two PICs for the supply chain system dated May 3, 2021. In addition, based on the discussion results, the PIC concerned can demonstrate the application of the supply chain and document Mass Balance data.

Based on this description, this discrepancy is declared fulfilled.

Verified by : Arif Faisal Simatupang

NCR No.	: 2020.05	Issued by	: Hasiholan Sihombing
Date Issued	: 19 November 2020 (Onsite)	Time Limit	: 18 February 2021
NC Grade	: Non-critical	Date Of Closing	: 18 February 2021
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.		
Observed evidence: <i>(filled by auditor):</i>			

Based on the results of document review and interviews, the following evidences are known:

- Based on the report on the implementation of work time, rest and overtime work of implementing employees from the Manager of the Sawit Langkat Unit to the North Sumatra Region-I Labor Inspection Unit on 23 June 2020, it is known that the working time of the processing division both shift I and shift II is 12 hours with rest periods for 1 hour after the employee has worked for 3 hours continuously.
- Within 1 day employees work for 10 hours with a calculation of 7 hours counting normal working hours and 3 hours outside normal working hours (overtime) for normal working days. As for short days (5 working hours) the calculation is 5 normal working hours and 5 working hours outside of normal working hours (overtime). Then for holidays it is calculated to work overtime for 10 hours.
- From the results of interviews with processing operators at Sawit Langkat POM, it is known that the processing section has 2 shifts and on holidays in October 2020 still go to work. This is also evidenced by the payment of operator premiums on holidays.

- From the results of the review on employee wage report documents for the period of October 2020, for example, processing employees on behalf of SH are known to have received a Processing Premium of Rp1,573,856 and an Overtime Payment of Rp500,950 for 26 working days and 5 days off. Total premiums and overtime earned Rp. 2,074,806, -
- However, based on auditor simulations, if the calculation of overtime outside working hours both on weekdays and on holidays in accordance with applicable regulations, then in October 2020, the employee should receive overtime payment for Rp4,122,101

Description of Non-Conformity: *(filled by auditor):*

Based on the explanation above, there is employee overtime payments that are not in accordance with the applicable manpower regulations.

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

Lack of understanding of the clerk in making overtime hours

Correction *(filled by organization audited):*

Adjusting working hours with a circular working hour for 2 (two) shifts
Calculating overtime and premiums according to their actual work

Corrective Action *(filled by organization audited):*

- Monitoring the comparison between overtime and premiums in overtime. Those who monitor overtime calculations are the Head of Administration, the Head of the Processing Agency and the HR Assistant in monitoring the provision of Overtime Hours.
- Head of Administration, Assistant Processing and Assistant Human Resources provide socialization to the crew of related officers in filling in overtime and conduct evaluation so that the previous incident does not happen again.
- There was a mistake in filling in employee overtime, PIC also conducted outreach to the clerk
- The Manager has provided written directions regarding filling employee overtime.

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

Auditor Verification 5 February 2021:

The company has explained root cause analysis and preventive action against any non-conformities that arise, but there are still questions from the auditor regarding this matter. Then the company has also sent proof of improvement in the form of:

- Memo from the Manager of the Langkat Palm Oil Unit on 1 November 2020 regarding the working shift hours of the mill section explaining working hours and also rest hours for shift I and shift II employees. From the memo, it is known that for each shift you get 10 hours of work and 1 hour of rest with 2 breaks (2 hours of total rest).
- The attendance list of one of the Sawit Langkat POM employees (on behalf of SH) in October 2020 which explains the working hours and rest hours of the employee.
- Recapitulation of overtime calculation of one of the Sawit Langkat POM employees (on behalf of SH) in October 2020 which explained that in October 2020 the employee received a total of 162 hours of overtime with overtime payments of Rp2,318,682
- List of income/salary slips of one of the Sawit Langkat POM employees (on behalf of SH) in October 2020 which shows the total overtime of the employee in the amount of Rp2,318,682, -

However, based on the evidences shown, there are several things that become the auditor's questions, namely:

- From the attendance list of SH employees shown, for example, on Sunday, 11 October 2020, it is known that the employee works from 06.30 WIB to 18.30 WIB with 1 hour break for 2 times, namely at 10.30-11.30 WIB and 15.30-16.30 WIB (total break time is 2 hours and total working hour is 10 hours). But based on the recap data of October 2020 overtime calculation, why is the overtime given only 12 hours. If calculated in accordance with the rules of the *Kepmenakertrans No. 102 of 2004* in article 11 states that "the calculation of overtime wages for the first 7 (seven) hours is paid 2 (two) times an hour's wages, and the eighth hour is paid 3 (three) times the wages of an hour and the ninth and tenth hour of overtime is paid 4 (four) times the wages per hour", the employee should have received 25 hours on Sunday, 11 October 2020 (because he worked 10 hours on holidays). This also happened on other dates starting from 1 to 31 October 2020.
- Please also be able to send proof of improvement related to overtime payments to at least 5 other employees for the period November and December 2020.

Based on this, the non-conformity with the Critical category on this indicator has not yet been fulfilled.

Auditor Verification 18 February 2021:

The company has provided an explanation regarding the auditor's questions on preventive action. Then the company also shows evidence of improvement in the form of:

- Proof of payment of underpaid overtime hours in the name of SH in October 2020 in the form of receipt of cash disbursements totaling Rp1,546,340 approved by the Unit Manager.
- Documentation of the socialization of overtime filling and overtime calculation on 26 November 2020 which was attended by the Head of Administration, HR / General Assistant, Processing Assistant, Checkroll Clerk and Processing Foreman. The results of the socialization concluded that all participants who attended could understand the procedures and fulfillment of overtime in accordance with the applicable regulations.
- Evidence regarding overtime for 5 employees for the period November and December 2020 such as attendance, working hours, rest hours, employee salary slips, and also the calculation of overtime hours. For example, on behalf of EW in December 2020, he worked 24 days in December 2020 and every working day worked for 12 hours (10 hours of work and 2 hours of rest). From the results of the overtime calculation, it was shown that the employee earned a total of 144 hours of overtime during December 2020. The employee's hourly wage is Rp14,780 and if it is multiplied by overtime hours, the total earned overtime is Rp2,128,386. From the results of the auditor's verification of the indicated overtime calculation, it is concluded that the calculation is in accordance with the applicable regulations. Then from salary slip December 2020 period, it can be seen that the employee received overtime + premium of Rp2,339,325. This concludes that the overtime pays + premium that the employee receives is greater than the calculation of overtime according to regulations. Likewise, evidence regarding overtime for 4 other employees was sampled in November and December 2020.

Based on the explanation and evidence shown, it can be concluded that Critical Non-Conformance on this indicator can be declared closed and the implementation of overtime will be re-observed in the next assessment.

Verified by : **Hasiholan Sihombing**

NCR No.	: 2020.06	Issued by	: Septian Maulana/Leonada
Date Issued	: 19 November 2020 (Onsite)	Time Limit	: 18 February 2021
NC Grade	: Non-critical	Date Of Closing	: 18 February 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:

During the process of audit activities, the Auditor Team observes the following evidence:

- The company can show the recording of the 2019 PPE Handover Report for Estate and Mill employees.
- The company shows a Risk Management document of the HIRAC Form for Estate and Mill activities that describes the Activities, Hazards, Risks, Risk Assessment and Control (including Work Instructions, Signs / Warnings, Socialization and PPE.
- Based on field observations in the Mill, it was found that 1 Mill worker and 5 contractor workers did not use a helmet while working and 5 workers from the contractor did not wear PPE shoes.
- Based on interviews and field visits with workers at the Mill location, it was found that 4 out of the 7 workers interviewed used the shoes provided by themselves.
- Based on field observations afdeling 2 Langkat oil palm plantations, it was found that 1 harvester was not wearing a helmet.

Description of Non-Conformity:

Based on the explanation above, the company has not been able to ensure that all workers use personal protective equipment (PPE) that is suitable and available to all workers in the workplace.

Root Cause Analysis (filled by organization audited):

Some employees and contractor workers do not understand the importance of using PPE
There are some employees who do not understand the process for reporting the replacement of damaged PPE

Correction (filled by organization audited):

- Disseminate all employees about how to replace damaged PPE
- Replace damaged employee PPE
- Disseminate employees and Vendor workers about the use of PPE
- The contractor is obliged to provide PPE to his workers, the management gives a warning letter to the Contractor whose workers do not wear PPE

Corrective Action (filled by organization audited):

Monitor and evaluate the socialization delivered
Palm Oil Management then formed a PIC team in monitoring the use of PPE on Employees and Contractor Workers
Monitoring and evaluating the implementation of the use of PPE for employees and Contractor Workers

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification dated February 10, 2021:

The company showed evidence of improvement as follows:

- Record of socialization of PPE replacement which was carried out on September 18, 2020 which was attended by 47 participants consisting of managers, staff and factory and plantation employees. The contents of the socialization briefly explain the following:
 - Identification of all protective equipment used by workers
 - Socialization to workers about the use of PPE while working
 - Monitoring the completeness of PPE is carried out by Afdeling/Mill Administrator
 - Make a report if found defective PPE when monitoring the completeness PPE
 - PPE replacement mechanism
- Minutes of PPE acceptance dated January 25, 2021 for the processing and afdeling department.
- Records of weekly PPE monitoring identifying types of PPE, availability and conditions.

Auditor's Conclusion:

There are still questions from the auditors regarding root cause analysis, corrective action and preventive action. Thus, the non-conformity **cannot be fulfilled**.

Auditor Verification on February 18, 2021:

The company shows evidence of improvement as follows:

- Records of socialization on the use of PPE on 17 December 2020 attended by 36 participants consisting of managers, P2OHS secretaries, employees and executives as well as vendors. The contents of the socialization briefly explain the following:
 - Every work implementation is required for internal employees and vendors to use complete PPE
 - Work leaders are obliged to take action against workers by giving a warning letter to the workers if they are found not to use PPE in their work
 - Vendor workers and 3rd parties are required to comply with worker safety regulations such as the obligation to use PPE in the implementation of work, and if it is found that vendor workers who are not wearing PPE, the management will provide sanctions strict
 - Workers are expected to report to the foreman if the PPE used is damaged in accordance with the applicable mechanisms
 - Employees are expected to take care of the PPE that has been provided by management and not be used for other activities
- Letter from PTPN IV unit Sawit Langkat No. SAL / X / 460 / XII / 2020 dated 4 December 2020 regarding Warning Letter to CV Alamsyah Jaya Prima
- Decree No. SAL / SK / 183 / XI / 2020 dated 30 December 2020 concerning the Appointment of a Monitoring Officer for Personal Protective Equipment
- Plan and realization of the Vendor Officer PPE Use Monitoring Program October - December 2020 for CV Alamsyah

- Plans and realization of the PPE Monitoring Use Program for the period October - December 2020 for Afdeling II, Afdeling I, Engineering section, Processing section
- Internal Letter No. SAL / SE / Intern / 89 / VI / 2019 dated 10 June 2019 concerning the Mechanism for the Replacement of Workers' Personal Protective Equipment (PPE)

Auditor's Conclusion:

Based on root cause analysis, corrective and preventive actions as well as evidence of improvements that have been sent, non-conformities with the Critical category on this indicator are declared **fulfilled**.

Verified by : **Septian Maulana/Leonada**

NCR No.	: 2020.07	Issued by	: Septian Maulana/Leonada/Rindu Galih Rezza Rachmansyah
Date Issued	: 19 November 2020 (Onsite)	Time Limit	: 04 November 2021
NC Grade	: Non-critical	Date Of Closing	: 22 December 2022
Standard Ref. & Requirement	6.7.4 All workers are provided medical care and covered by accident insurance. Costs incurred from work related incidents, leading to injury or illness, are covered in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.		

Evidence observed:

Company showed proof of payment for BPJS of Employment for PTPN IV for the July-October 2020 period, as follows:

- August with Contribution Code 200900362261 dated September 15, 2020 amounting to IDR 182,771,484. -
- September with Contribution Code 201002545416 dated October 15, 2020 in the amount of Rp 149,545.14.-
- October with Contribution Code 201101892558 dated November 13, 2020, amounting to IDR 164,552,314. -

Company showed proof of BPJS of Health payment for PTPN IV units for the August-October 2020 period, as follows:

- Receipt of Proof of Premium Payment for August 2020 dated September 2, 2020 amounting to IDR 2,886,772,558. -
- Receipt of Proof of Premium Payment for September 2020 dated October 9, 2020 amounting to IDR 2,876,848,634. -
- Receipt of Proof of Premium Payment for October 2020 dated November 9 2020 in the amount of IDR 2,875,098,300. -

The company shows the contract documents between PT Perkebunan Nusantara IV and CV Langkat Utama regarding the Procurement of FFB Transporting at Afdeling V Sawit Langkat Estate in 2020. Article 9 Rights and Obligations of the Parties Point 7 explains that the procurement participants have a working relationship with the workers concerned as evidenced by the existence of a work contract and also the participation of workers in the BPJS.

Based on the results of interviews with 2 workers loading fruit from the contractor CV Langkat Utama, it is known that workers have not been registered with BPJS Employment and BPJS Health.

The company couldn't show a list of employees from the contractor CV Langkat Utama and proof of payment for BPJS Employment and BPJS Health made by CV Langkat Utama.

Description of Non-Conformity:

Based on the explanation above, the company has not been able to ensure that all workers are provided with health services and are covered by occupational accident insurance.

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

Lack of understanding of third parties regarding legal compliance in contracts

There is no PIC who is responsible for monitoring the evaluation of legal compliance for contracted third parties

Correction (filled by organization audited):

Show proof of registration and payment of BPJS Employment and Health for the CV Langkat Utama workforce
Assign a PIC who is responsible for monitoring the evaluation of legal compliance for contracted third parties

Corrective Action (filled by organization audited):

Monitoring the evaluation of legal compliance for contracted third parties
Outreach to third parties regarding legal compliance in work contracts

Assessor Evaluation and Conclusion (filled by auditor):

Verification date 06 August 2021.

The unit of certification has determined root causes, corrective and preventive actions to resolve existing non-conformities. In addition, some evidence of improvement has also been shown as follows:

- There is a vendor evaluation and eligibility document (document No. SAL/04.05/94/IV/2021) on April 1, 2021 related to the evaluation results of 2 vendors (CV Pelita Jaya and CV Harapan Kita) which explains that the evaluation of the performance of the two vendors is the result it is good and worthy to return to work with the company. The points assessed are related to performance such as quality of work, reporting of work, smooth payment and completion of work. But related to compliance with government regulations has not been shown.
- There is a vendor evaluation and eligibility document (document No. SAL/04.04/39/IV/2021) on April 1, 2021 related to the evaluation results of 13 vendors (including CV Langkat Utama) which explains that the performance evaluation of the two vendors was good and worthy to return to work with the company. The points assessed are related to performance such as quality of work, reporting of work, smooth payment and completion of work. But related to compliance with government regulations has not been shown.

In accordance with the proof of improvement provided above, there is still some evidence that cannot be shown, namely:

- Evaluation and monitoring of compliance with laws and regulations for all vendors working with the company (Contractors, Suppliers and Transporters)
- PIC who is responsible for evaluating and monitoring compliance with laws and regulations for all vendors working with the company (Contractors, Suppliers and Transporters).
- Show proof of registration and payment for Health and Employment BPJS for workers who work at CV Langkat Utama.

Based on this, the discrepancy No. 2020.07 is declared not fulfilled and the non-conformity grade becomes Major (previously minor).

Major Verification December 22, 2022

- The company shows an evaluation of legal compliance with laws and regulations made August 22, 2022 for CV Alif Utama and PT Dewa Barat Sentosa.
- SK No. has been available. SAL/kpts/04/VIII/2022 regarding the appointment of the officer in charge of the vendor for the Sawit Langkat unit.
- The company shows proof of BPJS payment for the contractor CV Alif Utama, for example for the August 2022 period and proof of BPJS payment for the Maligo Mas Utama contractor for the October 2022 period.
- Based on interviews with contractor workers at CV Alif Utama, it is known that workers already have BPJS Employment and BPJS contributions have also been paid by the contractor.
- Documentation of outreach regarding vendor legal compliance which was carried out on August 22, 2022 which was attended by 20 people including 4 vendor representatives.

Based on these explanations, the non-conformity has been met.

