

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management Organization : Ajamu Palm Oil Mill PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III
 Plantation Name : Ajamu Estate and Meranti Paham Estate
 Location : Village of Perkebunan Ajamu, Sub-District of Panai Hulu, District of Labuhanbatu, Province of Sumatera Utara, Indonesia
 Certificate Code : MUTU-RSPO/134
 Date of Certificate Issue : 06 September 2019 Date of License Issue : 01 February 2023
 Date of Certificate Expiry : 05 September 2024 Date of License Expiry : 05 September 2023

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	11 to 15 October 2022	Hasiholan Sihombing (Lead Auditor), Sentot Adi Subandono, Leonada and Alfiany Sukmawati	Moh Arif Yusni	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	26 January 2023

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

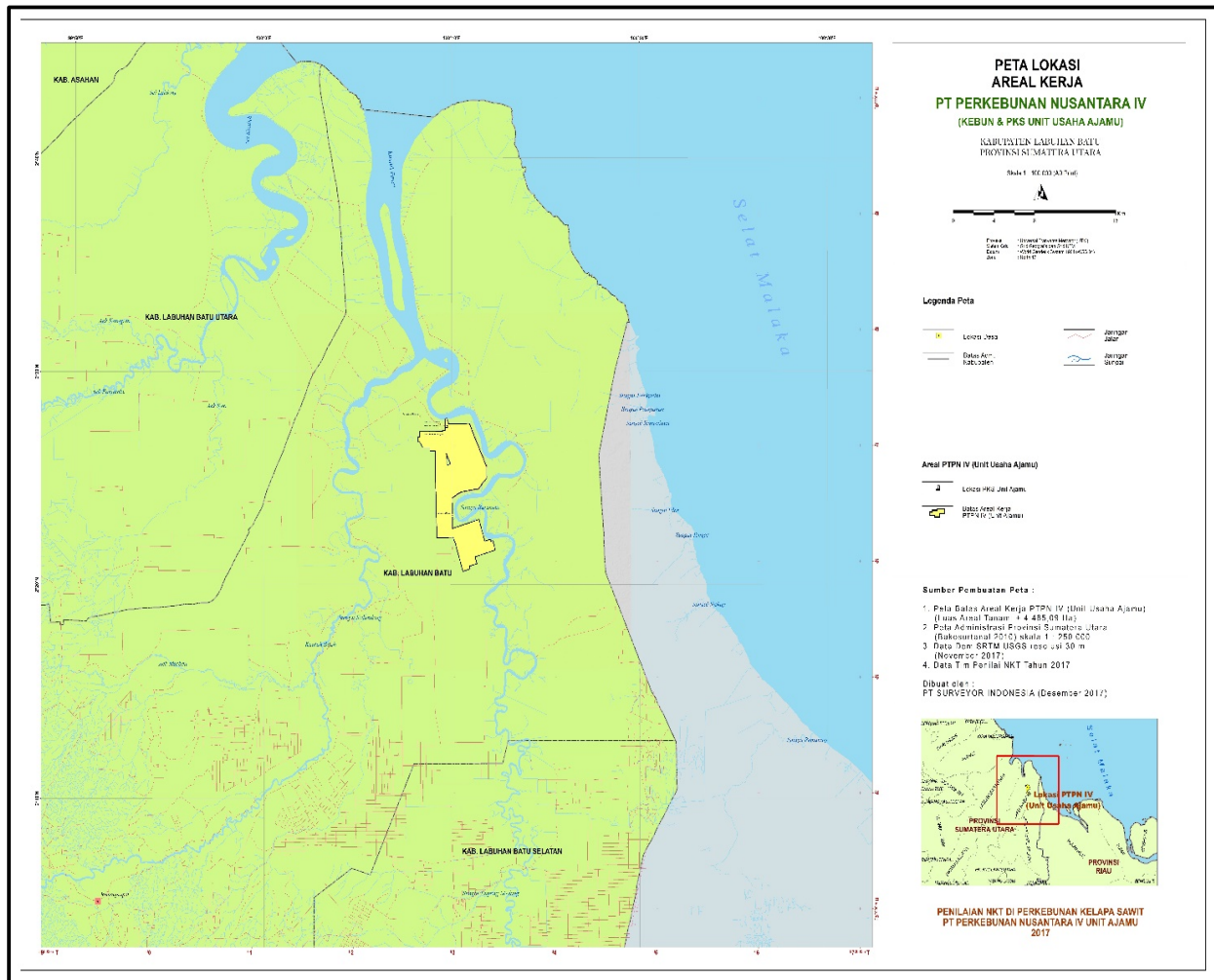


Figure 2. Operational Map of PT Perkebunan Nusantara IV – Ajamu Unit

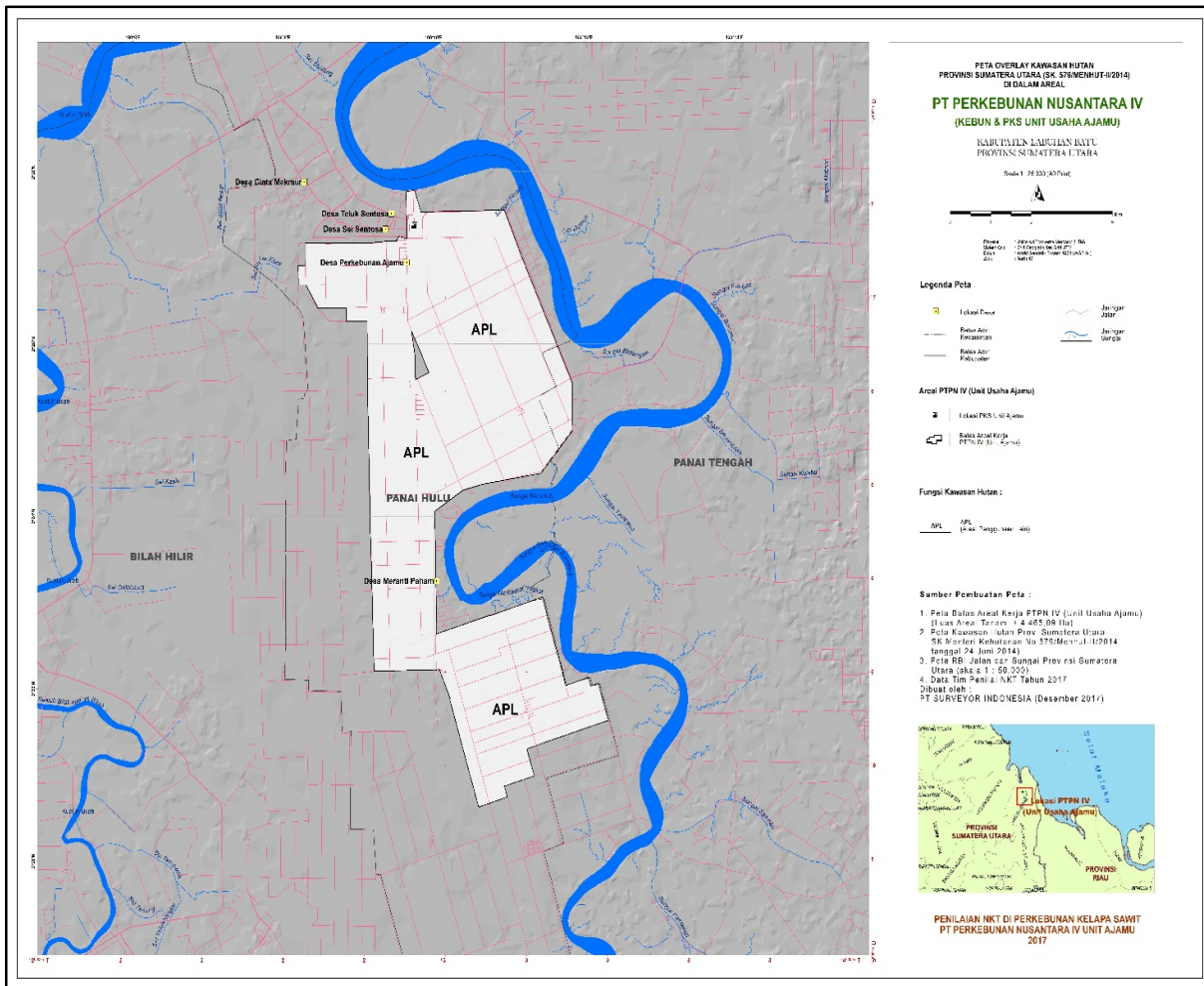


Figure 3. Location Map of PT Perkebunan Nusantara IV – Meranti Paham Estate Unit

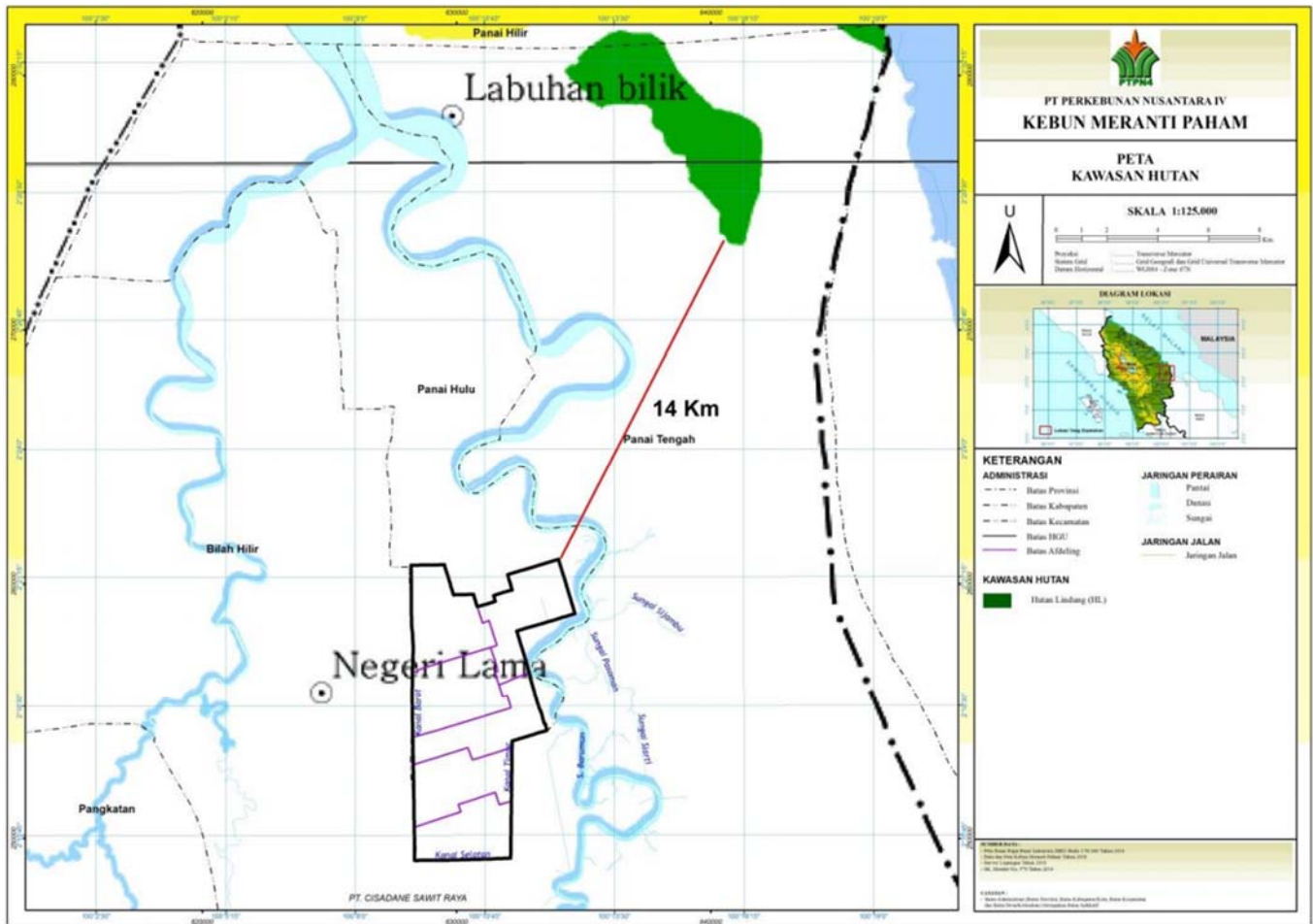
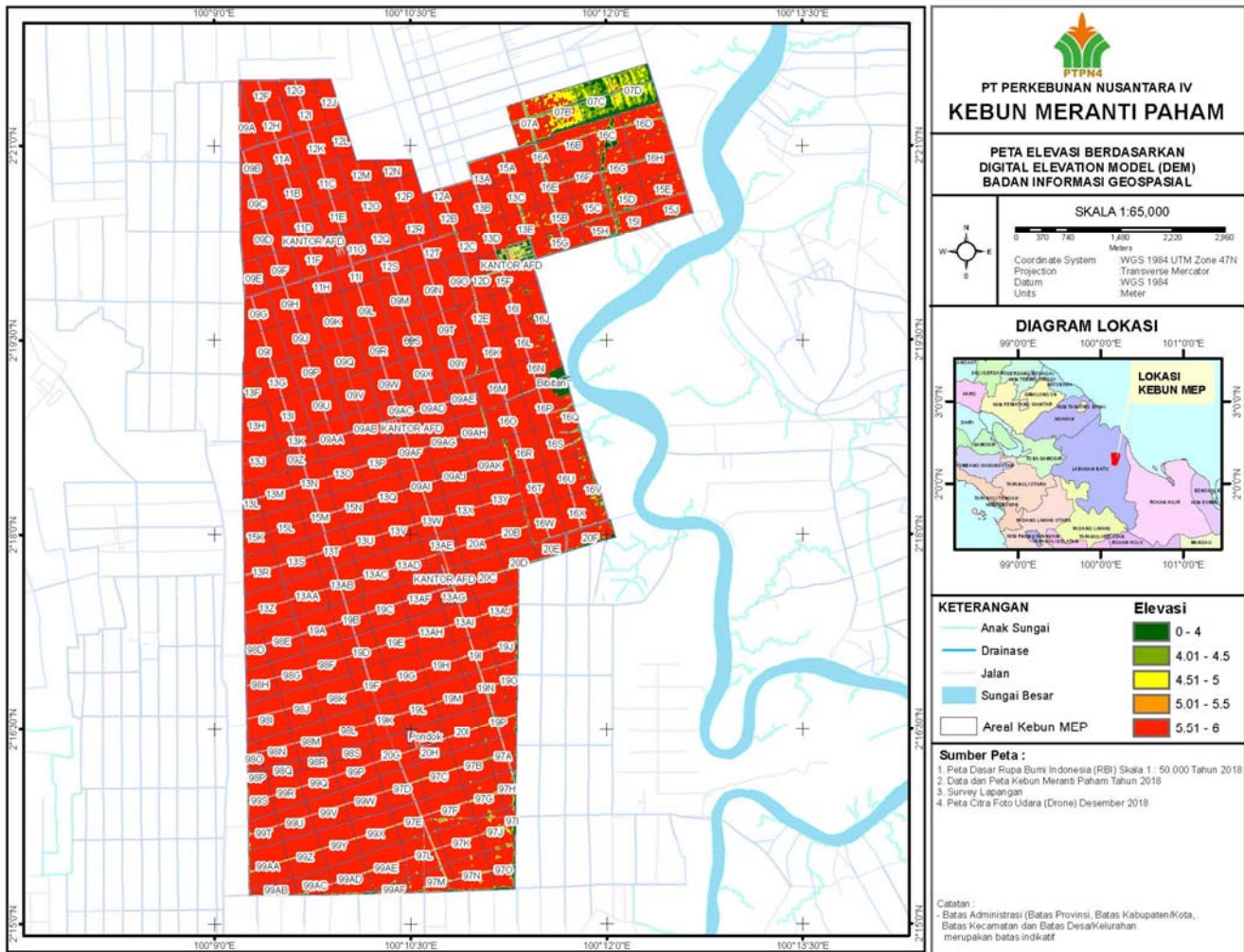


Figure 4. Location Map of PT Perkebunan Nusantara IV – Meranti Paham Estate Unit



Abbreviations Used

ALS	:	Assessor Licensing Scheme
ASA	:	Annual Surveillance Assessment
AMDAL	:	<i>Analisis Manajemen Dampak Lingkungan</i>
BOD	:	Biological Oxygen Demand
BPJS TK and KES	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja dan Kesehatan / Social Security Agency</i>
BPN	:	<i>Badan Pertanahan Nasional</i>
BUMN	:	<i>Badan Usaha Milik Negara / state-owned enterprises</i>
CD	:	Community Development
CH	:	Certificate Holder
CHE	:	Cholinesterase
CITES	:	Convention on International Trade in Endangered Species
CKP	:	Central Kalimantan Project
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i>
DLH	:	<i>Dinas Lingkungan Hidup</i>
DPMPSTP	:	<i>Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu</i>
EBA	:	Empty Fruits Bunch
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Assessment
EMU	:	Ecological Management Unit
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FGD	:	Forum Group Discussion
FPIC	:	Free, Prior, Informed and Consent
GHG	:	Green House Gas
GIS	:	Geographic Information System
HCS	:	High Carbon Stock
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha (Land Use Rights)</i>
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan (Plantation Permit)</i>
KER	:	Kernel Extraction Rate
KKP	:	<i>Karunia Kencana Permaisejati</i>
LSU	:	Leaf Sampling Unit
LTA	:	Lost Time Accident
LUCA	:	Land Use Change Analysis
MCU	:	Medical Check Up
MEP	:	Meranti Paham
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee</i>
PAK	:	<i>Penyakit Akibat Kerja (disease caused by the impact of work)</i>
PAUD	:	<i>Pendidikan Anak Usia Dini</i>

PIC	:	Person in Charge
PK	:	Palm Kernel
PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i> /specific time work agreement
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PPKS	:	<i>Pusat Penelitian Kelapa Sawit</i> (Palm Oil Research Center)
PR	:	Public Relation
PTPN	:	<i>Perseroan Terbatas Perkebunan Negara</i> State Plantation Limited Liability Company
RKL-RPL	:	Rencana Kelola Lingkungan dan Rencana Pemantauan Lingkungan
SCCS	:	Supply Chain Certification Standard
SDN	:	<i>Sekolah Dasar Negeri</i>
SIA	:	Social Impact Assessment
SIMPEL	:	Sistem Pelaporan Elektronik
SKP	:	<i>Surat Kewenangan dan Penunjukan</i> (Letter of Authority and Appointment)
SMPN	:	<i>Sekolah Menengah Pertama Negeri</i>
SOP	:	Standard Operating Procedure
SSU	:	Soil Sampling Unit
TLB	:	Truck Loader Backhoe
TTE	:	Tanda Terima Elektronik
UKL-UPL	:	Upaya Kelola Lingkungan dan Upaya Pemantauan Lingkungan
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. • Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Ajamu 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, Sumatera Utara Province, Indonesia	
1.2.4	Telephone	(+62-61) 8452244	
1.2.5	Fax	-	
1.2.6	E-mail	ptb@ptpn3.co.id	
1.2.7	Web page address	http://www.ptpn3.co.id/	
1.2.8	Management Representative who completed the application for certification	Deni Leonard Hutagalung	
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: Ajamu Mill; Ajamu Estate and Meranti Paham Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Ajamu POM	Village of Perkebunan Ajamu, Sub-District of Panai Hulu, District of Labuhanbatu, Province of Sumatera Utara, Indonesia	N 02° 27' 25" E 100° 09' 40"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Ajamu Estate	Village of Perkebunan Ajamu, Sub-District of Panai Hulu, District of Labuhanbatu, Province of Sumatera Utara, Indonesia	N 02° 27' 25" E 100° 09' 40"
	Meranti Paham Estate	Village of Meranti Paham, Sub-District of Panai Tengah, District of Labuhanbatu, Province of Sumatera Utara, Indonesia	N 02° 20' 05" E 100° 11' 15"

1.5	Description of Area Statement			
1.5.1	Tenure			
	• State			9,458.49 Ha
	• Community			- Ha
1.5.2	Area Statement			
		Ajamu Estate (Ha)	Meranti Paham (Ha)	Total (Ha)
	• Total area	4,465.09	4,993.40	9,458.49
	• Mature area	3,250.00	3,540.00	6,790.00
	• Immature area	974.00	1,141.00	2,115.00
	• Mill	5.80	-	5.80
	• Emplacement	60.20	39.00	99.20
	• Housing in Afdeling	54.67	-	54.67
	• WWTP Location	3.00	-	3.00
	• Road/Drain	117.00	263.40	380.40
	• Nursery	-	10.00	10.00
	• HCV	0.42	-	0.42
	<i>*HCV area in Meranti Paham Estate (16.37 Ha) is include in mature area</i>			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Ajamu Estate	Meranti Paham Estate	Total
	1999	-	303.00	303.00
	2000	593.00	-	593.00
	2001	428.00	-	428.00
	2005	390.00	-	390.00
	2006	479.00	-	479.00
	2007	-	118.00	118.00
	2009	287.00	904.00	1,191.00
	2010	92.00	-	92.00
	2011	110.00	193.00	303.00
	2012	237.00	374.00	611.00
	2013	-	810.00	810.00
	2014	113.00	-	113.00
	2015	120.00	276.00	396.00
	2016	56.00	562.00	618.00
	2018	345.00	-	345.00
	Subtotal of Mature area	3,250.00	3,540.00	6,790.00
	2019	483.00	360.00	843.00

	2020	378.00	188.00	566.00			
	2021	113.00	119.00	232.00			
	2022	-	474.00	474.00			
	Subtotal of Immature area	974.00	1,141.00	2,115.00			
	TOTAL	4,224.00	4,681.00	8,905.00			
1.6.2	New Planting area after January 2010	- Ha					
1.6.3	Planting Cycle	2 nd Cycle					
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Ajamu	30	200,863.07	41,642.29	20.75	7,562.68	3.77
	<i>*Production data source from October 2021 to September 2022</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Ajamu	4,465.09	3,250.00	73,348.59	22.57	65,961.16	89.93
	Meranti Paham	4,993.40	3,540.00	79,706.00	22.52	71,886.12	90.19
	TOTAL	9,458.49	6,790.00	153,054.59	22.54	137,847.28	90.06
	<i>*Production data source from October 2021 to September 2022</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Panai Jaya Estate (RSPO Non-certified)	PT PN IV	-	3,342.00	61,095.80		
	Others (RSPO Non-certified)	Independent Supplier	-	-	1,919.99		
	TOTAL					63,015.79	
	<i>*Production data source from October 2021 to September 2022</i>						
	<i>**FFB from others sources last received by Ajamu POM was May 2022.</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (October 2021 to September 2022) (MT)		
	FFB Processed			156,120	137,847.28		
	CPO Production			35,900	30,054.24		
	Palm Kernel (PK) Production			6,300	5,261.89		

1.8.2	Product selling							
	Type of selling product			Actual selling product for last year (October 2021 to September 2022) (MT)				
	CSPO sold as RSPO certified product			14,983.74				
	CSPK sold as RSPO certified product			3,212.36				
	CSPO sold under another scheme			0				
	CSPK sold under another scheme			0				
	CSPO sold as conventional			15,014.43				
	CSPK sold as conventional			1,524.53				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Ajamu	4,465.09	3,250.00	74,000	22.77			
	Meranti Paham	4,993.40	3,540.00	81,000	22.88			
	TOTAL	9,458.49	6,790.00	155,000	22.88			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Ajamu	30	155,000	32,550	21.00	6,200	4.00	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2015			-				
	ISO 14001:2015			-				
	ISO 45001:2018			-				
	SMK3			Certificate No. REG.SMK3.2021.SUC SK-1097, valid thru 21 April 2024				
	ISPO			Certificate No. MUTU-ISPO/263, valid thru 26 January 2027				
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	ajam		
	Tanjung Seumantoh (PTPN I)	2022	Lama Estate	2022	Aceh Timur District, Aceh Province			
			Baru Estate	2022	Aceh Timur District, Aceh Province			

		Tualang Sawit Estate	2022	Aceh Timur District, Aceh Province	
		Julok Rayeuk Selatan Estate	2022	Aceh Timur District, Aceh Province	
Cot Girek (PTPN I)	2022	Julok Rayeuk Utara Estate	2022	Aceh Utara District, Aceh Province	
		Cot Girek Es-tate	2022	Aceh Utara District, Aceh Province	
Sawit Hulu (PTPN II)	2022	Sawit Hulu Estate	2022	Langkat District, Sumatera Utara Province	
Kwala Sawit (PTPN II)	2022	Kwala Sawit Estate	2022	Langkat District, Sumatera Utara Province	
		Air Tenang Estate	2022	Langkat District, Sumatera Utara Province	
Sawit Seberang (PTPN II)	2022	Batang Serangan Estate	2022	Langkat District, Sumatera Utara Province	
		Sawit Seberang Estate	2022	Langkat District, Sumatera Utara Province	
		Tanjung Jati (Rayon) Estate	2022	Langkat District, Sumatera Utara Province	
Pagar Merbau (PTPN II)	2022	Tanjung Garbus Estate	2022	Deli Serdang District, Sumatera Utara Province	Audited on 2022
		Melati Estate	2022	Deli Serdang District, Sumatera Utara Province	
		Patumbak Estate	2023	Deli Serdang District, Sumatera Utara Province	
		Limau Mukur Estate	2023	Deli Serdang District, Sumatera Utara Province	
		Tandem (Rayon) Estate	2023	Deli Serdang District, Sumatera Utara Province	
Sisumut (PTPN III)	2015	Sisumut Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
		Aek Nabara Utara Estate	2015	Labuhanbatu 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	2015	Sei Daun Estate	2015	Labuhanbatu Selatan	Sept 8, 2016

(PTPN III)				District, Sumatera Utara Province	(Certified)
		Bukit Tujuh Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 14, 2016 (Certified)
Sei Silau (PTPN III)	2017	Sei Silau Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Pulau Mandi Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Ambalutu Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Hutapadang Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
Sei Mangkei (PTPN III)	2017	Dusun Hulu Estate	2017	Batubara District, Sumatera Utara Province	Oct 2017 (Certified)
		Bangun Estate	2017	Simalungun District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Para Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Pamela Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Sei Dadap Estate	2017	Asahan District, Sumatera Utara Province	Oct 2017 (Certified)
Sei Baruhur (PTPN III)	2018	Sei Baruhur Estate	2018	Labuhanbatu Selatan District, Sumatera Utara Province	April 2018 (Certified)
		Sei Kabara Estate	2018	Labuhanbatu 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	Labuhanbatu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Rantau Prapat Estate	2014	Labuhanbatu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Merbau Selatan Estate	2014	Labuhanbatu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Membang Muda Estate	2014	Labuhanbatu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Labuhan Haji Estate	2014	Labuhanbatu 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	Labuhanbatu Selatan District, Sumatera Utara Province	June 17, 2014 (Certified)
Aek Raso (PTPN III)	2014	Aek Raso Estate	2014	Labuhanbatu Selatan District, Sumatera Utara Province	June 30, 2014 (Certified)
Pabatu (PT PN IV)	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015
Dolok Ilir (PT PN IV)	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015
		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
Pulu Raja (PT PN IV)	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
Bah Jambi (PT PN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
		Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birung Ulu	2021	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
2021	Simalungun, Sumatera Utara		Out of scope Certification 2 nd Stage Audit (30.0 Ha)		
Dolok Sinumbah (PT PN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
			2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
		Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang (PT PN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Bukit Lima	2021	Simalungun, Sumatera Utara	Preparation
Gunung Bayu (PT PN IV)	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan (PT PN IV)	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Padang Matinggi	2019	Simalungun, Sumatera	Certified on March

				Utara	2019
Air Batu	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2021	Asahan, Sumatera Utara	Out of Scope certification 2 nd Stage Audit
Berangir (PT PN IV)	2018	Berangir	2018	Labuhanbatu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2021	Labuhanbatu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (10.0 Ha)
Sawit Langkat (PT PN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2021	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 Ha)
Pasir Mandoge (PT PN IV)	2020	Pasir Mandoge	2020	Asahan, Sumatera Utara	Certified on October 2018
		Sei Kopas	2020	Asahan, Sumatera Utara	Certified on October 2018
		Tonduhan	2020	Simalungun, Sumatera Utara	Certified on October 2018
		Sei Kopas (HPK)	2021	Asahan, Sumatera Utara	
Timur (PT PN IV)	2022	Timur	2022	Mandailing Natal, Sumatera Utara	
		Balap	2022	Mandailing Natal, Sumatera Utara	
Ajamu (PT PN IV)	2021	Ajamu	2019	Labuhanbatu Utara, Sumatera Utara	Certified on September 2019
		Meranti Paham	2019	Labuhanbatu Utara, Sumatera Utara	Certified on September 2019
		Panai Jaya	2022	Labuhanbatu 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 (PT PN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
Tandun (PT PN V)	2016	Tandun Estate,	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified

		Sei Lindai Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Lindai 98 ha	2021	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian 866 ha	2023	Tapung Hulu District, Kampar District, Riau Province, Indonesia	
Sei Rokan (PT PN V)	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau Province, Indonesia.	Certified
Sei Tapung (PT PN V)	2019	Sei Tapung	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
		Sei Siasam	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
		KUD Makarti Jaya	2022	Rokan Hulu District, Riau Province, Indonesia.	
		KUD Karya Mukti	2022	Rokan Hulu District, Riau Province, Indonesia.	
		KUD Dayo Mukti	2023	Rokan Hulu District, Riau Province, Indonesia.	
		KUD Tani Sejahtera	2023	Rokan Hulu District, Riau Province, Indonesia.	
Sei Intan (PT PN V)	2019	Sei Intan	2019	Rokan Hulu District, Riau Province, Indonesia	Certified
Tanjung Medan (PT PN V)	2022	Tanjung Medan	2022	Rokan Hilir District, Riau Province, Indonesia	-
Tanah Putih (PT PN V)	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified
Lubuk Dalam (PT PN V)	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified
		Lubuk Dalam Plasma	2022	Siak District, Riau Province, Indonesia	
Sei Buatan (PT PN V)	2022	Sei Buatan	2022	Siak District, Riau Province, Indonesia	
		Air Molek 1	2023	Siak District, Riau Province, Indonesia	
		Air Molek II	2023	Siak District, Riau Province, Indonesia	
		KUD Karya Darma	2023	Siak District, Riau Province, Indonesia	
		KUD Tunas Karya	2023	Siak District, Riau Province, Indonesia	
Sei Galuh (PT PN V)	2023	Sei Galuh	2023	Kampar District, Riau Province, Indonesia	-
Sei Pagar (PT PN V)	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	-
		Sei Pagar Plasma	2023	Kampar District, Riau Province, Indonesia	Certified
Sei Garo (PT PN V)	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified
Terantam	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		Luwu Timur, District, Sulawesi Tengah	
		Malili		Luwu Timur, District, Sulawesi Tengah	
		Asera		Luwu Timur, District, Sulawesi Tengah	
<p><i>*Sources: document of Partial Verification PTPN III</i></p> <p>The company has shown documents related to the Time Bound Plan for all units that have not been RSPO certified on November 22, 2021. The document informs the condition of the units that have not been certified, such as:</p> <ul style="list-style-type: none"> • HCV assessment process and progress. • Information on new land clearing. <p>However, this document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), issues of land conflict (criteria 4.4,4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation (criterion 7.12).</p> <p>The company has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents. This has become the Non-Conformity No. 2022.15</p>					
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard				
	The Company didn't have associated smallholders and out growers.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-3	<ol style="list-style-type: none"> Hasiholan Sihombing (Lead Auditor). Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO in 2016, RSPO P&C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2020, SA 8000 Awareness in 2018, Quality Management Systems (ISO 9001:2015) in 2016, Environmental Management Systems (ISO 14001:2015) in 2017, OHS General Expert in 2013, OHSAS 18001:2007 in 2017, ISO 19011:2018 in 2019, ISO 17021:2011 and ISO 17065:2012 in 2016. During this audit, he assigned to verify legal aspect, land dispute, environment, GHG and SCCS. Sentot Adi Subandono (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 Auditor Training in 2016, ISO 9001: 2015, RSPO Lead Auditor Training in 2020. During this assessment, verified the aspects of Best Management Practices and OHS Aspect. 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 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 worker welfare and transparency. Alfiandy Sukmawati (Auditor Trainee). Indonesian Citizen. Bachelor of Public Health, major in Environmental Health, University of Indonesia. Has experience working in as HSE specialist for 5 years. Has attended training in AMDAL A & B, ISO 14001 auditor training, OSHAS, ISPO by LPP, <i>Lead Auditor</i> ISO 9001:2015, Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 45001, and Awareness ISO 19011. Has participated in several simulations of audit activities related to the certification system for sustainable palm oil plantations with environmental aspects. During the audit, she verified environment aspect, waste management, GHG and conservation aspect under supervised by Lead Auditor.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors: 3 auditor and 1 auditor trainee Number of days for ASA-3 audit: 5 days Number of working days for ASA-3 audit: 15 Working days</p>
2.2.2	Assessment Process
ASA-3	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PT Perkebunan Nusantara IV, Ajamu POM Unit Certification based on:</p> <ul style="list-style-type: none"> RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by

the RSPO Board of Governors on 12 November 2020

The scope of certification of PT Perkebunan Nusantara IV, Ajamu POM consist of one mill (Ajamu POM) and two estates (Ajamu Estate and Meranti Paham Estate).