Verified by : Rindu Galih Rezza Rachmansyah/Asystasya Aishah Silalahi

NCR No. : 2020.08	Issued by : Sansan Suhendar
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Date Issued	: 19 September 2020 (Onsite)	Time Limit	: Next Surveillance
NC Grade	: Non-critical	Date Of Closing	: 5 Augustus 2021
Standard Ref. & Requirement	: 7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.		
Evidence observed: The following some evidence based on the results of field visits and document reviews: <ul style="list-style-type: none">Based on PermenLHK number P.56 of 2015 and PP number 101 of 2014 the hazardous waste produced is less than 50 kg (fifty kilograms) per day for hazardous waste category 1 is stored in a hazardous waste storage place for a maximum of 180 (one hundred and eighty) days and based on company procedures number SOP 02 dated January 2, 2017 concerning the management of Hazardous Wastes, point 5.6 concerning the shelf life of hazardous waste states that the storage of hazardous waste generated is less than 50 Kg per day for hazardous category 1 waste, the maximum storage time is 180 days.Based on field visits at the factory site:A visit to the Wastewater Treatment Plant, it was found that the volumetric measurement of the volume of waste water that is flowed to the Land Application is damaged.A visit to the loading ramp for receiving FFB, it was found that the waste of used manure sacks was dumped behind the loading ramp guardrail.Based on field visit to clinic, the medical waste storage place does not have an infectious hazard symbol and the waste place is not standard for medical waste.Based on a field visit to the temporary storage for hazardous waste, medical waste has not been stored at the warehouse for hazardous waste, the waste has still been stored in the clinic since March 2020.Based on field visits to Afdeling V, many used plastic fertilizers sacks were found scattered in the field.Based on the document review, it is known that:Based on the hazardous waste log book, balance of receipts and discharges of hazardous waste, a letter of introduction for goods (delivery of hazardous waste to PT Jagar Prima Nusantara) and hazardous waste manifest, for the delivery of hazardous waste with hazard category 1 (used accu) last on March 4, 2020 and as of November 18, 2020 (8 months) there has been no return of hazardous waste.Based on the last letter of delivery (delivery of medical waste which is categorized as hazard type 1 to PT Prima Medika Nusantara - RS Pabatu) on February 26, 2020 and up to November 18, 2020 (9 months) there has been no return of medical waste.			
Description of Non-Conformity: The company has not been able to show that the implementation of waste management is in accordance with the applicable regulations.			
Root Cause Analysis (filled by organization audited): Monitoring of the management of B3 waste produced by the company has not yet been carried out There has not been any determination of a PIC responsible for monitoring the management of the hazardous waste produced by the company There is no monitoring of the condition of the wastewater treatment plant.			
Correction (filled by organization audited): <ul style="list-style-type: none">Replace the waste water flow meter that is flowed to the Land ApplicationReturning waste sacks of used fertilizer for loose lollipops disposed of behind the loading ramp guardrail to hazardous storageInstall an infectious hazard symbol in the medical waste storage area and replace the waste bin with a standard place for medical wasteSend medical waste that is still stored in the clinic since March 2020 to PT PMN RS PabatuReturning used plastic inner sacks of fertilizer scattered in the Afd V field to TPS LB3Submitting used LB3 batteries that are still in the hazardous storage to a licensed LB3 Transporter.			

Corrective Action (filled by organization audited):

Monitoring the management of hazardous waste produced by the company

Prepare a letter of appointment of the PIC who is responsible for monitoring the management of the hazardous waste produced by the company

Monitor the condition of the wastewater treatment plant.

Assessor Evaluation and Conclusion (filled by auditor):

Verify August 5, 2021

Sawit Langkat POM has appointed a PIC to carry out monitoring and evaluation of environmental monitoring and management in accordance with the Decree of the Langkat Oil Palm Business Unit Manager No. SAL/MU/Kpts/92/I/2021 dated 30 January 2021 which consists of:

Chairman: Adja Muhammad Daud

Members: M Agus Nurlanda Siregar, Julham Prasetya Pane, Indra Bayu Azhari, Adhitya Dwiky Putra.

CH has also replaced the flowmeter in the Sawit Langkat POM application land pump on November 2 2020. CH has also shown photo evidence of the flowmeter currently used in the application land pump.

CH also monitors every quarter to ensure that the flow meter is always in working condition. The parameters monitored are pump house buildings, water pumps, electromotors, water taps, water pumps and flow meters. Based on the monitoring results for the fourth quarter of 2020, the first quarter of 2021 and the second quarter of 2021, it is known that all the parameters being monitored are in good condition.

CH conducts inspections/monitoring of hazardous waste management in the company's operational areas every quarter. The information on the inspection form consists of the type of hazardous waste (ex-gunny fertilizer, ex-chemical jerry cans, damaged kep/suffe, ex-chemical bottles, ex-oil packaging, used oil, used oil filters, used batteries/accumulators) and the location of the inspection consists of employee housing, departmental offices, departmental chemical warehouses, affiliated water pump houses, workshops, loading ramps and POM areas. Based on the results of monitoring in the fourth quarter of 2020, the first quarter of 2021 and the second quarter of 2021 it is known that no hazardous waste was found at the inspection site.

The Langkat Sawit Plantation Health Center sent medical waste on December 30 2020 to Pabatu Hospital consisting of aboccat, syringes, flacon, medicinal ampoules, infusion sets, infusion bottles, gauze and handscun. After the delivery in December 2020, another shipment was made in March 2021. Based on the records of hazardous waste from the Langkat Palm Health Center, it is known that until July 2021, the waste stored consisted of syringes, infusion bottles, infusion hoses, sterile gauze and needle bottles/flacons. Based on this explanation, it was discovered that the medical waste from the Langkat Sawit Plantation Health Center had been sent to Pabatu Hospital before 180 days. Puskesmas has also sent documentation of the infectious waste storage area where the storage area has been equipped with a hazardous waste symbol.

Based on this explanation it is known that the discrepancy No. 2020.08 declared fulfilled.

Verified by : Ardiansyah

NCR No.	: 2020.9	Issued by	: Sansan Suhendar
Date Issued	: 19 September 2020 (Onsite)	Time Limit	: Next Surveillance
NC Grade	: Non-Critical	Date Of Closing	: 5 Agustus 2021
Standard Ref. & Requirement	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A Programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture,		

	harm, collect, trade, possess or kill these species.
Evidence observed: <i>(filled by auditor):</i> The following is some evidence based on the results of document review: <ul style="list-style-type: none"> Based on the Regulation of the Minister of Environment and Forestry number P. 106 of 2018 concerning changes in protected species of endangered plants and animals. Based on the HCV Identification Assessment Report that has been carried out by the company, there are protected, rare and endangered species including HCV 1 which must be monitored for their existence periodically recording their distribution and home range. Based on SOP No. SPO 09 dated January 9, 2015 concerning the Identification and Protection of Flora and Fauna stated that the company is trying to protect the flora and fauna ecosystem so that it does not become extinct from its original place. Based on the monitoring and maintenance program for HCV 1, 4 and 6 which was carried out in July 2020, the description of monitoring and monitoring activities did not include monitoring of protected, rare and endangered species included in HCV. 	
Description of Non-Conformity: <i>(filled by auditor):</i> The company has not been able to demonstrate monitoring of rare, endangered and protected species.	
Root Cause Analysis <i>(filled by organization audited):</i> Lack of understanding of officers in making HCV monitoring and maintenance programs	
Correction <i>(filled by organization audited):</i> Making monitoring of HCV monitoring and maintenance which includes monitoring of protected, rare and endangered species	
Corrective Action <i>(filled by organization audited):</i> Provide training/socialization on how to prepare HCV monitoring and maintenance Establish a PIC for the preparation of HCV monitoring and maintenance	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> The unit of certification has demonstrated HCV monitoring and maintenance records consisting of: Monitoring the condition of HCV planks Field monitoring of HCV boundary signs Monitoring of species in the company's operational area. Sawit Langkat POM has appointed a PIC to carry out monitoring and evaluation of environmental monitoring and management in accordance with the Decree of the Langkat Oil Palm Business Unit Manager No. SAL/MU/Kpts/92/I/2021 dated 30 January 2021 which consists of: Chairman: Adja Muhammad Daud Members: M Agus Nurlanda Siregar, Julham Prasetya Pane, Indra Bayu Azhari, Adhitya Dwiky Putra. Based on the results of interviews with the head of PIC monitoring, it is known that they already know the parameters that must be monitored routinely, such as the presence of flora and fauna, chemist boundary markings, river riparian conditions and HCV plank conditions. Based on this explanation, the 2020.09 non-conformity is declared fulfilled.	
Verified by	: Ardiansyah

3.4.2. Identification of Findings, Corrective Actions and Observations at Remote ASA-3 Assessment

NCR No.	:	2021.01.	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	06 August 2021	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	19 October 2021
Standard Ref. &	:	2.2.2 All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">The certification unit has seven (7) contractors, two (2) FFB suppliers, two (2) material suppliers and two (2) CPO/PKO transporters who have collaborated in 2021. There is a work agreement that can be shown with CV Pelita Jaya (CPO/PKO transporter), CV Langkat Utama (FFB Transport) and CV Harapan Kita (FFB Supplier), in each of these agreements there are clauses related to complying with all applicable laws and regulations.There is a vendor evaluation and feasibility document (document No. SAL/04.05/94/IV/2021) on April 1, 2021 related to the evaluation results of 2 vendors (CV Pelita Jaya and CV Harapan Kita) which explains that the performance evaluations of the two vendors are the results is good and deserves to re-cooperate with the company. The points assessed are related to performance such as quality of work, reporting of work, smooth payment and completion of work. However, the compliance with government regulations has not been shown yet.There is a vendor evaluation and feasibility document (document No. SAL/04.04/39/IV/2021) on April 01, 2021 related to the evaluation results of 13 vendors (including CV Langkat Utama) which explains that the performance evaluation of the two vendors is good and worthy to return to work with the company. The points assessed are related to performance such as quality of work, reporting of work, smooth payment and completion of work. However, the compliance with government regulations has not been shown yet.					
Non-Conformance Description (filled by auditor):					
The unit of certification has not been able to show evidence that the fulfillment of relevant legal obligations (employment, OHS and others) has been fulfilled and carried out by a third party in cooperation with the company.					
Root Cause Analysis (filled by organization audited):					
Lack of understanding of the unit of certification in drafting contracts regarding clauses for fulfilling legal obligations.					
Correction (filled by organization audited):					
<ul style="list-style-type: none">Adding points regarding compliance with government regulations on the evaluation and monitoring of 2 vendors (CV Pelita Jaya and CV Harapan Kita)Adding points regarding compliance with government regulations on the evaluation and monitoring of 13 vendors (including CV Langkat Utama)					
Corrective Action (filled by organization audited):					
<ul style="list-style-type: none">Make a letter of determination of the PIC who is responsible for evaluating and monitoring the vendorConduct socialization with vendors regarding the agreement on the clause regarding compliance with all applicable laws and regulations.					
Assessor Evaluation and Conclusion (filled by auditor):					
Verify October 04, 2021.					
The unit of certification has shown evidence of improvement as follows:					
<ul style="list-style-type: none">Decree No. SAL/Kpts/02/VII/2021 dated 12 August 2021 regarding Monitoring Officer Duties and Responsibilities of Vendors at PT Perkebunan Nusantara IV Langkat Sawit Unit, where it has been determined that the responsible PIC is the Assistant Head and has 4 members, namely two (2) Plant Assistant, one (1) Plant Crew and one (1) Production Crew. The letter explains that monitoring activities are carried out related to the provision of PPE, payment of BPJS, payment of minimum wages, child labor,					

forced labor for each vendor who cooperates and is carried out every month which will be reported to the Plantation/Factory Manager.

- The monitoring program document of vendor duties and responsibilities on August 17, 2021 for the transportation of empty shellfish in 2021 (January-July), where there are 7 monitoring activities carried out, namely the provision of PPE, BPJS payments, payment of minimum wages, SIO/SIM, workers under age, forced labor and record assessment. From the results of the monitoring, not all activities are monitored every month (in the plan it should be done every month) and the activities carried out routinely are only BPJS payments, minimum wage payments, child labor and forced labor.
- Monitoring program document of vendor duties and responsibilities on August 12, 2021 for FFB transportation activities in 2021 (January-July), where there are 7 monitoring activities carried out, namely the provision of PPE, BPJS payments, payment of minimum wages, SIO/SIM, underage workers, forced labor and record appraisal. From the results of the monitoring, not all activities are monitored every month (in the plan it should be done every month) and the activities carried out routinely are only BPJS payments, minimum wage payments, child labor and forced labor.
- Service provider track record form for the period January-June 2021 for CV Harapan Kita and CV Metro Mandiri Abadi on August 14, 2021 stating that the two service providers received a "Good" assessment result.
- Service provider track record form for the period January-June 2021 for CV Mitra Abadi, CV Anugrah Cahya and CV Langkat Utama on August 14, 2021 stating that the two service providers received "Good" assessment results.

Based on the results of the study of the improvement evidence given above, there are still some evidences that cannot be shown, namely:

- Root cause, corrective action and preventive action have not been accepted.
- List of regulations that must be met by the vendor.
- Evidence that all third parties/vendors collaborating with PTPN IV Sawit Langkat Unit have monitored their legal compliance (only a few CVs are given, because this is a non-compliance that has not been met since the previous assessment, please show overall monitoring to ensure this not be repeated in the next assessment).
- Evidence that the monitoring carried out is appropriate based on supporting data such as the provision of PPE (photos and data provided), BPJS payments (shown by proof of payment according to the number of workers), child labor (list of workers and their age) and so on.
- Evidence of monitoring for the last month (September 2021) related to compliance with laws and regulations with complete evidence for all vendors.
- Procedures/regulatory mechanisms related to monitoring contractor compliance
- Please make sure that every file that is sent is clear in writing or in pictures, because many of the previously submitted files are blurry making it difficult to read and cannot be verified.
- For files related to BPJS that are not legible and please re-send a clearly legible file. Thank you.
- Please also explain why the document on the realization of monitoring legal compliance is only 4 activities that are routinely carried out every month even though all activities in the program must be carried out every month. Please explain.

Based on the explanation above, it can be concluded that the discrepancy in this indicator has not been fulfilled.

Verify October 19, 2021

The unit of certification has shown evidence of additional improvements as follows:

- List of laws and regulations in Indonesia related to the application of PT Perkebunan Nusantara IV's RSPO/ISPO principles and criteria in 2021 with details, namely 7 Presidential Decrees, 141 Ministerial Regulations, 37 Ministerial Decrees, 7 other Government Decrees, 7 Instructions Government Regulations/Circulars, 15 Provincial/District Regional Regulations, 3 Presidential Instructions, and 76 Laws. The regulation contains the results of the evaluation of compliance with regulations for PT Perkebunan Nusantara IV in general.
- Appendix III Regulation of the Board of Directors of PT Perkebunan Nusantara III (Persero) No. DIR/PER/08/2020 concerning Performance Assessment and Grouping of Selected Partners/Providers and Making/Actions of Selected Partners/Providers Subject to Sanctions Inclusion in the Black Group. Where in the appendix explains the assessment and grouping of service/goods providers that are carried out routinely with Green, Yellow, and Black assessment levels. This is used as a benchmark for the use of service/goods providers throughout the PT Perkebunan Nusantara group.
- Monitoring program document of vendor duties and responsibilities dated October 4, 2021 for third party activities (Contractors, Suppliers and Transporters) in the period January-October 2021, where there are 7 monitoring activities carried out, namely the

provision of PPE, payment of BPJS, payment of minimum wages, SIO/SIM, underage workers, forced labor and record assessment. From the monitoring results, it is known that the 7 compliance monitoring points have been adjusted every month from January to October 2021 for CV Alif Utama, CV Tiga Putri Siman, CV Sepakat Transportindo, CV Metro Mandiri Abadi, CV Anugrah Cahaya, CV Harapan Kita, and CV Main Langkat.

- Documents of proof of compliance with regulations related to BPJS for the period October 2021 which have been paid on October 5, 2021 for as many as 18 workers at CV Alif Utama.
- Documents of proof of compliance with regulations related to BPJS for the period August-September 2021 which have been paid on September 6, 2021 for as many as 7 workers at CV Langkat Utama.
- Documents of proof of compliance with regulations related to BPJS for the period September 2021 which have been paid on September 27, 2021 for as many as 15 workers at CV Anugrah Cahaya.
- Documents of proof of compliance with regulations related to BPJS for the period of October 2021 which have been paid on October 5, 2021 for as many as 4 workers at PT Tiga Putra Siman.
- Proof that there are no workers under 18 years of age (child labour) at CV Alif Utama, CV Langkat Utama, CV Anugrah Cahaya and PT Tiga Putra Siman by showing a list of workers owned as of September 2021, which results in no workers who are under 18 years of age.
- Proof of compliance with regulations related to K3 for CV Alif Utama, CV Langkat Utama, CV Anugrah Cahaya and PT Tiga Putra Siman by looking at evidence of the distribution/delivery of PPE to all workers on 08, 09 and 19 April 2021. In addition, there are monitoring results in the field in the form of photos of third-party workers who are obedient in using PPE in accordance with the specified PPE standards.

Based on the explanation above, it can be concluded that the discrepancy in this indicator has been met and will be re-observed related to its consistency in the next assessment related to the implementation of monitoring compliance with regulations for contractors.

Verified by : **Rindu Galih Rezza Rachmansyah**

NCR No.	:	2021.02.	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	06 August 2021	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	19 October 2021
Standard Ref. & Requirement	:	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour.			
Evidence observed (filled by auditor): The unit of certification has a Cooperation Agreement with CV Harapan Kita (Agreement No. SAL/CV HARAPAN KITA/SP-TBS/07/VI/2021) which has a separate clause related to prohibiting practices involving child labour, forced labor, and workers from human trafficking. in article 8 paragraph 5. However, for the cooperation agreement with CV Pelita Jaya and CV Langkat Utama, these clauses do not exist.					
Non-Conformance Description (filled by auditor): The unit of certification has not been able to show evidence that all contracts, including contracts with FFB suppliers, have separate clauses that prohibit practices involving child labour, forced labor, and workers from human trafficking.					
Root Cause Analysis (filled by organization audited): Lack of understanding of the unit of certification in drafting contracts regarding the prohibition of practices involving child labour, forced labor, and workers from human trafficking.					

Correction (filled by organization audited):

- Completing the Contract Clauses of the Cooperation Agreement which contains a prohibition on practices involving child labour, forced labor, and workers from human trafficking.
- Make a list of the vendor's workforce along with their biodata

Corrective Action (filled by organization audited):

- Establish a PIC who is responsible for ensuring the implementation of regulations against practices involving child labour, forced labor, and workers from human trafficking.
- Conducting outreach to vendors about the prohibition of practices involving child labour, forced labor, and workers from human trafficking.

Assessor Evaluation and Conclusion (filled by auditor):

Verify October 04, 2021.

The unit of certification has shown evidence of improvement as follows:

- Decree No. SAL/Kpts/02/VII/2021 dated 12 August 2021 regarding Monitoring Officer Duties and Responsibilities of Vendors at PT Perkebunan Nusantara IV Langkat Sawit Unit, where it has been determined that the responsible PIC is the Assistant Head and has 4 members, namely two (2) Plant Assistant, one (1) Plant Crew and one (1) Production Crew. The letter explains that monitoring activities are carried out related to the provision of PPE, payment of BPJS, payment of minimum wages, child labor, forced labor for each vendor who cooperates and is carried out every month which will be reported to the Plantation/Factory Manager.
- Socialization document on company policies related to child labor, forced labor, human trafficking and prohibition of child labor to vendors and administrative officers conducted on 12 August 2021.

Based on the results of the study of the improvement evidence given above, there are still some evidences that cannot be shown, namely:

- Cooperation agreements that already have the above-mentioned clauses in accordance with the specified corrective actions.
- Vendor workforce list as mentioned above in accordance with the specified corrective actions.

Based on the explanation above, it can be concluded that the discrepancy in this indicator has not been fulfilled.

Verify October 19, 2021

The unit of certification has shown evidence of additional improvements as follows:

- Letter of Agreement/Contract No. GMD III/SPK/ANGKUT TANKOS/129/VI/2021 dated 30 June 2021 between PT Perkebunan Nusantara IV and PT Tiga Putra Siman for transporting empty bunches. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 9 on Compliance.
- Addendum to Agreement/Contract No. GMD III/ADD SPK/ANGKUT-TBS/92/VIII/2021 dated 19 August 2021 between PT Perkebunan Nusantara IV and CV Langkat Utama for FFB transportation activities. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 1 concerning the Rights and Obligations of the Parties in Points 6-8.
- Letter of Agreement/Contract No. GMD III/SPK/ANGKUT FFB/142/VII/2021 dated 02 August 2021 between PT Perkebunan Nusantara IV and CV Anugrah Cahaya for FFB transportation activities. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 9 on Compliance.
- Umbrella Contract No. GMD III/SPK/PEMEL TM/139/VII/2021 dated 22 July 2021 between PT Perkebunan Nusantara IV and CV Alif Utama for plant maintenance activities. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 9 on Compliance.
- Proof that there are no workers under 18 years of age (child labour) at CV Alif Utama, CV Langkat Utama, CV Anugrah Cahaya and PT Tiga Putra Siman by showing a list of workers owned as of September 2021, which results in no workers who are under 18 years of age.

Based on the explanation above, it can be concluded that the discrepancy in this indicator has been met and its consistency

will be re-observed in relation to ensuring that there are clauses in the work agreement with third parties.

Verified by : Rindu Galih Rezza Rachmansyah

NCR No.	:	2021.03.	Issued by	:	Arif Faisal Simatupang
Date Issued	:	06 August 2021 (remote)	Time Limit	:	04 November 2021
NC Grade	:	Non Critical	Date of Closing	:	19 October 2021
Standard Ref. & Requirement	:	3.2.2. As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.			
Evidence observed (filled by auditor): The unit of certification shows the RSPO P&C Metrics Template just before the closing meeting, so the Auditor Team does not have time to verify the completeness and accuracy of the data that has been filled in the RSPO P&C Metrics Template. There are still errors in filling out the template metrics, such as units, calculation of production CPO, sales CPO, and employee categories. In accordance with the guidelines in the RSPO P&C Metrics Template, it is stated that the RSPO P&C Metrics Template will be completed at the unit level of certification and must be submitted to the certification body prior to RSPO certification, recertification or annual surveillance audits. In this regard, the unit of certification needs to ensure that the RSPO P&C Metrics Template must be completed at the certification unit level and must be submitted to the certification body prior to the audit activity so that the data auditor can verify its completeness and accuracy at the same time as the audit activity is carried out.					
Non-Conformance Description (filled by auditor): The company has not been able to demonstrate the suitability of the delivery time and the accuracy of filling out the RSPO template matrix.					
Root Cause Analysis (filled by organization audited): Lack of understanding of the pic of the certification unit in filling out the RSPO P&C Metrics Template.					
Correction (filled by organization audited): Make the right RSPO P&C Metrics Templates such as units, calculation of CPO production, CPO sales, and employee categories.					
Corrective Action (filled by organization audited): 1. Determine the PIC in filling out the RSPO P&C Metrics Template. 2. Conduct training for PICs filling out RSPO P&C Metrics Template.					
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification September 25, 2021 The company shows evidence: <ul style="list-style-type: none">Matrix template minutes document dated August 10, 2021SK document number SAL/MU/kpts/VIII/2021 regarding the officer filling out the template matrix at the Sawit Langkat Plantation/Palm Oil Mill, signed by the Manager, dated August 10, 2021. Based on the evidence shown, it is concluded that corrective action is acceptable. However, the company has not been able to show					

corrections related to the findings, namely the RSPO P&C metrics template document. So that the discrepancy is declared **not fulfilled**.

Auditor Verification October 19, 2021

The company has shown evidence of the RSPO Metrics Template document updated October 13, 2021. The results of the review of the document are known:

- Total certified area for certified estate is not yet in accordance with the RSPO Certificate.
- The size of the HCV area is not in accordance with the RSPO ASA-2 Audit Report.
- Production data (PO.1.0, PK.1.0 and FO.1.0): Certified and non-certified PO Production (CPO and PK) do not match the basic info documents and SCCS data.
- Sales data for Certified and non-certified PO Production (CPO and PK) do not match SCCS data.
- Fresh Water Usage (O.1.0): does not match the actual water usage data.

Based on the evidence shown, it is concluded that the company has not been able to demonstrate the conformity of the RSPO P&C metrics template document with the basic info document, so the discrepancy is declared **unfulfilled**.

Auditor Verification 02 November 2021

The company has shown the RSPO Metric Template document updated November 2, 2021, which is in accordance with actual conditions. Based on this explanation, Non-conformance No. 2021.03 is declared **fulfilled**.

Verified by	:	Ardiansyah
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NCR No.	:	2021.04.	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	06 August 2021	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	19 October 2021
Standard Ref. & Requirement	:	6.4.1 A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.			
Evidence observed (filled by auditor): The unit of certification has a Cooperation Agreement with CV Harapan Kita (Agreement No. SAL/CV HARAPAN KITA/SP-TBS/07/VI/2021) which has a separate clause related to prohibiting practices involving child labour, forced labor, and workers from human trafficking. in article 8 paragraph 5. However, for the cooperation agreement with CV Pelita Jaya and CV Langkat Utama, these clauses do not exist.					
Non-Conformance Description (filled by auditor): The unit of certification has not yet been able to show evidence that formal policies on child protection, including the prohibition of child labor, and its remedies, have been included in all service contract documents and agreement documents with suppliers.					
Root Cause Analysis (filled by organization audited): Lack of understanding of the unit of certification in drafting contracts on child protection, including the prohibition of child labor, and its remedies.					
Correction (filled by organization audited):					

- Completing the Contract Clauses of the Cooperation Agreement which contains the protection of children, including the prohibition of child labor, and its recovery.
- Make a list of the vendor's workforce along with their biodata

Corrective Action (filled by organization audited):

- Establish a PIC who is responsible for ensuring the implementation of regulations against practices involving child labour, forced labor, and workers from human trafficking.
- Conduct socialization with vendors regarding formal policies on child protection, including the prohibition of child labor, and its remedies.

Assessor Evaluation and Conclusion (filled by auditor):

Verify October 04, 2021.

The unit of certification has shown evidence of improvement as follows:

- Decree No. SAL/Kpts/02/VII/2021 dated 12 August 2021 regarding Monitoring Officer Duties and Responsibilities of Vendors at PT Perkebunan Nusantara IV Langkat Sawit Unit, where it has been determined that the responsible PIC is the Assistant Head and has 4 members, namely two (2) Plant Assistant, one (1) Plant Crew and one (1) Production Crew. The letter explains that monitoring activities are carried out related to the provision of PPE, payment of BPJS, payment of minimum wages, child labor, forced labor for each vendor who cooperates and is carried out every month which will be reported to the Plantation/Factory Manager.
- Socialization document regarding company policies related to child labor, and the prohibition of child labor to vendors and administrative officers which was conducted on 12 August 2021.

Verify October 19, 2021

The unit of certification has shown evidence of additional improvements as follows:

- Letter of Agreement/Contract No. GMD III/SPK/ANGKUT TANKOS/129/VI/2021 dated 30 June 2021 between PT Perkebunan Nusantara IV and PT Tiga Putra Siman for transporting empty bunches. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 9 on Compliance.
- Addendum to Agreement/Contract No. GMD III/ADD SPK/ANGKUT-TBS/92/VIII/2021 dated 19 August 2021 between PT Perkebunan Nusantara IV and CV Langkat Utama for FFB transportation activities. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 1 concerning the Rights and Obligations of the Parties in Points 6-8.
- Letter of Agreement/Contract No. GMD III/SPK/ANGKUT FFB/142/VII/2021 dated 02 August 2021 between PT Perkebunan Nusantara IV and CV Anugrah Cahaya for FFB transportation activities. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 9 on Compliance.
- Umbrella Contract No. GMD III/SPK/PEMEL TM/139/VII/2021 dated 22 July 2021 between PT Perkebunan Nusantara IV and CV Alif Utama for plant maintenance activities. There is a clause that explains the prohibition on employing child labour, workers originating from human trafficking and not performing forced labor as stated in Article 9 on Compliance.
- Proof that there are no workers under 18 years of age (child labour) at CV Alif Utama, CV Langkat Utama, CV Anugrah Cahaya and PT Tiga Putra Siman by showing a list of workers owned as of September 2021, which results in no workers who are under 18 years of age.

Based on the explanation above, it can be concluded that the discrepancy in this indicator has been met and its consistency will be re-observed in relation to ensuring that there are clauses in the work agreement with third parties.

Verified by : Rindu Galih Rezza Rachmansyah

NCR No.	:	2021.05.	Issued by	:	Rindu Galih Rezza Rachmansyah
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Date Issued	: 06 August 2021	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 01 November 2021
Standard Ref. & Requirement	: 6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.		
Evidence observed (filled by auditor): Based on the results of the LTA calculation for the January-December 2020 period, there were five (5) workplace accidents and no lost working days. However, there are several things to note regarding this, including: <ul style="list-style-type: none"> Severity rate calculation uses a total of six (6) workplace accidents instead of five (5) incidents. There was a work accident on September 20, 2020 which resulted in an accident and resulted in a disability (loss of 4 knuckles), but there were no lost working days related to the accident. 			
Non-Conformance Description (filled by auditor): The certification unit has not been able to show evidence that the application of the Lost Time Accident (LTA) calculation is in accordance with the Decree of the Director General of PHI and Labor Supervision of the Ministry of Manpower of the Republic of Indonesia No. KEP.84/BW/1998 on How to Fill in the Accident Statistics Report and Analysis Form.			
Root Cause Analysis (filled by organization audited): Lack of understanding of the unit of certification on how to fill out report forms and analysis of accident statistics			
Correction (filled by organization audited): <ul style="list-style-type: none"> Make work accident monitoring based on Lost Time Accident (LTA) Improved work accident calculation data based on Lost Time Accident (LTA) 			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Make work accident monitoring based on Lost Time Accident (LTA) Improved work accident calculation data based on Lost Time Accident (LTA) 			
Assessor Evaluation and Conclusion (filled by auditor): Verify October 04, 2021. The unit of certification has shown evidence of improvement as follows: <ul style="list-style-type: none"> Decree No. SAL/SK/ /VIII/2021 dated August 13, 2021 regarding Officers for Completing Accident Statistical Analysis Report Forms at PT Perkebunan Nusantara IV Langkat Sawit Unit, where it has been determined that the responsible PICs are Isrianto and M. Patuan Rizal. Socialization document regarding filling out the accident statistical analysis report form to unit managers, management employees and implementing employees on August 13, 2021. Based on the results of the study of the improvement evidence given above, there are still some evidences that cannot be shown, namely: <ul style="list-style-type: none"> Please indicate the material presented during the socialization of filling out the accident statistics analysis form, this is needed as proof that what is conveyed is true and will not be repeated in the next assessment. Unreadable accident monitoring files for 2020 and 2021, please re-send clear files. Updated LTA calculation data document and data changes for 2020 in accordance with the corrective actions mentioned. Based on the explanation above, it can be concluded that the discrepancy in this indicator has not been fulfilled.			
Verify November 01, 2021 The unit of certification has submitted additional evidences as follows: <ul style="list-style-type: none"> Socialization material documents for filling out the work accident statistical analysis report form to related PICs such as unit managers, leadership employees and implementing employees on August 13, 2021, where the material is guided by the Decree 			

of the Director General of Industrial Relations and Labor Supervision of the Indonesian Ministry of Manpower No. KEP.84/BW/1998 on How to Fill in the Accident Statistics Report and Analysis Form.

- PTPN IV Langkat Sawit Unit work accident monitoring document in 2020 (January-December), where there were five (5) workplace accidents (2 accidents occurred in the plantation and 3 accidents in the factory) with a minor injury rate of 3 people, accidents that caused disabled 1 person and caused the death of 1 person.
- PTPN IV Langkat Sawit Unit work accident monitoring document in 2021 (January-September), where there were three (3) work accidents (2 accidents occurred in the plantation and 1 accident in the factory) with 3 minor injuries.
- The LTA (Lost Time Accident) calculation document for PTPN IV Sawit Langkat POM in 2020 (January-December), where from the calculation results it is known that there are 6,373 lost workdays, with a total of 3 accidents, Frequency Rate (FR) of 4.8 and the Severity Rate (SR) of 10,111.3.
- The LTA (Lost Time Accident) calculation document for PTPN IV Sawit Langkat Estate in 2020 (January-December), where from the calculation results it is known that there are 6 days of lost workdays, with a total of 2 accidents, Frequency Rate (FR) of 1.8 and the Severity Rate (SR) of 5.3.
- The LTA (Lost Time Accident) calculation document for PTPN IV Sawit Langkat POM in 2021 (January-September), where from the calculation results it is known that there are 3 days lost working days, with the number of accidents as much as 1 incident, Frequency Rate (FR) by 20.0 and the Severity Rate (SR) of 6.14.
- The LTA (Lost Time Accident) calculation document for PTPN IV Sawit Langkat Estate in 2021 (January-September), where from the calculation results it is known that there are 6 days lost working days, with a number of accidents as many as 2 events, Frequency Rate (FR) of 2.4 and the Severity Rate (SR) of 7.3.

Based on the explanation above, it can be concluded that the discrepancy in this indicator has been met and will be re-observed related to the application of documentation, calculations and recapitulation of LTA calculations in accordance with existing regulations in the next assessment.