The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-3 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from ASA-2 findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-3.

The auditor's journey from the airport in Kualanamu, Deli Serdang to the audit location takes about 7-8 hours. The opening meeting was held on 11 October 2022 in Ajamu POM. As for the participants who attended the online opening meeting included the Estate and Mill Managers, Sustainability staff, Support Team from Medan and other staff. Closing meeting was held on 15 October 2022 attended by the same participants as the opening meeting. Management PT Perkebunan Nusantara IV Unit Ajamu and Meranti Paham accepted all this audit results. In this assessment Unit of Certification immediately suspended due to recurring major NC on 21 October 2022.

During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. Before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies so that these activities are carried out by telephone.

Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment.

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

The unit of certification can fulfill recurring major non-conformances on 28 December 2022, certificate and license can be reactivated on 29 December 2022, but the license at palmtrace ends on 05 December 2022 so the license status still expired. All NC major closed on 13 January 2023 (as a note from 05 December 2022 to 31 January 2023, the FFB, CPO and PK products produced during this period were declared RSPO uncertified).

All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).

The assessment program please find Appendix 2.

2.2.3	Locations of Assessment
ASA-3	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:

Ajamu POM

- WWTP. Observation and interview with worker related to POME management, work procedure, OHS, environmental and worker welfare aspect.
- Housing Area Ajamu POM. Observation and interview with residents about housing facilities, domestic waste management.
- Sortation. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and the company's code of ethics.
- Loading Ramp Station. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Lorry Towing Station. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Hoisting crane station. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Press Station. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Clarification Station. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Kernel Stations. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Engine room. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Boilers. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Security. Observation and interview with officer related activity, OHS environmental, and and worker welfare aspect.
- Weight Bridge CPO and FFB. Observation and interview with officer related activity, OHS environmental, and and worker welfare aspect.
- Chemical warehouse. Observation related to chemical management, OHS, and environmental aspect.
- Material Warehouse. Observation related to material management, OHS environmental, and and worker welfare aspect.
- Hazardous Waste Temporary Warehouse. Observation related to hazardous waste management, OHS and environmental aspect.
- Workshop. Observation related to workshop activity, OHS, environmental and worker welfare aspect.
- Fuel Station. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect
- Hydrant Simulation. Observation related to emergency response, readiness of fire fighting equipment.

Ajamu Estate

- Block 16A Division 1: HGU Pole No. 32 and 33. Observation the conditions and position of legal boundary.
- Block 10A Division 1: HGU Pole No. 34. Observation the conditions and position of legal boundary.
- Block 10B Division 1: HGU Pole No. 66 and 30A. Observation the conditions and position of legal boundary.
- Block 00C Division 1: HGU Pole No. 18 and 19. Observation the conditions and position of legal boundary.
- Block 19M Division 2 (3 Pesticide Applicator). Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- Block 15A and 18A Division 1 (3 harvester). Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- Clinic. Observation and interview with worker related to clinic condition, OHS, and environmental aspects.
- Housing Area Afdeling IV and V. Observations and interviews with residents about housing facilities, domestic waste management.
- Barumun River Afdeling I. Observation on riparian management.

- Water Management in Peatland Afdeling V Block 09E. Observations related to water management on peatlands and monitoring water level.

Meranti Paham Estate

- HCV 6 Christian cemetery, Afdeling IV. Observations on cemetery management.
- Block 20 E Afdeling 4: HGU stakes number 24 and 25. Observation of the condition of the company's HGU boundary markers.
- Block 20 F Afdeling 4: HGU stakes number 18 and 19. Observation of the condition of the company's HGU boundary markers.
- Block 19 I Afdeling 5 (1 Harvester HL). Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Block 13 AH Afdeling 5 (2 Harvesters). Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- Block 19 I Afdeling V: Fire Tower. Observation of the fire monitoring facilities owned by the company.
- Block 19 I Afdeling V Gupon (Owl Cage). Observation of the HPT control facilities owned by the company.
- Block 19 I Afdeling V Water bund. Observations regarding the water management of peat areas owned by the company.
- Block 19 I Afdeling V: *Turnera subulata*. Observation of the HPT control facilities owned by the company.
- Block 13 AI Afdeling V: Subsidence Pole and Piezometer. Observations regarding the monitoring and management of peat areas owned by the company.
- Block 19 G Afdeling V: Manual maintenance (2 spray workers). Field observations and interviews related to technical work, pesticides used, labor aspects, OHS aspects, social aspects, and environmental aspects.
- Housing Afdeling 5 and 6. Observations related to housing conditions, public facilities, and environmental aspects.
- Afdeling rinse house 5 & 6. Observation of cleaning facilities for workers exposed to chemicals and storage areas for work tools and PPE exposed to chemicals.
- Block 97 D Afdeling 6, Planting area (1 month). Observations and interviews related to the implementation of replanting and new plantings.
- MEP Housing AFD 1. Field Observations related to employee facilities, sanitation and the environment
- Firehouse Storage. Field observations related to the completeness of emergency response facilities
- Central Storage. Field observations and interviews related to work procedures, employment aspects, OHS and environmental aspects.
- Fertilizer Warehouse. Field observations related to OHS and environmental aspects
- Diesel/fuel tank. Field observations related to OHS and environmental aspects, such as bund wall/secondary containment for 110% capacity, OHS sign, and smoking ban.
- Hazardous Waste Storage. Field observations related to OHS and environmental aspects
- Seedling canal HCV area, Afdeling I. Observations related to HCV management.
- HGU pole stake no. 38. Observations related to the management of the HGU stake and the area around the HGU stake.
- Harvesting activities, Block 07AB, Afdeling I. Observations and interviews with harvesters related to work techniques, labor aspects, K3 implementation, and environmental management.
- Simulation of Fire Infrastructure Facilities. Observations related to the preparedness of emergency facilities and infrastructure.

2.3 Stakeholder Consultation and Stakeholders Contacted

2.3.1 Summary of stakeholder consultation process.

- ASA-3 Consultation of stakeholders for PTPN IV-Ajamu POM was held by:
- Public consultation meeting with government institution on 11 October 2022.
 - Public consultation meeting with internal stakeholders (worker union, committee gender and local communities) by interviews on 11-12 October 2022.

	<ul style="list-style-type: none"> Stakeholder consultations with local community have been conducted on 11 October 2022. Stakeholder consultations with NGOs have been conducted by sending questionnaires via email to several NGOs (WALHI, WWF, AMAN, Sawit Watch) on 5 October 2022. <p>Numbers of input from stakeholders were clarified by PTPN IV-Ajamu POM.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-4) will be conducted nine (9) 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 Ajamu POM – PT Perkebunan Nusantara IV, operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were nine (9) Nonconformities were assigned against Major Compliance Indicators; six (6) nonconformities were assigned against Minor Compliance Indicators; and one (1) opportunity 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). Those corrective actions taken that consist of nine (9) Major non-conformities and six (6) Minor non-conformities had been closed out shall be verified during next assessment-

MUTUAGUNG LESTARI found that Ajamu POM – PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III complied with the requirements of Indonesia National Interpretation of Principles and Criteria for Sustainable 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.

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY	
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.
1.1.1	<p>The company has a policy regarding public and nonpublic documents with Policy No. 01 Rev 02 with the effective date of January 2, 2015. The public document is divided into several document sections, including:</p> <ul style="list-style-type: none"> • Legality of plantation business • Plantation management • Environmental management and monitoring • Responsibilities to workers • Social responsibility and community economic empowerment • Continuous business improvement • A collection of laws and regulations • Certificate of expertise and authority • Certificate of environmental and health inspection results • Procedures and policies <p>The list of information contained above is in accordance with the criteria of the RSPO regarding environmental, social and legal issues such as:</p> <ul style="list-style-type: none"> • Environmental management and monitoring for the environmental aspect • Social responsibility and community economic empowerment document for the social aspect • Legality of plantation business for the legal issue aspect. <p>Based on interviews with government agencies and Meranti Paham Village, they already know the types of documents that can be</p>

accessed by the community by requesting with a written or verbal request to the company.

1.1.2

The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder involvement, company rights and obligations that are conveyed to all relevant stakeholders. Mandatory report regarding Social and Environmental Regulation and etc its due to compliance the regulations are ruled in indicator 2.1.1, including:

Mandatory Report Against Social and Environmental Regulation

- *RKL-RPL* Document of Ajamu Unit which was reported to Environmental Agency of Labuhanbatu Regency on 18 July 2022
- *RKL-RPL* Document of Meranti Paham Unit which was reported to Environmental Agency of Labuhanbatu Regency on 126 August 2022
- POME and Hazardous management report of PT PN IV Ajamu POM for the 2nd quarter to Environmental Agency of Labuhanbatu Regency on July 15, 2022
- RTE Species report of the Meranti Paham Unit which was reported to *BKSDA* of North Sumatra Province on 04 August 2022
- RTE Species report of the Ajamu Unit which was reported to *BKSDA* of North Sumatra Province on 18 August 2022
- Social Impact Assessment document 2022 → please completely

Mandatory Report Against OHS Regulation

- Report of OHS Committee Quarter IV of 2021 to the Labuhanbatu Regency Manpower and Transmigration Office on 11 February 2022
- Report of OHS Committee Quarter I of 2022 to the Office of Manpower and Transmigration in April 2022
- Report of OHS Committee Quarter II of 2022 to the Labuhanbatu Regency Manpower and Transmigration Office on August 18, 2022

Mandatory Report Against Legal Regulation

- Plantation progress report (*LPUP*) of PT Perkebunan Nusantara IV Ajamu Unit period of Semester 1 of 2022 has been sent to Plantation Agency of Labuhanbatu District on 18 August 2022.
- HGU utilization report of PT PT Perkebunan Nusantara IV Ajamu Unit for the period semester 1 of 2022 has been sent to Land Agency of Labuhanbatu District on 13 September 2022.

Mandatory Report Against Manpower Regulation

- Payment of BPJS Health period September 2022 Ajamu Estate with number 2208 0282 0113
- Payment of BPJS Employment period September 2022 Meranti Paham Estate with number 2207 0036 6105
- Mandatory Reporting Manpower of the Meranti Paham Estate with number 21471.20221005.0002
- Mandatory Reporting Manpower of the Ajamu Estate and Mill with number 21471.20220818.0001
- Report of the 2022 Ajamu Bipartite LKS Meeting to the Labuhanbatu Regency Manpower and Transmigration Office

Based on interview with Manpower Agency of Labuhanbatu Regency inform that aware of the type of information available and how to get access to the information.

Regulation of the Minister of Agriculture number 05/Permentan/KB.410/1/2018 concerning Opening and/or Processing of Plantation Land without burning, it is known that reporting to the Governor/Regent (Agriculture Service) is in accordance with the authority with the report form referring to Formats 6, 7, and 8 attachment 1 Regulation of the Minister of Agriculture number 05/Permentan/KB.410/1/2018. The form contains a report on the planning for opening and/or processing of plantation land, a report on the implementation of clearing and/or processing of plantation land, and a report on preparedness for land fire control systems, facilities and infrastructure.

The company has a Plantation Management System Policy which was approved by the Director in January 2022, which includes compliance with applicable laws and regulations and other requirements to be implemented in the implementation of business activities.

Based on document review revealed that:

- Meranti Paham Estate submits a fire management report for semester 1 of 2022 only to DLH of Labuhanbatu Regency.
- The report format reported to the Labuhanbatu Agriculture Service contains monitoring of fires in plantation areas per Afdeling, which are not in accordance with attachment 1 of Minister of Agriculture Regulation number 05/Permentan/KB.410/1/2018.

Based on the observed evidence, it is known that:

1. Not all company units have submitted fire management reports to the District Agriculture Office according to Minister of Agriculture Regulation 5 of 2018.
2. Reports on fire management that have been reported to the Labuhanbatu District Agriculture Office are not in accordance with Appendix I of the Minister of Agriculture 5 of 2018.

This becomes the This has become the Non-Conformity No. 2022.01

1.1.3

The company has a SOP Retention Period of Requests for Information and Responses SPO No.6 Revision 03 effective date August 1, 2017. The procedure explains that the company will respond to requests for information no later than 14 days after the request is received. Based on the verification results of incoming and outgoing mail documents, it is known that all incoming letters including requests for information have been responded to by the company. Base on document verification it is known that there were no requests for information from stakeholders addressed to the company for 2021-2022 but there are request for assistance only from surrounding villages. For example, the application for the construction of the Darul Muttaqin Mosque in Cinta Makmur Village was dated December 6, 2021 and was assisted on January 7, 2022.

1.1.4

The company has a SOP Retention Period of Requests for Information and Responses SPO No.6 Revision 03 effective date August 1, 2017. In the SOP, the mechanism for requesting information and responses is divided into 2 parts, namely requests for information and responses at the head office and Business Unit. In the SOP it is explained that the control of requests for information and responses is managed by HR and General Assistants. Based on the SOP, it was explained that the time period for giving responses to information requests was a maximum of 30 working days.

Based on result interview with community representatives (Sei Sentosa Village) and government stakeholders (Manpower Agency of Labuhanbatu Regency), known that stakeholders already know the mechanism of communication and consultation with the company. The company shows the minutes of socialization of procedures for the retention period of requests for information and responses as well as open and closed documents on May 19, 2022 with 40 participants from workers and the surrounding community

1.1.5

The certification unit has shown stakeholder list document, updated in October 2022. Based on this document, there are 60 stakeholders related to the company which include Government Stakeholders (province, district, sub-district, and village), other Authorities (TNI/POLRI), Partner Cooperatives, Hospitals, Corporations, Suppliers, NGOs, Internal Stakeholders, Contractors, and Banking. The stakeholder register explains the name, agency/position, location, category, contact person number, and other information. As for the list of landowners previously owned but in a different document. Among the stakeholder's company, there are 1 CPO transporter, 1 PK transporter, 1 Whell Loader Rental, 3 Procurement of Goods/Services, 1 Security Services, 2 Nursery Maintenance Services, 4 Plant Maintenance Services and 4 FFB transporters.

At the time the audit was carried out, the PT Perkebunan Nusantara IV – Ajamu POM (Ajamu and Meranti Paham Estate) stakeholder list document shown was in accordance with the actual, such as the contact number of each stakeholder contacted by the auditor as stated in the list. Based on this, it can be concluded that the certification unit has an up-to-date list of contacts and detailed information related to stakeholders and their representatives that are well documented. Auditor has verified randomly to ensure validity during the stakeholder consultation and this is confirmed during consultations with the stakeholders.

1.1.2	Status: Non-Conformity No. 2022.01
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1.2

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

1.2.1

The company has a policy of ethical behavior in the Joint Decree of the Board of Commissioners and Directors of PTPN IV Number DK-03/KPTS/IV/2019 and Number 04.01/KPTS/07/IV/2019 regarding the Enforcement of the Code of Conduct PTPN IV.

Enforcement of Good Corporate Infrastructure Provisions in which there is a code of conduct that contains behavioral guidelines regarding conflicts of interest, corruption, corruption and bribery, political activities, drugs and gambling, and disgraceful acts which are prohibited for business actors in the company. Every business person is prohibited from doing Corruption, Collusion, Nepotism and Bribery (Gratification).

PTPN IV is committed to a Prosperous Life Without Corruption is a commitment to the *BUMN Bersih* Program, PTPN IV people are committed to not accepting gratuities in carrying out their duties and authorities and free from conflicts of interest. We invite the participation of stakeholders in conveying information if *PTPN IV Bersih* commitment is not implemented by company personnel, online via: www.ptpn4.co.id or via email complaint@ptpn4.co.id.

This policy has been socialized to internal and external stakeholders, for example the socialization at the Ajamu Factory on June 5, 2022, at the Ajamu Estate on April 25, 2022 and at the Meranti Paham Unit on May 9, 2022. In addition, based on interviews with workers, it is known that the workers who found to be involved in corrupt practices will be given strict sanctions by the company and sanctions in accordance with applicable regulations.

Based on interviews with local contractors during the audit, it is known that the business ethics policy has been socialized and understood by the contractors.

1.2.2

The company has a system in place to monitor compliance and the implementation of policies and ethical business practices as a whole through stakeholder monitoring based on SOP for Communication and Community Consultation No. SPO 03, revision 02, effective date January 2, 2015.

This has been regulated in the SOP, it is explained that:

- a) Communication and consultation with the community in the Plantation and Mill units is managed directly through the registration and process by the HR assistant (HR Assistant and General Section) or it could be through the plantation workers union (SP-BUN),
- b) Communication and consultation with the community in the business unit group is managed directly by the recording and process assistant by the HR department and the general division representing the business unit group managers.
- c) Communication and consultation with the community at the head office is managed directly by the public relations office and the recording process.

In addition, the company also shows contractor performance evaluation documents as a system to monitor compliance and the overall implementation of ethical business policies and practices. Evaluation of contractor performance includes discipline in the use of PPE, environmental awareness, and compliance with laws and regulations.

Based on interviews with local contractors during the audit, it is known that the business ethics policy has been socialized and understood by the contractors.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

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

Compliance with Legal Regulation

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

- Ajamu Estate: Plantation Permit based on Decree of Labuhanbatu Regent No. 180/318/Huk/2012 about Granting of IUP for PTPN IV Ajamu issued on 11 December 2012. This permit covering area 5,737.09 Ha and mill capacity 30-ton FFB/hour.
- Meranti Paham Estate: Plantation Permit based on Decree of Labuhanbatu Regent No. 180/317/Huk/2012 about Granting of IUP

for PTPN IV Meranti Paham issued on 11 December 2012. This permit covering area 3,721.40 Ha.

Compliance with Social and Environment Regulation:

- Environmental Permit through the Revised Environmental Management Plan (*RKL*) and Environmental Monitoring (*RPL*) Documents for the Ajamu Plantation and Ajamu POM PT Perkebunan Nusantara IV (PERSERO) in PTP IV Ajamu Village, Panai Hulu District, Labuhanbatu Regency, Sumatera Utara Province which was approved by Bapedalda Labuhanbatu Regency No. 660/29/SET-KOMISI/IX/2008 dated 26 September 2008. With an area of 4,465.9 Ha and an mill capacity of 30 tonnes of FFB/hour.
- Environmental permits in the form of *UKL-UPL* Documents and the 2006 *Pabrik Kompos Kebun Ajamu* based on Decree of the Head of Bapedalda of Labuhanbatu Regency No. 660/361/BPDL-LB/Set/2006 dated 19 July 2006. The scope of the study covers an area of 4,993.4 ha located in Selat Beting Village, Panai Tengah District, Labuhanbatu Regency.
- SEL (*Studi Evaluasi Lingkungan*) and *RKL-RPL* documents have been approved by the *AMDAL* commission of the Ministry of Agriculture No. RC.220/667/B/IV/1994 for SEL and *RKL-RPL* studies approved by the Minister of Agriculture No. 010/RKL-RPL/134/P/1996. This information is obtained from the Revised *RKL-RPL* document.
- PTPN IV Ajamu Estate's hazardous waste storage permit issued by the Head of the *DPMPPTSP* in Labuhanbatu Regency No.503.660.30/135/DPMPPTSP-BP2MNP/2021 dated 17 February 2021 concerning Extension of hazardous waste storage permit to PTPN IV Ajamu Estate in Perkebunan Ajamu Village, Panai Hulu District, Labuhanbatu Regency.
- Permit for temporary storage of hazardous waste in accordance with PTPN IV Meranti Paham Estate issued by the Head of the *DPMPPTSP* in Labuhanbatu Regency No.503.660.3/240/DPMPPTSP-BP2MNP/2019 dated 23 April 2019.
- Permit for Disposing of POME to Water Bodies based on the decision of *Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu* of Labuhanbatu Regency Number 503.660.31/492/DPMPPTSP/2020 dated 17 December 2020 which located in Perkebunan Ajamu Village, Panai Hulu District, Labuhanbatu Regency
- Permit for water utilization based on Decree of the Governor of Sumatera Utara No. 610/1402 dated 24 September 2020 is valid for 3 years.

Compliance with Best Management Practices Regulation:

Based on field observations at Ajamu Mill, Ajamu Estate, and Meranti Paham Estate, as well as interviews with workers, it is known that plantation and mill management has implemented some compliance with Indonesian laws and regulations. These revealed that The CH has carried out replanting without burning, has conducted monitoring of groundwater levels and peat subsidence, as well as water management, and planted using certified seeds. Based on interview with worker revealed that The CH had used herbicides registered with the Director General of Fertilizers and Pesticides.

The CH has a factory machinery permit and periodic inspections carried out by the competent authority, such as license deed no. 02/J.0200.C for boiler No.1. The last inspection was carried out on August 15, 2020 and a re-examination will be carry out on August 15, 2024. Based on field observations and document studies, it is known that the company already has an operator with an OHS license. The OHS head crane operator, Turbine Operator in the Engine Room, Boiler Operator, and OHS Electrical Technician's license has been shown.

Compliance with Manpower Regulation:

The certification unit, in general, has complied with manpower regulations, including:

- Mandatory Reporting Manpower of the Ajamu Estate and Mill with number 21471.20220818.0001
- The implementation of the minimum wage in 2022 is in accordance with the Minimum Wage Decree of the Labuhanbatu Regency established by the Governor of Sumatera Utara in November 31, 2021.
- Payment of overtime wages to workers in accordance with Government Regulation No.35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.
- Reporting activities of the Bipartite Cooperation Institute to Manpower Agency Labuhanbatu Regency
- Reporting the use of *PKWT* labor to Manpower Agency Labuhanbatu Regency

2.1.2

Procedure of legal requirement which presented in document No. MEP/SE/Intern/D5/V/2020, dated 6 September 2022 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation every 6 months. The procedure mentioned that to monitor and update of laws and/or regulations, the sustainability officer required to actively check and

make coordination with Government Agencies or Institutions. From the auditor verification, the law registers in 2022 has been updated, for example Government Regulations No.36 year 2021 related to Wages.

Internal audit of regulations compliance is conducted annually as example on 3-6 October 2022 in certification unit. Regarding the evidence of evaluation of legal compliance from contractors collaborating with the company, is explained in more detail in indicator 2.2.2

2.1.3

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

The company shows the HGU stake monitoring document which is carried out every 6 months. The last HGU stake monitoring was carried out for example in July 2022 at Ajamu Estate and Meranti Paham Estate. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report, it is known that all HGU stakes are available.

Based on field observations to several samples of HGU stakes determined by the auditors, namely Ajamu Estate (Stakes No. 32, 33, 34, 66, 30A, 18 and 19) and Meranti Paham Estate (Stakes No. 18, 19, 24 and 25), it is concluded that all HGU stakes are in place according to their coordinates and are in good condition. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU.

Status: Comply

2.2

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

2.2.1

In monitoring the existence of contractors for plantation and mill activities, company had well-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. During the audit, company has contractors list which is updated October 2022 there are as many as 18 contractors consisting of scope of work in work service, heavy equipment rental grader, compactor heavy equipment rental, backhoe loader rental, harvesting, and replanting.

2.2.2

The company shows a list of contracted third parties listed on the contractor list for the period October 2022, such as 1 CPO transporter, 1 PK transporter, 1 Whell Loader Rental, 3 Procurement of Goods/Services, 1 Security Services, 2 Nursery Maintenance Services, 4 Plant Maintenance Services and 4 FFB transporters and it can be shown that the cooperation contract has its own clause regarding fulfilment of relevant legal obligations, for example in SPK No: 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 dated 11 March 2022 with PT Bravo Anak Kolong for FFB transport work.

Then, from the results of interviews with the contractors of CV Mentari Bersinar, it was conveyed that their workers did not yet have a work agreement with the contractor.

Based on the results of the document review, companies can show proof of registration for BPJS Employment membership from CV Munawaroh Kurnia Jaya, PT Sowsof Dahra Jaya, CV Mentari Bersinar, PT Dafa Indrayus Perkasa. However, proof of BPJS Health registration has not been shown yet. Meanwhile, the remaining third parties who have cooperative ties with the company have not been able to prove compliance with the relevant legal compliance clause. This has become the Non-Conformity No. 2022.02

2.2.3

Managing the contractor, company has a copy of the collaboration agreement in PT Perkebunan Nasional IV. Company has shown 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 and others. For example, for agreement between two parties, such as:

- Work Agreement between PT Perkebunan Nasional IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 dated March 11, 2022 which is valid until March 11, 2025. Scope of this agreement is FFB and Loose fruits transportation services in Ajamu Estate.

Beside example in above, unit certification also showed document such as:

- Salary slips for employees of PT Sowsof Dahra Jaya for the period September 2022. From the document, it is known that the contractor has paid employee wages in accordance with applicable regulations.
- Work Agreement between PT Dafa Indrayus Perkasa and their workers such as certain time work agreement No. 02/PT.DIP/II/2022 dated February 20, 2022 which is valid until February 20, 2025.
- Proof of payment for CV Mentari Bersinar BPJS *Ketenagakerjaan* October 2022 periode dated October 7, 2022 and payment BPJS *Kesehatan* May 2022 periode dated May 10, 2022.
- Salary slips for employees of PT Dafa Indrayus Perkasa for the period September 2022. From the document, it is known that the contractor has paid employee wages in accordance with applicable regulations.

In each work agreement between the certification unit and the contractor, there are separate clauses regarding the compliance of legal obligations in Indonesia as one of the obligations that must be complied by the contractor. To ensure compliance with this clause, the unit of certification always asks for requirements for completeness before the contractor does/starts work

Based on the interviews with representatives of contractors, it is known that so far, the company has always educated and provided direction related to sustainable palm oil management policies, including the prohibition of employing minors, child protection, and commitment to comply with applicable laws in Indonesia. Commitment not to hiring employees of human trafficking and forced labor listed in contractor's work agreement signed by each contractor.

2.2.2	Status: Non-Conformity No. 2022.02
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2.3

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

2.3.1; 2.3.2

Based on interview with management and workers in mill, it is known that supply of FFB from outside is only in February-May 2022. At the time of the surveillance audit 3, the Ajamu POM only received supplies of FFB from own estate (Ajamu Estate and Meranti Paham Estate) and other estate under PTPN IV (Panai Jaya Estate). Company already provide the information of coordinates of Panai Jaya Estate and copy of HGU and plantation permit.

Status: Comply

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

3.1

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

3.1.1

The Long-Term Plan contained in the 5 Year Long Term Work Plan document for PT Perkebunan Nusantara IV Ajamu Business Unit for the 2020 – 2024 period which is approved by the Manager. The document contains plantation business information including production projections, plantation, and factory operational plans, FFB source plans, cost projections and others.

3.1.2

The certification unit shows a program of replanting per year projected for at least the next five years, as stated in the Meranti Paham Estate Long Term Plan document for 2020-2024, which explains the plan for replanting activities per planting year and the area of replanting. For example, for 2022, replanting will be carried out on plants with a planting year of 1999 covering an area of 303 ha. In line with the replanting program, the CH shown a work agreement with number 04.03/S.Perj./2023/VII/2021, dated 15 July 2021 in Block 21C.D.F covering an area of 66 ha. Several land preparations work such as felling trees, chipping, unloading trees, etc. Based on field observations in block 97 D Afdeling 6 Meranti Paham Estate, found no burning residue, and the planting was in accordance with procedures.

3.1.3

The CH has conducted periodic evaluations regarding the company's operations. Periodic evaluation records are shown in the Management Review Meeting document which was held on 25 – 26 February 2022. The records inform the results of external audits, internal audit results, customer feedback, performance achievements, replanting, etc. Regarding contractor performance, the company has not been able to show evidence of evaluation, so that it becomes a non-conformity in indicator 2.2.2 in NCR 2022.02.

In the financial evaluation, a public accountant audit has been carried out. Report on the results of the financial audit for the financial year 31 December 2021 Number 00401/2.1032/AU.1/1609-3/1/III/2022 dated 31 March 2022 conducted by a Public Accounting Firm with a fair opinion, in accordance with financial accounting standards in Indonesia.

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 management unit has developed and implemented an action plan for continuous improvement, and it is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification, such as:

- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable fuels and the use of fertilizers and pesticides are in accordance with the recommendations to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP Management, testing the quality of the effluent and reporting it to the relevant agencies.
- Air quality management and monitoring through road maintenance, air quality testing and reporting to relevant agencies.
- Management and monitoring of groundwater through testing ground water quality and reporting it to the relevant agencies.
- The company also makes applications for approval of correspondence in speeding up the follow-up of letters received.

3.2.2

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

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The CH has SOPs and work instructions for all plantation activities. Standard Operating Procedures (SPO) for Palm Oil Plants/Factory, Tea Plant/Factory, PPIS and Organic Compost Factory, 2008. There are approximately 11 chapters related to BMP, including land development, design and mapping, land clearing, land preparation and preservation, road and bridge construction, new planting, nurseries, immature management, mature management, harvesting, and road and bridge maintenance.

The CH has procedures related to palm oil processing contained in the factory SOP documents. Which includes among others receiving FFB, receiving outside FFB, weighing operations, sorting stations, loading ramp stations, kernel stations, purifier machines, steam turbines, boilers, clarification stations, decanter machines, water treatment plants, boiler ash cleaning, continuous sterilizer system and logistics (CPO and PK dispatch). The results of field observations in Block 97 D Afdeling 6 Meranti Paham Estate, it is known that the replanting is in accordance with the procedure. Replanting is done by cut the stems and chipping. Burning is not carried out in the replanting process. Based on observations at the factory, it is known that workers have carried out work according to procedures, such as using earmuff in the engine room station.

3.3.2, 3.3.3

The CH already has a system that ensures the consistency of SOP implementation in procedure of annual internal audit is presented in document SPO – 21, which became effective on 02 January 2018 regarding the implementation of internal audits of RSPO and ISPO. The CH has conducted regular internal audits. The last internal audit was shown by recording the results of an audit carried out on 03-06 October 2022 with the results of 2 closed discrepancies. In addition, The CH also shows the results of the audit of the Internal Oversight Unit, which was carried out on 18 - 24 July 2022 at the Meranti Paham Estate, with the scope including the plantation sector such as manuring and harvesting, engineering sector, and performance audits, including inspection of the performance of replanting contractors at MEP.