Verified by	:	Rindu Galih Rezza Rachmansyah
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3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-3 and ASA-4 Onsite Assessment

NCR No.	:	2022.01	Issued by	:	Leonada
Date Issued	:	12 August 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	<p>2.3.2 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>The Palm Oil Mill (PKS) requires:</p> <ul style="list-style-type: none"> • Information regarding the geolocation of the origin of FFB; • Evidence of status of ownership or rights/claims to land by the growers/farmers; • Where relevant, a valid planting/operational/trade permit, or as part of a cooperative so that buying and selling of FFB can be carried out <p>Special Guide If the unit of certification has indirect FFB supplying smallholders, then for RSPO certified mills, the time requirement to fulfill the indicators is three years from 15 November 2018, namely 15 November 2021. For mills that have not been certified/PKS which are in the process of their first year of certification, then the time requirement for supplying smallholders to fulfill the requirements according to indicator 2.3.1 is three years since the PKS is certified.</p>			
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> • It is known that the processing data for the Langkat Palm Oil Mill for the April 2021 – July 2022 period contained sources of FFB from other parties, namely PT Metro Mandiri Abadi and PT Harapan Kita. • The results of interviews with FFB supplier representatives revealed that both of them were FFB collection agents and received FFB from various parties. They also said they did not know the exact source of FFB because they had never checked the source of FFB, including the number of farmers supplying it. • The company provided information that it actually has data on FFB suppliers from both parties, for example for PT Metro Mandiri Abadi: Siti Fatimah and Sukinah (Geolocation is indicated by Village land status). PT Harapan Kita: Paimin, Hartono, Suhardi (Geolocation indicated status). • Based on production data, it is known that the FFB received from the two collection agents for the period April 2021 – July 2022 was 4,831.61 Tons for PT Harapan Kita and 11,702.97 Tons for PT Harapan Kita • FFB production for each supplier if averaged is as follows: <ul style="list-style-type: none"> - CV Harapan Kita → 4,831.61 tons: 3 farmers: 16 months = 100.66 tons of FFB/month for each farmer. - CV Metro Mandiri → 11,702.97 tons: 2 farmers; 16 months = 365.71 tons of FFB/month for each farmer. - From these data it is known that there is an amount of FFB production with an amount that is above the average so that it is possible to have other sources of FFB besides the five farmers. <p>Non-Conformance Description (filled by auditor): The company has not been able to show sufficient evidence that it has information for all FFB obtained from indirect sources such as geolocation and land ownership status.</p>					
<p>Root Cause Analysis (filled by organization audited):</p>					
<p>Correction (filled by organization audited):</p>					
<p>Corrective Action (filled by organization audited):</p>					

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

NCR No.	:	2022.02	Issued by	:	Arief Tajalli
Date Issued	:	12 August 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	3.4.2 For units of certification, social and environmental impact assessment documents are available and management and monitoring plans have been developed with the participation of affected stakeholders.			

Evidence observed (filled by auditor):

The company already has documents on the results of social and environmental impact assessments in the form of RKL-RPL Semester 2 of 2021 and Semester 1 of 2022 documents as well as documents of the Social Impact Analysis Report for the period 2021-2022. However, based on the results of the document verification, as well as interviews and field observations, the following information was obtained:

Environmental Impact Assessment (EIA)

- The verification results of the RKL-RPL document for semester 2 of 2021 on the Surface Water Management and Trend Evaluation components state that all test parameters are still below the established regulatory norms. However, based on document verification of test results carried out in the Upper and Lower Basilam Rivers, it showed that there were parameters that were above the quality standards according to PPRI No. 22 of 2021, namely BOD, COD and Chlorine. In addition, there was an increase in several parameters from upstream to downstream such as BOD (3.08 to 3.49), COD (31.4 to 34.7) and Oil and Grease (0.10 to 0.13). Based on this, the prepared RKL-RPL documents are not relevant to the actual conditions based on the results of the tests that have been carried out.
- The results of verification of the RKL-RPL documents for semester 2 of 2021 and semester 1 of 2022 also contain no information regarding the management of disturbances from immovable sources (noise and vibration) and the results of testing on the Monitoring Well, while all of these components are required to be managed as stated in the Matrix RKL-RPL.
- The results of verification of the RKL-RPL documents for semester 2 of 2021 and semester 1 of 2022 also show that the two documents are not much different in terms of discussion and analysis of the test results.

Social Impact Assessment (SIA)

- The results of interviews with workers and management stated that there are currently drug cases in the area around the company, in this regard, the company has not been able to show evidence of management that has been carried out to anticipate social issues related to drugs.
- The results of interviews with workers and management stated that Land Application leaks that entered the river received protests from the affected community, because the river is still being used as a source of water and fish ponds. Related to this, the company has not been able to demonstrate handling and follow-up to avoid social conflicts that might occur.
- The results of interviews with the Environment Agency and the Langkat District Land Office recommend providing appropriate assistance/CSR to the surrounding community. The Plantation Service also added, if they cannot provide 20% land assistance for plasma development, then it can be done with Community Empowerment. However, the results of interviews with the Village Head stated that there was no community involvement in compiling the CSR program and there were several requests from the Village that were not conveyed because there was no facilitation to accommodate their aspirations.
- Companies can show documents on the results of social management for the period July 2021 – July 2022, but the document does not yet explain the three points above.

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

Based on the evidence obtained, this is a non-compliance because:

- The company has not been able to prepare the RKL-RPL report as requested in the RKL-RPL Matrix and KepmenLH No.45 of 2005 concerning Guidelines for Preparing RKL-RPL Reports and evaluate test results on parameters that exceed threshold values according to actual conditions.
- The company has not been able to show evidence of follow-up results and management of potential social impacts. As well as compiling it in a comprehensive and thorough social monitoring and management activity result document.

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

NCR No.	:	2022.03	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 August 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	21 December 2022
Standard Ref. & Requirement	:	3.7.1 A documented training program is in place for all staff, workers, smallholders and Outgrowers taking into account specific gender needs and covering aspects of the RSPO principles and criteria in a form they can understand and includes an assessment of the training.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">Based on the 2022 training plan document for the Langkat Palm Oil Plantation unit, it is known that of the 13 programs planned for 2022, only 2 (two) trainings have been realized in 2022.Based on the results of interviews with workers in plantation operations (for example: harvesting and spraying) and factory areas (weighing stations and hazardous waste storage), it is known that the personnel on duty have not been able to explain sufficient understanding regarding supply chains, ISPO, RSPO, HCV areas, and other standard understandings that are also related to the job description of each worker.Based on the results of interviews with company management representatives, the boundaries of certified and non-certified areas cannot be explained.The company has not shown evidence that training has been carried out for worker competency, for example: HCV training, ISPO training, RSPO training, and calibration of spray equipment especially for pesticide efficiency.					
Non-Conformance Description (filled by auditor):					
The company has not been able to demonstrate that the training covering aspects of the RSPO principles and criteria is understandable to workers.					
Root Cause Analysis (filled by organization audited):					
<ul style="list-style-type: none">Lack of understanding of the Unit regarding the fulfilment of training programs and upgrading or refreshing employee competenciesThere is no PIC monitoring the fulfilment of the training program specifically related to the RSPO					

- Lack of understanding of the Human Resources Department or Related Sections regarding training procedures that require evaluation after training

Correction (filled by organization audited):

- Show evidence of training related to RSPO, such as evidence of hazardous waste, Domestic Waste and HCV training.

Corrective Action (filled by organization audited):

- Conduct outreach regarding training procedures to the HR department or related units in the unit.
- Monitoring the fulfilment of training programs including evaluation of training that has not been implemented
- Appoint a PIC to monitor the fulfilment of the training program, namely the HR section in the unit in collaboration with representatives from the Planning and Sustainability Section of the Medan Head Office.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification on 9 November 2022:

The company shows evidence of improvement, namely: List of employee training in the Sawit Langkat unit for 2022, it is known that there will be 13 training programs in 2022. However, the attachment shown by the company is a training invitation letter and has not shown evidence of actual training.

Based on the description above, the discrepancy is declared not fulfilled.

Auditor Verification on 28 November 2022

The company shows evidence of additional improvement as follows:

- Minutes of socialization of hazardous waste management of the Langkat Sawit unit on 18 November 2022 which was attended by 28 workers. In the minutes, it was noted that most of the training participants were assistant plant heads, clerks, and foremen.
- Minutes of socialization of domestic waste management at the Sawit Langkat unit on November 18, 2022, which was attended by 31 workers and their wives.
- Minutes of the socialization of the protection of the HCV area of the Sawit Langkat unit on 18 November 2022 which was attended by 24 workers.

However, the company has not demonstrated:

Evidence of corrective action in the form of evaluating the results of the training that has been carried out by the company.

- Realization of training during 2022 that has been carried out (where on November 9, 2022, the proof of improvement provided is an invitation letter only).
- Explanation to the auditor regarding the socialization that was carried out, most of the participants were assistants, foremen, and clerks. How about conveying information to workers/employees in the field?
- Addition of corrective action according to additional auditee information on November 21, 2022 in the root cause analysis section. Where the root of the problem is ignorance of the HR department with existing procedures.

Please the company complete the repair document again according to the auditor's response. Based on the description above, the discrepancy is declared not fulfilled.

Major Verification December 21, 2022

The company demonstrated the socialization of the Training SOP to the HR department on November 29, 2022 which was attended by 21 participants. The company also shows an evaluation of participants' understanding of the training that has been provided.

In addition, training realization documents related to RSPO have been shown, for example:

- Socialization regarding the management of hazardous waste which was carried out on 18 November 2022 and was attended by 28 workers.
- Socialization regarding HCV management which was carried out on 18 November 2022 and was attended by 24 workers.
- Socialization regarding domestic waste management which was carried out on November 18, 2022 and was attended by 31 workers.

Based on interviews with hazardous waste and hazardous items warehouse officers, it is known that workers understand their respective duties and responsibilities.

From this explanation, it can be concluded that the discrepancy has been fulfilled.

Verified by : Haikal Ramadhan Kharismansyah/Asystasya Aishah Silalahi

NCR No.	:	2022.04	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 Augustus 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	08 November 2022
Standard Ref. & Requirement	:	3.8.5 Recorded procedure: PKS is required to have written procedures and/or work instructions or equivalent instruments to ensure the implementation of all elements of the applicable supply chain model. This procedure must include at least the following: <ul style="list-style-type: none">• Complete and up-to-date procedures covering implementation of all elements of the supply chain model requirements.• Complete and up-to-date records and reports demonstrating compliance with the requirements of the supply chain model (including training records).• Identify the role of the individual who has overall responsibility and authority over the implementation of these requirements and compliance with all applicable requirements. This individual must be able to demonstrate knowledge of MCC procedures for the implementation of this standard.• PKS is required to have documented procedures for receiving and processing certified and non-certified FFB, including ensuring there is no contamination of IP POM.			
Evidence observed <i>(filled by auditor):</i> <ul style="list-style-type: none">• The results of field visits to blocks 9M and 12L found that in that 1 block there are RSPO certified and non-certified areas and physically in the field there are no signs for the separation of certified and non-certified FFB including how the fruit is separated at the TPH• PDIK PTPN4 Document No: 04.03/Unit/Sus/P/001 dated 01 August 2018 Revision No. 03 Revision Date 01 November 2021 has not yet provided detailed information regarding the mechanism and implementation in the field related to the separation of RSPO certified and non-certified FFB, especially in blocks whose area is divided into certified or non-certified areas.					
Non-Conformance Description <i>(filled by auditor):</i> <p>The company has not shown sufficient evidence that its supply chain procedures have discussed in detail the separation of certified and non-certified FFB.</p>					
Root Cause Analysis <i>(filled by organization audited):</i> <p>Separation of certified and non-certified FFB has been identified based on blocks, but during the audit, the auditee made a mistake in explaining this due to a lack of understanding of employees and there was no evaluation of employee understanding regarding the mechanism for separating certified FFB, especially regarding the determination of certified and non-certified areas.</p> <p>Additional Root Cause Analysis:</p> <ul style="list-style-type: none">• The boundaries of certified and uncertified blocks are unclear.• The related procedures have not explained in detail regarding the separation of certified and non-certified FFB.					
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none">• Indicate the uncertified area and mark the uncertified area• Re-socialize to employees and PICs regarding the separation of certified FFB					

Corrective Action (filled by organization audited):

Evaluate employees' understanding of the mechanism for segregating certified FFB

Additional Corrective Actions:

- Define certified and non-certified block boundaries with paint along the said block boundaries.
- Revise PDIK including separating certified and non-certified FFB.
- Define certified and non-certified block boundaries with paint along the said block boundaries.
- Revise PDIK including separating certified and non-certified FFB

Assessor Evaluation and Conclusion (filled by auditor):
Verification date 30 September 2022

The company showed evidence of improvement in the form of an online socialization of SCCS on 24 September 2022 which was attended by 10 representatives from several PTPN4 units such as PKS Sawit Langkat, Pulu Raja and Pabatu. The material presented included compliance with RSPO 3.8 criteria.

However, additional information is still needed as follows:

- Responses to auditor inquiries on root cause analysis
- Show evidence of improvement as corrected point 1 (Show non-certified area and mark the uncertified area)
- Responses to the auditor's questions in the corrective action section

Auditor conclusion :

Based on the root cause analysis, corrections, and corrective actions submitted, the discrepancies were declared unfulfilled

Verification Date 08 November 2022

The company sends additional proof of repair as follows:

- Which data blocks in one area have certified and non-certified areas as follows:
Afd 1: 07A, 12AH, 12AE, 12AJ, 14A, 12AG, 12AF
Afd 2: 12 TG
- Marking of certified and non-certified areas using labels (For areas within 1 block there are certified and non-certified areas). Non-certificate areas are marked with blue paint
- PDIK for Handling Certified Palm Oil Products revision 2 dated 28 April 2022 which contains, among other things, the separation of certified and non-certified FFB by marking in the form of white paint on the border.

Auditors conclusion:

Based on the root cause analysis, correction and corrective action the nonconformity is declared fulfilled.

Verified by : Haikal Ramadhan Kharismansyah

NCR No.	:	2022.05	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 Augustus 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	08 November 2022
Standard Ref. & Requirement	:	3.8.7 Purchases and Goods In I. PKS is required to verify and record the total tonnage and source of certified FFB and the total tonnage of non-certified FFB it receives. II. PKS must immediately notify CB if it is estimated that there is excess production of certified volume. III. PKS must have a mechanism for handling FFB and/or documents that do not comply.			

Evidence observed (filled by auditor):

- Palm Trace dated PTPN4 Sawit Langkat 11 August 2022 includes quota information and license period as follows:
 - FFB : 67,802 MT
 - CSPO : 16,326 MT
 - CSPK : 2,813 MT
 - Start date : 01 April 2022
 - End date : September 24, 2022
- Monitoring of Langkat Palm Oil Mill SCCS for the period April 1 2021 – July 2022 shows actual production as follows:
 - FFB : 163,602.30
 - CSPO : 38,611.05
 - CSPK : 6,409.00
- Based on a comparison between the quota and actual production, it is known that there is overproduction for FFB, CSPO, and CSPK and if you look at the details of the company's monitoring, overproduction has occurred since October 2021.
- In PDIK PTPN4 Document No: 04.03/UNIT/SUS/P/001 dated 01 August 2018 Revision No: 03 Revision Date: 01 November 2021 stated that if the realization of CSPO and CSPK production has reached 80% then it is reported to the Sustainability planning section for further record additions to the RSPO Palm Trace.
- Request for an additional quota of certified products to CB on 11 August 2022 (at the time of the audit) with an estimated addition of 139,587 MT of FFB, 32,879 MT of CSPO, and 5,434 MT of CSPK → This request for additional volume is made when overproduction has occurred with a period of 10 months since overproduction occurred.

Non-Conformance Description (filled by auditor):

The company has not shown sufficient evidence that it has notified CB immediately if it is estimated that there is excess certified volume.

Root Cause Analysis (filled by organization audited):

- Lack of understanding regarding overproduction and actions to be taken in case of overproduction
- Lack of monitoring from the Planning and Sustainability Section in updating CBs on certified volumes.

Correction (filled by organization audited):

- Submit an additional quota application to the certification body
- Socialization of SCCS implementation to PIC

Corrective Action (filled by organization audited):

Conducting socialization again regarding the provisions in filling out the mass balance report
Establish a PIC Monitoring section for recording additional quotas into the RSPO Palm Trace so that it is implemented properly and consistently.

Assessor Evaluation and Conclusion (filled by auditor):

Verification date 30 September 2022

The company shows evidence of improvement in the form of:

- Online socialization of SCCS on 24 September 2022 which was attended by 10 representatives from several PTPN4 units such as PKS Sawit Langkat, Pulu Raja and Pabatu. The material presented included compliance with RSPO 3.8 criteria.
- Additional production quota for certified products as stated in the palmtrace so that the total certified products are as follows:
 - CSPO : 51,205 MT
 - CSPK : 8,247 MT
 - FFB : 209,802 MT

However, additional information is still needed as follows:

- Responses to root cause analysis
- Re-adjust corrections and corrective actions according to the final root cause analysis later

Auditors' Conclusion:

- Based on root cause analysis, corrections, and corrective actions that indicated non-conformances were declared unfulfilled

Verification date 08 November 2022

- Monitoring the delivery of mass balance reports to the planning and sustainability department on a quarterly basis
- Responses to root cause analysis, correction, and corrective action

Auditors' Conclusion

Based on root cause analysis, corrections and corrective actions indicated nonconformities have been declared fulfilled

Verified by : Haikal Ramadhan Kharismansyah

NCR No.	:	2022.06	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 Augustus 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	29 November 2022
Standard Ref. & Requirement	:	<div>3.8.12</div> <div>1. Mill is required to keep records and reports covering all aspects of these RSPO SCCS requirements accurate, complete, current and accessible.</div> <div>2. All records and reports must be kept for at least 2 (two) years and comply with legal requirements as stipulated in laws and regulations and be able to ensure the certified status of raw materials or products in storage.</div> <div>3. For the IP Module, mills are required to record and balance all receipts of RSPO certified FFB and shipments of RSPO certified CPO and PK in real time.</div> <div>4. For MB Module:<div>a) Mills are required to record and balance all receipts of RSPO certified FFB and shipments of RSPO certified CPO and PK in real time and/or every three months;</div><div>b) all volumes of certified CPO and PK shipped are deducted from the material counting system according to the conversion ratio stated by the RSPO;</div><div>c) PKS can only send sales of MB from positive stock. Positive stock can include products ordered for delivery within 3 (three) months. However, a Unit of Certification is permitted to sell short in which the product can be sold before it enters stock.</div></div>			
<div>Evidence observed (filled by auditor):</div> <div><div>• Monitoring of the Langkat Palm Oil Mill SCCS for the period 01 April 2021 – July 2022</div><div><div>Production CSPO : 38.611,05 MT</div><div>Selling CSPO : 10.000 MT</div><div>Production CPO : 3.221,56 MT</div><div>Selling CSPO Kredit : 5.000MT</div><div>Production CSPK : 703,03 MT</div><div>Selling CPO : 14.203,03 MT</div><div>Production PK : 7.112,04 MT</div><div>Selling CSPK : 1.832 MT</div></div></div>					
<div>There has not been shown a balancing record either in real time or 3 months related to the production and expenditure of goods. In addition, if the calculation of the difference between production and selling is carried out, the product stock records are obtained as follows:</div> <div><div>• CSPO/CPO: 41,832.62 MT – 10,000 MT – 14,203.03 MT – 5,000 MT = 12,629.59 MT</div><div>• CSPK/PK: 7,112.04 MT - 4,164.45 MT = 2,947.59 MT</div><div>• From the results of field visits and interviews with management representatives, it is known that the capacity of the company's CPO Storage Tank is 3,000 MT and the PK storage bunker capacity is 240 Mt plus 750 MT of storage in the warehouse so that the total PK storage is ± 1,000MT</div></div>					

- From this explanation, there are inaccurate records where the total stock is > the total storage capacity, for example for CSPO/CPO (CPO storage tank capacity is 3,000 MT but stock records are 12,629 MT).

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that:

- Has a record of balancing both in real time and 3 months related to the production and expenditure of goods
- Have kept records and reports covering all aspects of this RSPO SCCS requirement accurate, complete, up to date.

Root Cause Analysis (filled by organization audited):

PIC's lack of understanding regarding the preparation of mass balance report data

Auditor Response:

- Has there been a special PIC who handles mass balance reports?
- At this time the assessment has entered ASA-3 and ASA-4. Why has the understanding regarding MB not been socialized and understood especially by PIC?
- Lack of monitoring from the Planning and Sustainability Section in updating the recording of additional quotas into the RSPO Palm Trace.

Correction (filled by organization audited):

Revise the mass balance report according to the actual data from the monthly production report

Corrective Action (filled by organization audited):

- Provide training to related PICs for preparing mass balance report data
- Additional Corrective Actions:
- Make a mass balance report monitoring schedule periodically

Assessor Evaluation and Conclusion (filled by auditor):

Verification date 30 September 2022

Inconsistency points 1

The mass balance record shown does not yet have information about product stocks, either certified or not certified. The records shown only inform the amount of production and product expenditure. Do not have information regarding stock for CSPO/CPO or CSPK/PK either in real time or 3 months

Inconsistency points 2

The company shows Mass Balance data for April 2021 – July 2022 with the following data:

- CSPO Production: 38,611.05 MT
- Non-Cert CPO Production: 3,221.56 MT
- Total production: 41,832.62
- Sales of CSPO
- Credit: 5,000 MT
- Physical: 11,500 MT
- Non-Certified: 22,404.32
- Total sales: 38,904.32

So that the CPO stock is 2,928.29 MT. However, a number of 5,000MT is on credit, so the actual physical stock in the storage tank is 7,928.29 MT. Meanwhile, the CPO storage tank capacity is only 3,000 MT

Auditors' Conclusion:

Based on root cause analysis, correction, and corrective action, the non-conformity is declared not fulfilled

Verification date 08 November 2022

- The company has shown a book and claim simulation showing credit sales of 5000 MT so there is no physical stock. The correction for the mismatch points 2 has been accepted.

- There is no additional information for point 1 discrepancies regarding stock recording for CSPO/CSPK

Auditors' Conclusion:

The non-conformity is declared not fulfilled.

Verification date November 29, 2022

The company has updated the mass balance record format which has added stock information for CPO and PK. The non-conformity is declared to have been met.

Verified by : Haikal Ramadhan Kharismansyah

NCR No.	:	2022.07	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 Augustus 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	08 November 2022
Standard Ref. & Requirement	:	3.8.16 Transaction Registration Shipment Announcements at RSPO IT facilities must be made by the mill if the RSPO certified product is sold as certified to refiners, crushers and sellers no later than three months after delivery, where the date of delivery becomes the Bill of Lading or the date of shipping documentation. Write-off: If RSPO certified volumes are sold through other schemes or by conventional means, or if production volumes fall below their due, then the loss or damage must be written off from the RSPO IT facility.			
Evidence observed (filled by auditor): <ul style="list-style-type: none">Monitoring of the Langkat Palm Oil Mill SCCS for the period 01 April 2021 – July 2022 CSPK Production: 6,409.00 MT PK production: 703.03 Selling CSPK: 1,832.13 Selling PK: 2,332.32From the data above, information is obtained that there are Selling CSPK as conventional in the amount of 1,629.28 MT obtained from 703.03 MT – 2,332.32 MTUntil the audit is completed, there is no information regarding write-offs if RSPO certified volumes are sold through other schemes or conventional methods.					
Non-Conformance Description (filled by auditor): <p>The company has not been able to show sufficient evidence of having committed write-offs if RSPO certified volumes are sold through other schemes or by conventional means (for CSPK).</p>					
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">PIC's lack of understanding regarding the removal of FFB volumesLack of monitoring from the Planning and Sustainability Section in updating the deletion of RSPO certified volumes					
Correction (filled by organization audited): <ul style="list-style-type: none">Write-off volumes of certified FFB, CSPO, and CSPK that are sold conventionallyDissemination of SCCS implementation to related PICs					

Corrective Action (filled by organization audited):

- Conduct outreach to PICs on how to write off certified FFB volumes
- Make a mass balance report monitoring schedule on a periodic basis
- Establish PIC of Planning and Sustainability Section for monitoring the actual recording of RSPO certified volumes

Assessor Evaluation and Conclusion (filled by auditor):
Verification date 30 September 2022

The company shows evidence of improvement in the form of:

- Remove CSPK stock of 2,624.42 MT because the certified product is sold as conventional.
- Online socialization of SCCS on 24 September 2022 which was attended by 10 representatives from several PTPN4 units such as PKS Sawit Langkat, Pulu Raja and Pabatu. The material presented included compliance with RSPO 3.8 criteria.

However, additional information and responses are still needed in the root cause analysis, correction, and corrective action sections.

Auditors' Conclusion:

The non-conformity is declared not fulfilled

Verification date 08 November 2022

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

- Dissemination of the application of SCCS and criteria 3.8 to PIC on 24 September 2022
- Schedule of monitoring of MB recording every quarter

Auditors' Conclusion:

Based on the root cause analysis, correction and corrective action, the nonconformity is declared fulfilled.

Verified by	:	Haikal Ramadhan Kharismansyah
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NCR No.	:	2022.08	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 August 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	
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 results of a review of the labor list document for the period July 2022, it is known that currently the company still has workers with harvest PKWT status, a total of 113 workers working in Afdeling 1-8 with information on workers with a date of entry to work on July 1, 2022, a total of 53 workers and date of entry to work on February 1, 2022 a total of 60 workers.Based on the results of field observations and interviews with harvesters in sections 1 and 2, information was obtained that there were still harvesters with status as PKWT workers.The company showed proof of PKWT registration for a total of 61 workers with record number 568-434.3/DISNAKER/2022 dated 06 June 2022. In the recording of the work agreement, information was obtained that the PKWT workers were placed in harvest work with a work agreement period of 01 May 2022-31 July 2022.The company also showed proof of PKWT registration for a total of 53 workers with record number 568-649.3/DISNAKER/2022 dated 08 August 2022. In the recording of the work agreement, information was obtained that the PKWT workers were placed in harvesting work with a work agreement period of 01 July 2022- September 30, 2022.The company then shows PKWT workers' work agreements, for example ARS, SWR, SR, AH (initials) placed in harvest work with a work agreement period from 01 May 2022 to 31 July 2022.					

- The company then showed an internal memo regarding the appointment of PTPN IV's Specific Time Work Agreement (PKWT) with No. 04.07/KOL/eM-1991/VIII/2022 dated 08 August 2022. In the document it was informed that the work agreement for a certain time of harvesters of 61 workers was extended to 3 (three) months, namely on 01 August 2022-31 October 2022.
- The company shows Letter No. SAL/04.04/07/VIII/2022 dated 02 August 2022 regarding the application for additional PKWT personnel. In the letter, it was informed that the current harvesting staff at the Langkat palm oil unit were 175 workers with permanent employee status and 113 PKWT workers. The company then informed that the company submitted an additional harvest PKWT of 55 people because there was still a shortage of harvesting workers. The document also includes a list of 86 prospective PKWT candidates for the 2022 harvest.
- In Government Regulation no. 35 of 2021 in the PKWT section explains that PKWT cannot be held for work that is permanent and PKWT can be held based on a period of time (work that doesn't take too long to complete, seasonal work, work related to new products) or the completion of a certain job (work that once completed and work that is temporary).

Non-Conformance Description (filled by auditor):

The company has not been able to show enough evidence that all the main work has been done by permanent workers

Root Cause Analysis (filled by organization audited):

Lack of understanding of the management of the certification unit in determining the policy of hiring harvesters according to the provisions of the applicable regulations.

Correction (filled by organization audited):

Show permanent employee recruitment letter from HR department

Corrective Action (filled by organization audited):

Send a letter proposing the appointment of PKWT workers to become permanent employees to the Plantation Holding as the decision maker

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification on 2 October 2022:

The company shows evidence of improvement, namely:

- Circular No. 04.07/SE/30/VIII/2022 regarding Recruitment of PTPN IV Implementing Employees for 2022 on August 29, 2022. The document explains that the company opens opportunities for outsourced workers/PKWT PTPN IV to take part in the recruitment and selection process of permanent employees with the provisions which have been set.
- Application Letter for Recruitment of Harvester Employees in 2022 addressed to the HR Director of PTPN III on March 9, 2022. The document explains the plan to meet the needs of harvesters in 2022, including considering:
- Harvesters are employees who are directly related to the production process so that the performance of these employees is monitored and evaluated directly by PTPN IV.
- Harvesters with Permanent Employee status can be more motivated and easily controlled in their work.
- Based on the following considerations, the company submitted an application for the recruitment and selection of harvesters for 2022 with a total of 1,729 workers. If approved, the recruitment process will begin in April 2022, and the new employee orientation period is projected to start May 1, 2022. However, the follow-up to the application letter has not been shown to date. Which based on the evidence observed during the audit activity, there are still PKWT workers with July 2022 TMK while this submission letter was issued on March 9, 2022.

Based on the description above, the discrepancy is declared not fulfilled.

Verified by : **Haikal Ramadhan Kharismansyah**

NCR No.	: 2022.09	Issued by	: Leonada
Date Issued	: 12 August 2022	Time Limit	: 10 November 2022
NC Grade	: Major	Date of Closing	: 28 November 2022

Standard Ref. & Requirement	: 7.2.10 There is a record of the results of an annual special health check for pesticide operators and documented evidence of the follow-up of the results of the inspection
Evidence observed (filled by auditor): <ul style="list-style-type: none"> Based on the results of interviews with CV Alif Utama's spray employees at Afdeling 2 Block D12K with the initials NL, DL, VR, SJ, and JD and 6 other people in Afdeling 1 it is known that the employee has worked > 1 year as a pesticide applicator From the results of the interviews, it is known that workers feel that they have never taken part in a health examination. This is in line with the explanation from the management representative who said that the responsibility for health checks lies with the vendor 	
Non-Conformance Description (filled by auditor): The company has not been able to show enough evidence that it has records of the results of annual special health checks for all pesticide operators and documented evidence of follow-up on the results of their inspections.	
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"> Lack of supervision regarding periodic health checks of chemical officers There is no special officer to oversee regular health checks 	
Correction (filled by organization audited): Conduct periodic health checks for chemical officers	
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Monitor the health checks of chemical officers regularly every semester Appoint a PIC for monitoring the health check of a chemical officer 	
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on 9 November 2022: The company shows evidence of improvement, namely: <ul style="list-style-type: none"> The results of the analysis of the cholinesterase examination laboratory by CV Alif Utama on October 6, 2022, for 18 workers. In the document it is known that all workers are within normal limits. Monitoring of health checks for 2022/2023 for CV Alif Utama employees. In the document it is known that the medical examination will be carried out in March 2022. SK No. SAL/SK/38/XI/2022 concerning the appointment of health check monitoring officers for vendor workers issued on November 18 2022. In the document it is known that the designated officers for monitoring health checks for vendor workers are a.n Irwansyah in the plant division unit and a.n Sriyatno at POM unit. Based on the evidence of improvement that has been shown, root cause analysis, corrective action and preventive action provided, the non-conformity is declared to have been fulfilled.	
Verified by	: Leonada

NCR No.	: 2022.10	Issued by	: Arief Tajalli
Date Issued	: 12 August 2022	Time Limit	: 10 November 2022
NC Grade	: Minor raise to Major	Date of Closing	: 28 December 2022
Standard Ref. & Requirement	: 7.3.1 There is a waste management plan that is documented and implemented in accordance with applicable laws and regulations, including reduction, recycling, reuse and disposal, based on the characteristics of poisons (toxicity) and other hazards.		

Evidence observed (filled by auditor):

Based on the results of field visits in several locations, the following information was obtained:

Hazardous Waste Management

- Hazardous waste was found that was stored/disposed improperly in all sample locations (Afdeling and Factories). This was also reinforced by the relatively full TPS LB3 condition, while the transportation was carried out on January 26, 2022.
- It was found that there was reuse of B3 waste such as used drums as water containers at the Afdeling 1 security post, and used jerry cans used for water storage in Afdeling 5.
- Several types of B3 waste were found stored not at TPS LB3, such as used chemical containers (jerry cans and plastic sacks) in the WTP machine room, used paint cans in the scrap iron stockpiling site, used pesticide jerry cans in several locations, used filters in the warehouse area, used oil bottles in block 12AA, piles of sacks of fertilizer in several afdeling areas and so on.
- The results of field observations in the Clinic area obtained information that medical waste (other than syringes) was stored not in special containment for storing medical and infectious waste.
- There is no management at TPS LB3 in transit, such as installing symbols and labels, providing emergency response facilities, sorting waste according to type, and providing special places/containers for each type of waste.
- The officer in charge of B3 waste cannot explain B3 waste management. B3 waste in the temporary storage warehouse (afdeling) is mixed with other goods. Based on the results of document verification, information was obtained that there was no record of incoming and outgoing waste in the temporary storage warehouse (afdeling).