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 has several documents related to social and environmental impact assessments which are carried out independently and in a participatory manner, involving affected stakeholders. The document covers the pre-construction activities, the operation stage, and the post-operation stage. Some of the documents held by the certification unit include:

Environment Impact Assessment

Ajamu

Environmental Permit through the Revised Environmental Management Plan (RKL) and Environmental Monitoring (RPL) Documents for the Ajamu Estate and Ajamu POM PT Perkebunan Nusantara IV (PERSERO) in PTP IV Ajamu Village, Panai Hulu District, Labuhanbatu Regency, Sumatera Utara Province which was approved by Bapedalda Labuhanbatu Regency No. 660/29/SET-KOMISI/IX/2008 dated 26 September 2008. With an area of 4,465.9 Ha and a mill capacity of 30 tonnes of FFB/hour. The RKL-RPL matrix, included;

- Decreased Ambient Air Quality/ Dust, Odor and Emissions and Increased Noise
- Decreased River Water Quality
- Wastewater Management
- Hazardous Storage
- Decreasing the abundance, diversity and uniformity of aquatic biota
- Increasing the regional economy
- Increasing employment opportunities and business opportunities
- Improvement of public and social facilities
- Community Perception
- Prevalence of disease / public health

Meranti Paham

- Environmental permits in the form of UKL-UPL Documents and the 2006 *Pabrik Kompos* Ajamu Estate II based on Decree of the Head of Bapedalda of Labuhanbatu Regency No. 660/361/BPDL-LB/Set/2006 dated 19 July 2006. The scope of the study covers an area of 4,993.4 ha located in Selat Beting Village, Panai Tengah District, Labuhanbatu Regency. The RKL-RPL matrix, included;
 - Deterioration of air quality (ambien air quality)
 - Improved noise
 - Decreased quality of Barumun River
 - Improved soil fertility
 - Decreasing the abundance, diversity and uniformity of aquatic biota
 - Increasing employment opportunities and business opportunities
 - Community perception
- The *SEL* and *RKL-RPL* documents have been approved by the AMDAL commission of the Ministry of Agriculture No. RC.220/667/B/IV/1994 for SEL and RKL-RPL studies approved by the Minister of Agriculture No. 010/RKL-RPL/134/P/1996. This information is obtained from the Revised RKL-RPL document.

Social Impact Assessment

Study Report on Identification of Social Impacts has conducted within 3 months starting in November 2017. The assessment was carried out by the consultant Surveyor Indonesia for Ajamu Unit and Meranti Paham Unit carried out within 3 months starting in January 2018. The assessment was carried out by the consultant Kompasia.

The social impact assessment carried out has involved affected parties. The impact assessment evidence has involved affected parties including:

- Meranti Paham: examples of consultation attendance on January 30, 2018 along with photo of implementation with representatives of Sei Tampang Village, Perkebunan Ajamu Village, Meranti Paham Village, and Selat Beting Village.
- Ajamu: photograph of the implementation of the Social Impact Assessment with representatives of Ajamu Village, Meranti Paham Village, Sei Sentosa Village, Cinta Makmur Village, Perkebunan Ajamu Village.

The aspects studied in the Social Impact Assessment, include:

- Socio-economic aspects (regional economy and regional development, economic infrastructure and accessibility, community income, and opportunities to become company partners)
- Social aspects (education accessibility, health accessibility)
- Socio-cultural aspects (social institutions, community customs)
- Patterns of Company Communication with the Community
- Social responsibility
- Community perceptions of plantation impacts

3.4.2

Environment Impact Assessment

Based on the results of document verification, it can be concluded that all management and monitoring parameters requested in environmental documents have been implemented. Based on the results of the evaluation, it is known that all parameters are still appropriate by the related Quality Standards, and there is no indication of contamination.

The implementation of environmental management has been carried out in accordance with all RKL-RPL documents and Environmental Permits owned by unit of certification (Ajamu and Meranti Paham). The certification unit makes RKL-RPL reports based on attachment of Environmental Permit where the matrix is a compilation of all previously owned. The environmental management and monitoring matrix describes the impact of plantation activities and mill operations, also explains the evaluation of the trend level, critical level evaluation and evaluation of compliance with the results of management and monitoring that have been carried out. The environmental management report is carried out every 6 months and submitted to the relevant agency, for example can be proof with;

- RKL-RPL Document of Ajamu Unit which was reported to Environmental Agency of Labuhanbatu Regency on 18 July 2022
- RKL-RPL Document of Meranti Paham Unit which was reported to Environmental Agency of Labuhanbatu Regency on 126 August 2022

Social Impact Assessment

The certification unit monitors social impact management, carried out in 2022, for the Meranti Paham Estate done in 01 October 2022, while for the Ajamu Estate done in 10 January 2022. The document states the source of impact, management objectives, management plan, and location and time implementation. There are several aspects that are managed, including;

- Ajamu:
 - Public and social facilities
 - Business Opportunity for surrounding Community
 - Job Opportunity
- Meranti Paham
 - Public facilities and social facilities
 - Employment Opportunity
 - Conflict with breeders
 - Groceries Bazar

Documented record is outlined the plan on mitigation, implementation and monitoring according to the SEIA report in 2017. However, there is no evidence yet that the social management and monitoring plan since 2021 was carried out in a participatory manner. This has been nonconformity in indicator 3.4.3.

3.4.3

Environment Impact Assessment

Unit of certification has documents, the implementation of the results of the environmental permit including reports to agencies in the form of *RKL-RPL* documents which are conducted every semester and reported to related agency (explain in indicator 3.4.2). The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis, which can also be seen from the suitability between the management and monitoring plans and their implementation in the field. The *RKL-RPL* document also shows that the company has managed all the critical impacts recommended in Environmental permits. Include impact analysis by trend evaluation, critical level evaluation and compliance evaluation.

From field observation found that environmental management in accordance with the *RKL-RPL* by installing signboard for conservation areas, marking in the form of stakes, and red paint marks for spray-boundary areas and other chemical applications. Based on the results of interviews with sprayer and fertilizer workers, they also stated that they were aware of the prohibition on applying chemicals to the buffer zone marked in red. In addition, they do not apply chemicals when they are close to water bodies such as canals, reservoirs or artificial ponds.

Social Impact Assessment (SIA)

The certification unit has carried out Monitoring and Management of Social Impacts in 2022 by managing 3 (three) impact parameters, including: public facilities and social facilities, job opportunities, and business opportunities. For the Ajamu Unit, this was carried out on January 10, 2022, while for the Meranti Paham unit, it was carried out on August 18, 2022. Social Impact monitoring and management plan done periodically every year. However, there is no evidence yet that the social management and monitoring plan was carried out in a participatory manner since July 2021. Based on the evidence, this has become the Non-Conformity No. 2022.03

3.4.3	Status: Non-Conformity No. 2022.03
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3.5

A system for managing human resources is in place.

3.5.1 and 3.5.2

The human resource system demonstrated by the unit of certification, such as:

Recruitment procedure

The company has a procedure for accepting workers which is contained in several documents, namely:

- Regulation of the directors of PT Perkebunan Nusantara III Number HES/PER/05/2019 concerning Guidelines for Recruitment of Employees at PT Perkebunan Nusantara III and its Subsidiaries dated March 22, 2019.
- CLA Documents for the period 2022 – 2023 Chapter II Work Relationship section 12 Acceptances.

In the procedure, it is explained that the minimum age for workers is 18 years, recruitment information is carried out openly, recruitment is free of charge, and there is no retention of workers' personal documents.

The company also shows sample documents for the latest employee recruitment, starting from a job application letter to a work agreement, for example as follows:

- Workers with the initials S.S who have sent their application letter on July 5, 2022 and have been accepted as workers through the acceptance stages determined by the procedure, for example: ability test, medical test, etc. The worker has received an SPK with Number MEP/S.Perj/15/VIII/2022 which was signed on August 1, 2022.

Payroll and incentive systems

The salary system is regulated in the Collective Labor Agreement document for the period 2022 - 2023 Chapter V Class, Remuneration, Allowances and Compensation section 33 basic salary and rice supply. In the document it is explained about the worker's remuneration procedure which includes components of wages, minimum wages for workers, calculation of overtime, incentives/premiums and other provisions related to wages.

The wage reference used by the certification unit is Decree of the Governor of Sumatera Utara Number 188.44/746/KPTS/2021 concerning the Sumatera Utara Minimum Wage in 2022. In the document, it is explained that the minimum wages Labuhanbatu Regency in 2022 is IDR 2,904,569.75. Furthermore, there is the determination of wages by the unit of certification in accordance with Decree of the Board of Directors of PT Perkebunan Nusantara IV number 04.07/Kpts/15/III/2022 regarding Basic Salary and Special Allowances for Group IA Employees until IVD 2022 issued on March 31, 2022. In the document explained that the wages of group IA in 2022 were IDR 2,018,088 which is valid from January 1, 2022.

Career path and achievement assessment, Termination of employment and retirement system

The career path system and work performance assessment are regulated in the following documents CLA Documents for the period 2022 – 2023 Chapter II Article 10 Partnership, Article 11 Authority, Article 12 Admission, Article 13 Appointment, Article 14 Groups and Ranks, Article 15 Increase in Group, Article 16 Promotion, Article 17 Demotion and Article 18 Transfer.

The document describes the procedures for evaluating the performance and career paths of workers (promotions, demotions, and transfers). The company shows examples of employee performance appraisals and promotions, for example:

- E.S.B (initial) work performance appraisal document for the 2021 assessment period that informs the assessment criteria, assessment results and follow-up on the results of the assessment.
- Promotional document E.S.B (initial) in the form of General Manager Decree Number GMD-IV/KPTS/AJA/III/2021 concerning the Appointment of First Foreman dated January 31, 2021. The employee is promoted from the clerk becomes the First Foreman.

Based on the interviews with Manpower Agency of Labuhanbatu Regency, company had been applied the existing labor procedures in accordance with the regulations. Based on interview and work agreement that unit of certification using latest regulation according worker recruitment procedure using government regulation No. 35 of 2021.

Status: Comply

3.6

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

3.6.1

The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS Management System.

The company has HIRAC Documents for plantations which were approved on September 2022 and HIRAC Documents for factories which were approved on 20 August 2022 which were prepared by the Risk Management Team and approved by the Estate/Factory Manager. In the HIRAC document, the company has not identified the hazards and risks of several activities (but not limited to) as follows:

Estate

1. Transport FFB to collecting point using modified bicycles and motorcycles
2. Transportation of FFB using a locomotive
3. House rinse
4. Replanting
5. Nurseries
6. Monitoring and inspection of pole subsidence
7. Monitoring and inspection of monitoring wells
8. The well in the housing
9. HCV monitoring
10. Monitoring Tower fire
11. Owl monitoring

Factory

1. Receipt of FFB at postal security
2. Activities in the Sorting area

3. Hoisting crane operations
4. Wheel loader operations – unsaved action when riding on a wheel loader
5. WWTP installation management
6. Operation of empty steamer
7. Water pump in housing

Based on the explanation above, it is concluded that the company has not been able to show evidence that all operational activities in the field have been assessed for risk to identify OHS problems in accordance with the Plantation Management System Policy they have. This has become the Non-Conformity No. 2022.04

Related to companies are encouraged to complete the bund wall construction to mitigate the risk value in identifying OHS and environmental problems which have become OFI in the previous audit, have been verified. The results of field observations in the MEP warehouse area, it is known that the condition of the fuel tank has a bund wall/secondary containment for 110% capacity, OHS sign, and warnings against smoking.

3.6.2

- Government Regulation number 50 of 2012 concerning the Implementation of OHS System Management in article 10, among other things, explains that companies in implementing OSH plans are supported by competent and certified human resources and have Operator License OHS/appointment from the authorities.
- The Company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing K3 in all aspects of work in order to prevent and reduce accidents and *PAK* (disease caused by the impact of work) by implementing OHS System Management.
- The company has an OHS Policy that was established on January 7, 2021 by the Plantation Manager and SP Bun (Worker Union). In general, explaining that the Company will comply with all forms of laws and government regulations regarding OSH.

1. Boiler Operator

- Based on field observations and document review, it is known that the company operates 1 boiler with an installed capacity of 20 tons/hour. It is also known from the results of field observations from the digital record that the pressure generated is ± 17 tons/hour.
- The company shows a Class II Boiler License Operator with the initials Shd, but the results of a review of employee data for the period 12 October 2022 show that Shd's position is Kernel Operator Helper. Based on field observations and document review it is also known that the workers in the Boiler area are JS, Rmt, MA, Mkl, and Skd who have not shown their OHS License Boiler Operator.
- Labor Minister Regulation No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity of >10 ton/h <20 T/h requires 1 class I operator for each shift.

2. Electricity OHS Expert

- Based on field observations and document review, it is known that the company has 1 turbine with a power of 800 KVA and a generator with a power of 565 KVA.
- Labor Minister Regulation No. 12 of 2015 in Article 7 it is explained that for companies that have power plants of more than 200 kVA are required to have OHS Experts in the field of Electricity.
- The results of the review of the Ajamu Mill Operators License Competency Recap document, there was no AK3 for Electricity.

3. OHS Fire Expert

- Based on interviews with management representatives informed that the company already has a Class D role officer, but has not been able to show evidence of OHS certificates and licenses owned.
- Based on review of the Ajamu Mill Operators License Competency Recap document found that there were no OHS fire Expert or Class D Fire Officers.
- Letter of the Minister of Manpower number 13 of 2015 concerning Improvement of Guidance and Supervision of Occupational Safety and Health in the field of fire prevention in the workplace regulates the establishment of fire prevention units which include role officers, response teams, coordinators, and OHS fire Expert prevention.

4. Periodic Health Examination (MCU) for Workers

- Based on document review and interviews with workers, it is known that health checks are only carried out for workers with high risk, and have not been carried out for all workers. For example, the 2021 Ajamu Mill worker health check was carried out for 46 workers. While 2022 cannot be shown by the company.
- Based on review Ajamu Mill employee data for the period of 12 October 2022 found that there were 136 employees, which means that not all workers have had periodic health checks.
- Regulation of the Minister of Manpower number 2 of 1980 concerning health checks for workers in the implementation of work safety regulates, among other things, periodic health checks and special checks for workers.

Based on the observed evidence, it is known that the company has not complied with its Plantation Management System Policy and OHS Policy as well as specific OHS-related regulations, not limited to:

1. The company has not been able to show OHS licenses as follows:
 - Boiler Operator in accordance with Manpower Agency Regulation No. 01 of 1988.
 - Electricity OHS Expert in accordance with Manpower Agency Regulation No. 12 of 2015.
 - Role officers, response teams, coordinators, and OHS Expert fire prevention in accordance with the Circular of the Minister of Manpower number 13 of 2015
2. Health checks for workers according to the Minister of Manpower Regulation No. 2 in 1980.
This has become the Non-Conformity No. 2022.05

3.6.1	Status: Non-Conformity No. 2022.04	
3.6.2	Status: Non-Conformity No. 2022.05	

3.7

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

3.7.1 & 3.7.2

The company has shown results of training identification and program for 2021-2022 in order to improve the competence and expertise of all workers including contractors. The company had identified the needs of competence standard and the proposed training for each worker (including contract workers). The certification unit has identified and carried out training for the 2021-2022 period including the following:

- Emergency response simulations: OHS for First Aid Officer, Basic Level Forest and Land Fire Control, Fire Extinguisher for emergency squad and Evacuation for emergencies squad.
- Training: Manuring, Upkeep Immature and Mature Plant, Harvesting Immature and Mature Plant, Integrated Pest Management, Spraying, Hazardous and Toxic Waste Management
- Socialization: Communication SOP, HCV, RSPO and ISPO awareness

The company also showed that they had properly documented every training 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 OHS for First Aid Officer on August 2 – 4, 2022.
- Socialization of High Conservation Value to workers on February 5, 2022.
- Training of Hazardous and Toxic Waste Management on June 27, 2022.
- Training of Harvesting Immature and Mature Plant on June 4, 2022.
- Training on proper spraying techniques for spray workers on April 29, 2022.
- Simulation of Basic Level Forest and Land Fire Control on March 29 – 31, 2022.
- Socialization of Communication SOP to contractor and surrounding community on January 27, 2022.

Based on field observations and interviews with workers (harvesters, warehouse officers, and mill operators) and contractor workers, it is known that the company provides some training programs due to upgrade the worker's expertise and competence. All workers also showed their understanding of duties and responsibilities for each job quite well. The company maintains employee training records annually for each type of job.

3.7.3

The unit of certification showed socialization about the supply chain to employees which was last conduct on 5 October 2022. The minutes explained the procedures for managing certified and non-certified products including the responsibilities for each of the personnel who handle products.

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

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 and 3.8.2

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

3.8.3

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

Products	Last Year Projected Certified Volume (MT)	Actual (October 2021 - September 2022)
FFB Certified (MT)	156,120	137,847.28
CSPO (MT)	35,900	30,054.24
CSPK (MT)	6,300	5,261.89

3.8.4

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

- Member Name: Kebun Ajamu PT Perkebunan Nusantara IV
- License ID: CB131925
- Core Product: Palm Oil
- Member ID: RSPO_PO1000004202
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

3.8.5

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

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

3.8.6

The Procedure to conduct supply chain internal audit set in SOP of RSPO Internal Audit (No. 21 dated 2 January 2018). In the SOP mentioned that internal audit will be conducted annually. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 3-6 October 2022. Based on result of internal audit, there is no non conformity SSCS indicators and complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 8 October 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, process performance and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7

The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 12 months before audit which is October 2021 – September 2022:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Oct 2021	12,308.91	4,891.62	17,200.53
Nov 2021	13,024.06	4,777.68	17,801.74
Dec 2021	12,494.36	4,277.98	16,772.34
Jan 2022	6,090.94	2,939.17	9,030.11
Feb 2022	9,915.66	4,472.64	14,388.30
Mar 2022	12,421.75	5,209.91	17,631.66
Apr 2022	12,280.86	5,713.27	17,994.13
May 2022	12,166.83	5,497.25	17,664.08
June 2022	11,679.49	6,762.18	18,441.67
July 2022	12,018.75	5,887.16	17,905.91
Aug 2022	12,244.38	6,330.17	18,574.55
Sept 2022	11,201.29	6,256.76	17,458.05
Total	137,847.28	63,015.79	200,863.07

Estimated certified product recorded in the last assessment report (ASA-1+ASA-2). Actual certified produced has been verified during this assessment and not exceed the estimate. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Actual (October 2021 - September 2022)
FFB Certified (MT)	156,120	137,847.28
CSPO (MT)	35,900	30,054.24
CSPK (MT)	6,300	5,261.89

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

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

3.8.8

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

- The name and address of the buyer (PT Industri Nabati Lestari - Simalungun);
- The name and address of the seller (PT Perkebunan Nusantara IV – Ajamu POM in Labuhanbatu District)
- The loading or shipment / delivery date (26 September 2022);
- A description of the product supply chain model (Mass Balance)
- The date on which the documents were issued (26 September 2022);
- The quantity of the products delivered (27.11 ton);
- Any related transport documentation (transport by PT Wahana Adidaya Pertiwi);
- A unique identification number (N00DDF1712209260000005);
- RSPO certificate number (Mutu-RSPO/134);

- etc.

3.8.9

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

1. Agreement with CPO Transporter of PT Wahana Adidaya Pertiwi No. 04.05/S.Perj/Pem/02/II/2022 dated 28 January 2022, valid thru 31 December 2022.
2. Agreement with CPO Transporter of PT Kereta Api Indonesia No. 04.05/S.Perj/Pem/04/III/2022 dated 1 March 2022, valid thru 31 December 2022.
3. Agreement with PK Transporter of CV Karya Mandiri No. 04.05-Peng/S.Perj/02/II/2022 dated 28 January 2022, valid thru 31 December 2022.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the willingness to observed by Certification Body and the company internal audit in order to verify the compliance.

3.8.10 and 3.8.11

The Mill has the record of details of the contractor, covers the contractor company profile, address, contact person, email and phone number, contract agreement and period. There is no new contractors since previous assessment. The list of contractors of CPO and PK transporter are:

1. PT Wahana Adidaya Pertiwi (CPO transporter)
2. PT Kereta Api Indonesia (CPO transporter)
3. CV Karya Mandiri (PK transporter)

3.8.12

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

For instance record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 12-months before audit (October 2021 – September 2022):

CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
Oct 2021 - Sept 2022	30,054.24	11,586.12	41,640.36

Month	CSPO Dispatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
Oct 2021 - Sept 2022	14,983.74	-	15,014.43	29,998.17

CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
Oct 2021 - Sept 2022	5,261.89	2,348.02	7,609.91

Month	CSPK Dispatch (ton)	Total

	RSPO	Other Scheme	Non-Certified	
Oct 2021 - Sept 2022	3,212.36	0.00	1,524.53	4,736.89

3.8.13 and 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 12-month period for October 2021 until September 2022 i.e OER 20.75% and KER 3.79%. Periodically update of extraction is actual extraction.

3.8.15

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

3.8.16

RSPO IT Platform member registration number for Ajamu POM is RSPO_PO1000004202. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example:

- Certified CPO sold to PT Industri Nabati Lestari dated 9 June 2022 for 500 MT and transaction creates in IT Palm Trace dated 23 August 2022.
- Certified PK sold to PT Perkebunan Nusantara IV Pabrik Pengolahan Inti Sawit Pabatu dated 4 July 2022 for 258.04 MT and transaction creates in IT Palm Trace dated 18 August 2022.

Removing Stock

For the CSPO and CSPK that sold as other scheme or as conventional, the company has been removed the stock from the palm trace, as example remove stock of CSPO dated 23 August 2022 for 5,000 MT (transaction ID: ST-TR-c6fe975d-1be3) and remove stock of CSPK dated 13 October 2022 for 237.58 MT (transaction ID: ST-TR-7987129a-1ebb).

3.8.17

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

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

The company shows the Plantation Management System Policy document which has been in effect since January 2022 which was approved by the Director. The document states that the company is committed to human rights and respecting the rights of Human Rights Defenders in carrying out operational activities. This policy was socialized to workers on July 29, 2022 which was attended by 13 workers, and to stakeholders (contractor workers and the surrounding community) on June 23, 2022 which was attended by 12 workers.

Based on the results of interviews with workers, it is known that there are no indications of forced/slavery labor or violated of human rights in the company's operational activities. This is evidenced by the work targets that can be achieved by workers every day. The workers' union, Sei Sentosa Village representative and the Labuhanbatu District Manpower Office conveyed the same thing, that there was no indication of forced labor or slavery as respecting the human rights in the company's operational activities.

From the explanation above, it can be concluded that the company already has a written policy regarding the prohibition of all forms of forced labor or slavery in carrying out operational activities and has implemented the policy properly.

4.1.2

The company does not have a record related to the use of force/mercenaries/paramilitary in resolving existing conflicts/problems between the certification unit and relevant stakeholders (surrounding communities, workers or others).

Based on the results of interviews with representatives of trade unions and representatives of the gender committee and field observation, it is known that the company does not use paramilitaries or mercenaries in the company's operational areas. If there are problems, they will be resolved by means of deliberation without resorting to violence. The resolution of conflicts/problems using this deliberation has been quite effective.

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

The unit of certification has a system to handling complaints and grievances in document of procedure for handling customer and environmental complaints No. SPO 13. This document explains about the mechanism to anticipate community turmoil. Company also has procedure for communication and consultation with community document no. SPO 03. This document explains the mechanism to received complaint or consultation from local community and set the time to respond the consultation. Other than that, company also has whistleblowing system that implemented in all activity of company. If the resolution is not found mutually, the complaint handling will be taken to third party, which means it can be brought to RSPO Complaint System. This statement is contained in SPO 19 Procedure for internal communication and handling internal complaint and has been socialized to the internal and external stakeholders. For example, company has shown minutes of Socialization of SOP Communication and Consultation to Internal Parties (Employees) and Stakeholders on Februari 21, 2022. Besides, company has also conducted Socialization of the Communication, Consultation and Complaints Handling Procedure System Customers Can't Read and Write on April 13, 2022.

Based on the interviews with the surrounding communities (Sei Sentosa Village), contractors, and workers, it revealed that they 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. In addition, during the past year, there were no complaints or disputes that occurred between the company and the surrounding communities.

4.2.2

The company already has a Communication and Consultation procedure with the Community document number SPO 03 Revision 4 dated August 27, 2018. This procedure explains the procedures for communicating and submitting complaints from external stakeholders. However, there is a mechanism to ensure that the system is understood by affected parties, including those who cannot read and write. The description of the procedure states that "This complaint also includes a mechanism for submitting complaints for the illiterate (cannot read and write) and the visually impaired, so that the writing of the report can be represented by the Labor Union and the HR/General Assistant

4.2.3

Based on documentation of internal and external stakeholders, there is no complain for 2021. Based on interview with local community, representative of worker union and gender committee, it is known that there is no complaint yet. External stakeholder just submit request for assistance from surrounding villages.

There is an issue in RSPO complaint system. Auditor has verified the status of workers in Ajamu POM and its supply base. The status of worker consists of permanent worker, temporary worker, and contractor worker. The temporary worker (*PKWT*) work as harvester for the peak crop season. This situation also informed to Manpower Agency of Labuhanbatu Regency. Based on interview with worker, representative of worker union and gender committee, there is no complaint from workers regarding contract issue, wages, or overwork.

4.2.4

Company has mechanism to handling complaint in document of procedure for internal communication and handling internal complaint document no. SPO 19 effectives from 6 November 2018. This procedure explains that if the complaint cannot be solved between company and complainant, the complaint handling will be taken to third party.

Based on documentation of internal and external stakeholders, there is no complain for 2021 and 2022. Based on interview with the local community, there is no complaint yet. There are request for assistance only from surrounding villages. For example the application for the construction of the Darul Muttaqin Mosque in Cinta Makmur Village was dated December 6, 2021 and was assisted on January 7, 2022.

Status: Comply

4.3

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

4.3.1

The unit of certification has contributed to community development through proposals submitted by the community and its CSR programs. For example, there are documentations of the construction of the Dusun 1 Selat Beting canal and road repair of the Meranti Paham village, and many more.

However, the certification unit has not been able to show evidence that the CSR program was prepared based on the results of consultations with local communities. This has become the Non-Conformity No. 2022.06

4.3.1 Status: Non-Conformity No. 2022.06

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

Based on document “*Selayang Pandang Kebun Ajamu dan Meranti Paham*”, it is known that plantation area was originally a Japanese-owned plantation company “Namura” since 1935. Then nationalized by Indonesia Government on 1961. Company showed the land rights and other permit, such as:

Land Use Title

Ajamu Estate: Decree of Head of Land National Agency No. 16/HGU/BPN/2003 about Granting of *HGU* issued on 24 February 2003 valid for 25 years (until 2028) covering area 5,737.09 Ha in Ajamu I Estate.

Meranti Paham Estate: Decree of Head of Land National Agency No. 14/HGU/BPN/95 about Granting of *HGU* issued on 28 February 1995 valid for 35 years (until 2030) covering area 3,721.40 Ha in Ajamu I Estate. Meranti Paham Estate also use area from Ajamu Estate for about 1,272 Ha based on Statement Letter from Manager of Ajamu Estate about land handover from Ajamu to Meranti Paham for about 1,272 Ha. This letter was issued on March 2018.

Based on explanation above, total operational area for Ajamu Estate is 4,465.09 Ha and Meranti Paham Estate is 4,993.40 Ha.

Location Permit.

Ajamu Estate: Location permit based on OSS system for Ajamu Estate covering area 5,737.09 Ha, issued on 23 January 2019.

Meranti Paham Estate: Location permit based on OSS system for Meranti Paham Estate covering area 3,721.40 Ha, issued on 23 January 2019.

Plantation Permit

Ajamu Estate: Plantation Permit based on Decree of Labuhanbatu Regent No. 180/318/Huk/2012 about Granting of IUP for PTPN IV Ajamu issued on 11 December 2012. This permit covering area 5,737.09 Ha and mill capacity 30-ton FFB/hour.

Meranti Paham Estate: Plantation Permit based on Decree of Labuhanbatu Regent No. 180/317/Huk/2012 about Granting of IUP for PTPN IV Meranti Paham issued on 11 December 2012. This permit covering area 3,721.40 Ha.

4.4.2; 4.4.3, 4.4.4; 4.4.5 and 4.4.6

Based on document “*Selayang Pandang Kebun Ajamu dan Meranti Paham*”, it is known that plantation area was originally a Japanese-owned plantation company “Namura” since 1935. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community. Besides, based on interview with representative of Meranti Paham Village and Hamlets 1B Sei Sentosa village, there is no land conflict with Ajamu and Meranti Paham Estate. Also, there is no history of land acquisition stated in Land title of both Management Unit.

Status: Comply	
<p>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.</p>	
<p>4.5.1; 4.5.2; 4.5.3, 4.5.4; 4.5.5, 4.5.6; 4.5.7; 4.5.8 Based on document areal statement and interview with management, there is no new planting in Ajamu and Meranti Paham Estate. Then, based on document "Selayang Pandang Kebun Ajamu dan Meranti Paham", it is known that plantation area was originally a Japanese-owned plantation company "Namura" since 1935. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community. Besides, based on interview with representative of Meranti Paham Village and Hamlets 1B Sei Sentosa village, there is no legal rights in the village or surrounding villages.</p>	
Status: Comply	
<p>4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>	
<p>4.6.1; 4.6.2; 4.6.3 and 4.6.4 Company has procedure about land compensation in document of Procedure for Handling Land Conflict Document No. SPO 04 effective on 2 January 2017. This document explains that if any land dispute/conflict, management unit have to make the chronology of the dispute, make the map, and identify the dispute/conflict location. Then, company ask community to negotiate on determination of compensation. The calculation of compensation must be in accordance with the provisions of the tax object and the state of the land. However, based on interview with representative of Meranti Paham Village and Hamlets 1B Sei Sentosa Village, there is no legal rights in the village or surrounding villages or land disputes with company. Also, there is no history of land acquisition stated in Land title of both Management Unit.</p>	
Status: Comply	
<p>4.7 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.</p>	
<p>4.7.1; 4.7.2 and 4.7.3 Based on document areal statement and interview with management, there is no new acquisitions / land expansions in Ajamu and Meranti Paham Estate. Company has procedure about land compensation in document of Procedure for Handling Land Conflict Document No. SPO 04 effective on 2 January 2017. This document explains that if any land dispute/conflict, management unit have to make the chronology of the dispute, make the map, and identify the dispute/conflict location. Then, company ask community to negotiate on determination of compensation. The calculation of compensation must be in accordance with the provisions of the tax object and the state of the land. However, based on interview with representative of Meranti Paham Village and Hamlets 1B Sei Sentosa Village, there is no legal rights in the village or surrounding villages or land disputes with company. Also, there is no history of land acquisition stated in Land title of both Management Unit.</p>	
Status: Comply	
<p>4.8 The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.</p>	
<p>4.8.1; 4.8.2; 4.8.3 and 4.8.4 Based on interview with representative of Meranti Paham Village and Hamlets 1B Sei Sentosa Village, there is no land disputes with the company. It is also known that there are no legal rights in surrounding village. The same thing also said by the representative of Plantation Agency of Labuhanbatu Regency, that there is no land dispute in PTPN IV Ajamu and Meranti Paham. Based on document areal statement and interview with management, there is no new planting in Ajamu and Meranti Paham Estate.</p>	

Then, based on document “*Selayang Pandang Kebun Ajamu dan Meranti Paham*”, it is known that plantation area was originally a Japanese-owned plantation company “Namura” since 1935. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

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

5.1.1; 5.1.2; 5.1.3; 5.1.4; 5.1.5; 5.1.6; 5.1.8; 5.1.9

The CH did not receive external FFB at the time of the surveillance audit 3, the Ajamu POM only received supplies of FFB from own estate (Ajamu Estate and Meranti Paham Estate) and other estate under PTPN IV (Panai Jaya Estate). The results of the document review found that the receipt of FFB was only in February-May 2022. The results of interviews with company representatives found that the company did not receive external FFB, because internal FFB other estate under PT PN IV – Panai Jaya Estate was sufficient for processing.