Domestic Waste Management

- There is a lot of domestic waste/waste in all sample areas (Afdeling and Factories), and from all of these sample areas, waste burning activities were also found.
- The results of interviews with workers and field observations obtained information that there is no form of sustainable domestic waste management, such as temporary waste bins to separate types of waste, use of landfills as waste storage areas, and domestic waste transportation activities.
- The results of field observations to the landfill area indicated that it was empty, while the results of interviews with management stated that waste was transported once a week.
- Sanitation and irrigation channels in housing areas are not functioning properly.

Solid Waste Management

- There are several locations for boiler ash stockpiling in several locations (outside the factory area), but there is no indication of its utilization. Boiler ash stockpiling is also carried out in areas around river banks.
- In the area for stockpiling empty shoots, shells and fiber, indicating that the capacity of the storage area has exceeded so that it enters the irrigation canal.

Liquid Waste Management

- Based on the results of observations in the WWTP area, it shows that the flowmeter is in a damaged condition.
- The company also has not been able to show data on the recapitulation of the use of liquid waste applied to the land.
- Observation results in the Land Application area also show that not all long beds are functioning properly, out of the 4 long beds sampled, only 1 is functioning, while the other 3 are in low tide and there is a flow of liquid waste. This is because there is a leak in the downstream long bed that enters the river flow.

In this regard, the company has shown corrective actions based on several field findings in the form of evidence of improvement, such as collecting B3 waste found in the field and placing it in TPS LB3. However, the evidence for corrective action is not comprehensive, and cannot pinpoint the root of the problem and evidence of corrective action to ensure that these findings will not recur.

When the ASA-2 audit was carried out, the management of B3 waste and liquid waste had become non-conforming and the company had taken corrective and corrective actions to address these discrepancies. However, during the ASA 3 + ASA 4 audit, B3 waste was still found that had not been managed in accordance with the applicable SOPs and regulations.

Based on the above information, some evidence of non-compliance is obtained when referring to the applicable procedures and laws, including:

- Quality and Environmental Policy of PTPN IV Sawit Langkat unit (points 4 and 7)
- SOP Number PKS.SAL-PL-MR-04 concerning Hazardous Waste Management
- SOP Number PKS.SAL-PL-MR-05 concerning Non-B3 Waste Management
- SOP Number PKS.SAL-PL-MR-02 concerning Land Application Management
- SOP Number 02 concerning Hazardous Waste Management (PTPN IV overall procedure)
- SOP No. 17 concerning Utilization of Palm Oil Mill Waste (PTPN IV overall procedure)
- Work Instruction No. C.18 concerning Management of Liquid Waste-Land Applications
- Decree of the Head of Bapedal Number 3 of 1995 concerning Technical Requirements for LB3 Management
- PP RI Number 101 of 2014 concerning Management of Hazardous and Toxic Waste
- PP RI Number 74 of 2001 concerning Management of Hazardous and Toxic Materials
- PP RI Number 81 of 2012 concerning Management of Household Waste and Similar Waste
- PermenLHK Number 12 of 2020 concerning Storage of Hazardous and Toxic Waste
- PermenLHK Number 59 of 2016 article 7 concerning Leachate Water Management.

Non-Conformance Description (filled by auditor):

Based on the evidence obtained, this is a non-compliance because the company has not been able to implement waste management as stipulated in company procedures and applicable laws and regulations.

Root Cause Analysis (filled by organization audited):

Hazardous Waste

- The hazardous waste storage was almost full because the hazardous waste storage officers did not update the hazardous waste logbook, causing delays in transporting the hazardous waste.
- There is still a lack of understanding of the hazardous waste storage officers, central warehouse clerks, HR clerks, and departmental clerks regarding the management of hazardous waste.
- There is no new PIC to monitor waste management (the previous PIC has been moved).
- There is no transit hazardous waste storage at PTPN IV Sawit Langkat. There was storage of hazardous waste which was mixed with other goods because the hazardous waste storage was almost full because the hazardous waste logbook had not been updated so it was too late to transport hazardous waste.

Domestic Waste

- There is still a lack of understanding by employees and residents of housing regarding the ban on burning garbage
- Waste from housing that is not disposed of in landfills because employees and occupants of housing still do not understand the implementation of domestic waste management
- There is no new PIC to monitor domestic waste management (the previous PIC has been moved), including monitoring sanitation and irrigation channels in housing

Solid Waste

- There is still a lack of understanding of the person in charge of solid waste management (QA assistant) about waste management
- There is no new PIC to monitor waste management (the previous PIC has been moved)
- Lack of coordination between QA assistants and plant assistants regarding the transportation of solid waste (EFB and shells)
- Utilization of fiber that is not optimal

Liquid Waste

- There is still a lack of understanding of the person in charge of liquid waste management (WWTP operator) about waste management
- There is no new PIC to monitor waste management (the previous PIC has been moved)
- Monitoring of waste disposal installations related to flowmeter damage and long bed leaks has not been carried out by WWTP operators.

Correction (filled by organization audited):

Hazardous Waste

- For hazardous waste storage that is still in the location of the afdeling, factory, and fertilizer warehouse, the Sawit Langkat Unit transfers the hazardous waste to hazardous waste storage
- Transferring all medical waste from the Kebun Sawit Langkat Clinic to hazardous waste before being collected by the transporters
- Update hazardous waste logbook and perform hazardous waste transport

Domestic waste

- Closing the burn marks
- Repair of sanitation and irrigation channels in housing
- Transport/dispose of domestic waste to Landfill

Solid waste

- Collection of boiler ash stockpile and used for road dumping
- Distribution of EFB to afdeling, sending shells to afdeling and other PTPN units (sent to tea plantations), and utilization of fiber for boiler fuel

Liquid waste

- Repairing the flowmeter in WWTP
- Shows data on the recapitulation of liquid waste utilization
- Repairing leaky long beds

Corrective Action (filled by organization audited):

Hazardous Waste Management

- Supervision from the warehouse assistant to hazardous waste storage officers regarding updating the hazardous waste logbook
- Conducting socialization again regarding hazardous waste management to hazardous waste storage officers, central warehouse clerks, and afdeling clerks.
- Appoint a PIC who is responsible for monitoring waste management. The PICs include central warehouse crates, HR crannies, and afdeling crannies
- Monitoring the presence of hazardous waste and sending hazardous waste to TPS for hazardous waste every month.
- Monitoring the presence of medical waste at the Sawit Langkat Clinic until it is collected by the transporter by the HR clerk every month.
- Monitoring of hazardous waste and medical waste is related to the presence of hazardous waste and its shelf life based on its mass in kilograms at the hazardous waste storage.

Domestic waste management

- Monitoring the management of domestic waste or waste including not burning waste.
- Re-socializing domestic waste management to employees and residents of housing.
- Create a schedule for cleaning the department once a week
- Scheduled monitoring of sanitation and irrigation channels in housing by department heads.
- Appoint a PIC who is responsible for monitoring waste management. The PIC includes the cranial afdeling.
- For domestic waste, the monitoring that is carried out is the presence of waste that is not in its place and waste that is burned
- For sanitation and irrigation canals in housing, monitoring is carried out on the existence of canals and the condition of the canals (no stagnant water).

Solid waste management

- Provide socialization regarding PDIK understanding of waste management, especially mill waste to QA assistants
- Monitoring the management of EFB, shells, fiber, and boiler ash
- Conduct socialization on waste management again to the person in charge of PKS solid waste (QA assistant)
- For monitoring of Mill Solid Waste, the monitoring carried out is the presence of solid waste that does not pollute the environment

- Demonstrate a work program for the utilization of fiber for boiler fuel in 2023 under the supervision of the Quality Assurance Assistant

Liquid waste management

- Providing outreach related to PDIK's understanding of waste management, especially Mill waste, to WWTP operators
- Appoint a new PIC who is responsible for monitoring waste management. The PIC includes WWTP operators
- Monitor the condition of the flowmeter, record the utilization of liquid waste, and waste that flows into the long bed.
- For liquid waste monitoring, monitoring is carried out on the volume of waste and the condition of the waste flowing into the long bed (no leaks) under the supervision of the Quality Assurance Assistant.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification (10 November 2022):

Based on root cause analysis, corrective and corrective actions as well as proof of improvement sent by the auditee, the discrepancies in this indicator cannot be fulfilled.

Auditor Verification (19 December 2022):

Hazardous Waste Management:

- The company has festronik documents from the B3 waste transported by a transport third party, namely PT Veronica Tannaga with agreement number 04.03/SPerj/08/VI/2022 while the example of hazardous waste transported on September 9 2022 is used oil weighing 0.08 tons with the festive number KLHK-1667270074.
- The company has documents for recording the waste generated for the period December 21, 2022. An example of the waste generated for the November 2022 period is 8 used herbicide jerry cans.
- The company has a document of socialization minutes and attendance list regarding the socialization of hazardous Waste Management SOP which was made on November 18, 2022. The socialization was attended by Assistant Plant Heads, Plant Assistants, Head of Plants/Afdeling Department and so on.
- The objective of this socialization is that it is hoped that all department heads/afdelings will always monitor the hazardous waste in their work unit and immediately return it to the hazardous waste storage.

Solid Waste Management:

- Companies can have monitoring of waste management such as boiler ash waste used for road dumping
- The company has documents for recording solid waste of empty fruit bunches which are applied to land, for example, for the period October 2022 of 3,086 tonnes.
- Based on a field visit to the Langkat Palm Oil Mill, it is known that shells and fiber are no longer accumulating in the mill area. Fiber has been used for boiler fuel while shells are used for sale to third parties.
- Create a program for transporting solid waste (EFB and shells) from mill and submit it to the plant assistant.

Liquid Waste Management:

- Based on the results of a field visit to the pump house regarding the flowmeter, it was found that the flowmeter was not functioning. From the results of interviews with officers who work at the pump house, information can be obtained that the flowmeter was damaged due to lightning during heavy rains which resulted in an electric short circuit which had an impact on the flowmeter.
- Then the management shows proof of documentation of the repair of the flowmeter so that it can be re-operated and can then record the liquid waste that is applied to the land.
- Based on the results of field observations in afdeling II related to the use of liquid waste which is stored using long beds, there are no leaks in the long beds or potential contamination of water bodies.

Domestic Waste Management:

- Based on the results of field visits to employee housing in Afdeling 2 and 3, no burning of waste or burning points was found in housing or other operational areas.
- Based on the results of interviews with employees that domestic waste management is collected in the space provided
- The company has documents with number FRM-MR-015-02 for the management of domestic waste or garbage within the company's environment.

- Based on a field visit to TPSA Block 12L Afdeling 2, it is known that the company has provided separate landfill for organic and inorganic waste. During the field visit, it was seen that the landfill had been filled with domestic waste.

The company also shows the 2022 PKB which explains the development of work discipline. For employees who violate disciplinary provisions in the form of obligations and prohibitions, the employee may be subject to disciplinary sanctions/penalties. One of the prohibitions includes neglecting to carry out work duties that should be carried out resulting in losses for the company. This is written in article 64 Types of Work Discipline Development.

Based on the results of the field visit and verified document evidence, the discrepancy is declared to have been fulfilled and its implementation will be observed again in the next assessment.

Verify December 28, 2022

The company has added an explanation in the corrective action section as well as additional documents in the form of monitoring documents for palm oil liquid waste management, monitoring of the hazardous waste shelf life, and monitoring of medical waste. The monitoring is made by the PIC for each waste management that has been appointed by the company.

Thus, this non-conformity has been met and its implementation will be observed again in the next assessment.

Verified by	:	Arief Tajalli
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NCR No.	:	2022.11	Issued by	:	Arief Tajalli
Date Issued	:	12 August 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	7.8.1 A water management plan is in place and implemented to support the efficient use of water resources and their continuous availability, and avoid negative impacts on other users within the catchment. The intended plan contains the following matters: <ol style="list-style-type: none"> The unit of certification does not limit access to clean water or does not contaminate water used by the community. Workers have adequate access to clean water 			

Evidence observed (filled by auditor):

Based on the results of field observations and document verification, the following information was obtained:

- The results of observations in the Sterilizer area found that there was a stream of thick black and oily water (the result of boiling) flowing into the irrigation, the results of tracing the flow of the irrigation showed that the flow joined the irrigation canal in the Fat pit area.
- The results of observations in the EFB, Shell and Fiber stockpiling areas show that the leachate produced from the waste stockpiling flows into irrigation, the results of tracing irrigation flows show that the flow joins the irrigation canals in the Fat pit area.
- Observation results in the Fat pit area indicate that there is an oily stream of water originating from sludge leaks and overflows. The results of tracing the water flow show that the flow joins the irrigation canals at the 2 points above, and flows to the land.
- Observation results in the CPO storage tank area, indicate that there are traces of stagnant oil runoff on the ground with a fairly large area ($\pm 20m^2$) which flows into the Deoling pond area.
- Observation results in the Deoling Pond area show that there are traces of runoff of liquid waste and sludge flowing into the land around the factory.

- The results of observations in the area of land, show that there are many puddles of liquid waste and sludge covering an area of ± 1.6 Ha (measurements using satellite imagery analysis). The liquid waste is then channeled into an artificial canal, where the artificial canal is full of sludge and scum.
- Observation results in the downstream area of the canal show that the canal empties into the tributary of the Basilam River, Block 12AA, Afdeling 2, with coordinates (N 03° 42' 20.71", E 98° 17' 52.08"), where the river is an area that has been designated as HCV. The observation results show that the sewage and scum streams mix directly with the Basilam River water flow. This indicates that there is pollution of the water source (Basilam River) that is utilized by the community, which has the potential to cause negative impacts.
- Verification results of surface water test results for Semester 2 of 2021 conducted in the Upper and Lower Basilam Rivers also showed that there was an increase in several parameters such as BOD (3.08 to 3.49), COD (31.4 to 34.7) and Oil and Grease (0.10 to 0.13).
- The company also has not been able to show a water management plan that aims to support efficient use of water sources and their continuous availability.
- In this regard, the company has shown corrective action by blocking the water flow from the Basilam Creek with an embankment. However, evidence of corrective action has not been on target, and has not been able to pinpoint the root of the problem and evidence of corrective action to ensure that these findings will not recur.

By the time the Stage-2 audit activities were carried out, these were already non-conformances and the company had taken corrective and corrective actions to address these discrepancies. However, during the ASA 3 + ASA 4 audit, there were still indications of liquid waste contamination in the Basilam River.

Based on the above information, some evidence of non-compliance is obtained when referring to the applicable procedures and laws, including:

- Quality and Environmental Policy of PTPN IV Sawit Langkat unit (points 4 and 7)
- SOP Number PKS.SAL-PL-MR-05 concerning Non-B3 Waste Management
- Work Instruction No. C.18 concerning Management of Liquid Waste-Land Applications
- Government Regulation Number 22 of 2021 concerning Implementation of Environmental Protection and Management.
- PermenLHK Number 59 of 2016 article 7 concerning Leachate Water Management.

Non-Conformance Description (filled by auditor):

Based on the evidence obtained, this is a non-compliance because the company has not been able to ensure that the company's activities do not have an impact on environmental pollution, especially water sources that are used by the community; managing water sources to ensure efficient use of water sources and their continuous availability; as well as carry out liquid waste management as regulated in the applicable procedures and regulations.

Root Cause Analysis (filled by organization audited):

Lack of monitoring of liquid waste management installations related to leaks that have an impact on water sources that are used by the community.

Correction (filled by organization audited):

- Create a temporary embankment to rehabilitate the flow of a tributary that has been mixed with scum
- Identify areas with leaks
- Make a plan to repair areas that have leaks

Corrective Action (filled by organization audited):

- Monitor the installation of factory liquid waste management so that no leaks occur
- Appoint a PIC who is responsible for monitoring the installation of liquid waste management.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification (10 November 2022):

Based on root cause analysis, corrective and corrective actions as well as proof of improvement sent by the auditee, non-conformity in this indicator cannot be fulfilled.

Verified by	

NCR No.	:	2022.12	Issued by	:	Arief Tajalli
Date Issued	:	12 August 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	28 December 2022
Standard Ref. & Requirement	:	7.8.2 Streams and wetlands protected, including the maintenance and restoration of riparian zones and other buffer zones at or before replanting, according to the '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): Based on the results of field observations, interviews and document review, the following information was obtained: <ul style="list-style-type: none">The results of observations in the downstream area of the liquid waste disposal canal originating from the fat pit and Deoling pond, show that the waste stream and scum mix directly with the Basin of the Basilam River, Afdeling 2, with the coordinate point (N 03° 42' 20.71", E 98° 17' 52.08") and empties into the Basilam River, both of which are natural water flow areas that have been designated as HCV.Observations on the flow of water in block 07R, Afdeling 2 show that there are piles of solid waste (boiler ash/solid) piled up on the riverbank.Several watershed areas in Afdeling 1 and 2 also show that there is no form of riparian management such as marking limits for chemical application, installing signboards prohibiting chemical application, restoration of riparian zones and so on.					
Non-Conformance Description (filled by auditor): Based on the evidence obtained, this is a non-compliance because the company has not been able to show evidence that it has protected the water flow within the scope of its operational area and implemented the Quality and Environment Policy owned by PTPN IV Sawit Langkat unit (points 4 and 7).					
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">Lack of management oversight in monitoring the installation of liquid waste management at the Langkat Palm Oil MillLack of understanding of the Unit in managing PKS Waste in accordance with PDIKUnit's lack of understanding regarding riparian managementThere is no PIC monitoring HCV managementInadequate fat pit and Deoling pond capacity □ what is the capacity of the current fat pit and Deoling pond? Are fat pits and Deoling ponds currently unable to accommodate liquid waste originating from PKS? Because the runoff of liquid waste into the Basilam tributary comes from the fat pit and Deoling pond.There is a leak in the boiled condensate pipe so that the liquid enters through the rainwater ditch and goes to Afdeling IIFat pit capacity = 22 m x 7 m x 1 m = 154 m³, while Deoling Pond capacity = 31.4 m x 17 m x 1 m = 219.8 m³ then compared with the amount of waste generatedCalculation of sludge produced based on processed FFB:Average FFB processed = 500,000 kgSludge produced = 500,000 kg x 60% = 300,000 kgAverage hourly = 300,000 kg / 24 hours = 12,500 kgWhile the capacity of Fat pit = 154,000 and Deoling Pond = 219,800.					
Correction (filled by organization audited): <ul style="list-style-type: none">Create a temporary embankment to rehabilitate the flow of a tributary that has been mixed with scum					

- Compilation of a work program accompanied by a timeline related to the rehabilitation management of streams in tributaries of rivers that have been mixed with scum and waste water
- Socialization of PKS waste management to officers or operators at PKS
- Appoint a PIC to monitor waste management
- Appoint a PIC to monitor HCV management
- Use of boiler ash to site for road embankment
- Installing signboards, buffer zone boundaries and planting woody plants around the riparian zone.

Corrective Action (*filled by organization audited*):

- Perform monitoring related to waste management on a scheduled basis
- Conduct monitoring related to HCV management
- Monitoring the management/distribution of boiler ash
- Make repairs to the condensate boil pipe leading to the blowdown silence.

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

Auditor Verification (10 November 2022):

Based on root cause analysis, corrective and corrective actions as well as proof of improvement sent by the auditee, the discrepancies in this indicator cannot be fulfilled.

Auditor Verification (19 December 2022):

- Based on the results of a field visit in Afdeling II Block 12AA, it was found that wastewater flows into the Basilam tributary.
- From the results of document verification, the company can show the following evidence:
- The company showed documentation of the leak point at PKS Sawit Langkat in PKS Sawit Langkat which flowed into the Block 12AA Afdeling II area which explained that there was a leak in the condensate boiled pipe so that the liquid entered through the rainwater ditch and headed Afdeling II block 12 AA.
- Related to this, the company has set a short-term plan by quoting liquids that still contain oil in the Afdeling II Block 12AA area and reprocessing them to the PKS. The oil quotation is carried out in collaboration with vendors designated by document number SPPBJ/N00D/2022/4178.
- For a long-term plan to prevent leakage, the company has determined to replace the condensate pipe to the blowdown silence in 2023 and repair the condensate drain from the clarification station.
- During the audit activity, the company shows documentation of independently repairing the blowdown silencer leak when the PKS does not process FFB and in the long term plan the company will propose to the management to replace the blowdown silencer on a 2023 investment.
- During the audit activity, the company showed documentation of repairs independently of the leaking sludge pipe with used materials from the warehouse/workshop. As well as in the long term plan the company will install bund wall around the storage tank. Etc

The company shows documentary evidence for the repair timeline, including:

- Re-quoting liquids that still contain oil in the Block 12AA Afd area. II and processed back to PKS until the fourth week of December 2022.
- Independently repair leaking condensate pipes until the fourth week of December 2022
- Repairing the condensate boiled water ditch and the Clarification Station so that it does not mix with rainwater ditches until the fourth week of December 2022.
- Repairing Blowdown silencer leaks independently when PKS does not process FFB.
- Based on the results of field visits in Afdeling I and 2, no form of riparian management has been found, such as marking chemical application limits, installing signboards prohibiting chemical application, restoration of riparian zones and so on. From the results of interviews with the management that the signboard was lost due to quite heavy flooding. Then, the company shows documentary evidence of these improvements, such as installing signboards prohibiting the application of chemicals and so on.
- Based on the results of the field visit, the company can demonstrate the management of boiler ash applications in block 07R.
- The company also has boiler ash management documents set in October 2022 and areas that will be applied, for example, such as the leader of housing intersection area.

- Based on the results of the field visit and verified documentary evidence, the discrepancy is declared to have been fulfilled.

Verify December 28, 2022

The company has added information in the section Root cause analysis and corrective action. Based on the results of the field visit and verified document evidence, **the non-conformity is declared to have been fulfilled and its implementation will be observed again in the next assessment.**

Verified by	Asystasya Aishah Silalahi/Ririn Sipayung
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NCR No.	:	2022.13	Issued by	:	Arief Tajalli
Date Issued	:	12 August 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	7.8.4 PKS water use per tonne of FFB is monitored and recorded.			
Evidence observed (filled by auditor):					
Based on the results of field observations, interviews and document review, the following information was obtained:					
<ul style="list-style-type: none">• The results of field observations in the WTP area show that the Flowmeter at the inlet and outlet is not functioning (damaged).• The results of interviews with PAP officials also stated that there had never been a record of water use for the FFB processing process since the Flowmeter was damaged.• Results of verification of water use data for the FFB processing process also show that the data is not actual data on water use for the FFB processing process, but only estimated monthly water use.					
Non-Conformance Description (filled by auditor):					
Based on the evidence obtained, this is a non-compliance because the company has not been able to demonstrate that water use at the factory has been monitored, recorded and documented according to actual conditions.					
Root Cause Analysis (filled by organization audited):					
Lack of supervision of equipment damage so that actual data usage data is not recorded					
Auditors Response:					
The root of the problem has not been able to answer all the findings obtained (see the Evidence Observed section above). If it is stated that there is a lack of supervision of the equipment, does it mean that the flow meter recording activities are not carried out every day? Please provide justification for the root of the problem that does not lead to additional findings.					
Correction (filled by organization audited):					
Perform flowmeter repairs					
Auditors Response:					
Corrective action has not been able to fulfil the improvement for all the findings obtained (see the Evidence Observed section above).					
Corrective Action (filled by organization audited):					
Monitor flow meter conditions to record actual water usage					
Auditors Response:					
Corrective action cannot guarantee that all the findings obtained will not be repeated (see the Evidence Observed section above).					
Assessor Evaluation and Conclusion (filled by auditor):					
Auditor Verification (10 November 2022):					

Based on root cause analysis, corrective and corrective actions as well as proof of improvement sent by the auditee, the discrepancies in this indicator cannot be fulfilled.

Verified by

NCR No.	:	2022.14	Issued by	:	Arief Tajalli
Date Issued	:	12 August 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	28 December 2022
Standard Ref. & Requirement	:	7.12.4 HCV and HCS forest after 15 November 2018, identified, protected and/or enhanced peatlands and other conservation areas. Integrated management plans to protect and/or enhance HCVs and HCS forests, peatlands and other conservation areas are developed, implemented and adapted where necessary, and complemented by 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 covers areas that are directly managed and takes into account the relevant wider landscape level (if such landscapes have been identified).			
Evidence observed (filled by auditor): Based on the results of field observations, interviews and document review, the following information was obtained: <ul style="list-style-type: none">• The results of field observations in several HCV areas Afdeling 1 and 2 show that there is no form of HCV area management such as marking HCV area boundaries, HCV area signboards, prohibiting the application of chemicals, HCV area restoration and so on.• The results of field observations in the HCV area Block 12AA Afdeling 2 show that the company is disposing of liquid waste from the Basilam River, which is an HCV area.• The results of field observations in the HCV area along the Basilam River block 12AB indicate that there are land claims by the community that currently have planted rubber trees (Hevea brasiliensis).• The results of interviews and analysis of the Basilam River Rim map in Afdeling 1 show that all HCV areas along the Basilam River are included in the community's claim area, but the company has not been able to provide evidence of mediation or a specific management plan for the areas claimed by the community.• Regarding points 3 and 4 above, the company has not been able to provide data regarding how many HCV areas can actually be managed, and how many can no longer be managed because the community has claimed them.• The company has not been able to show an integrated management plan document that has been reviewed at least once in five years which was prepared by involving relevant stakeholders. In addition, when referring to OFI in the surveillance-3 remote audit, information is obtained that the company has the opportunity to conduct more in-depth/detailed monitoring of RTE to ensure the presence of RTE species in the company's operational areas. In this regard, the company has not been able to show in-depth/detailed flora and fauna monitoring results documents, for example completing protection status, ensuring accurate monitoring data, completing species that must be monitored (referring to the HCV document and if there are additional species), and so on.					
Non-Conformance Description (filled by auditor): Based on the evidence obtained, it is concluded that the company has not been able to implement protection for the HCV area as a whole, carry out program preparation involving all relevant stakeholders, ensure employee understanding regarding HCV management, and document comprehensive management activities.					
Root Cause Analysis (filled by organization audited):					

- Unit's lack of understanding regarding HCV management and monitoring, especially along riverbanks, including in a participatory manner when it relates to the presence of Stakeholders
- Lack of management oversight in monitoring the management of liquid waste at the Langkat Palm Oil Mill
- There is no PIC monitoring HCV management
- Lack of management oversight in monitoring the management of HCV riparian areas
- Lack of understanding of the Unit (HR assistant) regarding regular monitoring of all areas included in the HGU to prevent cultivation, such as monitoring HGU boundary markers.

Correction (*filled by organization audited*):

- Marking HCV areas and prohibiting the use of chemicals in HCV areas in the form of stakes and boards prohibiting the use of chemicals around the HCV area
- Create a temporary embankment to rehabilitate the flow of a tributary that has been mixed with scum
- Make periodic monitoring reports of RTE species
- Carrying out restoration in areas identified as HCV areas in stages by planting vetiver, lemon grass, Vitiver grass
- Shows the minutes of completion of the HCV area with Banjaran Raya Village and Besilam regarding an agreement to help protect and preserve the HCV area owned by PT Perkebunan Nusantara IV Sawit Langkat Unit
- Add an integrated HCV management plan document that has been reviewed at least once every five years, prepared by involving relevant stakeholders
- Conduct socialization on monitoring of HGU boundary markers as a form of monitoring and prevention of occupation
- HCV management plan document involving Stakeholders

Corrective Action (*filled by organization audited*):

- Periodic monitoring of HCV riparian areas ▯ add the period for every number of monitoring times
- Periodic monitoring of palm oil liquid waste management ▯ add the period for every number of monitoring times
- Monitoring and making work progress on the completion of HCV areas that are worked on in a participatory manner
- Periodic monitoring of all areas included in the HGU to prevent cultivation, such as monitoring of HGU boundary markers ▯ increase the period for every number of monitoring times
- Participatory socialization of HCV management and monitoring with Stakeholders regarding the cultivation of HCV areas
- Monitoring of HCV riparian areas is conducted every 6 months
- LCKS monitoring is carried out every day, morning and evening
- Monitoring of boundary markers including the entire HGU area is carried out every 6 months (according to SPO Number 12 Revision 03 dated 02 January 2015)

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

Auditor Verification (10 November 2022):

Based on root cause analysis, corrective and corrective actions as well as proof of improvement sent by the auditee, the discrepancies in this indicator cannot be fulfilled.

Auditor Verification (19 December 2022):

- Regarding HCV management, the company has periodic monitoring documents of HCV riparian areas for the period of 2022
- Regarding the management of liquid waste, from the results of a field visit to the pump house regarding the flowmeter, it was found that the flowmeter was not functioning. From the results of interviews with officers who work at the pump house, information can be obtained that the flowmeter was damaged due to lightning during heavy rains which resulted in an electric short circuit which had an impact on the flowmeter.
- Then the management showed proof of documentation of the repair of the flowmeter so that it could be reoperated and could then record the liquid waste that was applied to the land.
- Regarding the progress of work on the completion of the HCV area which was worked on in a participatory manner, the company has documents that have been signed and stamped by the heads of the respective Villages of Banjaran Raya and Besilam informing that the management and village representatives agree that there will be no conflict regarding the HCV area, the Village Community Besilam is willing to help protect and preserve the HCV area owned by PT Perkebunan Nusantara IV Langkat Sawit Unit.

- The company has documents showing periodic monitoring of all areas included in the HGU to prevent cultivation, such as monitoring of HGU boundary markers with stake number 97 which shows the physical condition and condition of the surrounding area in good condition and well maintained.
- The company has periodic monitoring reports of RTE species, but has not referred to protection status, namely PermenLHK Number 106 of 2018 concerning Changes in Types of Protected Endangered Plants and Animals or the list of RTE species (Rare, Threatened and Endangered) according to CITES. This will be an observation in the next activity.

Based on the results of the field visit and verified documentary evidence, the discrepancy is declared to have been fulfilled.

Verify December 28, 2022

- The company has added information on corrective actions and showed evidence of additional improvements, including:
- HCV management and monitoring plan for the 2022 period which has involved stakeholders. A public consultation with stakeholders was held on 27 December 2022 involving stakeholders from Banjar Jaya Village, Pulu Pane, Lembasa, NGOs, Padang Tualang.

From this explanation, the discrepancy is stated to have been fulfilled and will be observed again in the next assessment.

Verified by	Asystasya Aishah Silalahi/Ririn Sipayung
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NCR No.	:	2022.15	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	12 Agustus 2022	Time Limit	:	10 November 2022
NC Grade	:	Major	Date of Closing	:	22 December 2022
Standard Ref. & Requirement	:	<p>RSPO certification system 5.5.2</p> <p>Time-bound plan: A time-bound plan to certify all management units and/or business entities, including units controlled by the organization and/or partially owned by the organization, submitted to the CB during the initial certification audit. The scheduled plan must list all current estates and mills.</p> <p>a. All estates and mills must be certified within five (5) years after obtaining RSPO membership. Each new acquisition must be followed by certification within three (3) years. Any exceptions beyond this maximum period must be approved by the RSPO Secretariat.</p> <p>b. Progress on this plan shall be verified and reported in an annual surveillance audit by the CB following initial certification. If the CB conducting the surveillance audit is not the first CB to approve this scheduled plan, the latter CB is authorized to accept the eligibility of this scheduled plan at the time it first becomes involved and is only required to check the continuation of the eligibility of this plan.</p> <p>c. Any revisions to the scheduled plan, including for smallholders and outside fruit suppliers, are subject to review by the CB. Changes to this plan should only be made if the organization can demonstrate sufficient reasons to the CB. This requirement also applies to all newly acquired subsidiaries since these subsidiaries are legally registered before a notary or local chamber of commerce (or equivalent)..</p>			
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none">• TBP Holding PT Perkebunan Nusantara, including informing the units that will be certified in 2021, such as:<ul style="list-style-type: none">- Marjandi (30.00 Ha)- Dolok Sinumbah (35.94 Ha)- Sei Kopas (HPK)					

- PT Perkebunan Nusantara's TBP Holding Update in 2022, there is an Eastern business unit which is planned to carry out the certification process on December 1, 2024. In addition, there are Batang Laping and Panai Jaya business units which are planned to be certified in December 2023
- In accordance with the RSPO Announcement for Time Bound Plan Revision dated 21 December 2021, among others stated "As mentioned in Clause 4.5.3 of the P&C Certification System (14 June 2017) and recently revised with Clause 5.5.2 of the P&C Certification System (12 November 2020), the TBP shall contain a current list of all estates and mills and as a minimum, all estates and mills shall be certified within five (5) years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year time frame. Any deviations from these maximum periods require approval by the RSPO Secretariat "
- Since the RSPO Certification System document was made effective from 1 July 2018, existing RSPO members have 5 years from this date to comply with these requirements. This means any grower member with management unit(s) that have not yet been certified will need to ensure that the uncertified management unit(s) are certified by June 30, 2023.
- Up to the time the audit was carried out, there was no information regarding communication between the company and RSPO regarding this matter, including the sending of the RSPO revised TBP template to the RSPO secretariat.

Non-Conformance Description (filled by auditor):

The company has not been able to provide sufficient evidence that it has communicated to the RSPO secretariat regarding the TBP revision, including showing progress in obtaining approval.

Root Cause Analysis (filled by organization audited):

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.

Correction (filled by organization audited):

Revise the updated timebound plan and send it to Holding Perkebunan Nusantara.