5.1.7

The results of document verifications it was known that the certification unit has routinely calibrated the weighing equipment carried out by a third party. The certification unit has also shown documents on the weighbridge calibration carried out in January 2022.

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; 5.2.2; 5.2.3; 5.2.4; 5.2.5

The CH did not receive external FFB at the time of the surveillance audit 3, the Ajamu POM only received supplies of FFB from own estate (Ajamu Estate and Meranti Paham Estate) and other estate under PTPN IV (Panai Jaya Estate). The results of the document review found that the receipt of FFB was only in February-May 2022. The results of interviews with company representatives found that the company did not receive external FFB, because internal FFB other estate under PT PN IV – Panai Jaya Estate was sufficient for processing.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS’ RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

The company already has a policy regarding equal opportunities and treatment to get employment opportunities contained in the Employment Opportunity Policy Number 04 Rev 02 issued on 27 July 2015 and signed by the Director. As the Policy states, everyone has the right, regardless of ethnicity, religion, race and class, to get employment opportunities. Base on interview with representatives of the Sei Sentosa Village community, inform that the policies available for and also installed in the village office so that everyone who needs it can read it.

Based on the results of interviews with harvesters in block 15 A and the spray team in block 19 M as well as representatives of the Sei Sentosa Village community. It is known that all this time everyone has the same treatment to get job opportunities, for example it is shown by the disclosure of information when there are job vacancies that are published in a transparent manner. From the list of employees updated for the September 2022 period, it is also known that the current employee demographics are diverse, not limited to religion, ethnicity, and certain groups.

An example of an open job vacancy announcement has been shown, for example for a harvester position the period is 2022. There are no working conditions in the vacancy that discriminate against certain groups. Thus, it can be concluded that the company has

implemented a policy regarding equal opportunities and treatment to obtain employment opportunities.

6.1.2

The certification unit shows an employee list document that informs religion, ethnicity and gender for the period August 2022. From the document it is known that the employees in each unit come from different regions, for example: Lumajang, Medan, Ngawi, Samarinda, Bengkulu, Aceh, Bandung and Purbalingga. From the document, it is also known that the employees who work consist of Muslims and Christians as well as ethnic groups including Malay, Javanese, Batak, Sundanese, Nias and Bugis.

Based on interviews with plantations and mill workers, worker unions and gender committees revealed that the recruitment of workers is based on the needs of the unit of certification without distinction of ethnicity, religion and background. All prospective employees are entitled to the opportunity to work in accordance with their scientific background and company needs. During 2021 – 2022 there will be no discrimination problems against workers. In addition, based on interviews with local communities (Sei Sentosa Village), it can be seen that so far there have been no acts of discrimination within the certification unit or its surroundings. The certification unit always provides equal opportunities to the surrounding community to work in the certification unit in accordance with the stipulated provisions and needs.

In addition, there are no migrant workers. All recruitment is carried out in accordance with the SOP for the recruitment of employees of the certification unit. Based on the foregoing, it is known that there is no discrimination against religion, ethnicity and class in obtaining employment.

6.1.3

The system for career paths and work performance evaluation is regulated in the PKB document article 15 concerning Promotion in Grades that every employee is given the same opportunity to get a promotion. Article 16 regarding promotion (promotion) every employee is given the opportunity to develop his career in order to obtain a promotion (promotion).

The document describes the procedures for the stages of performance appraisal and employee career paths (promotion, demotion, and transfer). The company shows examples of employee performance appraisal and promotion, for example:

- E.S.B (initial) performance appraisal document for the 2021 assessment period which provides information regarding the assessment criteria, assessment results and follow-up of the assessment results.
- Promotional document in the form of E.S.B (initial) Promotional Decree Number GMD-IV/KPTS/AJA/II/2021 issued on 31 January 2021. The worker is promoted from the position of Harvest Clerk to the position of Foreman 1.

Based on interviews with plantation and mill employees, it was found that the certification unit had implemented labor procedures well without discriminating in the selection of new employees, performance appraisals and employee promotions.

Based on the foregoing, it is known that employment procedures have been carried out based on the skills, abilities, and quality of the employees.

6.1.4

The unit of certification does not perform a pregnancy test at the time of employee recruitment. Pregnancy checks are only carried out on spray and fertilizer workers every month to find out whether workers are pregnant or not. Pregnancy checks are only carried out for female workers who do not use contraception.

Based on interviews with representatives of the gender committee and female workers in the field, it is known that pregnant workers will be transferred to jobs that do not endanger the pregnancy, for example as caretakers at child care centers or manual upkeep workers.

6.1.5

The unit of certification has established a gender committee in each unit as an organization to manage complaints by women workers in the event of sexual harassment and violations of reproductive rights. The organizational structure of the gender committee consists of a general chairman, general secretary, general treasurer, and representatives in each unit. It was further explained that the gender committee provides support to female employees, including protection and maintenance of women's health, maintenance of family life and welfare, protection from sexual harassment and violence, providing continuing education that gender equality exists in the

unit of certification. Based on document verification, it is known that there are 10 members of the Gender Committee for the 2022 Period spread across each management unit (Estate and Mill). The unit of certification shows the work program of the Gender Committee for 2022 such as:

- Monitoring breastfeeding mothers
- Sexual harassment socialization
- Mother's religious activities
- Healthy exercise

The unit of certification shows the gender committee socialization document which was held on August 2, 2022 and took place in the office yard. The unit of certification can show documentation and an attendance list for the event.

Based on interviews with the Gender Committee, it is known that if there are reports of sexual harassment being reported, the gender committee will follow up with an internal resolution first, but if it cannot be resolved internally it will be brought to the appropriate authorities. In addition, the gender committee will also provide assistance to victims. However, based on the verification of the organizational structure of the gender committee, it was found that there is representation of male workers and work programs that support the rights of male workers.

6.1.6

The Certification Unit does not discriminate against workers' rights, this is indicated by the payment of equal wages for workers in the same scope of work. The certification unit issued a decision on the payment of salaries for permanent employees and contract employees (*PKWT*) in 2022 based on Sumatera Utara Governor Decree No. 188.44/746/KPTS/2021 concerning Determination of province minimum wages in 2022 in the province of Sumatera Utara. The decree stipulates the district minimum wage (*UMK*) of Labuhanbatu is IDR 2,904,569,75.

The certification unit has also developed a salary structure and scale that applies to employees with more than 1 year of service. Based on Decree of the Board of Directors of PT Perkebunan Nusantara IV number 04.07/Kpts/15/III/2022 regarding Basic Salary and Special Allowances for Group IA Employees until IVD 2022 issued on March 31, 2022. In the document explained that the wages of group IA in 2022 were IDR 2,018,088 which is valid from January 1, 2022.

The certification unit showed salary slip from 2 (two) harvesting workers number 4017541 and 4017531 that's same grade has same basic salary what distinguishes the income between the two is the status of family dependents and the results of their respective jobs and base on interview with harvest worker say the same thing, monthly income varies according to ability even though the level and basic wages are the same.

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

Unit Certification showed documentation of pay and working conditions in accordance with manpower regulations are regulated in several documents as follows:

- Decree of Governor of Sumatera Utara Province No. 188.44/746/KPTS/2021 concerning minimum wages in Sumatera Utara province dated November 19, 2021.
- Agreement with Labor Union PT Perkebunan Nusantara IV (Colletive Labour Agreement) period year 2022-2023.
- Specified and Unspecified time work agreement in mill and estates.

Contract and Wage Documentation

The wage reference used by the certification unit is Decree of Sumatera Utara Province No. 188.44/746/KPTS/2021 concerning minimum wages in Sumatera Utara Province dated November 19, 2021. In accordance with the decree, it is known that Labuhanbatu Regency minimum wage is IDR 2,522,609.94. Furthermore, there is the determination of wages by the unit of certification in accordance with decree of the directors of PT Perkebunan Nusantara IV decision number 04.07/Kpts/15/III/2022 regarding basic salary and special allowances for class IA employees up to IVD in 2022.

As the decision letter, employees are divided into class IA - IID with a range of grade 1 - 14. For example, class IA has a wage of IDR. 2,018,088 while class IID has a wage of IDR. 3,048,797. The difference in wages is due to the implementation of the structure and scale of wages for each level of permanent employees. In addition, there is also a wage for contract workers, namely IDR 2,522,609.94. In addition, in 2022-2023 Collective Labour Agreement between Labor Union PT Perkebunan Nusantara IV also regulates wages. The types of employment arrangements are there in the company are contract workers and permanent employees, the type of contract worker is in peak crop harvest and upkeep work scope.

Contract workers and permanent employees are given full wages equal to minimum wage with social assistance benefits. Based on employee payroll, it is known that wage payments are equivalent for the same coverage of work. For example, it can be seen from the proof of payment of employee salaries for the period of July 2022 as follows:

- Contract worker:
Employee ID: 151263
Basic wage: IDR 3,048,797
- Permanent employee
Employee ID: 15002
Basic wage: IDR 3,075,367

Details of day-to-day overtime calculation starting from the day and date when the worker performs overtime, the actual total overtime hours, total paid overtime hours, to the calculation of overtime rupiah per day and on a monthly total basis.

Based on the 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 collective labor agreement 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 workers have understood the work requirements that have been socialized by the certification unit in an understandable language (Indonesian/Bahasa).

6.2.2

Companies can show examples of work agreement documents (SPK) for both workers with permanent status (PKWTT) and temporary workers (PKWT), including the following examples:

- Temporary workers agreement with the initials S.B signed on August 1, 2022. The agreement is valid from 01 August 2022 to October 31, 2022.
- Temporary workers agreement SS signed on August 1, 2022. The agreement is valid from August 1, 2022 to October 31, 2022.

The work agreement document shown contains information including the name acting as management representative and company address, employee information in the form of name and other personal information, employee position, employee work location, reporting, work duties and responsibilities, work agreement period, probationary period, salary and other benefits also working hours, deductions, overtime, sick leaves, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. The work agreement document has been signed both by representatives of management and workers. All work agreement prepared in understandable language (Indonesian/Bahasa) and explained to worker by management representatives.

Based on interviews with representatives of the Ajamu Workers' Union and Meranti Paham Estate Union, information was obtained that there were workers who were assisted by family members who were not employees of the company.

Based on field visits during harvesting activities, it was found that 1 person in Afdeling I of Ajamu Estate was helping to collect loose fruit and FFB. The person is not an employee of the company and is not yet 18 years old. Based on direct interviews, it is known that the persons are not an employee of the company also field visits during harvesting activities in Meranti Paham Estate, it was found that 1 person in Afdeling I and 1 person in Afdeling V was helping to pick loose fruit. Based on direct interviews, it is known that the three people are not employees of the company. In this case the company also has not been able to show evidence that the persons have a working relationship with the company. This has become the Non-Conformity No. 2022.07

6.2.3

Collective Labour Agreement (CLA) for period of 2022-2023 dated January 19, 2022. The CLA covers regulation reference, company policy, work relationship, leave and permission, salary payment, welfare and insurance, business trip allowance, disciplinary, mutation, work termination, grievance and complaint and others.

The company showed overtime payment in September 2022 that has been in accordance with applicable laws for workers on behalf J.S (initial) as sterilizer operator. In the pay slip document, it's known that the nominal of the worker's overtime wages has in accordance with the overtime calculation. A review of the payroll slip document for September 2022, proved that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2022.

The company has also shown paid leave letter which was shown below:

- Annual leave application form for employees with the initials S.B.S who applies for 3 days of leave of the total remaining 17 days of leave entitlement. The application was submitted on 09 March 2021 and was approved by the Farm Personnel Assistant on 09 March 2021.
- Menstrual leave application form for workers with the initials YS who apply for 2 days menstrual leave. The application was submitted on January 31, 2022 and was approved by the Afdeling Assistant on January 31, 2022.

Unit of certification had shown their consistency in this assessment of work agreements that are owned by every worker so there was no policy to accept family members who work without a valid work association. In addition, in the field observation activities during the audit, there were a family member of workers who helped work in the field without work ties that become non-conformity in indicator 6.2.2.

6.2.4

Company has provided housing facilities on Ajamu (Estate and Mill) and Meranti Paham Estate. For example, list of facilities in 2022 including houses, mosque, church, workers hall, football field, volley ball field, badminton field and school bus. Based on field observation to housing complex of Mill and Estates.

The company shows a list of Facilities and Infrastructure at Ajamu Estate and Meranti Paham Estate for the 2022 period, which explains that the infrastructure is in good condition. The results of interviews with representatives of the Meranti Paham Workers' Union and Harvest workers in Afdeling I of Meranti Paham Estate revealed that there were workers who did not have clean water facilities so they used their own water pumps to get clean water.

Results of site visits to workers' housing:

- Meranti Paham Estate
 - Afdeling I, V and VI, housing facilities were found with leaky roofs, corrugated floors, cracked walls and stagnant sewage causing muddy conditions.
- Ajamu Estate and Mill
 - Afdeling IV and V, it was found that housing facilities were visited by poor sanitation because there were no toilets inside the house so defecation was done behind the house behind palm trees and only covered with plastic tarpaulin.
 - Mill housing, housing facilities were found to use ex oil drum (hazardous goods) as water reservoirs used by sanitation needs and muddy sanitation conditions with stagnant water.

Based on explanation above, this has become the Non-Conformity No. 2022.08

6.2.5

Company has supported the existence of employee cooperative, that provides daily household need especially for food in decent, fairly and at affordable prices. In addition, at the time of wage payment there are temporary market comes from surrounding communities. Moreover, the traditional market is near from housing complex in several location such as Meranti Paham Village Market and Sei Sentosa Village Market. In addition, traders who are allowed to sell in a residential area make it easier for workers to access food sources. This matter has been verified through consultation with Labor Union, as well as housing residents.

Based on interviews with estate and mill workers, labor unions and gender committees, it's known that workers have no difficulty in getting food sources because the workers can buy these needs to the markets around the company's area without any difficulties and

the distances not too far about 15 minutes riding a motor cycle and the farthest is about 10 km.

6.2.6

The standard of wage eligibility referred to by the unit of certification is the Labuhanbatu Regency minimum wage. A detailed explanation of the district minimum wage is provided in indicator 6.2.2. The DLW Benchmark for Indonesia has not yet been determined, however, the company has simulated the Prevailing Wage calculation. The components included in the calculation of a living wage include the following:

- Labuhanbatu Regency minimum wage in 2022 : IDR 2,904,569.75
- Allowance
 - Rice : IDR 238,800
 - House : IDR 499,885
 - Electricity & Water : IDR 124,971
 - Special Allowance : IDR 323,885

Apart from getting wages in the form of money, employees also get other benefits, such as housing facilities and their supports. In addition, health facilities and facilities for children have also been provided. So that the prevailing wage value is around IDR. 4,092,110.75 and the calculation base on regular price in the area.

6.2.7

Based on the employee list for September 2022, it is known that there are 38 harvest workers with PKWT status at Meranti Paham Estate and 57 people at Ajamu Estate. a study of the work letter documents for harvest workers, for example in 2 harvest workers (with the initials RTH and ZA) in Afdeling VI Meranti Paham Estate and 1 harvest worker (with the initials RWN) in Afdeling V Ajamu Estate, it was conveyed that the workers were employees with PKWT status with years of service no later than 2021. The company also indicated that the PKWT contract had been extended 3 times and based on field observation at harvest activities in blok 18A Afdeling 1 Ajamu Estate, found 1 PKWT worker.

Based on Government Regulation No 35 of 2021 in article 4 paragraph 2 states that PKWT cannot be held for permanent jobs and GAPKI Central Management Decree No. SK/002/PPG/II/2013 concerning the flow of work implementation processes in the oil palm plantation business sector states that harvesting and processing FFB into CPO is the main work. There for the company has not been able to show evidence that all the main work has been done by permanent workers. This has become the Non-Conformity No. 2022.09

	Status:	
6.2.2	Non-Conformity No. 2022.07	
6.2.4	Non-Conformity No. 2022.08	
6.2.7	Non-Conformity No. 2022.09	

6.3

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

6.3.1

The certification unit has a Social Policy which was passed in December, 2011 and there is a point in it that states that the company gives freedom to all workers to associate in accordance with the applicable laws and regulations.

The implementation of freedom of association contained in the company policy can be seen from the existence of unions in PT Perkebunan Nusantara IV, there are Labor union Ajamu (Estate and Mill) and Meranti Paham Estate.

- Proof of union registration at Ajamu Unit (Estate and Mill) with Registration Evidence Number 560/1083/DTK-4/2021 dated July 21, 2021.
- Proof of union registration at Meranti Paham Estate with Registration Number 560/2981/DTK-4/2021 dated July 21, 2021.

6.3.2

Unit of certification shows minutes of meeting with labor union, for example as follows:

- Bipartite meeting on July 29, 2022 which was attended by 11 Bipartite members from both company representatives and workers representatives. The meeting discussed the coordination meeting for harvesting and transporting on Saturdays and Sundays on 30 - 31 July 2022 to anticipate the harvest cycle and the achievement of production targets in July 2022.

6.3.3

Based on a labor union structure review, as well as an interview with employees on the estate and mill, it was known that union organization is consist of Chairman, Deputy of Chairman, Secretary, Treasurer, etc. All labour union committee members were employee which is not involved in company structural organization (staff up). Based on interviews with worker union representatives revealed that the certification unit fully supports all organizational activities without any intervention.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

The certification unit has a Plantation Management System policy that was approved by the Director in January, 2022. The policy regulates the basic principles of human rights protection such as

- Committed not to use child labor in accordance with laws and regulations as well as workers resulting from human trafficking.
- Respect and uphold Human Rights in all work units of the company.
- Prevent sexual harassment and other forms of violence against women workers and protect the reproductive rights of women workers.
- Provide equal opportunity for everyone to get a job and position regardless of ethnicity, religion, race and gender.
- Encourage and facilitate the formation of cooperatives in all company work units.
- Implementing Corporate Social Responsibility (CSR) which has a positive impact on the community and the environment around the company.
- Encourage and facilitate employees to form Trade Unions
- Committed to include all workers in the Health and Employment insurance protection program.
- Provision of minimum wages in accordance with applicable laws and regulations.
- Commit to not doing forced labor by not doing:
 - Retention of worker's identity documents or passports
 - Obligation to pay recruitment fee
 - Contract transfer
 - Forced to work overtime
 - Give freedom to workers to quit their employment relationship
 - Penalty for termination of employment
 - Bonded work practice
 - Wage withholding

This policy has been socialized to all employees in each estate, mill and local contractor on July 29, 2022. The certification unit can show documentation, attendance lists and socialization materials.

Based on field observations and interviews with estate and mill workers revealed that there were no child laborers on site, further explained that the certification unit is prohibited from employing children or helping their parents work on site.

6.4.2

The certification unit shows a list of employees accompanied by the date of entry and date of birth. In addition, an example of proof of recruitment is also shown in the form of a copy of the employee's ID card and family card. From these data, it is known that there are no employees under 18 (eighteen) years of age when accepted to work at the certification unit.

Based on field observations, document observation and interviews with an estate, mill, and contractor employees revealed that there were no employees under the age of 18 (eighteen) when they started working.

6.4.3

Based on document verification list of employee October 2022 in PT Perkebunan Nusantara IV (Ajamu estates and mill also Meranti Paham Estate) then also field observations revealed that in the last 1 (one) year there were no apprentices in the certification unit's operational areas and there are no employees in the young worker category.

6.4.4

Based on interviews with the gender committee and workers in the field revealed that the workers had understood the rules regarding the prohibition of bringing children to work. The certification unit also showed the minutes of socialization on the prohibition of employing child labor, the prohibition of forced labor/slavery for employees and contractors on August 10, 2022 attended by 25 participants.

Status: Comply

6.5

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

6.5.1 and 6.5.2

The company already has a policy on guaranteeing that workers are free from all forms of harassment, threats and abuse contained in the Sexual Harassment policy No. 06 Rev 02 dated 02 January 2015. To ensure this policy is implemented, the company has a reporting mechanism when there is sexual harassment in the workplace. Dissemination of the complaint flow if there is a case of sexual harassment at the workplace has been conveyed to all employees as indicated by the socialization on 07 April 2022. This is in line with the results of interviews with workers who already know the complaint flow if they do experience an incident of sexual harassment at the workplace.

Based on the recapitulation of employee complaints and complaints for the past one-year period, there were no complaints related to sexual harassment. The results of interviews with the Labuhanbatu Regency manpower office obtained information that in the past one-year period no information regarding incidents of sexual harassment had been conveyed.

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

Based on field observation and interviews with women workers in estate and mill revealed that the certification unit had given women workers 2 (two) days of menstrual leave based on doctor permit letter and 3 (three) months of maternity leave. Further explained that so far there has never been a problem in applying for menstrual or maternity leave.

6.5.3

The certification unit shows the document for the list of new mothers in 2021-2022. From the list, it is known that from January 2021 to September 2022 there was no employee pregnant and gave birth. Even though there are no workers who are pregnant and giving birth so far, the company has identified the needs of young mothers so that if there are pregnant women and have just given birth, their needs have been accommodated. For examples the certification unit show identification of new mothers 2022 needs such as:

- Gives period leaves
- Day care facilities
- Integrated Healthcare Center
- Health checks for pregnant women
- Time for breastfeeding
- Nursing room for breastfeeding

6.5.4

Unit certification has a SOP for Internal Communication and Handling of Employee Complaints Document No. SPO. 19 revision 03 effective date November 6 2018 procedure section 5.3 concerning Mechanisms for handling employee complaints at Plantations and Factories explained that "Employee complaints are submitted orally or in writing to the direct supervisor (foreman, assistant and/or head assistant) or submitted to HR assistant, general and security. All employee complaints must be submitted to the manager to be known and responded to immediately.

The procedure has assuring anonymous and protection to whistleblower. Complaints can be submitted through recording in the logbook that has been provided, directly to the foreman, through the suggestion box, through the gender committee, worker unions,

hotlines and email provided by the certification unit and via the RSPO website.

Based on the recording of complaints from Meranti Paham and Ajamu employees in the document "Report on Monitoring Complaints and Complaints of Workers" for the period January - September 2022, it is known that there were no complaints from employees.

However, during a field visit to employee housing in the Ajamu Estate and Mill also Meranti Paham Estate, the auditor found complaints in the field regarding home repairs that had not yet received a response from the company. This has become the Non-Conformity No. 2022.10

6.5.4	Status: Non-Conformity No. 2022.10
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6.6

No forms of forced or trafficked labour are used.

6.6.1

Based on interviews with operational staff revealed that all employees were those who passed the recruitment and selection process according to certification unit procedures and requirements. The certification unit post job vacancies then prospective workers come voluntarily to apply for jobs that are available for free and there is no holding of identity documents. Worker given a copy of their employment work agreement which has been co-signed with the management representative and is the same as the initial hiring agreement. Overtime is monitored by the certification unit and workers are given the freedom to choose overtime. The certification unit also does not force or make it difficult for employees to resign. There is no penalty for termination if they wish to terminate the contract early.

Based on document verifications and field observations in harvesting activities at Estate and Mill operations activities, there were no forms of forced or trafficked labor are used.

6.6.2

There aren't had migrant workers who work in the certification unit's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in certification unit regulations, collective labor agreements, and in work agreements. Based on the employee list, it is known that all employees are permanent and contract worker. For example, there is work contract No. MEP/S.Perj/01/VII/2022 for R.T.H (initial) for peak harvest work.

Status: Comply

6.7

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

6.7.1

The company has a OHS Organization in each unit, as follows:

- The Meranti Paham Estate OHS Committee has been approved by the Head of the Sumatra Utara Province Manpower Office no 566/385-7/DTK/SU/IX/2022, September 28 2022, with an organizational structure including a chairman with the initials ASP and a PPS secretary. The Secretary has attended the Indonesian Ministry of Manpower Certification General OHS Expert training which was held on 23 August – 04 September 2021 and has Decree of the Minister of Manpower number 5/11044/AS.02.04/IX/2021 concerning Appointment of General OHS and OHS Expert Authority Card dated 30 September 2021 valid until 30 September 2024.
- The OHS Committee for Ajamu Estate has been approved by the Head of the Sumatra Utara Provincial Labor Office on August 31, 2022, with an organizational structure including a chairman with the initials Is and secretary FM. The Secretary has attended training for General OHS Expert Certification from the Ministry of Manpower of the Republic of Indonesia and has been appointed as an OHS expert. The decision of the Minister of Manpower and the OHS Expert Authorization Card has been shown, registration number 9109/PK3/AJ/12/2021/IP2, regarding the appointment of General OHS expert, dated 31 March 2021 which is valid until 31 March 2024.
- The company also shows the Letter of Stipulation of Ajamu Mill's OHS Committee Authorization Stipulation with the initials YH, and has shown the General OHS Expert Certificate from the person concerned. The Secretary of the OHS Committee has shown an Appointment Letter as the Company's OHS Expert which has expired on September 20 2020, and currently has been shown

an extension process by the OHS Service Agent on August 29 2022. Based on this, companies are encouraged to obtain OHS Expert Authorization of Secretary OHS Committee. This is an opportunity for improvement (OFI) for the company.

OHS Committee meetings have been held routinely every month with discussions on OSH issues and their follow-ups, for example the meeting on 09 June 2022 with discussions including fire facilities and infrastructure. As well as the meeting on September 15 2022 with discussions including preparation for internal audits.

6.7.2

- Manpower Minister regulation No. 15 of 2008 concerning first aid, among other things, regulates the contents of first aid kits, the need for first aid kits compared to the number of workers, and the number of first aid kits based on distance.
- The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS System Management.
- The company has an OHS Policy issued at Ajamu Estate on 10 June 2021 at PTPN IV which has been signed by SP Bun (worker union) and the Plantation Manager explaining in one of the points as follows: Allocating and budgeting for personnel/funds and other facilities to support the implementation of the K3 Management System (SMK3).
- OHS System Management Procedure for Handling Emergency Situations No. Kebun Aja Document-4.3.17 revision 00 effective date 2 February 2020 which aims to provide instructions on how to respond quickly and appropriately to emergencies so as to reduce the impact of losses incurred.
- Statement letter from the polyclinic doctor on January 2, 2021 explaining that the recommendation for the contents of the first aid kit in a building refers to Labor Minister Regulation regulation No. 15 of 2008 and for the provision of activities in the field is 11 items (Betadine, 70% alcohol, scissors, plaster, pins, distilled water, bandages, gauze, cotton, tweezers and eye drops). Also informed was a letter from the Polibun regarding the contents of the first aid kit in engineering and processing work referring to Labor Minister Regulation number 15 of 2008, totaling 21 items.
- Based on field observations at Mill, it is known that:
 - There are no evacuation routes in the processing area.
 - There are 2 assembly points, one of which is covered by weather monitoring machines. While other gathering points are in areas adjacent to the Mill (distance \pm 7 m) while the nearest tallest building has a height of > 9 m, and the ground conditions of the gathering point are hollow/uneven.
 - Visitor line is only found in the area next to the hoisting crane in a sketchy condition, there is no visitor line in the processing area, meanwhile there are routine activities such as audits and machine repairs in the processing area.
 - There is water injection in the first aid kit, which is not included in the contents of the first aid kit according to the Polyclinic Letter for the contents of the first aid kit in technical work which refers to Labor Minister Regulation number 15 of 2008.
 - Based on interviews revealed that the workers in the first aid box area did not understand the contents and functions of the first aid they brought
 - There are no first aid kits in the WWTP area, which is more than 1 km from the Mill.
 - There is no bund wall in temporary hazardous waste storage.
 - In the hazardous Warehouse, there is no MSDS affixed, there are no eye showers and body showers, there are several unauthorized people in the hazardous Warehouse area, and activities in the hazardous Warehouse do not use appropriate PPE.
 - The results of the observation of the WWTP area, there are no boundaries for the pool area, warnings regarding restricted and dangerous areas. The results of interviews with officers also revealed that local residents were still looking for grass in the area.
 - Unsaved action when dismantling FFB nets in the sorting area, not using PPE safety helmet and wearing sandals.
 - Unsaved action when the wheel loader moves, there are passengers on the steps up the wheel loader.
- Based on field observations at Ajamu Estate found that:

- The contents of the first aid bag in the harvest area Block 18 A Afdeling 1 were incomplete and there was water injection that was not in accordance with Labor Minister regulation number 15 of 2008.
- The contents of the first aid bag in the manual maintenance area in Block 19 M Afdeling 2 were incomplete and there was water injection that was not in accordance with Labor Minister regulation number 15 of 2008 and expired Iodine.
- Based on interview revealed that the officers carrying the first aid kit did not understand the contents and functions of the first aid kit they were carrying.
- The results of field observations at the Meranti Paham Estate revealed that:
 - The contents of the first aid bag in the harvest area of Block 19 I Afdeling 5 are not in accordance with Labor Minister Regulation number 15 of 2008.
 - Fill in the first aid bag in the maintenance work area Block 19 G Afdeling 5, only 9 items that are not in accordance with Labor Minister Regulation number 15 of 2008 and mixed with a spare spray nozzle that has been used.
 - The contents of the first aid bag in the harvest area of Block 16 A and Block A07 Afdeling 1 are not in accordance with Labor Minister Regulation number 15 of 2008.
 - The contents of the first aid bag in the Afdeling 1 Nursery area are not in accordance with Labor Minister Regulation number 15 of 2008.
 - From the examination of the contents of the First Aid Bag, there was an additional 7 Star Puyer which was not in accordance with the Minister of Manpower Regulation number 15 of 2008.
 - Fill the first aid kit at the Afdeling 4 Ajamu Daycare Center with expired powder, bodrex, and Iodine.
 - There are no eye showers and body showers at the Meranti Paham Agrochemical Warehouse.
 - Based on field observations, it is also known that during the firefighting simulation, the water pump did not work.

Based on the observed evidence, it is known that:

1. The company has not been able to prove that the emergency response facilities and the provision of first aid facilities in the work area are not in accordance with the policies, procedures and regulations that apply.
2. Determination of the contents of the first aid kit is not all in accordance with Labor Minister Regulation number 15 of 2008.
3. The contents of the first aid boxes and bags available in the field are not in accordance with company regulations.

This has become the Non-Conformity No. 2022.11

6.7.3

- Based on field visit to the MEP rinse house, it is known that the company already has a rinse house facility that is used to clean the workers who have been touched by pesticides and change them into clean clothes, clean PPE and work tools, as well as store PPE and work tools.
- The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK by implementing OHS management system. It has also been arranged for the provision of the necessary resources in the preparation, implementation and continuous improvement.
- The mechanism that regulates PPE is contained in the SE(Letter) Mill Manager number AJA/SE/Intern/05/V/2020 dated 02 May 2022 it is known that the HR Assistant assigns the Foreman to distribute PPE to employees, Sanctions for not using PPE while working, procedure for replacing PPE damage.
- The PTPN IV PPE matrix for the Ajamu plantation determined by the management found that the types of boots used were safety boots (with iron protectors) and safety shoes for workers at mill and safety boots for work in the plantations.
- Based on field observations and interviews with Ajamu POM workers, it was found that several employees wore AP boots. The results of the interview revealed that the safety boots provided by the company were damaged, and had not yet been replaced, so they bought their own. Several workers stated that they had reported this to their superiors, but there had been no replacement.
- Based on observations and interviews with workers at Kebun Ajamu, it is known that:

- There was 1 harvester with PKWT (Contract Worker) status in Block 18A Afdeling 1 using his own shoes and helmet because PPE was not provided by the company.
- There were 2 manual maintenance workers in Block 19 M Afdeling 2 using boots that were bought by themselves because the ones provided by the company were old damaged.
- The results of observations and interviews with workers at Meranti Paham Estate, it is known that:
 - 1 harvester (Freelance worker status) in Block 19I wears gambier shoes that he bought himself.
 - 1 manual maintenance worker in Block 19G Afdeling 5 using AP boots that he bought himself.
 - 2 harvesters from Block A07 Afdeling 1 use gambir shoes that they bought themselves.
- The results of an interview with PIC Sustainability revealed that there will be no PPE stock in 2022.
- The results of field observations to the mill and estate warehouses showed no PPE stock.

Based on this, it is known that there are still workers who use PPE that are not in accordance with the PPE matrix and are not provided free of charge by the company. This has become the Non-Conformity No. 2022.12

6.7.4

Based on document verification results, it was known that level workers have been registered on Social Insurances (*BPJS Ketenagakerjaan & Kesehatan*). The auditor team verified social insurance payments in each unit on September 2022. For example, company has shown proof of payment of Social Insurances totaling Ajamu (Estate and Mill): 431 permanent and contract workers and Meranti Paham Estate: 529 permanent and contract workers that is last paid on October 10, 2022 (*BPJS Ketenagakerjaan*) and paid on October 10, 2022 (*BPJS Kesehatan*). There is no claim regarding BPJS.

6.7.5

Companies can show work accident records using Lost Time Accident (LTA). Calculation of work accidents using LTA 2021, it is known:

- Ajamu factory: there are no work accidents that cause lost working days during 2021.
- Ajamu Estate: there were 2 work accidents that caused lost working days during 2021.
- MEP Estate: there were 2 work accidents that caused lost working days during 2021.

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

6.7.2	Status: Non-Conformity No. 2022.11
6.7.3	Status: Non-Conformity No. 2022.12

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

7.1

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

7.1.1

The CH has an SOP for Pest and Disease observation and control which is contained in the Basic Guidelines and Work Instructions for Pest and Disease Control of Oil Palm Plants No. 04.04/KS/TAN/P/005 dated 24 February 2020. This document includes observation and control of plant pests in the mature and immature areas and briefly includes EWS (detection & census), Integrated pest control (biological, manual, chemical), Economic threshold value, Justification for use of pesticides, Management of pesticides. The CH has an IPM plan too, so we plant beneficial plants such as Turner subulate for biological control of leaf-eating caterpillars and develop owls for biological control of rats.

Based on the leaf eating caterpillar pest census records, it is known that there are caterpillar pest attacks with attack criteria of > 3 heads/ fronds. The results of field visits, for example block 13 AH afdeling V Estate Meranti Paham, found signs of caterpillar pest attack on old leaves such as perforated leaves. The company demonstrated control using Acefat on May 10, 2022. 7 days later another monitoring was carried out with the average result of caterpillars < 2 heads/ fronds.

7.1.2, 7.1.3

Based on the beneficial plant monitoring documents, it is known that the company has utilized beneficial plants as one of the

implementations of integrated pest control, including *Turnera subulata*. The results of field visits, for example, in Block 19 I Afdeling V Estate Meranti Paham, a beneficial plant of the *Turnera subulata* type is available which is planted on the side of the road and is in a well-maintained condition. As a result of the field visit, it is known that there is a beneficial plant type *Turnera subulata* which is planted on the side of the road and is in a well-maintained condition.

Based on the owl cage monitoring documents, it is known that the company has used *Tyto alba* as a method of biological pest control. The results of field visits, for example, in Block 19 I Afdeling V Meranti Paham Estate, it is known that there is an owl cage.

Based on the results of observations at all assessment locations during the audit, as well as interviews with company representatives, it is known that there is no use of fire in pest control in the company. Based on these matters, it is known that there is no use of invasive species and the use of fire in plantation operations.

Status: Comply

7.2

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

7.2.1, 7.2.2, 7.2.3, 7.2.4, 7.2.5

The CH shows justification for the use of all pesticides, referring to chemical management and storage procedures, pest and disease procedures in immature and pest and disease procedures in mature as well as a letter from the Head of Plant Division, PTP Nusantara IV, dated 29 September 2016 to the Group Manager for Business Units I to IV who conveyed, among other things, that PTP Nusantara IV only uses pesticides registered in the Pesticides Agriculture and Forestry Book issued by the Directorate General of Infrastructure and Facilities Agriculture, Ministry of Agriculture of the Republic of Indonesia 2016. In addition, the application method implemented is the use of different types of pesticides, scheduling of spray rotation and spraying according to target weeds (selective weeding). The CH also shows justification for the List of Plant Pesticides used with information including trademarks, active ingredients, description of use, target weeds/target pests, doses used, and producers, that which have minimal effect on non-target species. Pesticide application is carried out according to the results of the census for pests and the conditions and types of weeds in the field.

Based on the results of the document review, it was found that the pesticide was Cypermethrin. The company has documented the use of pesticides, LD 50, and the volume of application, so that it can be seen whether the use of pesticides has increased or decreased from year to year. For example, the use of Cypermethrin in Ajamu Estate until September 2022 is 1,409 liters. Cypermethrin is included in WHO class II with an LD50 of 4,920 mg/kg.

The company shows the procedures/policies related to pesticide mitigation contained in the Memo document Number 04.0/KOL/eM-259/II/2022 dated 14 February 2022, which explains the prohibition on the use of pesticides with active paraquat ingredients. Based on field visit to the chemical/pesticide storage warehouse at the Central Estate Warehouse, it is known that there is no pesticide with the active ingredient paraquat.

A record of pesticide use has been shown. Among them is related to the use of cypermethrin for caterpillar pests, namely the period January - December 2021 as many as 5,216-liters and the period January - September 2022 as many as 1,409 liters. The decrease in the use of pesticides was due to, among other things, the planting of beneficial plants which became caterpillar predator hosts as one of the IPM applications. Based on the monitoring documents for the owl cage, it is known that the company has used *Tyto alba* as a method of biological pest control. The results of field visits, for example, in Block 19 I Afdeling V Meranti Paham Estate, it is known that there is an owl cage. For Ajamu Estate, the previous audit revealed that the company had developed the Owl as an IPM effort. In line with the results of the Plantation Manager's interview, it is also known that rat attacks do not exceed the threshold. The results of field observations in Blocks 15 A and 18 A Afdeling 1 also found no traces of rat attacks.

Based on interviews with company representatives, there is no use of pesticides for prevention. Likewise with the results of field observations that have been recorded at the assessment location, no prophylactic use of pesticides was found. Control is carried out based on a census and is only carried out in the main affected areas.

7.2.6, 7.2.7, 7.2.9, 7.2.11

Based on field observations and interviews with spray workers in Block 19 G Afdeling 5 MEP Estate who are working on manual upkeep, it is known that workers have received training and have carried out spraying techniques according to procedures. Sprayer training documents for sprayers have been shown, such as at Ajamu Estate which was held on 04 July 2022 with 20 workers and at

MEP on 30 May 2022 with 20 workers. The results of the interview also revealed that female workers may not be pregnant and/or breastfeeding. If they are pregnant and breastfeeding, you will be transferred to another job that is not related to pesticides/chemicals. The legal working age is over 18 years. They can also explain that pesticides always applied in accordance with the product label, spraying techniques according to OHS procedures, and aspects that must be applied when spraying such as cleaning themselves in the rinse house and changing into clean clothes, cleaning PPE and work tools, as well as storing PPE and work tools. PPE is used according to the recommendations in each risk assessment. However, with regard to PPE, it was found that workers used boots that were bought by themselves so that this became a non-conformity in indicator 6.7.3.

Based on interviews with workers, it is also known that there is no airborne application of pesticides. If it is necessary to control pests using pesticides, the application is carried out by spraying using a cap sprayer.

Based on the results of observations of the agrochemical warehouse at the MEP Estate, it is known that pesticide storage has been collected per type of item, contains an MSDS, a hazardous substance symbol, and a warning on the proper use of PPE. There is also adequate ventilation and lighting.

7.2.8

The certification unit has SOP for Hazardous Waste Management No. 04.03/P/002 dated 01 January 2021, the SOP contains work instructions regarding hazardous waste management at point 7, including:

- Identification of hazardous waste
- Recording/Collection of hazardous waste
- Hazardous waste packaging
- Hazardous Symbols and Labels
- Placement of hazardous waste and its storage time
- Reporting
- E-Manifest
- Risk management
- Occupational Health and Safety

From the results of field visit in housing area at Ajamu and Meranti Paham Estate, it was found that there were no traces of ex pesticide packaging used as water reservoirs or other housing activities. From the results of documents review, in the form of waste manifests and Hazardous Waste Processing Data for washing log book and management purposes, it is used as a water container for spray activities. Based on interviews with employees and the foreman of pesticide application Ajamu Block 19M Division 2 and Meranti Paham Estate Block 19 G Afdeling V, it is known that all pesticide packaging is collected at the designated storage area and the company coordinates with collectors to recycle and not be used for purposes other than pesticide application activities.

7.2.10

The CH has carried out health checks for pesticide workers. Based on field observations and interviews with spray workers in Block 19 G Afdeling 5 MEP Estate who are working on manual upkeep, it is known that workers have MCU. As an example, the results of the MEP Estate cholinesterase examination were shown on August 8, 2022 at Pabatu Hospital for 24 male and female workers with all results within normal limits.

Status: Comply	
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7.3

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

7.3.1

The unit of certification has an procedure document regarding waste management listed in several documents, including;

- POME Management No. 24 dated January 2, 2017.
- Air Waste Pollution Management No. 14 dated 2 January 2015 rev 02.
- Utilization of Palm Oil Mill Waste No.17 dated 2 January 2015 No. Revision 02
- Solid Waste Management No. 04.03/P/003 revision 00 dated 1 February 2022.
- Hazardous Waste Management No. 04.03/P/002 dated 01 January 2021

Unit certification has a temporary storage permit for Hazardous and Toxic waste, through the document;

Ajamu Estate

Based on the decision of the Head of *Dinas Penanaman Modal Pelayanan Terpadu Satu Pintu* for Labuhanbatu Regency No. 503.660.30/135/DPMPTSP-BP2MNP/2021 dated 17 February 2021 concerning Extension of hazardous waste storage permit to PT Perkebunan Nusantara IV Unit Ajamu in Perkebunan Ajamu Village, Panai Hulu District, Labuhanbatu Regency, with a validity period of 5 years. The location coordinates at N 02° 21' 37,5" dan E 100° 02' 05,9". The types of waste that can be stored are; used chemical packaging, used oil, used oil filters, used batteries, contaminated waste, used cartridges, used lamps, medical waste, etc.

Meranti Paham Estate

Based on the decision of the Head of *Dinas Penanaman Modal Pelayanan Terpadu Satu Pintu* of Labuhanbatu Regency Number 503.660.3/240/DPMPTSP-BP2MNP/2019 dated April 23, 2019 concerning of hazardous storage permits to PT Perkebunan Nusantara IV Unit Meranti Paham. This permit is valid for a period of 5 years. The location coordinates at N 02° 20' 1" dan E 100° 11' 20". The types of waste that can be stored are; used chemical packaging, used oil, used oil filters, used batteries, contaminated waste, used cartridges, used lamps, medical waste, etc.

Based on the results of the field visit there are emergency response facilities such as APAR, eye wash, alarm, emergency response procedures, hazardous waste symbols and labels, spill-kits, first aid kits, and a logbook. Hazardous waste has also been separated based on the types of waste, equipped with appropriate labels.

In its implementation of hazardous waste handling, the unit of certification has a cooperation agreement with a licensed third party to handle hazardous waste with PT Veronica Tannaga. Whereas for the management, utilization and/or processing of waste, PT Veronica Tannaga cooperates with a licensed party, namely PT Non Ferindo Utama, PT Trigunapratama Abadi, and PT Prasadha Pamunah Limbah Industri.

The unit of certification has implemented hazardous waste management in accordance with its own procedures and Government Regulation Number 22 of 2021, among others by recording and documenting waste stored in the logbook and balance, and submitted in festronic. In addition, the certification unit also reports the management of in every 3 months, examples:

- Quarterly Hazardous Report I 2022 dated 21 May 2022 to Environmental Agency of Labuhanbatu Regency
- Quarterly Hazardous Report II dated 15 July 2022 to Environmental Agency of Labuhanbatu Regency
- Quarterly Hazardous Report II 2022 dated 23 July 2022 to Environmental Agency of Sumatera Utara Province

Based on verification with non-conformity from pervious assesment, unit of certification has shown evidence of improvement in the form of:

- Identification of hazardous waste from mill and estates has included leachate from EFB and its management.
- The unit of certification has conducted monitoring of leachate by constructing a barrier channel around the platform to separate it from the rainwater ditch. The leachate that flows into the holding tank will then flow into the fat pit to the WWTP pond.
- From the results of the field visit, the EFB storage area does not have trapped leachate and is well managed, so it does not cause potential pollution.

Based on the explanation on the root cause analysis, corrections, and corrective actions as well as the results of the document review and direct field visits, unit of certification has made an efforts to fix it.

7.3.2

The certification unit has the following procedures:

1. SOP for Hazardous Waste Management No. SPO 21 Revision 02 dated 02 January 2022. The procedure states in point 5.3.b that "All hazardous waste and used packaging for hazardous waste may not be used for other purposes and must be submitted directly to a licensed hazardous waste stoarge (maximum in a 1 week)."
2. The company has procedures related to waste management in the Basic Guidelines Work Instructions for PT Perkebunan Nusantara IV No. 04.03/P/003 Revision 00 which is effective from 1 February 2022 where in point 7.4.3.14 stated "Employees regularly bring their domestic waste to the Final Waste Disposasal Area (landfill area) that has been provided."

Based on the results of the field visit, the following was found:

- Domestic waste piled up open area around mill employee housing, Ajamu Estate Afdeling IV and V employee housing, and Meranti Paham Estate employee housing Afdeling I and V-VI.
- Domestic waste scattered along the ditches in mill employee housing, Ajamu Estate employee housing afdelling IV and V, and Meranti Paham Estate employee housing Afdeling I and V-VI.
- 3 units of former oil drums used as water reservoirs in mill employee housing.
- Drums of ex-paint used as water containers and rice storage in the Ajamu Estate employee housing Afdeling IV and V, and Meranti Paham Estate housing afdeling I, V and VI.
- 3 ex sacks of NPK type fertilizer in the Ajamu Estate employee housing afdeling V.
- Inner sacks of ex fertilizer in blocks 19I and 13 AH Afdeling V and behind the housing area Afdeling V-VI Meranti Paham Estate.
- There are used oil containers at the security post and oil storage area, also used paint containers at the Ajamu POM material warehouse.

Based on the evidence obtained, it was concluded that there was still waste disposal that was not in accordance with the procedures that were owned. This has become the **Non-Conformity No. 2022.13**

7.3.3

The certification unit has procedures related to waste management in the Basic Guidelines for PT Perkebunan Nusantara IV, Work Instructions No. 04.03/P/003 rev 00 which is effective from 1 February 2022 where in Point 7.4.3.15 it is stated "Regarding with the Zero Burning policy, it is prohibited to burn domestic waste in any form without the company's permission."

Based on the results of the field visit, the following facts were found:

- There is a warning regarding the prohibition of burning in residential areas for mill employees.
- There are several points for burning household waste behind residential houses for mill employees.
- There are several points of incineration of household waste in housing for employees of Ajamu Estate divisions IV and V.
- There are several household waste incineration points in housing for employees of Meranti Paham Estate Afdeling I.
- Results of interviews with management, landfill area is in the process of being relocated.

Then, based on the results of interviews with 3 residents of housing for mill employees, 2 residents of Ajamu Estate Afdeling IV, 3 residents of Afdeling V, residents do not deliver garbage to landfill area due to the far distance, so household waste is burned to avoid accumulation of garbage and it is stacked in front of the house.

From the description of the evidence above, it can be concluded that there is still open burning for waste destruction and it is not in accordance with the procedures that are owned. This has become the **Non-Conformity No. 2022.14**

7.3.2	Status: Non-Conformity No. 2022.13	
7.3.3	Status: Non-Conformity No. 2022.14	

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, 7.4.4

The CH shows procedures related to managing soil fertility so that yields are optimal and have minimal impact on the environment. There is a fertilization procedure for immature areas, document number 04.1, Revision 00, dated 01 August 2007. Then there is also SOP for Fertilization TM No. 05.2 Rev 00 dated 01 August 2007. For leaf and soil analysis, it is known that The CH has regulated it in SOP for Leaf and Soil Sample Analysis No. 05.4 Rev 00 dated 01 August 2007 (Soil analysis is done once every 3-5 years and leaf analysis every year). Leaf and soil analysis is one of the basic considerations for preparing fertilization recommendations. As an example, an analysis of leaves and soil is shown, as follows:

Meranti Paham Estates

- Soil Analysis Number 2051/0.1/Sert/X/2020 dated 22 October 2020 issued by the *PPKS* (Palm Oil Research Center) Laboratory for a total of 9 samples. The parameters analyzed include C, N, C/N, P, K, Ca, etc.
- Leaf Analysis Number 1368/0.1/Sert/IX/2021 dated 19 August 2021 issued by *PPKS* for a total of 133 samples. The parameters analyzed include N, P, K, Ca, Mg, P.

Ajamu Estates

- Soil Analysis on 08 September 2020 for 7 soil samples issued by *PPKS*. The test results inform, among others, the sampling location, texture, pH, C-Organic, N-Total, C/N Ratio, Al exchangeability, number of base cations (JKB), base saturation (JB), cation exchange capacity (CEC), and nutrient content in the soil (P, K, Ca, Na, Mg.)
- Leaf Analysis Number 1269/0.1/Sert/IX/2021 dated 9 August 2021 issued by *PPKS* for a total of 90 samples. The parameters analyzed include N, P, K, Ca, Mg, P.

The CH has undertaken a nutrient recycling strategy for land and EFB applications. The results of the document review revealed that an empty cylinder application for 2021 of 17,982 tones was carried out. It was also informed that the company has carried out the land application which has been discussed in indicator 7.3.1

The CH has maintained records of the fertilization that has been done. For example, fertilizer application has been shown at the Meranti Paham Estate for period 1 of 2022, such as 100% Dolomite Fertilizer with a total of 1,069.5 tons and NPK 12 has also been applied 100% with a total of 1,099.6 tons.

Status: Comply

7.5

Practices minimize and control erosion and degradation of soils.

7.5.1

The CH shows maps that identify marginal and fragile soils, which are listed in the following document:

- PT PN IV (Ajamu Plantation & Mill Business Unit) Fragile Soil Map, with a scale of 1:25,000 which describes an area of fragile soil such as peat of 26.19 ha
- Soil Type Map, with a scale of 1:45,000 describes the types of soil on the primary map of Indonesia's earth (RBI scale of 1:50,000 in 2014, USDA soil classification data, and field survey in 2018). Tropaqueps, tropofluvents, profibrils (organosol/peat) soil types were recorded covering an area of 2,884.64 ha, troporthents, dystropepts, and halibuts (regosol) covering an area of 723.77 ha and dystropepts and haplodults (latosol) covering an area of 1,384.98 Ha.
- The company can show the PT Perkebunan Nusantara IV Slope Class Map (Estate Ajamu and Meranti Paham) Scale 1: 75,000 made in December 2017 by PT. Indonesian Surveyor. Based on the map, it is known that the slope of the land in the operational areas of the two plantations is flat (0 - 2%) and very sloping (2 - 8%).

There are no steep areas based on the PTP IV-AJA and MEP topography and slope maps.

7.5.2

Based on study of the topographic and slope maps of PTPN IV-AJA and MEP, it is known that there are no steep areas.

7.5.3

Based on study of the topographic and slope maps of PTPN IV-AJA and MEP, it is known that there are no steep areas.

Status: Comply

7.6

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

7.6.1, 7.6.2, 7.6.3

Based on field observations at the assessment sites during the audit, document review, and interviews with management representatives, it was found that there were no new plantings in the operational area of the CH (Ajamu and Meranti Paham Plantations).

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

Based on field observations at all assessment locations during the audit, document review, and interviews with management

representatives, it is known that there have been no new plantings on peatlands after 15 November 2018, both in existing development areas and no new development areas.

7.7.2

The CH has maintained records of peat areas that are in the managed area, which is shown in PT PN IV's RSPO Peat Inventory document which explains:

- Total estate planted area of Ajamu 4,252 ha, planted area on peat are 26.19 ha.
- Total estate planted area of Meranti Paham is 4,655 ha, planted area on peat are 4,390.72 ha
- Total Peat Planted are 4,416.91 ha
- The certification unit shows proof of sending the Peat Inventory Report email to the RSPO Secretariat on 13 October 2020.

7.7.3

The CH shows records of settlement arrangements for high peat soil layers, including by showing records of peatland management including:

- The company has 28 subsidence poles which have been routinely monitored. Monitoring the subsidence for the September 2022 period, it is known that the subsidence of peat soil during this period in Afdeling 2 decreased the subsidence of peat by 0.13 – 0.18 cm for 5 subsidence poles.
- Based on the results of field visits (subsidence markers, piezometer, water gate/stop bund, water level), for example in block 13 I afdeling 5 Estate MEP, it is known that the infrastructure is in good condition.

Based on the description above, it can be concluded that the company made arrangements for lowering the high peat soil layer.

7.7.4

The CH shows records of subsidence arrangements of high peat soils, including the following:

- Based on the document review revealed that the company has 72 wells to monitor groundwater levels (piezometers).
- Based on the results of field visits to subsidence poles and piezometers, for example in Block 13 AI Afdeling 5 Estate MEP, it is known that the infrastructure is in good condition.
- The results of field visits in block 19 I Afdeling 5, there is a water barrier as a means of controlling the surface water level in the block. The results of visits to all peat areas when the audit was carried out also revealed that the area had been covered with Nephrolepis.
- Based on the results of interviews with water management officers, it is known that these personnel understand and can explain the mechanism for regulating the subsidence of peat soil layers.
- Monitoring the subsidence for the September 2022 period, it is known that the subsidence of peat soil during this period in Afdeling 2 decreased the subsidence of peat by 0.13 – 0.18 cm for 5 subsidence poles.
- Piezometer monitoring for the September 2022 period, it is known that the peat ground water level in the September 2022 period in the AJ Block is between 51 – 64 cm.
- Based on the results of the monitoring review above, it can be concluded that (subsidence, ground water level, high water level) are in accordance with statutory regulations.
- Based on the above, it is known that there is evidence of the implementation of water management and land cover programs in the company.

7.7.5

The CH has carried out a drainability assessment, which is documented in the Peat Drainability Report document by following the RSPO Drainability Assessment Procedure, for example the PT PN IV Estate Meranti Paham Peat Drainability Report July 2019 and January 2020. Based on this document, it is known that the results of the assessment of the drainage level (Drainability Assessment) in Afdeling 4, 5 and 6 Kebun Meranti Paham which has been carried out provides information that all areas to be replanted can still be carried out in the blocks.

7.7.6

The results of the document review and field observations in the assessment area during the audit revealed that all peatlands had been properly managed. Based on field observation and document verification, it is known that the company has managed peat areas well, with examples such as the following:

- Monitor the water level using a water level stick installed in the collection drain. There is a water barrier to ensure that the water level and water are maintained in the block.
- Monitor the water table using a piezometer. Based on the document review revealed that the company has 72 wells to monitor groundwater levels (piezometers). Records of all water level monitoring are available. The results of the document review show that the company has periodically monitored the piezometer, for example monitoring in September in the AJ Block between 51 to 64 cm.
- Monitor the peat subsidence.
- Build dam/water barrier to maintain water availability during the dry season.
- Development of Nephrolepis in peat areas.

7.7.7

Based on field observation, it is known that the company has monitored peat areas bordering oil palm plantations by installing fire danger signs, maintaining water level and water table every day and installing signs of fire-prone areas.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The unit of certification has SOPs for identification, management and maintenance of water sources and quality listed in the SOP for River Rim Management Mechanisms with No. SPO 05 Rev. 03 dated 27 August 2018, the procedure also describes the river type classification and its riparian area.

From the map of PTPN IV watershed around the company with a scale of 1:75,000 describe that the rivers around the company, are Barumun Bilah, Kualuh, and Kubu River.

The certification unit has several management and maintenance of water sources listed in the RK-RPL documents which are carried out periodically, including:

- Creating a riparian buffer zone with a width of 100 meters and turning the area into an HCV area
- Conduct regular monitoring at the riparian to prevent encroachment and illegal logging
- Conduct regular monitoring of surface water quality once every 6 months
- Conduct regular monitoring of aquatic biota every 6 months
- Install warnings/prohibition signs on riparian and other conservation areas
- Conduct outreach to the community and other stakeholders about river and riparian

Based on the results of field observations it is known that the company's HGU area is not directly adjacent to the river, but there is a canal that flows towards the river from the company area. In the HCV area in the seedling canal in Afdeling I, it can be seen that there is an information sign on the HCV area, information of protected fauna, chemical application signs in the form of red crosses on palm trees on the riparian, and no traces of chemical application were found.

The results of interviews with resident in the housing area of Ajamu Mill workers revealed that there were no problem with availability of clean water, water was obtained free of charge, with the criteria of being odorless, colorless, and tasteless.

It can be concluded that there is access to clean water for workers and nearby villages, the certification unit carries out water management by monitoring water quality standards on a regular basis, to ensure that there is no contamination of the water used as a result of the activities of the certification unit, and as an effort of sustainable management of water resources.

7.8.2

The unit of certification already has a surface water quality monitoring program contained in the RKL-RPL matrix which is managed and reported periodically, for example for period January-June 2022. Surface water quality testing is carried out by laboratories that have been accredited by KAN, at several sampling points. If referring to the quality standard used by the testing laboratory, namely Indonesia Government Regulation No. 22 of 2021 (Water Class II), all parameters are applicable with quality standards.

The unit of certification can also show documents related to river riparian management records as an effort to maintain water sources,

including:

- Marking the spray boundary on the river bank with red paint 50 meters from the water body.
- Information dissemination to the community and employees about the policy for protecting riverbanks.
- Maintenance of warning boards which are carried out once every 3 months for riparian area..
- Monitoring of endangered, threatened and protected species, for primary monitoring is carried out every 6 months, while for secondary monitoring is carried out every month.

7.8.3

Management of POME from oil palm processing from the Ajamu POM with totaling 10 waste ponds with a multifeeding system that is by feeding simultaneously evenly, with a total volume of 52,800 m³. Based on Permit for Disposing of Wastewater for PT Perkebunan Nusantara IV Kebun Ajamu located in Ajamu Plantation Village, Panai Hulu District, Labuhanbatu Regency from *DPMPTSP* of Labuhanbatu Regency No. 503.660.31/492/DPMPTSP/2020 dated 17 December 2020 is valid for 5 years.

Before being used, the liquid waste is processed until it reaches the standard for wastewater utilization in oil palm plantations, with pH 6-9 and BOD 5000 mg/l. POME is managed in accordance with applicable national regulations, according KepmenLH No.28 & 29 of 2003 regarding Technical Guidelines for Assessment of Wastewater Utilization from Palm Oil. Wastewater from the WWTP pond outlet is then pumped and used as a designated location for the use of waste water on the ground (Land Application). This application dose covers the entire liquid waste generated by the factory, so there is no discharge of POME into water bodies

The company can show documents regarding the results of the measurement of the quality of POME, namely the POME Report per quarter and the RKL-RPL Implementation Report per semester which includes the results of the measurement of the quality of POME every month and land application monitoring well. The test is carried out by the KAN accredited laboratory. Based on the analysis of the test document, it shows that all the parameters tested are in accordance with the applicable quality standards (especially for pH and BOD) and for waste water utilization to be applied to land its does not cause pollution to the environment.

7.8.4

The certification unit already has a water utilization permit based on the Water Resources Utilization Permit through Decree of the Governor of Sumatera Utara No. 610/1402 dated 24 September 2020 is valid for 3 years. The water source is taken from the Barumon River in Ajamu Plantation Village, Panai Hulu District, Labuhanbatu Regency, Sumatera Utara Province for the Palm Oil Mill Processing Process and the domestic needs of employee housing. The quota debit that can be utilized is 6 liters/second. Also standard procedures that regulates the use of water which is contained in the SOP for Technical Field Standards No. 00 rev 00 on 1 August 2007. Total water for mill is 1.6 – 2.0 m³/Ton FFB.

The water usage for FFB processing has been monitored and documented. The document of water usage in period of January – September 2022 shown that the water usage ratio in the range of 19.759 m³/month this range is still in accordance with the water quotas that can be utilized with average total water use is 1.19 m³/Ton FFB. The unit certification also paid of water usage retribution every month for the entire scope of certification.

From the results of management interviews and field observations the Water Treatment Plan (WTP) it can be confirmed that the certification unit has flowmeter and still functioning properly, and the officer responsible for WTP is very understanding about how the WTP works and recording flowmeter data. Officers can also show data in and out of water which is recorded every day.

Status: Comply

7.9

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

7.9.1

The unit of certification using of fossil fuels to increase the efficiency and to optimize monitored and renewable energy. This can be proven by recording documents on the application of the use of shells and fiber from the rest of the mill production process as renewable fuel for boiler purposes in 2022.

Based on the results of interviews and document verification, it shows that all solid waste in the form of shells and fiber is used to substitute diesel fuel, this utilized and the usage data recorded in detail and traceable. For example, the company shows data on the use of shells and fiber as a substitute for fossil fuels for the period 2022. From this data, it is known that the company has saved

97.54 % of diesel fuel, of the total diesel that should have been used as evidence of energy efficiency produced from use of renewable energy.

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

Certification Unit has been conducted source identification and GHG valuation by doing GHG inventory within the scope of Ajamu POM and its supplies based monitored through Palm GHG Calculator 4.0 and the summary result reported and accessible to public in RSPO website. The company has identified the significant GHG emissions, including: land used change, POME processing, used of fertilizers and pesticides, used of fossil fuels for operations and transportation.

Also made several mitigations plans to control the impact among GHG emission, such as: the right dose of fertilizer use and application as recommended, reduction of reuse and recycling actions, restrictions on electricity use, transportation and machine maintenance, and periodic air quality tests.

Reduction of fossil fuels at Ajamu POM has been implemented by using fiber and shells. The unit of certification also uses POME with test results from the monitoring, showing that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it is found that accurate data have been entered into the RSPO palm oil GHG Calculator. GHG calculation using palm GHG Calculator 4.0. The summary of GHG emissions for the period January - December 2021, is listed as follows:

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	9.31	tCOe2/tProduct	Oil palm planted on mineral soil	5990.09	Ha
PK	9.31	tCOe2/tProduct	Oil palm planted area on peat	4,416.91	Ha
PKO	0.00	tCOe2/tProduct	Total oil palm planted area	12247.00	Ha
PKE	0.00	tCOe2/tProduct	Conservation area (Forested)	0.00	Ha
OER	21.42	%	Conservation area (non-Forested)	669.42	Ha
KER	3.72	%	FFB Production per hectarage	14.68	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO2	tCO2e/ t FFB	Emission Source	tCO2e
POME	8542.24	0.05	PK from own mill	0.00
Fuel Consumption	399.68	0.00	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	8941.93	0.05		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	41718.88	79240.19	0.00	120959.07
CO2 Emissions from Fertilizer	2699.63	7617.01	0.00	10316.64

N2O Emissions from Peat	0.00	46837.80	0.00	46.837.80
N2O Emissions from Fertilizer	1991.47	3957.58	0.00	5949.06
Fuel Consumption	106.96	403.21	0.00	510.17
Peat Oxidation	0.00	341627.83	0.00	341627.83
Sinks				
Crop Sequestration	-39543.99	-75109.19	0.00	-114653.18
Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	6972.95	404574.43	0.00	411547.39

Palm Oli Mill Effluent Treatment

POME Treatment	Unit	Value
POME Diverted to Compost	%	0
POME Diverted to anaerobic digestion	%	100
• POME to anaerobic pond	%	100
• POME to methane capture (flaring)	%	0
• POME to methane capture (electricity generation)	%	0

**POME is processed in WWTP*

7.10.2

Based on the results of the document review, it was found that there were no new plantings at unit certification and that only replanting activities had been carried out since 2015.