Corrective Action (filled by organization audited):

Coordinate with Nusantara Plantation Holding for revision of the timebound plan.

Assessor Evaluation and Conclusion (filled by auditor):

Verification date November 29, 2022

The company shows proof of improvement in the form of TBP for PTPN I, PTPN II, PTPN III, PTPN IV, PTPN V, PTPN VI, PTPN VII, PTPN VIII, PTPN XIII, PTPN XIV, and PTPN XIV which will be updated in 2021. In the TBP There are things that require further explanation such as:

- PTPN IV: Sosa and Timur Unit is planned to be certified in 2021
- PTPN I: Pulau Tiga PKS is planned to be certified in 2021
- PTPN IV: PKS Luwu is planned to be certified in 2021
- PTPN VII: PKS Bekri and Betung planned to be certified in 2021

There is no information yet regarding the status of these units other than that what about the status for units that are planned to be certified in 2022 considering that it is currently entering the end of 2022

Auditors' Conclusion

The non-conformity is declared not fulfilled.

Major Verification December 22, 2022

The company shows PTPN Holding's December 2022 update time bound plan. Based on this document, there are several units that have TBP past June 2023, for example:

- PTPN IV Dolok Sinumbah Plantation
- PTPN III Southern Julok Botanical Gardens
- PTPN III Kebun Karang Inong Estate
- PTPN VIII Cibungur Plantation
- PTPN VIII Panglejar Plantation
- And others

The company has also shown proof of submission to the RSPO regarding units that have TBP beyond 2023 via a screenshot email to RSPO on 22 December 2022. In this regard, the non-compliance has been fulfilled and will be observed again in the next assessment related to TBP approval.

Verified by	:	Haikal Ramadhan Kharismansyah/Asystasya Aishah Silalahi
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3.4.4. Opportunity for Improvement

No	Ref. Std.	Description
1	1.1.2	<p>Information is presented in an appropriate language and accessible to relevant stakeholders.</p> <p>The company has compiled the RKL-RPL and B3 Waste Management reports and reported them to the Langkat Regency Environmental Service, but the company has not been able to show evidence of reporting these documents to the KLHK through SIMPEL (Electronic Reporting System). Based on this, companies are encouraged to report RKL-RPL and Hazardous Waste Management to KLHK through SIMPEL as regulated in Minister of Environment and Forestry Regulation Number P.87/Menlhk/Setjen/Kum.1/11/2016 concerning Electronic Reporting System for Environmental Licensing. Life for Business and/or Activities.</p>
2	4.3.1	<p>Contributions to community development based on the results of consultations with local communities can be demonstrated.</p> <p>The contribution to the development of the surrounding community is shown by the existence of a CSR program. The CSR program for 2022 demonstrated by the company includes:</p> <ul style="list-style-type: none"> • Besilam Village: Making Clean Water • Sei Bamban Village: Construction of the Dome of the Mosque and Construction of Wudhu Places • Paluh Pakih Village: Road Pavement • Karya Jadi Village: Adding domes and rehabilitating prayer rooms; Road paving • Tanjung Selamat Cliff : Road Pavement; Mosque Fence Construction • Banjaran Raya : Making Trash Cans • Besilam Village Bukit Lembasa : Road Pavement • Balok Garden Village : Construction of concrete buses; Construction of the dome of the mosque • Tanjung Putus Village : Road Pavement <p>Based on the document review, it was stated that the program was made at the request of the Village. However, based on the results of interviews with representatives of Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam, it is known that so far they have never been involved in the preparation of CSR programs. The village representative also said that there had never been any involvement of the community in the preparation of the program. In addition, community representatives also said that so far CSR has been running but its nature is in the form of social assistance so that in the future they really hope for CSR in the form of community empowerment or productive business cooperation.</p> <p>Thus, the company has the opportunity to ensure that the contribution program to the community that will be prepared has involved the parties and has been communicated.</p>
3	5.2.1	<p>The unit of certification consults with interested smallholders (regardless of the type of farmer), including women farmers or other supply partners, to assess their need for support for improving their livelihoods as well as their interest in pursuing RSPO certification.</p> <p>Based on document review, field observations and interviews with FFB suppliers, staff and management, it is known that the company purchases FFB from third parties in the form of collectors. The results of interviews with collectors stated that they obtained FFB from independent farmers and small collectors. Respondents also stated that there had never been any socialization to themselves or the farmers who collaborated with them in participating in the RSPO Certification. This correlates with the absence of a list of farmers who cooperate with the collectors (non-compliance with indicator 2.3.2). In this regard, the company has the opportunity to improve to ensure that efforts to increase the interest of farmers to join the RSPO have been carried out and documented after obtaining a list of farmers who indirectly cooperate with the company.</p>

No	Ref. Std.	Description
4	6.7.3	<p>Workers use appropriate Personal Protective Equipment (PPE), and it is provided free of charge to all workers in the workplace, as protection in all operations that have potential hazards, such as pesticide application, machine operation, land preparation, and harvesting. Sanitation facilities are available for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes.</p> <p>Based on the results of field visits to Afdeling 1, Afdeling 2, and Afdeling 5, it was found that there were rinse houses used for workers who used pesticides and the following conditions were found:</p> <ul style="list-style-type: none"> • Unstable water discharge • Room for washing/bathing, washing, and drying clothes that are put together • Rinse room with only 1 shower • There is a rinse room which is only limited by a cloth with the next room • The condition of the building with holes in the walls and roof at several points • There is no special place for storing clean clothes in the rinse house <p>From the list of employees, it is known that the average number of pesticide applicators is 6-8 people and consists of male / female / Thus the company has the opportunity to consider providing a rinse house that is more appropriate than the number of employees and the availability of supporting infrastructure so that the rinse house that has been installed provided can be used optimally by all workers (Observation).</p>
5	7.11.2	<p>The unit of certification establishes fire prevention and control measures for the lands it manages directly.</p> <p>Based on the results of the verification of the list of Emergency Response Facilities and Infrastructure for Fire Prevention, it shows that the facilities and infrastructure owned by the company are not in accordance with the Minister of Agriculture Regulation No. 5 of 2018 concerning Clearing and/or Processing of Plantation Land without Burning. In addition, the company also has not been able to show evidence that it has involved the surrounding community in efforts to prevent and control fires. However, based on the results of interviews with related offices and village heads, it is stated that there has never been a land fire in the area around the company. Related to this, companies are encouraged to make improvements in equipping fire prevention facilities and infrastructure as well as involving the surrounding community to anticipate land fires.</p>
6	7.12.6	<p>All Rare, Threatened or Endangered (RTE) species are protected, whether identified in the HCV assessment or not. Programs are in place to regularly educate the workforce about the status of RTE species. Disciplinary action is taken and appropriately documented, in accordance with company rules and national law, if any company worker is found to capture, harm, harbor, trade, possess or kill these species.</p> <p>Based on the 2016 HCV Identification Assessment Report conducted by the company, there are protected, rare and endangered species that are included in HCV 1. In this regard, the company is recommended to monitor the presence of protected wildlife species on a regular basis and record their distribution and area the roam. Meanwhile, when referring to the 2022 HCV Area Management and Monitoring Plan document, the monitoring action section does not include monitoring protected, rare, and endangered species included in HCV 1. However, the company can show animal monitoring documents for 2021 – 2022 even though it is in the document. There is no reference to the protection status, namely PermenLHK Number 106 of 2018 concerning Changes in Protected Endangered Plants and Animals or the list of RTE (Rare, Threatened and Endangered) species according to CITES.</p> <p>Based on this, the company has the opportunity to develop a more comprehensive HCV area management plan as recommended in the 2016 HCV assessment result document, complete the flora and fauna</p>

No	Ref. Std.	Description
		monitoring form which is equipped with the latest protection status references and ensure that RTE monitoring is carried out more deeply / details to ensure the presence of RTE species in the company's operational areas.

3.4.5. Noteworthy Positive Components




No	Description
1	Consistent to follow the certification assessment of the principles of sustainable palm oil management
2	Good assistance from the Personnel in Charge during the audit

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Environmental Services of Langkat Regency Head of Environmental Services August 9, 2022</p> <p>Based on the results of interviews with the Environment Agency, information was obtained that the company has completed and completed all the required licensing requirements and routinely reports the required environmental management results according to its schedule.</p> <p>The agency also added that the results of the field visit carried out on May 23, 2022 were carried out to ensure field conditions were as requested in the reporting. There has no issue about environment from any related stakeholders or NGOs.</p>	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<p>Land Office of Langkat Regency Head of Land Office August 9, 2022</p> <p>Based on the results of interviews with the Land Office of Langkat Regency, information was obtained that the company has completed and completed all the required licensing requirements and maintain good relations with the land office.</p> <p>The agency also added that the results of the field visit in about 2021 were carried out to measure and map the new HGU area of ±113 Ha. The informant also stated that there are around 183 hectares of area that are still controlled by the community. The area was previously included in the company's HGU, but now the condition has been removed from the company's HGU.</p>	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<p>FFB Supplier PT Metro Mandiri Abadi and CV Harapan Kita August 9, 2022</p> <p>Based on the results of interviews with collectors as FFB suppliers on behalf of PT Metro Mandiri Abadi stated that the company had never conducted socialization related to RSPO, as well as interviews with other FFB suppliers on behalf of CV Harapan Kita stated that they had never received socialization related to RSPO.</p> <p>The pricing mechanism has been explained in the FFB sale and purchase agreement signed by both parties. FFB suppliers also stated that the predetermined FFB price can be accessed by suppliers, information on price changes is carried out via SMS, online communication media and telephone from the PIC to the supplier.</p>	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
Manpower Agency of Langkat District Interviewee: Head of Industrial Relation Date: 9 August 2022 <ul style="list-style-type: none"> • Mandatory reports related to manpower have been submitted regularly in accordance with its period and the existing regulation. • The company has registered 1 labor union. • No complaints regarding labor issues (child labor, worker discrimination, forced labor and so on). • There were no information request or complaint from Manpower Agency of Langkat District. Every communication with the company is carried out through mobile applications. • There were no complaints related to salary shortages. 	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators</p>
Labor Union (SPBUN) Interviewee: Head of labor union (SPBUN) Date: 9 August 2022 <ul style="list-style-type: none"> • The company acknowledges the existence of a labor union and there was no intervention in the implementation of any operational activities. • The membership of labor union is voluntary. • Job vacancies were announced by UoC wall-boards and social media. • Internal meetings of labor union and the bipartite meetings were held whenever its needed. • There were still contract workers in harvesting and upkeep activity. 	<p>There were no negative issues related to labor union that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
Gender Committee of PT. PTPN IV Sawit Langkat <ul style="list-style-type: none"> • There were no complaints regarding issues related to sexual harassment and violence against women. • The gender committee had socialized some policies related to sexual harassment. • The company has had a policy to protect female workers from sexual harassment in the workplace as well as a grievance mechanism. The company also implemented some regulations related to reproductive rights such as menstruation leave and maternity paid leave. 	<p>There were no negative issues related to gender discrimination that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
PT Pelita Jaya (Contractor collaborated in CPO transport) <ul style="list-style-type: none"> • The workers in PT GBSM weren't permanent since all units sent to UoC's mill weren't always with the same driver. • There were no complaints related to payments or agreements. • All contractor workers have been provided with PPE as well as social security facilities for BPJS Health and BPJS Employment (for workers who worked more than a year). 	<p>There was no negative issue that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>PT Dewa Barat Sentosa (Contractor collaborated in FFB transport) Date: 8 November 2022</p> <ul style="list-style-type: none"> • There were no complaints related to payments or agreements. • All contractor workers have been provided with PPE as well as social security facilities for BPJS Health and BPJS Employment (for workers who worked more than a year). 	<p>There was no negative issue that need further verification.</p>
<p>Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam</p> <p>The relationship between the company and the community is well established. So far, there have been no problems related to land disputes or environmental pollution. The origin of the company's land acquisition dates back to the pre-independence period of Indonesia, so the company existed before the community</p> <p>So far, social responsibility has been realized through CSR. Even though they are not directly involved in preparing the program, the community can submit proposals asking for assistance</p>	<p>CSR has become OFI in 4.3.1</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perkebunan Nusantara IV Management Representative</p>   <p><u>Pirqok Panggabean</u> Wednesday, 28 December 2022</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Haikal Ramadhan Kharismansyah</u> Wednesday, 28 December 2022</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	Environmental Agency	Langkat Regency	-	Phone	9 August 2022	✓	
2	Land Office	Langkat Regency	-	Phone	9 August 2022	✓	
3	FFB Supplier	Langkat Regency	-	Direct	9 August 2022	✓	
4	Manpower Agency	Langkat Regency	-	Phone	9 August 2022	✓	
5	Labor Union (SP BUN)	Langkat Regency	-	Direct	9 August 2022	✓	
6	Gender Committee	Langkat Regency	-	Direct	9 August 2022	✓	
7	PT Dewa Barat Sentosa	Langkat Regency	-	Phone	9 August 2022	✓	
8	PT Pelita Jaya	Langkat Regency	-	Phone	9 August 2022	✓	
9	Sawit Langkat POM: <ul style="list-style-type: none"> • 1 warehouse officer • 1 weighbridge officer • 2 security officers. • 1 boilerman • 1 Engine room operator • 3 Sortation and grading officer • 1 engine room officer • 1 FFB clerk • 1 sterilizer operator • 1 workshop officer 	Langkat Regency	-	Direct	9 – 10 August 2022	✓	
10	Sawit Langkat Estate: <ul style="list-style-type: none"> • 1 doctor • 1 warehouse officer • 3 daycare officers. • 3 harvesting workers. • 2 upkeep workers. • 1 IPM officer • 2 spraying workers • 3 manuring workers 	Langkat Regency	-	Direct	9 – 10 August 2022	✓	
11	Banjaran Raya Village, Kebun Balok Village, and the Head of Dusun IX Besilam	Langkat Regency	-	Direct	9 – 10 August 2022	✓	
12	Aliansi Masyarakat Adat Nusantara	Jakarta	rumahaman@cbn.net.id	Via email	1 August 2022		✓
13	Wahana Lingkungan Hidup Indonesia	Jakarta	informasi@walhi.or.id	Via email	1 August 2022		✓
14	World Wide Fund	Jakarta	wwf-indonesia@wwf.or.id	Via email	1 August 2022		✓
15	Sawit Watch	Bogor	info@sawitwatch.or.id	Via email	1 August 2022		✓

Appendix 2. Assessment Program

DATE	08 – 12 August 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 08 August 2022		
07.05 – 09.30 10.00 – 14.00	Jakarta (CGK) → Medan (KNO) Medan - Site	All Auditor
15.00 – 16.00	Opening Meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	All Auditor
16.00 – 17.00	<ul style="list-style-type: none"> Document Review Verification of basic information Mill and Estate 	MIA/ART HAI
Tuesday, 09 August 2022		
08.00 – 12.00	Public Consultation and Document Review <ul style="list-style-type: none"> Public consultation with stakeholder to relevant agency in Siak Regency and Pekanbaru city (by Phone) Interview with Gender Committee, Worker Union, Worker Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier Stakeholder consultation to affected communities surrounding the plantations and previous land owner Document Review Verification of Basic Information Mill and Estate 	HAI/ART/MIA
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Field Observation to Sawit Langkat POM <ul style="list-style-type: none"> Supply chain verification Processing and maintenance, workshop and emergency response simulation Warehouse, WWTP, water source 	HAI ART/MIA ART
16.00 – 17.00	Presentation of Daily Progress.	All Auditor
Wednesday, 10 August 2022		
08.00 – 12.00	Field observation to Sawit Langkat Estate <ul style="list-style-type: none"> Implementation of legal aspect (Land Ownership, Legal Boundaries) and HCV Management Implementation of Agronomy Aspect (Harvesting & transport, Manuring, Pesticide Application, IPM, EFB Application, etc) Implementation of environment and waste management aspect (inspection to chemical storage, fertilizer storage, Hazardous Waste Storage, clinic, etc) Observation of worker facilities (housing, school, worship, clean water, etc) 	HRK ART/MIA HRK
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	<ul style="list-style-type: none"> Document review and completing audit checklist. Continuing public consultation (If needed) 	All Auditor
16.30 – 17.00	Presentation of Daily Progress.	All Auditor
Thursday, 11 August 2022		
08.00 – 12.00	Document review and completing audit checklist.	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Document review and completing audit checklist. Interview with related persons during field observation (by phone).	All Auditor
16.00 – 17.00	Presentation of Daily Progress.	All Auditor
Friday, 12 August 2022		
08.00 – 10.00	Closing meeting	All Auditor

DATE	08 – 12 August 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
10.00 – 14.00	Site – Medan	All Auditor
16.45 – 19.15	Medan - KNO	All Auditor