7.10.3

Unit of certification has identified source of waste pollution and emissions from Estate and Mill activities for the period 2022. Sighted the result of identification of emissions and pollution as well as its sources, such as in estate emissions sources are from fossil fuel usage for transportation and generator, emission from fertilizer usage, pesticide usage and electricity usage. Identified the sources of emission and pollution from mill such as fossil fuel usage, electricity usage and WWTP. In addition, the company also conducts tests related to odor and vibration tests in work and residential areas. Also establish for Mitigation Program based on standar procedure Inventory and Mitigation of Greenhouse Gases No. SPO 10, dated 02 January 2015 for the 2022 period in an effort to increase the % reduction of GHG emissions

Fossil fuel reducing have been implemented on Ajamu POM by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber usage. Monitoring for emission and pollutants (air emission, air ambient, odor and noise) from Estate and Mill was done periodically and comply with the standards quality, it's covered on RKL/RPL implementation report and reported to Environmental Agency of Labuhanbatu Regency. Therefore, it can conclude that the plans to reduce or minimize the pollutants are implemented and monitored well by management.

Status: Comply

7.11

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

7.11.1

Until the field observation activities are carried out in 2021, the certification unit has not carried out new planting or replanting by burning as evidenced by the Cooperation Agreement Letter No.04.03/S.Perj/047/IV/2020 dated 24 April 2020 between PTPN IV and PT Risa Agina Sara regarding Work Procurement of land processing services and follow-up maintenance of oil palm replanting area of 120 Ha in Afdeling 2 Kebun Ajamu in 2020. Also based on the results of interviews with the company's management it is known that the company is committed not to clear land or replant by burning.

7.11.2

In carrying out fire prevention and control activities, the company has made several anticipations by means of, among others:

- Periodic monitoring of fire-prone areas
- Carry out a land and forest fire patrol program in 2021 with evidence of patrol reporting
- Dissemination of fire prevention and control as well as the impact of fires on land owners and fire prevention
- Training and fire handling simulations that have been conducted at each estate

The unit of certification has shown a list of facilities and infrastructure owned by referring to the standardization of equipment in Minister of Agriculture 5 of 2018 and monitors the inspection of fire control facilities and infrastructure every month, while the facilities and infrastructure are owned, for example:

- Personal or individual equipment such as safety helmets, head lamps, safety goggles and fire suits.
- Equipment for the team such as fire monitoring equipment, equipment for the infrastructure workshop
- Hand tools such as gepyok (fire beaters), sharp rakes, sharp harrows and back pumps.
- Water pumps and accessories such as Tohatsu brand high-pressure pumps, long suction hoses, nozzles and extinguishing tank cars.

The unit of certification also regularly reports on monitoring of fires in the land. For example, proof of reporting for semester 2 of 2020 on May 5, 2021 to DLH Labuhanbatu Regency.

The results of the field visit also show that socialization regarding the prohibition of burning land has been conveyed through direct socialization to employees during morning assembly and symbols posted in places that are easily read by each employee and the surrounding community. Field observations at the fire extinguisher storage location also show that the available tools are quite complete and in good condition, this is evidenced by the simulation of a water pump.

7.11.3

The management unit routinely conducts outreach to employees regarding forest and land fire prevention and control activities, as an example of the activities that have been carried out including documentation in the form of minutes of the implementation of the socialization of the prevention and control of land fires to land owners adjacent to the Ajamu Estate and Meranti Paham Estate which were carried out on December 20 2020 with 10 participants.

Status: Comply

7.12

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

7.12.1; 7.12.8

PT Perkebunan Nusantara (Ajamu and Meranti Paham Unit) is land that has been managed as plantation land since the Dutch Colonial government and became a national company since 1960, and there has been no development of new areas. Based on document verification of the year of oil palm planting, it shows that the planting after November 2005 was a replanting activity from the previous rotation of oil palm plantations.

Based on data, it is known that unit of certification has not cleared any new land since November 2005 without prior HCV identification activities. The unit of certification has reported liability data and zero liability disclosure via email to RSPO Secretariat (Khing Su li) on 18 July 2018.

7.12.2

The unit of certification has procedures for identification and maintenance of protected areas and areas of high conservation value (HCV) contained in the SOP No. 08 dated 02 January 2018 revision. 04.

Ajama Estate

The certification unit already has identification documents for High Conservation Value area of PT Perkebunan Nusantara IV – Ajamu Unit, which is included in the administrative area of Labuhanbatu Regency, Sumatera Utara Province in Panai Hulu District and interacts with Perkebunan Ajamu Village, Ajamu Village, Cinta Makmur Villag, Sei Sentosa Village and Teluk Sentosa Village. The HCV assessment has been carried out starting from the preparation stage, the field stage and the report stage, where activities were carried out from 23 November - 17 December 2017 by Surveyor Indonesia. HCV identification was carried out in a location covering an area of ± 5,732.09 ha. The report also contains a map of the Protected Areas for company areas with a scale of 1:75,000 with HCV criteria data and their area. Based on data analysis, no rare, threatened or endangered ecosystems, habitats or refugia were found as HCV 3 designations, only the HCV area is 0.42 ha which a cemetery area.

Meranti Paham Estate

The certification unit already has identification documents for High Conservation Value Areas of PT Perkebunan Nusantara IV Kebun Meranti Paham, which was conducted on 21 December 2017–30 January 2018. The study was conducted by PT. Koompasia Enviro Institute. Based on the identification results, a total area of 16.37 ha of HCV was obtained, consisting of a river riparian and a public cemetery. The report also contains a map of the HCV area for the company area with a scale of 1:45,000 with data on HCV criteria and their area. Based on verification result with areal statement in basic info, HCV area has been included in planted area.

7.12.3

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

7.12.4

The unit of certification has carried out activities in order to maintain protected areas and High Conservation Values, that has been in line with its planning and reviewed periodically by management by involving relevant stakeholders, it can be shown in several activities, including:

Ajamu Estate

- Monitoring of the management of the rehabilitation of riparian and protected forest rehabilitation plants in the first semester of 2022 at the Ajamu Estate Block 01A in January totaling 3,931 trees, with examples of tree species planted being *Trembesi*, *Gelaga*, Bamboo and *Nipah*.
- No replanting and disposal in the river border area
- Marking the limits on the use of chemicals with an (x) mark on the oil palm tree
- Availability of signs warning/prohibiting maintenance of areas using chemicals 50 meters to the right and left of the river bank
- Public Cemetery Maintenance Program
- Plant Maintenance, maintenance of waterways, condition of HCV signs
- Dissemination of the existence of HCV 6 areas and maintaining cemeteries in blocks 00X and 06J and fencing of grave sites to protect or avoid damage

The unit of certification has also carried out reports related to HCV which include:

- Monitoring Report on Plant Management in Riparian Areas and Protected Forest Areas to BKSDA of Sumatera Utara Province on 27 July 2022
- Report on the Identification Map of HCV to BKSDA of Sumatera Utara Province on 18 August 2022

Meranti Paham Estate

- Made water management in the form of canals/ditch/canals & embankments to regulate water management.
- Made river border markings and carrying out treatments such as fertilizing, spraying manually.
- Conduct socialization to the community around employees, daily laborers and contractors about the importance of riparian areas as river riparian areas.

The unit of certification also has reports on HCV and RTE species of PT Perkebunan Nusantara IV Meranti Paham Estate semester I January-June 2022 which was reported to BKSDA of Sumatera Utara Province on 04 August 2022 based on evidence of the minutes of No. MEP/BKSDA/SPS. /X/2022

Based on the results of field observations in the HCV area of seed canal area in Afdeling I, it appears that there is an information sign for HCV areas, protected fauna, chemical application limits in the form of red crosses on palm trees on the riparian area, and no traces of chemical application.

The last plan reviewed in 2021 are carried out in accordance with the master plan and annual planning evaluated by management and involving relevant stakeholders.

7.12.5

Based on the results of HCV identification, field visits, and interviews with stakeholders, it is known that there are no HCV areas that overlap with the rights of local communities.

7.12.6

The unit of certification has a identification list of RTE Species in PT Perkebunan Nusantara IV (Ajamu and Meranti Paham Estate).

In 2022 based on the Protected Area Management report, with the following results:

Species	Total	Protection Status		
		IUCN	CITES	PP 7/99
Flora	26	-	1	1
Aves	22	22	3	7
Mamals	3	3	2	1
Reptil	4	4	3	-
Grand Total	55	1	0	8

Flora the dominant types of cultivation are still found. Natural vegetation types are only found in several species from the *Ficus* as efficacious in oil palm plants. In the wildlife group, there were no key local species with large populations.

The unit of certification has socialized RTE Species as well as HCV areas to workers and communities around the plantations with evidence shown in the form of minutes, photos of activities, and absences resulting from the socialization, including:

- Internal socialization which was carried out on September 8 2022 for Kebun Ajamu Employees which was attended by 55 people.
- Socialization to externals which was carried out on June 21 2022 to the Community around Kebun Ajamu which was attended by 12 people, in the minutes also attached photos of activities and attendance.
- Socialization to Ajamu unit stakeholders (*SPBUN, MTSI, PUK, IKBI*, Gender Committee, Village representatives, and NGOs) which was held on January 14 2022 and was attended by 19 people.
- Socialization to 32 people on the protection of water sources and HCV areas to internal stakeholders on 12 February 2022
- Socialization of HCV area protection, existence of protected species to Ajamu plantation employees on 08 January 2022 consisting of; 19 people in the placement area, 52 people in afdeling 1, 60 people in afdeling II, 36 people in afdeling III, 93 people in afdeling IV, and 58 people in afdeling V.
- Socialization of HCV area protection, the existence of protected species to stakeholders on 30 May 2022 to 32 people (MTSI, PUK, IKBI, KOMGEN, Village representatives, NGOs, mass media, employees, and local contractors)

The results of the field visit also showed the results of the indirectly socialization by installing signboards in the Mill and Office areas regarding RTE Species in the unit of certification area. Boards prohibiting hunting in the area around the conservation area, as well as carrying out routine monitoring every month to ensure that there are no violations of these regulations.

The unit of certification already has a report on the presence of priority flora and fauna which is submitted to the institution in charge of conservation and protection of wild plants and animals. The report is contained in the HCV Management and Flora and Fauna Identification report which was sent to the BKSDA of Sumatera Utara Province on August 18, 2022.

7.12.7

The certification unit has a continuous action to improve the management plan resulting from the report on Identification of High Conservation Values (HCV) document as an effort to improve the quality of HCV management and monitoring activities in accordance with the recommendations, including by:

- Made documentation of each management and monitoring activity as evidence of activities and complement the reporting file.
- Conduct more intense monitoring of species from the class of mammals, reptiles and amphibians so as to allow for additional species.
- Repair damaged attributes in accordance with the existing management plan, because some attribute locations have started to break down.
- Provide socialization and direct monitoring of replanting activities in blocks where rivers are included in HCVs

The results of HCV monitoring in 2022 are carried out in accordance with the master plan and annual planning evaluated by management and involving relevant stakeholders.

Status: Comply

3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or ✓
ASA-3	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or ✓
ASA-3	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or ✓
ASA-3	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or ✓
ASA-3	The Mill did not use RSPO Trademark on its product (on-product) and non-product (off-product).	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	PT Perkebunan Nusantara III has carried out self-assessment (i.e internal audit) against uncertified management units dated on 1 December 2020 by PT Perkebunan Nusantara III, PT Perkebunan Nusantara III has submitted some self-assessment reports year 2021 on behalf PTPN III, PTPN V, PTPN VI, and PTPN VIII. It has supported 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, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<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 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 Uncertified management units has conducted HCV assessment such as :</p> <ul style="list-style-type: none"> Unit of Batanghari Business (Batanghari Estate), Unit of Bunut business (Bunut Estate & POM), Unit of Tanjung Lebar business (Tanjung Lebar Estate & POM) & Unit of Durian Luncuk (Aur Gading POM & Durian Luncuk Estate) : Date on 1 January to 11 November 2018 by Samsul Ulum (license : ALS15013US) as lead assessor and some assessor members i.e R.Sukasmianto, Moh.Yasin, Bahrun, Pemi Aprilis, Devis Rachman, Ihwan Rafina, Roland Sinulingga and Endra Gunawan on behalf PT Fodec Khatulistiwa. It has carried out public

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>consultation dated on 20 February 2018 (initial public consultation) & 4 June 2018 (public consultation for the result of HCV assessment). There are some evidences that public consultations has involved stakeholders. Current condition that HCV assessment report has been satisfactory category on 23 March 2021.</p> <ul style="list-style-type: none"> During audit, other the uncertified management units has not been carried out HCV assessment such as Unit of Ophir business (Ophir POM & estate), Unit of Pangkalan 50 Kota business (Pangkalan 50 Kota estate), Unit of Solok Selatan business (Solok Selatan POM & estate), Bukit Cermin Estate, PT Bukit Kausar & PT MAJI but PTPN VI have budget & the allocation activity plan year 2020 for HCV assessment in Unit of Ophir business, Unit of Pangkalan 50 Kota business and Unit of Solok Selatan business. Allocation Activity Plan year 2020 is postpone because any reduction operational cost in pandemic covid-19. PTPN VI have action plan and estimating cost for HCV assessment include of the review by HCV RN, HCS, LUCA & SIA. Bunut estate & POM, Batang Hari estate and Tanjung Lebar estate have estimate for finalization of HCV RN and LUCA document in year 2021. Whereas, the remain of uncertified management unit is Triwulan I and IV year 2022. Before HCV assessment will doing by RSPO ALS assessor and has review by HCV-RN so uncertified management units has carried out assessment of protected areas refer to Indonesian regulation by internal assessor. <p>Batanghari Business Unit (Batanghari Estate) & Bunut Business Unit (Bunut Estate & POM) has submitted disclosure liability, LUCA & shp file to RSPO and RSPO has responded email from auditee on 29 January 2020 where RSPO is requesting some clarifications and auditee has not been submitted email to RSPO for some clarifications which needed. It is still waiting finalization of LUCA document.</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate & POM), Unit of Durian Luncuk Business (Aur Gading POM & Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <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</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>2nd partial audit was conducted on 24-25 November 2021 The Tanjung Lebar Business Unit postponed to February 2022, due to single membership consolidation and approval process by RSPO Secretariat and the Disclosure & Liability of Tanjung Lebar is still pending. While the Disclosure & Liability of Batang Hari Business Unit has approved by RSPO secretariat with Zero Liability dated 20 June 2020; the audit planned on 22 December 2021. Therefore the Disclosure & Liability of Bunut Business Unit is still on process, the latest email from Indrawan Suryadi (RSPO Secretariat) dated 23 November 2021. For the Bunut Business Unit certification plan is on schedule (December 2021).</p> <p>There are also letter for SEVP Operation from Head of Planning & Sustainability with number: ND-312/06.08/XI/2021 dated 25 November 2021 about RSPO certification preparation in Bunut & Batang Hari Business units and also awareness criteria 7.12 RSPO P&C and Risk Analysis for six business units (Ophir, PLK, 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>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		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.
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 (Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018. d. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>PTPN V Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate & POM), Unit of Durian Luncuk Business (Aur Gading POM & Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>PTPN VII Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after No-vember 2005. However the HCV identification document was not available. The HCV assessment will conducted by consultant (Bentayan Estate: 2026; Sungai Lengi Estate: 2022; Senabing Estate: 2025 and Talopino Estate: 2024). Senabing Estate was conducted Conversion from year of 2005 to 2010 with area 408 Ha. The LUCA assessment will be conducted by Consultant in the year of 2025.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>PTPN III KRBTN There are several area in Division VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p> <p>PTPN V There was land conflict between PT PN V with community in Senama Nenek village, located in Sei Kencana Estate and Terantam Estate for approximately ± 2,800 Ha (± 550 Ha under Terantam Estate and ± 2,250 Ha under Sei Kencana E tate). During this initial audit, this area has been released in accordance with a court decision.</p> <p>PTPN VI 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>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Land compensation process has done a few time ago for some areas in uncertified management units (Unit of Bunut Business, Unit of Tanjung Lebar Business, Unit of Batanghari Business, Unit of Durian Luncuk Business, Unit of Ophir Business). The record and document of land compensation on behalf PT Bukit Kautsar has provided by auditee as example photograph of hand over land compensation payment, land compensation letter date on 21 October 2009, letter date on 21 October 2009 from head of village, statement letter date on 21 October 2009 that land owners has agreed land to acquired, measure note date on 21 October 2009, receipt note of land compensation payment, ID card and land owner letter from head of village. Whereas, PT MAJI and Unit of Bukit Cermin Business has provided sample of land compensation i.e payment receipt, photograph of land compensation activity, copy ID card, agreement of payment, statement letter of hand over and legal land.</p> <p>Community who lose access and land right for plantation areas has given the opportunity to benefit (direct and indirect) from plantation development as sample in form of scheme smallholder areas, as employee, as contractor (transportation, supplier for daily food, etc), as FFB supplier, etc.</p> <p>Refer to case tracker or status of complaints under PT Perkebunan Nusantara VI period of February 2011 to during audit that any 1 cases and it has closed based complaint panel decision (since year 2019). Further details on this case are available here: http://www.rspo.org/members/complaints/status-of-complaints/view/26. Unit of Bukit Cermin Business has provided some evidences relate of land compensation record and document from dispute/conflict areas.</p> <p>2nd partial audit was conducted on 24-25 November 2021 Based on document log book of external letter verification on the uncertified units sighted that there were no land dispute claim from the communities during period January to October 2021.</p> <p>PTPN VII The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>PTPN III</p> <p>Based on self assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>issues, since last year period until the partial audit conducted on 8-9 November 2021.</p> <p>PTPN V</p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN VI</p> <p>There is a mechanism of resolving grievance and compliant from employee and industrial action. It has covered in the collective labour agreement between PT Perkebunan Nusantara VI and SP-BUN PTPN VI (labour union) period of 2020 to 2021 (article 76 – sub section XIV) and SOP of internal communication and handling employee complaint. Scope of collective labour agreement is all company employees and as a normative reference for subsidiaries. Collective labour agreement has signed by both parties and any evidence of registration about collective labour agreement from Ministry of Man Power has been shown by auditee.</p> <p>Based on self-assessment against uncertified management units, there is no identified labor disputes ongoing at subsidiary companies of PT Perkebunan Nusantara VI. Based on website date on 3 October 2017 that any labour dispute between Mr M.Dasuky Hajar Nasution and PT MAJI. Based on communication with representative of PTPN VI that it has followed up both parties. SP-Bun (labour union) have vital position because based on SOP of internal communication and handling employee complaint that employee's grievance & complaint can be informing to labour union (SP-BUN) and organization will try to resolve complaints at the labour union level and any mechanism solving grievance and compliance from employee on collective labor agreement (PKB)</p> <p>2nd partial audit was conducted on 24-25 November 2021</p> <p>The renewable of collective labor agreement period of 2022-2023 is still on process, that the final meeting in Yellow Hotel will be conducted on 25 to 26 November 2021.</p> <p>PTPN VII</p> <p>There are no labour dispute during internal audit assessment, the company will be follow up the regulation of PP 50 of 2012, PP 38 of 2011, PP 101 of 2014, and Labor Minister Regulation 19 of 2012.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
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: 1. HGU on process (Sei Simujur-2, KRBTN): There are letter from Senior Executive Vice President PTPN III dated 22 September 2020 with number BUMU/X/44/2020 to the BPN of Asahan District for Cadastral process. During the audit, the progress of this matter still opened. 2. There is a land conflict (Batang Toru Estate) not yet resolved.</p> <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>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ol style="list-style-type: none"> 1. Some uncertified management units (Ophir Estate & POM, Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, Batanghari Estate, Bunut Estate & POM, Tanjung Lebar Estate & POM, Bukit Cermin Estate, Pinang Tinggi POM, Aur Gading POM, Durian Luncuk Estate & PT Bukit Kautsar) have Plantation Business Permit (Izin Usaha Perkebunan) so they has complied with Minister of Agriculture Regulation no.98/permentan/OT.140/9/2013 article 8 or 10 or 13. 2. Some uncertified management units (Ophir Estate & POM, Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, Batanghari Estate, Bunut Estate & POM, Tanjung Lebar Estate & POM, Bukit Cermin Estate, Aur Gading POM, Durian Luncuk Estate, PT MAJI & PT Bukit Kautsar) have land use right (Hak Guna Usaha) so they has complied with law no.5 year 1960 article 28. One of land use right owned by Durian Luncuk estate still renewal process and one of Bukit Kautsar areas still in-process to get land use right. 3. Some uncertified management unit (Sei Bahar II Bunut POM, Solok Selatan POM, Tanjung Lebar Estate & POM, Pinang Tinggi Estate & POM, Bunut Estate, Batanghari Estate, Durian Luncuk Estate & PT Bukit Kautsar) have environment document so they has complied with Minister of Environment Regulation no.05 Year 2012 jo Minister of Environment & Forestry Regulation no.P.38/MENLHK/SETJEN/KUM.1/7/2019 or Minister of Environment Regulation no.13 Year 2010 or Minister of Environment Regulation no.14 Year 2010. 4. Bunut POM and Tanjung Lebar Estate & POM have storage temporary for hazardous & toxic materials waste and their permit so they has complied with Minister of Environment Regulation no.30 year 2009 article 5. 5. Bunut POM and Solok Selatan POM have land application permit so they has complied Minister of Environment Decree no.29 year 2003. 6. Unit of Tanjung Lebar Business, Unit of Bunut Business, Unit of Batanghari Business and Unit of Durian Luncuk Business have permit of release for forest areas from government (Minister of Forestry Decree no.260/KPTS-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). 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). 8. Environment Document on behalf Ophir Estate & POM (letter no.213/II/DAR-3/1999), Solok Selatan Estate (head of Solok

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>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 The company will be follow up the regulation of PP 50 of 2012, PP 38 of 2011, PP 101 of 2014, and Labor Minister Regulation 19 of 2012. The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p>

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1 & ASA-2 Onsite

NCR No.	:	2021.01	Issued by	:	Asystasya Aishah Silalahi
Date Issued	:	3 September 2021	Time Limit	:	ASA-3
NC Grade	:	Minor	Date of Closing	:	22 November 2021
Standard Ref. & Requirement	:	<p>3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.</p>			
<p>Evidence observed (filled by auditor): The certification unit has a social impact management program in 2021 which consists of:</p> <ol style="list-style-type: none"> 1. Public facilities and social facilities 2. Job Opportunities 3. Business opportunity <p>The results of document verification and interviews with management, it is known that the SIA management and monitoring review activities are carried out every year, and the last is 31 July 2021.</p> <p>Based on the results of document verification, field visits, and interviews with management, it is known that there are several notes/issues in the area/around the company's operations that may cause social impacts but have not been stated in the plan and social management documents, for example:</p> <ol style="list-style-type: none"> 1. Inside the Ajamu Factory area, some foreigners can pose a social threat. 2. Respondents for repeated reviews of social impact management plans from 2019-2021. 3. Complaints from employees regarding housing facilities 4. Complaints from local communities regarding roads around the company 5. The social impact assessment has not yet involved participatory participation from Cinta Makmur Village 6. Drainage/ditch has the potential to cause village land to be eroded 7. Working hours on holidays 8. The company pays less attention to the welfare of the community, causing economic disparities 					
<p>Non-Conformance Description (filled by auditor): Based on this, the management of social impacts has not covered issues in the area/around the company's operations</p>					
<p>Root Cause Analysis (filled by organization audited): PIC does not understand that social management plan should involve all issues from the surrounding community.</p>					
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> • Conduct correspondence to representatives of the Cinta Makmur Village community • Responding to incoming external letters from Cinta Makmur Village • Documents for repairing employee housing in Afdeling II Ajamu • Socialization Document regarding procedures for external parties visiting the company 					
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> • Conduct socialization regarding involvement of all issues from surrounding community and from internal company to PIC in monitoring of SIA management plan. • Include all issues from surrounding community in the next management and monitoring of social management plan 					
<p>Assessor Evaluation and Conclusion (filled by auditor):</p>					

Verify October 15, 2021

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

1. Results of interviews with socio-economic and cultural aspects from Cinta Makmur Village, which were conducted on January 13, 2021
2. Responses to proposals from neighboring villages, for example:
 - Letter No. Kebun Aja/X/33/IX/2021 dated September 28, 2021, in response to a request for bridge support in Cinta Makmur Village (no details on the construction of a bridge for Cinta Makmur village)
 - Letter No. Kebun Aja/X34/IX/2021 dated September 28, 2021, September 28, 2021, Request for Answers Road guided by Social and Cultural Aspect Interviews (not yet realized) Cinta Makmur village
 - Letter No. Kebun Aja/X/33/IX 2021 dated September 28, 2021, regarding the application for assistance for the construction of Gabions
3. Documentation of responses to public complaints regarding road conditions around the company as well as follow-up to complaints on September 15, 2021
4. Minutes of Employee Housing Inspection at Afdeling II Ajamu Business Unit on 20 – 27 September 2021
5. Minutes of meeting of socialization regarding involvement of all issues from surrounding community and from internal company to PIC on 15 September 2021
6. Minutes of meeting of socialization regarding procedures for external parties visiting the company on 15 September 2021 in Ajamu POM.

Then, there are still questions from the auditor regarding corrective actions that need to be answered by the company. In this regard, the nonconformity has not yet been fulfilled.

Verification November 2, 2021

The company has provided evidence of the following improvements:

Decree of the manager of the PTPN IV-Ajama unit No. AJA/MU/Kpts/A/2021 as PIC (Assistant for Plantation Personalia) responsible for the management plan and monitoring of social impacts.

Verification November 22, 2021:

The company has complete the root causes, corrections, and corrective actions to declare the nonconformity fulfilled by observation in the following assessment activity.

Verified by	:	Asystasya Aishah Silalahi
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NCR No.	: 2021.02	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 3 September 2021	Time Limit	: ASA-3
NC Grade	: Minor	Date of Closing	: 15 October 2021
Standard Ref. & Requirement	: 4.2.2 Procedures are in place to ensure the system is understood by affected parties, including those who cannot read and write		
<p>Evidence observed (filled by auditor): The company already has a Communication and Consultation procedure with the Community document number SPO 03 Revision 4 dated 27 August 2018. This procedure explains the procedures for communicating and submitting complaints from external stakeholders. However, there is no mechanism to ensure that the system is understood by affected parties, including those who cannot read and write.</p> <p>Non-Conformance Description (filled by auditor): The company has not been able to demonstrate procedures that ensure the complaint resolution system is understood by affected parties, including those who cannot read and write.</p> <p>Root Cause Analysis (filled by organization audited): The company already has this procedure, but the person in charge does not understand which procedure to respond the complaints from parties who cannot read and write.</p> <p>Correction (filled by organization audited): Showed procedures regarding the complaint resolution system understood by those who cannot read and write.</p> <p>Corrective Action (filled by organization audited): Conduct socialization to PIC and external stakeholder regarding submitting complaints for parties who cannot read and write</p> <p>Assessor Evaluation and Conclusion (filled by auditor): Verify October 15, 2021 The company has shown evidence of improvement in the form of: <ul style="list-style-type: none"> • Memo No. PKS Aja/M-.../IX/2021 which was issued on September 14 2021 which explains that the clause in SOP No. 19/3/6/XI/2018 concerning Internal Communication and Handling of Employee Complaints includes submitting complaints for illiterates (cannot read/write) who can be represented by unions, administrative assistants or mill personnel. • SOP No. 19/3/6/XI/2018 concerning Internal Communication and Handling of Employee Complaints includes submitting complaints for illiterates (cannot read/write) who can be represented by unions, administrative assistants or mill personnel • Documentation of the socialization of the procedure for submitting complaints for parties who cannot read and write in the form of minutes and attendance lists which was carried out on September 14, 2021 and was attended by 17 participants from representatives of PTPN IV Ajamu and external stakeholders. Based on the explanation above, it is concluded that the nonconformity has been fulfilled</p>			
Verified by	: Asystasya Aishah Silalahi		

NCR No.	: 2021.03	Issued by	: Dwi Haryati
Date Issued	: September 3, 2021	Time Limit	: December 2, 2021
NC Grade	: Major	Date of Closing	: November 1, 2021
Standard Ref. & Requirement	6.2.2 There is a work agreement along with related documents that stipulates detailed wages and work requirements (for example regular working hours, deductions, overtime, sick leave, right to vacation (leave), maternity leave, reasons for dismissal, notification period before dismissal, etc. according to national regulatory requirements) and salary breakdown documents that provide accurate information on compensation for work performed.		
Evidence observed (filled by auditor): Based on a field visit at Estate Meranti Paham Afdeling I, there were put in loose fruit work activities carried out by workers who were not employees of the company (2 people).			
Non-Conformance Description (filled by auditor): The unit of certification has not been able to ensure that every worker has a work agreement.			
Root Cause Analysis (filled by organization audited): There is negligence of the field supervisor (foreman) to register all workers who work in the work area (including non-workers) and there is no understanding from the foreman that unregistered workers are prohibited from working in the company's work area.			
Correction (filled by organization audited): <ul style="list-style-type: none"> • Provide a warning letter to the work supervisor in the field • Conducting socialization related to work should not be carried out by workers who are not employees 			
Corrective Action (filled by organization audited): Determine PIC and make monitoring related to the work that employees must do.			
Assessor Evaluation and Conclusion (filled by auditor): Verification October 12, 2021 The company shows the evidence of improvement : <ul style="list-style-type: none"> • Warning Letter Number MEP/P/82/IX/2021 dated September 2, 2021 to Assistant Afdeling that the company gave a warning for violating the Company's Regulations and Policies. • Explanation of root causes, corrections and preventive actions. Based on the explanation above, the company has not shown that corrective action from the root cause analysis made, namely conducting socialization related to work that should not be carried out by workers who are not employees has not been shown. Socialization as a corrective action should show an understanding to employees and the community around the plantation that the company has a policy regarding the prohibition of the use of labor outside of employees.			
The non conformity has not been fulfilled.			
Verification November 1, 2021 The company showed improvements in the form of socializing the prohibition on the use of labor outside the official workforce which was carried out on October 22, 2021 at the Meranti Paham unit by the Assistant Head of Plants to the Head of SP BUN, Plant Assistant divisions I – VI, Papam and community representatives. The content of the socialization is a delivery related to the prohibition on the use of unofficial workers and underage workers. In addition, the consequences of violations in the form of a warning letter and the cost of work accidents are also conveyed.			
Based on the evidence of improvement shown, the non-conformance is declared to have been fulfilled.			
Verified by	: Dwi Haryati		

NCR No.	: 2021.4	Issued by	: Dwi Haryati
Date Issued	: September 3, 2021	Time Limit	: ASA-3
NC Grade	: Minor	Date of Closing	: October 12, 2021
Standard Ref. & Requirement	6.5.4 A grievance mechanism that ensures the anonymity and protection of the complainant when requested, as long as the report is supported by adequate information must be documented, implemented and communicated to all workers.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"> SOP for Internal Communication and Handling of Employee Complaints Document No. SPO.19 revision 03 effective November 6, 2018 section procedure 5.3 regarding the mechanism for handling employee complaints at the Plantation and Mills explained that "Employee complaints are submitted verbally or in writing to the direct supervisor (foreman, assistant and / or assistant head) or submitted to the HR assistant, general and security. All employee complaints must be submitted to the manager to be known and responded to immediately. Based on interviews with residents of housing estates in Afdeling 2 Ajamu Estate and Afdeling 2 Meranti Paham Estate there were complaints regarding housing facilities but until the audit was carried out there had been no response from the company. Based on the recording of complaints by Meranti Paham and Ajamu employees in the document "Report on Monitoring of Worker Complaints and Complaints" for the period January – July 2021, it is known that there were no complaints from employees. 			
Non-Conformance Description (filled by auditor): The management unit has not demonstrated that the complaint has been documented in accordance with established procedures.			
Root Cause Analysis (filled by organization audited): The procedure for handling employee complaints has not yet been implemented.			
Correction (filled by organization audited)root Implementation of procedures in the form of recording complaints and responding to employee complaints, including documenting evidence of follow-up on employee complaints.			
Corrective Action (filled by organization audited): Make a recapitulation and monitoring of internal communications every month.			
Assessor Evaluation and Conclusion (filled by auditor): Verification October 12, 2021 The company shows evidence of improvement : <ul style="list-style-type: none"> Minutes of inspection of employees' homes at Afdeling II Ajamu Unit on September 28, 2021. It was explained that 5 representatives from the company (Assistant Head of Plants, Assistant KTU, Assistant Plantation Personnel, Assistant Plants, Employees and verification officers) had carried out inspections on home repairs employee. Repairs that have been carried out in September 2021 for 8 days (20 – 27 September 2021). A letter from the employee (Initial MS) stating that the house he occupies has been repaired and thanking him for this. The report on the results of the technical work inspection by the verification officer on the inspection date of September 28, 2021. The field verification report explains the preparation for the use of materials, the results of the inspection are accompanied by implementation documentation, as well as repair documentation. Memo no.Aja/MU/29/IX/2021 dated September 13 regarding materials for employee home repairs. Incoming letter showing that there is a follow-up report on the employee's home improvement that has been completed and recorded on September 2, 2021. The recording in the entry book is a monitoring activity for employee complaints and complaints. Worker Complaints and Complaints Monitoring Report (Unit Ajamu Estate) for the period 2021 which explains the 			

recapitulation of complaints from January to July 2021.

- Decree of the officer in charge of complaint documentation and follow-up/response to employee complaints.
 - Explanation of root causes, corrections and preventive actions.

Based on the explanation above, the non conformity is stated to be fulfilled by observation in the next assessment activity.

Verified by : Dwi Haryati

NCR No.	: 2021.05	Issued by	: Dwi Haryati
Date Issued	: September 3, 2021	Time Limit	: ASA-3
NC Grade	: Minor	Date of Closing	: October 12, 2021
Standard Ref. & Requirement	6.7.2 There are procedures for emergency response and work accidents in Indonesian which are clearly understood by all workers. There are workers assigned to the field and other work locations and have received First Aid training in Accidents (P3K). First aid kits are available in the workplace. Records of all work accidents are kept and reviewed regularly.		

Evidence observed (filled by auditor):

Based on the document review, it is known that:

- The OSH policy issued at Ajamu Plantation on June 10, 2021 at PTPN IV which was signed by SP Bun and the Plantation Manager explained that one of the points was as follows : "No.6 Allocate and budget for personnel/funds and other facilities to support the implementation of the OHS Management System (SMK3)".
- Procedure for Emergency Management SMK3 No. Documen Kebun Aja-4.3.17 revision 00 effective February 2, 2020 which aims to provide instructions on how to quickly and precisely respond to emergencies so as to reduce the impact of losses.
- Letter from the doctor on January 2, 2021 explaining that the recommendation for the contents of the first aid kit in buildings refers to the regulation of the Minister of Manpower No. 15 of 2008 and for the provision of activities in the field are 11 items (Betadine, 70% alcohol, scissors, plaster, safety pins, aquades, bandages, gauze, cotton, tweezers and eye drops).

Based on field visits and interviews with workers by telephone, it is known as follows:

POM

- Emergency response facilities are not yet available in the dangerous material warehouse and hazardous waste of mill.
- The availability of the contents of the first aid kit in the material warehouse of mill is not complete (consisting of only gauze, betadine, alcohol, tweezers, safety pins, flashlights, plaster).

Meranti Paham Estate

- Documentation of (fire extinguisher) emergency response facilities in Afdeling housing 1 and 2.
- The foreman who brings first aid kit (spray foreman at Afdeling 1, fertilizer foreman in afdeling 4, the foreman and pesticide operator).
- Based on telephone interviews with the foreman and pesticide operator, they explained that the first aid kit that the foreman brought to the field contained betadine, bandages and gauze.

Non-Conformance Description (

The certification unit has not been able to evidence that the emergency response facilities and the provision of first aid facilities in the work area are in accordance with the stipulated provisions

Root Cause Analysis (filled by organization audited):

1. There has not been an evaluation of the results of the OHS inspection monitoring that has been carried out by the officers
2. There is no PIC who is responsible for evaluating the results of OHS inspection monitoring that has been carried out by officers.

Correction (filled by organization audited):

1. Make an evaluation of the results of the OHS inspection.
2. Determine PIC who is responsible for evaluating the results of OHS inspection.
3. Documentation of fire extinguisher emergency response facilities in Afdeling housing 1 and 2.
4. PPE matrix and documentation equipped with a foreman's waist bag containing appropriate first aid kits.
5. Emergency facilities in hazardous chemical warehouse of Mill (fire extinguisher, first aid, alarm, emergency wash, spill kit, etc)
6. First aid kit in the material warehouse of mill (first aid kit in building refer to the Minister of Manpower No. 15 of 2008).

Corrective Action (filled by organization audited):

- Creating a program and monitoring the availability of fire extinguisher (APAR) emergency response facilities in the work area.
- Monitoring the condition of the first aid facility in the work area.

Assessor Evaluation and Conclusion (filled by auditor):

Verification October 12, 2021

The company shows evidence of improvement:

- Documents for emergency response facilities at Ajamu's Mill of Hazardous Material Warehouse in the form of a first aid kit, fire extinguisher, lamp, alarm, shower, and clean sandbox for cleaning up spilled of hazardous material.
- Monitoring form for Hazardous Waste Warehouse of Mill emergency response facility by the team. OSH inspections from January – September 2021. The things that are monitored are the condition of the location, facilities, buildings, licensing notice boards and a list of emergency response tools that have been provided.
- Fill the first aid kit in the Ajamu Material Warehouse of Mill according to the regulations.
- Monitoring the contents of the first aid kit from January – September 2021 at the Ajamu Mill location by the company's OHS Inspection Team. The inspection results show that the contents of the first aid kit have complied with the regulations and are in a suitable condition.
- Explanation of root causes, corrections and preventive actions.

Based on the explanation above, the discrepancy is stated to be fulfilled by observation in the next assessment activity.

Verified by : Dwi Haryati

NCR No.	: 2021.06	Issued by	: Dwi Haryati
Date Issued	: September 3, 2021	Time Limit	: December 2, 2021
NC Grade	: Major	Date of Closing	: November 29, 2021
Standard Ref. & Requirement	6.7.3 Workers use appropriate Personal Protective Equipment (PPE), and it is provided free of charge to all workers in the workplace, as protection in all operations that have potential hazards, such as pesticide application, machine operation, land preparation, and harvesting. Sanitation facilities are available for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes.		
<p>Evidence observed (filled by auditor): The Ajamu Mill PPE Matrix of year 2021 states that information for PPE processing employees is as follows: Helmets, cloth masks, hearing protection equipment (ear plugs at loading ramp stations, kernels, presses and clarifications), ear muffs (engine room, stew, boiler), safety shoes (designated for engineering and processing employees with specifications of the OHSA Brand safety shoes with steel toe cap).</p> <p>Based on the field visits, it was found that: POM</p>			

PPE of employees at pressing stations, kernels, boilers and stewing stations is not complete:

- St press: only use helmet, AP shoes, and mask (less PPE: ear plug).
- Kernel operators do not use ear protection (lack of PPE: earplugs).
- Boiler operators do not wear ear protection, gloves are exchanged with other operators.
- Boiling stations: different shoes to wear and no ear protection.
- FFB transport drivers do not use PPE shoes but information from security every employee who enters the Ajamu POM is required to use PPE.

Meranti Paham Estate

- Harvester afdeling 1 block 07 AB only uses a helmet when working.
- Based on the PPE matrix, it is explained that the complete PPE for harvesters is a helmet, cloth mask, eye protection, hand protection, and safety boot.

Unsafe Condition

- One (1) CPO transport driver does not use PPE shoes while doing activities in the Ajamu POM CPO Dispatch area.
- The visitor line in the Ajamu POM operational area is no longer clearly visible.
- The road to grading from the loading ramp is fulfilled by FFB at Ajamu POM.
- Ladders and handrails at Ajamu POM are in an unstable condition.
- There are no OHS warnings, danger signs, and guardrails in the Ajamu POM wastewater treatment plant (WWTP) area.

Non-Conformance Description (filled by auditor):

The certification unit has not been able to prove that all workers have used PPE in accordance with the Personal Protective Equipment (PPE) Matrix and HIRAC documents that are owned along with the application of appropriate OHS in all operational areas.

Root Cause Analysis (filled by organization audited):

PPE

- Lack of awareness and understanding of employees regarding the importance of using PPE.
- There has been an appeal from the management to use PPE but there is no strict sanction for implementing the use of PPE in employees.

Unsafe Condition

There is no socialization related to unsafe conditions such as the visitor line which is not clearly visible, the road to the grading from the loading ramp that is fulfilled by FFB, stairs and handrails are in unstable conditions, and there are no OSH warnings and danger signs in the WWTP area.

Correction (filled by organization audited):

PPE

1. PPE Matrix Document According to Ajamu POM Provisions.
2. Documentation of the use of PPE for Press Station Operations, Kernel Operations, Boiler Operations, Boiling Station Operations and FFB Transport Drivers
3. Documentation of the mandatory sign of wearing PPE in the Ajamu POM.
4. Improved Visitor Line Documentation at Ajamu POM.
5. Documentation of Road Conditions leading to grading of the appropriate loading ramp (unfulfilled FFB) at Ajamu POM.
6. Documentation of the condition of the stairs and handrails that have been repaired at the POM.
7. Documentation of OHS warnings, danger signs, and guardrails in the Ajamu POM WWTP area.
8. Decree of the POM Manager No. AJA/PKS/MU/Kpts/001/IX/202 regarding the appointment of officers responsible for monitoring the use of PPE for POM employees. Decide on Processing Assistants for Shifts I and II as PICs who are responsible for monitoring and implementing OHS. This letter was stipulated at the Ajamu POM Business Unit on September 13, 2021.
9. Letter of reprimand as a form of implementation of firmness in the discipline of using PPE.

Unsafe Condition

Documentation of improvement from the unsafe condition of the WWTP area (OHS warnings, danger signs, and guardrails in the Ajamu POM WWTP area).

Corrective Action (filled by organization audited):

PPE

1. Monitoring the use of PPE for POM (Palm Oil Mill) employees
2. Socialization of the use of PPE to POM (Palm Oil Mill) workers and FFB Truck Drivers.
3. Socialization related to unsafe conditions

Unsafe Condition

- Appointment of a PIC who is responsible for monitoring and socializing as well as how the monitoring system has been implemented.
- Conduct socialization to related parties about the unsafe conditions in Ajamu POM (implemented September 13, 2021).

Assessor Evaluation and Conclusion (filled by auditor):

Verification October 12, 2021

The company shows evidence of improvement:

- Follow-up on the use of PPE at each POM station, for example at the boiler station, core silo, press, stew, and truck drivers entering the Ajamu POM.
- Documentation of the obligation to use PPE at Ajamu POM.
- Fixed and reviewed 2021 PPE matrix on September 15, 2021.
- Minutes of socializing the use of PPE at Ajamu POM on 17 September and attended by 33 employees.
- Increased queue visitors in the Ajamu POM area and leachate management.

Based on the explanation above, the company has not shown any evidence of correction.

- Root cause analysis.
- Path to grading ramp filled with FFB at Ajamu POM.
- Ladders and handrails at Ajamu POM are in an unstable condition.

Based on the explanation above, we conclude that the difference has not been fulfilled (open).

Verification November 1, 2021

The company shows evidence of correction in the form of :

1. Root cause analysis
2. Documentation in the form of photos of the condition of the stairs leading to the loading ramp.
3. Documentation in the form of photos of road conditions for grading loading ramps.

Based on the evidence of correction above, it still needs confirmation regarding:

1. Auditor response in root cause analysis and corrective action.
2. Improvement of unsafe conditions in the WWTP area (there are no OHS warnings, hazard signs, and guardrails in the WWTP POM Ajamu area).

Based on the explanation above, we conclude that the difference has not been fulfilled (open).

Verification November 29, 2021

The company shows evidence of improvement:

- Improved root cause analysis and corrective action.
- Joint socialization (including unsafe conditions) to employees on September 13, 2021.
- Sample warning letter Number AJA/PKS/MU/Kpts/002/IX/2021 to 4 employees and driver of FFB transportation. This letter was issued on September 13, 2021 and is valid for 3 months, if during that time the person concerned makes the same mistake, he will be subject to administrative sanctions according to the existing mechanism.
- Improvement of unsafe conditions in the WWTP area (OSH warnings, hazard signs, and guardrails in the WWTP POM Ajamu

area).

Based on the explanation above, it is stated that the non conformity must be fulfilled by observing the next assessment activity.

Verified by : Dwi Haryati

NCR No.	: 2021.07	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 03 September 2021	Time Limit	: ASA-3
NC Grade	: Minor	Date of Closing	: 14 October 2022
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.		
<p>Evidence observed (filled by auditor): Based on the results of field visits and document review, it is known that:</p> <ol style="list-style-type: none"> 1. The company has an SOP for Household Domestic Waste Management No. 20 effective date January 2, 2015, which contains procedures for Making trash bins, Making Temporary Trash Cans, Making Final Disposal Sites (TPA), Waste Management, OHS. 2. The company has the identification of Waste dated January 2, 2020, containing: Burlap Ex Fertilizer, Ex Chemical Jerrycan, Used Oil, Used Majun Fabric, TL Light Bulb, Used Neon, Printer Cartridge, Used Oil Filter, Battery, V-Belt, Solid Decanter, POME, Empty Fruit Bunches, Fiber, Shells, Domestic household waste. 3. Waste in the form of leachate from empty Janjang storage is not listed in the waste identification, and its management is not yet available 			
<p>Non-Conformance Description (filled by auditor): Based on this, the company has not identified all sources of waste and their management.</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> - There has not been comprehensive monitoring of Hazardous waste management - There is no officer/PIC responsible for monitoring the management of hazardous waste 			
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> - Document identification of all sources of waste, including leachate from the empty storage of Ajamu POM - Leachate Waste Management Documents at Ajamu POM 			
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> - Carry out comprehensive monitoring of hazardous waste management - Assign an officer/PIC responsible for monitoring LB3 management based on decree no. PKSAJA/MU/KPTS/01/IX/2021 			
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Verify October 15, 2021 The company has shown evidence of improvement in the form of:</p> <ul style="list-style-type: none"> - Document identification of all waste sources of Ajamu POM made by PPD Environment. There are 20 types of identified waste sources, potential hazards, and monitoring carried out. - Photos of the repair of the visitor line at the Ajamu POM and leachate management. <p>Then there are still some questions regarding the improvements and corrective actions that have been given that need to be answered again by the company. Based on this explanation, the discrepancy still cannot be fulfilled.</p> <p>Verification November 2, 2021 The company has shown evidence of improvement in the form of:</p>			

1. SOP for Utilization of Palm Oil Waste No. 17 effective date January 02, 2015, at point 5.5 Utilization of Leachate Water empty bunch describes:
 - a. Leachate waste generated from the empty bunch cannot be discharged into water bodies.
 - b. Leachate waste must not be inundated in the Hopper empty bunch area, and a channel is made to the waste pool
2. SOP for Hazardous Waste Management No.02 effective January 02, 2017
3. Establish a PIC responsible for monitoring hazardous waste management through decree no. PKS AJA/MU/KPTS/01/IX/2021

The company has written down the root causes, corrections, and corrective actions; however, responses to the auditor's questions are still needed to declare that the discrepancy is not fulfilled.

Verification 22 November 2021:

The company has shown evidence of improvement:

1. Identification of Hazardous Waste
2. Monitoring of Hazardous Waste
3. Documentation of Leachate Management

The company has written down the root causes, corrections, and corrective actions; however, responses to the auditor's questions are still needed to declare that the nonconformity is not fulfilled.

Verification 14 October 2022:

Based on verification with non-conformity from pervious assessment, unit of certification has shown evidence of improvement in the form of:

- Identification of hazardous waste from mill and estates has included leachate from EFB and its management.
- The unit of certification has conducted monitoring of leachate by constructing a barrier channel around the platform to separate it from the rainwater ditch. The leachate that flows into the holding tank will then flow into the fat pit to the WWTP pond.
- From the results of the field visit, the EFB storage area does not have trapped leachate and is well managed, so it does not cause potential pollution.

Based on the explanation on the root cause analysis, corrections, and corrective actions as well as the results of the document review and direct field visits, the non-conformance is declared to have been fulfilled.

Verified by	:	Asystasya Aishah Silalahi
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3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-3

NCR No.	: 2022.01	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.		
<p>Evidence observed (filled by auditor): Regulation of the Minister of Agriculture number 05/Permentan/KB.410/1/2018 concerning Opening and/or Processing of Plantation Land without burning, it is known that reporting to the Governor/Regent (Agriculture Service) is in accordance with the authority with the report form referring to Formats 6, 7, and 8 attachment 1 Regulation of the Minister of Agriculture number 05/Permentan/KB.410/1/2018. The form contains a report on the planning for opening and/or processing of plantation land, a report on the implementation of clearing and/or processing of plantation land, and a report on preparedness for land fire control systems, facilities and infrastructure.</p> <p>The company has a Plantation Management System Policy which was approved by the Director in January 2022, which includes compliance with applicable laws and regulations and other requirements to be implemented in the implementation of business activities.</p> <p>Based on document review revealed that:</p> <ul style="list-style-type: none"> Meranti Paham Estate submits a fire management report for semester 1 of 2022 only to DLH of Labuhanbatu Regency. The report format reported to the Labuhanbatu Agriculture Service contains monitoring of fires in plantation areas per Afdeling, which are not in accordance with attachment 1 of Minister of Agriculture Regulation number 05/Permentan/KB.410/1/2018. <p>Non-Conformance Description (filled by auditor): Based on the observed evidence, it is known that:</p> <ol style="list-style-type: none"> Not all company units have submitted fire management reports to the District Agriculture Office according to Minister of Agriculture Regulation 5 of 2018. Reports on fire management that have been reported to the Labuhanbatu District Agriculture Office are not in accordance with Appendix I of the Minister of Agriculture 5 of 2018. 			
<p>Root Cause Analysis (filled by organization audited): Lack of understanding of units in the latest report format according to Minister of Agriculture Regulation Number 5 of 2018.</p>			
<p>Correction (filled by organization audited): Submit reports according to formats 6,7 and 8 of the Minister of Agriculture Regulation number 5 of 2018</p>			
<p>Corrective Action (filled by organization audited): Coordinate with the local Agriculture Service to update the fire reporting format according to Minister of Agriculture Number 5 of 2018.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification 09 January 2023 The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> The root cause analysis is acceptable for non-conformity number 2, but has not been shown for non-conformance number 1. Correction is acceptable. The company has shown proof of delivery of the 2nd semester of 2022 Land Fire Prevention and Management Report to the Labuhan Batu District Agriculture Office on January 2, 2023. The report provides information including a description of the location, potential fire hazards, planning and preparation for dealing with fires, evacuation routes, fire extinguisher facilities, organization/team of fire prevention, coaching and training. However, it has not been shown in format 8 of the Minister of Agriculture 5 of 2018 such as and is not limited to IUP, plantation area fire control operations (early warning, early detection, fire suppression, and post-fire handling), etc. Corrective action has been accepted, please show the recorded evidence. Please show the corrective action again after the repair. Root cause analysis. 			

Based on the notes in the root cause analysis and corrective action, as well as evidence that has not been shown, the non-conformities are declared unfulfilled.	
<i>Follow up on next audit (filled by auditor):</i>	
Verified by	: Sentot Adi Subandono

NCR No.	: 2022.02	Issued by	: Leonada
Date Issued	: October 15, 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"> The company shows a list of contracted third parties listed in the contractor list for the period October 2022, such as 1 CPO transporter, 1 PK transporter, 1 Whell Loader Rental, 3 Procurement of Goods/Services, 1 Security Service, 2 Nursery Maintenance Services, 4 Plant Maintenance Services and 4 FFB transporters and it can be shown that the cooperation contract has its own clause regarding the fulfilment of relevant legal obligations, for example in SPK No: 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 dated 11 March 2022 with PT Bravo Anak Kolong for the work of transporting FFB. Then, from the results of interviews with CV Mentari Bersinar's contractors, it was conveyed that their workers did not yet have a work agreement with the contractor. Based on the results of the document review, the company can show proof of BPJS Employment registration from CV Munawaroh Kurnia Jaya, PT Sowsof Dahra Jaya, CV Mentari Bersinar, PT Dafa Indrayus Perkasa. However, proof of BPJS Health registration has not been shown yet. Meanwhile, the remaining third parties who have cooperative ties with the company have not been able to prove compliance with the relevant legal compliance clause. 			
Non-Conformance Description (filled by auditor):			
Based on this evidence, the company has not been able to show evidence that third parties who have cooperative ties have fulfilled the relevant legal obligations as stated in the contract clauses including but not limited to such as fulfilment of the minimum wage, BPJS Health/Employment membership and the working relationship of employees with employers.			
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):			
Follow up on next audit (filled by auditor):			
Verified by	:		

NCR No.	: 2022.03	Issued by	: Hasiholan Sihombing / Alfiany Sukmawati
Date Issued	: 15 October 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	: 3.4.3 The social and environmental management and monitoring plan is implemented, reviewed, and updated regularly in participatory way		
<p>Evidence observed (filled by auditor): The certification unit has carried out Monitoring and Management of Social Impacts in 2022 by managing 3 (three) impact parameters, including; public facilities and social facilities, job opportunities, and business opportunities. For the Ajamu Unit, this was carried out on January 10, 2022, while for the Meranti Paham unit, it was carried out on August 18, 2022. Social Impact monitoring and management plan done periodically every year. However, there is no evidence yet that the social management and monitoring plan was carried out in a participatory manner since July 2021.</p>			
<p>Non-Conformance Description (filled by auditor): The certification unit has not shown evidence that the social management and monitoring plan is carried out in a participatory manner.</p>			
<p>Root Cause Analysis (filled by organization audited): Lack of understanding of officers who manage SIA in a comprehensive manner which covers all aspects of the social impact analysis report document and issues that are actually developing around the plantation.</p>			
<p>Correction (filled by organization audited): Conduct dialogue directly with the community and/or community representatives on company policies and accommodate the results of the discussion into the Social Impact Monitoring and Management Report so that it is properly managed and documented and measurable.</p>			
<p>Corrective Action (filled by organization audited): Appoint a special PIC who manages the SIA report so that issues that develop in the community can be properly accommodated and monitoring and evaluation of the follow-up of the managed Social Impact Monitoring and Management Report can be measured and traced properly.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification (30 December 2022) The company has shown the 2022 Stakeholder Questionnaire Resume Document for Ajamu and Meranti Paham Units which contains identification of social and environmental impacts including expectations, perceptions of plantations, public facilities, social facilities, and employment and business opportunities from 36 affected parties, such as representatives of Ajamu Plantation Village, Teluk Sentosa Village, Cinta Makmur Village, Meranti Paham Village, Bagan Bilah Village, as well as company worker representatives. However, there are still auditors' responses that need to be answered in the root cause analysis, correction, and corrective action columns.</p> <p>Based on the explanation above, the non-compliance with this indicator is declared Not Fulfilled.</p> <p>Auditor Verification (09 January 2023) The company has shown repair documents, in the form of:</p> <ul style="list-style-type: none"> • Decree on the appointment of 3 PICs for the Management and Monitoring of Social Impacts of the Meranti Paham Business Unit and their job descriptions, based on the Meranti Paham Business Unit Manager Decree No. MEP/MU/Kpts/13/VII/2022 dated 02 July 2022 • Questionnaire of Attitudes, Perceptions, and Expectations of Stakeholders Around PT Perkebunan Nusantara IV – Kebun Meranti Paham for representative examples; Head of Meranti Paham Village, Head of Selat Beting Village, Head of Ajamu Plantation Village, and Head of Sei Tampang Village. <p>However, there is still some evidence of improvements that still need to be sent and explanations from the company, including;</p> <ul style="list-style-type: none"> • In corrective actions, please show related photo or video evidence as participatory evidence to related parties • For corrective actions, please show a report on the results of the discussions that have been carried out. 			

- In the corrective action, how to improve the lack of understanding of the staff managing the SIA?
- Regarding preventive actions, please review related corrective actions referring to the root of the problem.

Based on the explanation above, the non-compliance with this indicator is declared Not Fulfilled.

Auditor Verification (13 January 2023)

The company has provided the following proof of improvement:

- Social Impact Monitoring Plan Matrix in 2022 of PT Perkebunan Nusantara IV Ajamu Estate, which describes parameters, sources of impact, monitoring objectives, monitoring methods, monitoring locations, monitoring time and frequency, and monitoring implementation.
- List of educational absences and internal training in the management and monitoring of social impacts at Ajamu Estate which was conducted on 12 December 2022 for 4 PICs.
- Evidence of joint deliberations in the form of attendance and photos attended by 45 stakeholder representatives, for example; gender committee, contractors, Head of Bagan Bilah Village, *Majelis Taklim dan Syiar Islam*, and *Persatuan Umat Kristen* which was held on 17 October 2022.
- Summary of Stakeholder Questionnaire of PT Perkebunan Nusantara IV Ajamu Estate Business Unit consisting of 36 respondents for a representative sample; Head of Meranti Paham Village, Head of Selat Beting Village, Head of Ajamu Plantation Village, and Head of Sei Tampang Village.
- Evidence of internal education and training in the management and monitoring of social impacts at Meranti Paham Estate which was carried out on January 5, 2023 to 3 PICs.
- Plans and Realization of the SIA Work Program for 2023 Meranti Paham Plantation Unit.

Based on the verification results, evidence of improvement has been accepted. Thus, the discrepancy is declared fulfilled with the Notes and will be further verified at the next surveillance.

Follow up on next audit (filled by auditor):

Verified by : Hasiholan Sihombing / Alfiany Sukmawati

NCR No.	: 2022.04	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	3.6.1 All operational activities risks assessed to identify the H&S issues. Mitigation plans and procedures are documented and implemented.		

Evidence observed (filled by auditor):

The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS Management System.

The company has HIRAC Documents for plantations which were approved on September 2022 and HIRAC Documents for factories which were approved on 20 August 2022 which were prepared by the Risk Management Team and approved by the Estate/Factory Manager. In the HIRAC document, the company has not identified the hazards and risks of several activities (but not limited to) as follows:

Estate

1. Transport FFB to collecting point using modified bicycles and motorcycles
2. Transportation of FFB using a locomotive
3. House rinse

4. Replanting
5. Nurseries
6. Monitoring and inspection of pole subsidence
7. Monitoring and inspection of monitoring wells
8. The well in the housing
9. HCV monitoring
10. Monitoring Tower fire
11. Owl monitoring

Factory

1. Receipt of FFB at postal security
2. Activities in the Sorting area
3. Hoisting crane operations
4. Wheel loader operations – unsaved action when riding on a wheel loader
5. WWTP installation management
6. Operation of empty steamer
7. Water pump in housing

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

Lack of management monitoring in updating the risk assessment compiled in the HIRARC document because no PIC has been appointed to carry out the HIRAC evaluation.

Correction (filled by organization audited):

- Make additions and/or revisions to the latest HIRARC document in accordance with the risk assessment of operations in the field.
- Demonstrate Risk Management Procedures.

Corrective Action (filled by organization audited):

- Assign a PIC whose task is to monitor the identification of risk assessment updates/HIRARC
- General OHS Expert in coordination with the relevant Head of work to make a list of periodic risk assessment/HIRARC updating monitoring identification according to activities in the field in an updated manner

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification 02 January 2023

1. Root cause analysis: Lack of management monitoring in updating the risk assessment compiled in the HIRARC document. HIRAC evaluation mechanism has not yet been shown.
2. Corrections have been accepted, but need proof of corrections that have been made according to the records in the Auditor's verification.
3. Please formulate a corrective action after identifying the root cause analysis. Back. corrective action is an improvement plan based on root cause analysis, so that the non-conformity does not recur.
4. Proof of repair:
 - Minutes of Socialization of Risk Identification dated 07 November 2022 in Ajamu Estate to Askep Plants, Assistant Afdeling 1 – 5, Assistant Personnel for Plantations, SPBun, Foreman 1 Afdeling 1 – 5, Krani Afdeling 1 – 5, and implementing employees Afdeling 1 – 5. Outreach regarding hazard identification and risk assessment.
 - Decree of the Ajamu Unit Manager number AJA/MU/Kpts/07/X/2022 dated 17 October 2022 concerning risk management implementing officers. Officers have duties including HIRAC identification and HIRAC monitoring.
 - Ajamu Estate HIRAC documents and MEP on 11 activities according to audit findings, with notes:
 - a. The HIRAC document for the Ajamu Rinse House, update 18 October 2022 for mixing ingredients, has not shown the appropriate PPE, such as an apron.
 - b. The HIRAC document for nursery maintenance (weeding, fertilizing, watering seedlings, and spraying pesticides) updated on October 18, 2022, risk control has not explained PPE in accordance with work risks.

- c. The HIRAC document for wells in the MEP housing update October 19, 2022, risk control has not shown a warning regarding the existence of wells.
- d. Implementation plan for risk control for replanting activities, update 18 October 2022, contents are the same as the rinse house, need confirmation again.
- e. Plan for implementation of risk control for pole subsidence monitoring activities, update 18 October 2022, PJ for Seedling Assistant, needs confirmation again.
- f. The plan for implementing risk control for the MEP pole subsidence monitoring activity, update October 17, 2022, the PJ of the Plantation Personnel Assistant, needs confirmation again.
- Ajamu Mill HIRAC document updated October 17, 2022 on 7 activities according to audit findings, as follows:
 - a. The risk level of sorting area activities does not match the risks, such as the risk of serious injury and death with a moderate risk level, etc. Please adjust the risk control accordingly.
 - b. Risk control for unsave action activities in wheel loader operations that carry passengers has not shown control regarding this matter.
 - c. The risk level of WWTP installation management activities does not match the risks, such as the risk of serious injury and death with a moderate risk level, etc. Please adjust the risk control accordingly.
 - d. The risk level of the operational activities of empty bunkers does not match the risks, such as the risk of serious injury and death with a moderate risk level, etc. Please adjust the risk control accordingly.
- Decree of Ajamu POM Unit Manager number PKS-AJA/MU/Kpts/08/XI/2022 dated 22 November 2022 regarding potential risk evaluation officers. Officers have duties including HIRAC identification and HIRAC monitoring.
- Dissemination of HIRAC Wheel Loader PKS Ajamu to Chief Machinists, Assistants, Processing Foremen, and Burning Furnace Officers on November 4, 2022.
- HIRAC Socialization of Housing Clean Water, security posts, and sorting PKS Ajamu to Chief Machinists, Assistants, Processing Foremen, and Burning Furnace Officers on November 19, 2022.
- Socialization of HIRAC hoisting cranes and WWTP, to Chief Engineers, Assistants, Processing Foremen, and Burning Furnace Officers on November 21, 2022.
- Socialization of PKS Ajamu Furnace HIRAC to Chief Machinists, Assistants, Processing Foremen, and Burning Furnace Officers on November 24, 2022.

Based on the Auditor's verification above, it was concluded that the discrepancies were declared unfulfilled.

Auditor Verification January 10, 2023

The company shows evidence of improvement in the form of:

- HIRAC evaluation mechanism, as follows:
 - Ajamu Estate contained in the Risk Management OHS SYSTEM MANAGEMENT Procedure with code Kebun Aja-4.2.1 applies February 24, 2022. This procedure regulates HIRAC reviews at least once a year, or if abnormalities are found in its application.
 - MEP Estate contained in the Risk Management OHS SYSTEM MANAGEMENT Procedure with code MEP-4.2.1 effective March 1, 2015. This procedure regulates HIRAC reviews at least once a year, or if abnormalities are found in its application.
 - The HIRAC mechanism for PKS Ajamu has not yet been shown.
 - If the company already has a HIRAC evaluation mechanism procedure, and on January 2nd verification the managers' SK was shown, except for the MEP Estate (Please send if any) regarding the PIC of the HIRAC evaluation, then it is concluded that the root cause analysis is more or less due to a lack of management monitoring in updating the risk assessment compiled in the HIRARC document because there is no PIC appointed to carry out the HIRAC evaluation.
 - If so, please rearrange the correct sentence in the root cause analysis.
- The company shows evidence of correction improvement, as follows:
 - Ajamu Estate HIRAC Form and MEP 2022 approved October 18, 2022, as follows:
 - Replanting, the contents are in accordance with the replanting activities.
 - Seeding (weeding, fertilizing, watering seeds, and spraying pesticides), risk control has explained PPE according to work risks.
 - Rinse house, material mixing has shown appropriate PPE such as an apron.
 - Monitoring pole subsidence, PJ has been replaced by Foreman I and Plant Assistant.
 - HIRAC POM form, updated January 5, 2023, as follows:

- The risk level of WWTP installation management activities, there is still a risk of serious injury and death with a moderate risk level. Risk control carried out is only the use of PPE, there are no other plans. Please identify again.
- The risk level of the empty stove operation is in accordance with the risks, such as the risk of serious injury and death with a high-risk level.
- Risk control for unsafe action activities in wheel loader operations carrying passengers has shown control in this regard, but there is still a risk of serious injury and death with a moderate risk level. Risk control carried out is only the use of PPE and SE Manager, there are no other plans. Please re-identify and show the intended SE Manager along with the socialization.
- The level of risk of sorting area activities is in accordance with the risks.
- Not yet shown HIRAC wells in POM housing and estates.
- Corrective action has been accepted.

Based on the verification above, the non-compliance is declared as unfulfilled.

Auditor Verification January 13, 2023

- Revised Root Cause Analysis (12 January 2023):
Lack of Management monitoring in updating the risk assessment compiled in the HIRARC document because there is no PIC appointed to carry out the HIRAC evaluation
Root cause analysis has been acceptable.
 - The company shows evidence of correction improvement, as follows:
 - Ajamu POM contained in the Risk Management OHS SYSTEM MANAGEMENT Procedure with code PKS AJA-4.2.1 revision 2 applies February 20, 2020. This procedure regulates HIRAC reviews at least once a year, or if abnormalities are found in its application.
 - HIRAC Ajamu Estate and PKS Estate related to residential wells update October 18, 2022 accompanied by a photo of an acceptable ban on playing in the well area.
 - Dissemination of HIRAC Ajamu Estate to Executive Employees of Afdeling 1-5 on 07 November 2022.
 - Documentation of the installation of warnings against playing in the well area in MEP Afdeling 1, 5 and 6.
 - Documentation of limited area warnings at WWTP Ajamu POM.
 - HIRAC Ajamu POM, update January 5, 2023, with the following details:
 - ✓ Loading ramp - Sorting, risk identification is in accordance with the risk level identification.
 - ✓ unsafe action on wheel loader operations, risk is in accordance with risk control. The socialization of the Wheel Loader operating policy was shown at POM Ajamu on 04 December 2022, which was attended by operators, foremen and related staff. The socialization contained, among other things, the prohibition on giving rides to other people when heavy equipment is in operation.
 - ✓ Activities in WWTP, risk identification is in accordance with the risk level identification. Risk control by using procedures and using appropriate PPE, implementing procedures, outreach, and warnings.
 - ✓ MEP Estate Manager Decision regarding PIC Review HIRAC MEP Estate December 1, 2022.
- Corrective action has been accepted.

Based on this, the discrepancy is declared to have been fulfilled and its application will be observed again in the next audit.

Follow up on next audit (filled by auditor):

Verified by : Sentot Adi Subandono

NCR No.	: 2022.05	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	: 3.6.2	The effectiveness of the H&S plan to address health and safety risks to people is monitored.	

Evidence observed (filled by auditor):

- Government Regulation number 50 of 2012 concerning the Implementation of OHS System Management in article 10, among other things, explains that companies in implementing OSH plans are supported by competent and certified human resources and have Operator License OHS/appointment from the authorities.
- The Company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing K3 in all aspects of work in order to prevent and reduce accidents and *PAK* (disease caused by the impact of work) by implementing OHS System Management.
- The company has an OHS Policy that was established on January 7, 2021 by the Plantation Manager and SP Bun (Worker Union). In general, explaining that the Company will comply with all forms of laws and government regulations regarding OSH.

1. Boiler Operator

- Based on field observations and document review, it is known that the company operates 1 boiler with an installed capacity of 20 tons/hour. It is also known from the results of field observations from the digital record that the pressure generated is ± 17 tons/hour.
- The company shows a Class II Boiler License Operator with the initials Shd, but the results of a review of employee data for the period 12 October 2022 show that Shd's position is Kernel Operator Helper. Based on field observations and document review it is also known that the workers in the Boiler area are JS, Rmt, MA, Mkl, and Skd who have not shown their OHS License Boiler Operator.
- Labor Minister Regulation No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity of >10 ton/h <20 T/h requires 1 class I operator for each shift.

2. Electricity OHS Expert

- Based on field observations and document review, it is known that the company has 1 turbine with a power of 800 KVA and a generator with a power of 565 KVA.
- Labor Minister Regulation No. 12 of 2015 in Article 7 it is explained that for companies that have power plants of more than 200 kVA are required to have OHS Experts in the field of Electricity.
- The results of the review of the Ajamu Mill Operators License Competency Recap document, there was no AK3 for Electricity.

3. OHS Fire Expert

- Based on interviews with management representatives informed that the company already has a Class D role officer, but has not been able to show evidence of OHS certificates and licenses owned.
- Based on review of the Ajamu Mill Operators License Competency Recap document found that there were no OHS fire Espert or Class D Fire Officers.
- Letter of the Minister of Manpower number 13 of 2015 concerning Improvement of Guidance and Supervision of Occupational Safety and Health in the field of fire prevention in the workplace regulates the establishment of fire prevention units which include role officers, response teams, coordinators, and OHS fire Espert prevention.

4. Periodic Health Examination (MCU) for Workers

- Based on document review and interviews with workers, it is known that health checks are only carried out for workers with high risk, and have not been carried out for all workers. For example, the 2021 Ajamu Mill worker health check was carried out for 46 workers. While 2022 cannot be shown by the company.
- Based on review Ajamu Mill employee data for the period of 12 October 2022 found that there were 136 employees, which means that not all workers have had periodic health checks.
- Regulation of the Minister of Manpower number 2 of 1980 concerning health checks for workers in the implementation of work safety regulates, among other things, periodic health checks and special checks for workers.
-

Non-Conformance Description (filled by auditor):

Based on the observed evidence, it is known that the company has not complied with its Plantation Management System Policy and OHS Policy as well as specific OHS-related regulations, not limited to:

1. The company has not been able to show OHS licenses as follows:
 - Boiler Operator in accordance with Labor Minister Regulation No. 01 of 1988.

- Electricity OHS Expert in accordance with Labor Minister Regulation No. 12 of 2015.
- Role officers, response teams, coordinators, and OHS Expert for fire prevention in accordance with the Circular of the Minister of Manpower number 13 of 2015

2. Health checks for workers according to the Minister of Manpower Regulation No. 2 in 1980.

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

- There is no PIC who monitors the need for licenses and license extensions for OHS Operators, OHS expert of electricians, and firefighters and OHS EXPERT Class A fires
- There is no periodic health check procedure for all workers.

Correction *(filled by organization audited):*

- Indicate a valid steam aircraft operator license.
- Shows letter of extension of OHS coordinator for class B fires and OHS electrical technician from PJK3 who works with the company.
- Demonstrate revision of Health check procedures related to Health checks for all workers.
- Perform Health checks for all estate and factory workers.

Corrective Action *(filled by organization audited):*

- Establish a PIC who monitors license requirements and license activation for OHS aspects.
- Carry out monitoring of PIC performance and completeness of OHS Operator and machine licenses in the company, as well as regular health checks for all employees through Internal Audit.

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

Auditor Verification 02 January 2023

- Root cause analysis "Identification of personal licenses/certifications has not been carried out in accordance with applicable regulations" ❑ Not yet shown a PIC who monitors the need for OHS aspect licenses (1), understanding regarding OHS licenses (2), emergency responders and OHS EXPERT fires (3). There is no root cause analysis related to the implementation of health checks for workers (4).
- Correction, by showing valid steam and OHS EXPERT Electricity operator licenses, as well as OHS EXPERT fire extension letters, but corrections have not been shown for workers' health checks according to the results of audit observations.
- Please formulate a corrective action after identifying the root cause analysis Back. corrective action is an improvement plan based on root cause analysis, so that the non-conformity does not recur.
- The company shows evidence of improvement, as follows:
 - Recapitulation of Ajamu POM SIO Competency Certification, approved by the Unit Manager on December 26, 2022, which informed that there were 2 class 1 steam aircraft operators with active SIO, 2 class 2 Boiler operators with active SIO, 1 hoisting crane operator with active SIO, 2 operators Production aircraft with an active SIO, and 1 SIO OHS Electrician whose validity period has expired.
 - OHS Class 1 Boiler Operator License with the initials Stn (PTPN IV) which is valid until 30 April 2024.
 - Class 1 Boiler Operator OHS license with the initials MAI (PTPN IV PKS Ajamu) which is valid until June 18, 2025.
 - OHS Class 2 Boiler Operator License with the initials Mkl (PTPN IV) which is valid until June 9, 2027.
 - K3 Class 2 Steam Aircraft Operator License with the initials MAm (PTPN IV) which is valid until 09 June 2027.
 - K3 Electrical Technician license with the initials Kcr (PTPN IV) which is valid until November 21, 2022, which has expired.
 - PKS Ajamu Manager's statement letter dated November 14 2022 regarding employees with the initials Nmd and AE as employees of PTPN IV Ajamu, as well as a statement letter for each worker as a completeness of the application file for class B fire management SKP extension. Not yet shown a statement letter from PJK3 regarding the extension process PKS Ajamu employees as class B firefighters.
 - HR memo to all Plantation and PKS Managers dated 30 November 2022 regarding the 2022 Health inspection schedule for handlers of pesticides, toxic chemicals, and employees aged ≥40 years. It is planned for the Ajamu unit on December 19-20 2022, namely 32 Ajamu workers, 75 MEP workers, and 26 Ajamu POM workers. The results of the health check have not been shown.

Based on the Auditor's verification above, it is concluded that the non-compliance has not been fulfilled.

Auditor Verification January 10, 2023

The company shows additional evidence of improvement:

- There has been no change Root cause analysis, please identify Again Root cause analysis according to verification 02 January 2023.

Revision of the root of the problem: there is no officer related to OHS effectiveness inspection

- Proof of correction, as follows:
 - Statement of PJK3 PT EMCOTAMA dated 21 December 2022 which explains the process of extending the OHS License for the Class B Fire Management Unit Coordinator, namely 2 people from POM Ajamu with the initials AE and Nmd, and 1 person from Kebun Ajamu with the initials Gnw, an extension at the Ministry of Manpower of the Republic of Indonesia.
 - Statement of PJK3 PT EMCOTAMA dated December 21, 2022 which explains the process of extending the Electrician's OHS License with the initials Kcr, an extension at the Indonesian Ministry of Manpower.
 - MCC Manager Memo dated 24 December 2022 regarding the implementation of the x-ray plan for 26 POM workers at Prodia 19 – 20 December 2022. Periodic health checks for all workers, both plantation and PKS, as well as the results of the planned health checks have not been shown.
 - Please formulate a corrective action after identifying the root cause analysis Back. corrective action is an improvement plan based on root cause analysis, so that the non-conformity does not recur.
 - Make SK PIC officers monitoring the effectiveness of OHS
 - Monitoring the effectiveness of monthly OHS

Based on the verification above, the non-compliance is declared as unfulfilled.

Auditor Verification January 13, 2023

- Revised Root Cause Analysis (13 January 2023)
 - There is no PIC who monitors the need for licenses and license extensions for OHS Operators, OHS EXPERT electricians, and firefighters and OHS EXPERT Class A fires
 - There is no periodic health check procedure for all workers.Root cause analysis has been acceptable
- The company shows evidence of correction improvement, as follows:
- Results of periodic inspections of employees implementing the Ajamu estate by PT Prima Medica Nusantara Unit Pabatu Hospital on 28 November 2022 for 284 implementing employees, with all healthy results. The 2022 employee inspection program is shown, 2023 realization of 51 people signed by the Ajamu Estate Manager on January 13, 2023.
- Results of periodic inspections of employees implementing the MEP estate by PT Prima Medica Nusantara Unit Pabatu Hospital on 07 December 2022 for 460 implementing employees, with all healthy results. However, from the employee data for October 2022, it is known that the number of workers at MEP Estate is 529. It has been shown by the Explanation of the MEP Estate Manager on 13 January 2023 that since October 48 workers retired, 21 people retired early.
- Results of periodic inspections of employees implementing the Ajamu estate and factory by PT Prima Medica Nusantara Unit Pabatu Hospital on 28 November 2022 for 136 implementing employees, with all healthy results. POM employee data as of October 2022 totalled 114, so it was concluded that all workers had undergone periodic health checks.
- Minutes of OHS license socialization dated 6 January 2022 to the POM Manager, Machinist Head of Personnel/Administrative Assistant, Engineering, QA, Processing, and employees who have licenses regarding the OHS license, license period, and license monitoring PIC.
- Decision of the POM Manager dated January 5, 2023 regarding the PIC of the License Monitor/SIOOHS at Ajamu POM.
- Dissemination of understanding of OHS licenses, OHS EXPERT Electricity, OHS EXPERT fires, and emergency conditions at PKS on January 6, 2023.
- PT Emcotama's PJK3 certificate dated 21 December 2022 regarding the extension of the Class B Fire Management Coordinator, as many as 2 PKS employees with the initials AE and Nmd, and 1 estate employee with the initials Gnw.
- The OHS SYSTEM MANAGEMENT procedure with code Kebun Aja – 4.3.15 concerning Handling Accidents and Health Checks revision 1, effective 13 February 2023 states that Health checks are carried out by taking an inventory of health check needs for all workers and special Health checks for workers according to the provisions, submitting work plans, and carrying out health checks
- The OHS SYSTEM MANAGEMENT procedure with code Meranti Paham Estates – 4.3.15 concerning Handling Accidents and Health Checks revision 1, effective 13 February 2023 states that Health checks are carried out by taking an inventory of health check needs for all workers and special Health checks for workers according to regulations, submitting work plans, and implementation of health checks
- The OHS SYSTEM MANAGEMENT procedure with code PKS Ajamu – 4.3.15 concerning Accident Handling and Health Examination revision 1, effective 13 February 2023 states that Health checks are carried out by taking an inventory of health

<p>check needs for all workers and special Health checks for workers according to regulations, submitting work plans, and carrying out health checks</p> <ul style="list-style-type: none"> • OHS training program in 2023, one of which is a class A fire training plan in March 2023. • Corrective action has been accepted. 	
<p>Based on the Auditor's verification, the nonconformity is declared to have been fulfilled and will be observed again in the next audit.</p>	
<p><i>Follow up on next audit (filled by auditor):</i></p>	
<p>Verified by</p>	<p>: Sentot Adi Subandono</p>

<p>NCR No.</p>	<p>: 2022.06</p>	<p>Issued by</p>	<p>: Hasiholan Sihombing / Alfiany Sukmawati</p>
<p>Date Issued</p>	<p>: 15 October 2022</p>	<p>Time Limit</p>	<p>: ASA-4</p>
<p>NC Grade</p>	<p>: Minor</p>	<p>Date of Closing</p>	<p>:</p>
<p>Standard Ref. & Requirement</p>	<p>: 4.3.1 Contributions to community development that are based on the result of consultation with local community are demonstrated.</p>		
<p>Evidence observed (filled by auditor): The unit of certification has contributed to community development through proposals submitted by the community and its CSR programs in 2022. For example, there are documentations of the construction of the Dusun 1 Selat Beting canal and road repair of the Meranti Paham village, and many more.</p>			
<p>Non-Conformance Description (filled by auditor): However, the certification unit has not been able to show evidence that the CSR program was prepared based on the results of consultations with local communities.</p>			
<p>Root Cause Analysis (filled by organization audited):</p>			
<p>Correction (filled by organization audited):</p>			
<p>Corrective Action (filled by organization audited):</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor):</p>			
<p>Follow up on next audit (filled by auditor):</p>			
<p>Verified by</p>	<p>:</p>		

<p>NCR No.</p>	<p>: 2022.07</p>	<p>Issued by</p>	<p>: Leonada</p>
<p>Date Issued</p>	<p>: October 15, 2022</p>	<p>Time Limit</p>	<p>: 13 January 2023</p>
<p>NC Grade</p>	<p>: Major (Recurring)</p>	<p>Date of Closing</p>	<p>: 3 December 2022</p>
<p>Standard Ref. & Requirement</p>	<p>: 6.2.2 Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed, including</p>		

	work done by family members.
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> Based on interviews with representatives of the Meranti Paham Workers' Union, information was obtained that there were workers who were assisted by family members who were not employees of the company. Based on field visits during harvesting activities, it was found that 1 person in Afdeling I of the Ajamu Estate was helping with the harvest and 1 person in Afdeling I and 1 person in Afdeling V of the Meranti Paham Estate who was helping with picking loose fruit. Based on direct interviews, it is known that the three people are not company employees and one of the work support personnel is not yet 18 years old. In this case the company also has not been able to show evidence that the three people have a working relationship with the company. Law of the Republic of Indonesia No. 13 of 2003 in article 50 and Government Regulation of the Republic of Indonesia No. 35 of 2021 in article 2 paragraph 1 states that employment relations occur because of an employment agreement between employers and workers/labourers. 	
<p>Non-Conformance Description (filled by auditor): Based on this evidence, there are still people who work in a corporate environment without having a work relationship in the form of a work agreement. This is not in accordance with Law No. 13 of 2003 and Government Regulation no. 35 years 2021.</p>	
<p>Root Cause Analysis (filled by organization audited):</p> <ul style="list-style-type: none"> Lack of understanding of the Unit of Certification (Ajamu and Meranti Paham) regarding the prohibition on the use of illegal labor or the Family Cup in FFB harvesting work. Field supervisors were not consistent in following up on personnel changes and new personnel changes, so we made a policy prohibiting the use of new family cups by local units Field implementing supervisors allow workers to bring family members to work locations. 	
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> Socialization and reading of the pledge for the Prohibition of the Use of Illegal Labor and the obligation to use PPE in Ajamu (PKS and Estates) and Meranti Paham Estate. Socialization will also be carried out to workers' families and socialization will be carried out to field supervisors by managers, assistants and field foremen. For understanding Meranti Paham Estate, there will be a thorough outreach to all departments. Letters of Reprimand to Harvest Employees found working assisted by family members who are not employees to 5 (five) harvest employees. Letter of Reprimand to the Harvest Foreman allowing workers to bring family members to work locations on October 13, 2022. Monitoring the Use of Personal Protective Equipment (PPE) and the Prohibition of Use of Illegal Working on October 15, 2022 at Ajamu Estate and Meranti Paham Estate. Decree of the Ajamu Plantation Manager No. AJA/M/Kpts/22/X/2022 concerning Appointment of Family Cap Monitoring Officers to Head of Assistances, DSS and Foreman Afdeling I – V. Head of Assistances supervises regularly and randomly every week to monitor illegal workers. 	
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> Create a Program Plan for Monitoring Illegal Labor and Use of Personal Protective Equipment (PPE) Monitoring harvesters regarding the use of illegal harvester labor to work in the field by the Harvest Foreman and report monitoring results to the assistant head and manager for evaluation Making commitments by management regarding the prohibition of illegal workers and continuing to monitor illegal workers who are evaluated by top management. Giving warning letters to workers and PIC leaders in the field if illegal labor is used 	
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification on October 18, 2022 The company shows evidence of improvement in the form of:</p> <ol style="list-style-type: none"> Document of Ajamu Estate Manager Circular Letter No AJA/SE/Intern/80/X/2022 concerning Prohibition of Use of Illegal Labor and the obligation to use PPE dated October 14, 2022. Integrity Fact Document of Meranti Understand Plantation regarding Prohibition of Use of Illegal Labor and the obligation to use PPE dated October 14, 2022. 	

3. PKS Manager Integrity Fact Document regarding Prohibition of Use of Illegal Labor and the obligation to use PPE dated October 14, 2022.
4. Program Plan for Monitoring Illegal Labor and Use of Personal Protective Equipment (PPE) October 2022 – September 2023.
5. Video outreach and reading of the pledge to Prohibit the Use of Illegal Labor and the obligation to use PPE in Ajamu (Mill and Estates) and Meranti Paham Estate.
6. Monitoring the Use of Personal Protective Equipment (PPE) and the Prohibition of Utilization of Illegal Working on 15 October 2022 at Ajamu Estate and Meranti Paham Estate.

There are still auditor questions regarding the explanation of root cause analysis, correction, and corrective action. So that this discrepancy is declared not fulfilled.

Verification on October 26, 2022

The company shows evidence of improvement in the form of:

1. Decree of the Ajamu Plantation Manager No. AJA/M/Kpts/22/X/2022 concerning Appointment of Family Cap Monitoring Officers.
2. Minutes of Socialization of the Prohibition of Illegal Working in Afdeling I, II, III, IV and V of Kebun Ajamu on October 20, 2022.
3. Letter of Reprimand to Harvest Employees who bring family members to work locations on October 13, 2022 at Ajamu Estate.
4. Minutes of Socialization of the Prohibition of Family Cups and the Use of Lower Labor in Afdeling V of Meranti Paham Estate on October 17, 2022.
5. Letter of Reprimand to Harvest Employees found working assisted by family members who are not employees to 5 (five) harvest employees on October 13, 2022 at Meranti Paham Estate.
6. Letter of Reprimand to the Harvest Foreman who allows workers to bring family members to work locations on October 13, 2022.

There are still auditor questions regarding the explanation of root cause analysis, correction, and corrective action. So that this discrepancy is declared not fulfilled.

Verification date December 3, 2022

The company shows evidence of improvement in the form of:

1. Minutes of the Prohibition of the Use of Non-Official and Underage Labor in Afdeling I on October 18, 2022 at Meranti Paham Estate.
2. Minutes of the Prohibition of the Use of Non-Official and Underage Labor in Afdeling II on October 21, 2022 at Meranti Paham Estate.
3. Minutes of the Prohibition of the Use of Non-Official and Underage Labor in Afdeling III on October 25, 2022 at Meranti Paham Estate.
4. Minutes of the Prohibition of the Use of Non-Official and Underage Labor in Afdeling IV on October 19, 2022 at Meranti Paham Estate.
5. Minutes of the Prohibition of the Use of Non-Official and Underage Labor in Afdeling VI on October 26, 2022 at Meranti Paham Estate.
6. Minutes of the Prohibition of the Use of Non-Official and Underage Labor by the Management Unit for field personnel on October 17-18, 2022 at Meranti Paham Estate.

Based on a review of the explanation and proof of improvement attached regarding root cause analysis, correction and corrective action, this discrepancy is declared fulfilled with notes and will be further verified at the next visit.

Major Verification December 21, 2022

Based on field visits on harvesting work in Afdeling III Ajamu Estate and Afdeling II Meranti Paham Estate, no harvest work was found assisted by illegal workers or without work agreements, so this discrepancy is declared fulfilled with the Notes and will be further verified on the next visit.

Follow up on next audit (filled by auditor):

Verified by	: Leonada

NCR No.	: 2022.08	Issued by	: Leonada
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	<p>6.2.4 The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.</p>		
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> The company shows a list of Facilities and Infrastructure at Ajamu Estate and Meranti Paham Estate for the 2022 period, which explains that the infrastructure is in good condition. The results of interviews with representatives of the Meranti Paham Workers' Union and Harvest workers in Afdeling I of the Meranti Paham Estates revealed that there were workers who did not get clean water facilities so they used their own water pumps to get clean water. Results of field visits to worker housing: <ul style="list-style-type: none"> Meranti Paham Estate <ul style="list-style-type: none"> Afdeling I, V and VI, housing facilities were found with leaky roofs, corrugated floors, cracked walls and stagnant sewage causing muddy conditions. Ajamu Estate and Mill <ul style="list-style-type: none"> Afdeling IV and V, it was found that housing facilities were visited by poor sanitation because there were no toilets inside the house so defecation was done behind the house behind palm trees and only covered with plastic tarpaulin. POM housing facilities were found to use ex Hazardous waste Drum Packaging as water reservoirs used for bathing, washing, toilet needs and muddy sanitation conditions with stagnant water. 			
<p>Non-Conformance Description (filled by auditor): Based on this evidence, it was concluded that there was still inadequate housing, sanitation facilities and water supplies.</p>			
<p>Root Cause Analysis (filled by organization audited): The PIC, who is in charge of monitoring home repairs, does not understand house regulations and has not carried out monitoring activities for the condition of employees' homes as well as a sample form for monitoring employee complaints regarding drilled wells where all employees do not get water.</p>			
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> Make repairs to the condition of the houses found during the audit activities and other houses based on monitoring. Sending ex hazardous and toxic material drum packaging to the hazardous and toxic waste warehouse and socializing the ban on reusing ex hazardous and toxic material drum packaging Monitoring the feasibility of housing conditions as well as the planned housing repair budget and its realization in 2023 			
<p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> Create a Manager's Policy regarding the employee's home improvement mechanism Determine the PIC in charge of monitoring the eligibility conditions of the houses Conduct outreach to employees regarding home improvement mechanisms Create a 2023 home improvement program based on monitoring results 			
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification on December 22, 2022</p>			

From field visits to Afdeling III Ajamu Estate and Afdeling II Meranti Paham Estate it was found that there were still damaged housing, but the company has not been able to demonstrate a repair program for these housing so that the discrepancies in this indicator have not been fulfilled.

Verification on December 29, 2022

The company shows evidence of improvement in the form of:

1. Letter from the Assistant Plant Head to the Ajamu Plantation Unit Manager No. Afd IV/Aja/002/IX/2022 dated 13 October 2022 regarding Refurbishment of Employee Houses.
2. Letter of Appointment of PIC who is responsible for hazardous and toxic material packaging at Ajamu POM No. PKS-AJA/SE/Inter/01/XI/2022 dated 18 November 2022.
3. Minutes of Socialization of hazardous and toxic material Management and hazardous and toxic material Packaging at Ajamu POM November 14, 2022.
4. Minutes of Socialization of Employee Housing at Ajamu POM December 26, 2022.
5. Ajamu POM Business Unit Manager Decree No. PKS-AJA/MU/Kpts/ /XII/2022 concerning special officers who are responsible for monitoring the eligibility conditions of employees' official housing.
6. Ajamu POM Employee Housing Improvement Program for 2022 and 2023.
7. Monitoring of Ajamu POM Employee Housing Improvements in 2022 and 2023.
8. Minutes of Socialization of Clean Water Management in Afdeling I of Meranti Paham Estate on November 21, 2022.
9. Minutes of Socialization of Residential House Improvements in Afdeling V of Meranti Paham Estate on 25 October 2022.
10. Minutes of Socialization of Residential Improvements in Afdeling VI Meranti Paham Estate on 29 October 2022.
11. Meranti Paham Business Unit Manager Decree No. MEP/SK/ /VII/2022 plantation regarding special officers who are responsible for monitoring the eligibility conditions of employees' official housing.
12. Meranti Paham Estate Employee Housing Improvement Program in 2022.
13. Meranti Paham Estate Employee Housing Improvement Program in 2023.
14. Letter from Assistant Afdeling V to the Meranti Paham Plantation Unit Manager dated October 20, 2022 regarding Employee Home Improvements (G-2).
15. Letter from Assistant Afdeling VI to Meranti Paham Plantation Unit Manager No. Afd.VI/MU/05/10/2022 dated 20 October 2022 regarding Application for Home Ceiling Repair.

There are still auditor questions regarding the explanation of root cause analysis, correction, and corrective action. So that this nonconformity is declared not fulfilled.

Verification on 09 January 2023

The company shows evidence of improvement in the form of:

1. Ajamu Manager Policy Number AJA/SE/Intrn/26/XI/2022 concerning Mechanisms for repairing employee houses November 26, 2022.
2. Monitoring of housing facilities for the Ajamu Business Unit Afdeling I – V in December 2022
3. Decree of the Ajamu Plantation Unit Manager Number AJA/MU/Kpts/06A/XI/2022 concerning Special Officers who are responsible for monitoring the eligibility conditions of houses, November 26, 2022.
4. Employee Home Improvement Program 2023 – 2027 Afdeling I – V Ajamu Business Unit.
5. Dissemination of House Repair Mechanisms to Employees in Afdeling I – V Ajamu Business Unit from 28 November 2022 to 02 December 2022.
6. Minutes of the Meeting of the Bipartite Cooperation Institution at PTPN IV Ajamu Plantation Unit on 06 December 2022 discussed the Mechanism for Handling Complaints of Ajamu Estate and POM Employees.

There are still auditor questions in the explanation of root cause analysis, corrections, and corrective actions. So that this nonconformity is declared not fulfilled.

Verification on January 13, 2023

The company shows evidence of improvement in the form of:

1. Decision of Meranti Paham Business Unit Manager Number MEP/MU/Kpts/01/I/2023 concerning Special Officers who are responsible for handling complaints of Meranti Paham business unit employees
2. Recap of Monitoring Housing Employees of Meranti Paham Plantation Unit Number MEP/04.03/01/I/2023 dated 04 January

2023
<p>3. Meranti Paham Estate Employee House Improvement Program Afdeling I, II, III and Emplacement in 2023.</p> <p>4. Minutes of Dissemination of Internal Communications and Handling of Employee Complaints at Meranti Paham Estate Afdeling I to VI on November 10, 2022.</p>
<p>Based on a review of the explanation and proof of improvement attached regarding root cause analysis, correction and corrective action, this nonconformity is declared fulfilled with notes and will be further verified at the next visit.</p>
<p><i>Follow up on next audit (filled by auditor):</i></p>
<p>Verified by : Leonada</p>

NCR No.	: 2022.09	Issued by	: Leonada
Date Issued	: October 15, 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	<p>6.2.7 Permanent, full-time 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.</p>		
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> Based on the employee list for September 2022, it is known that there are 38 harvest workers with temporary (PKWT) status at Meranti Paham Estate and 57 harvest workers at Ajamu Estate. Based on a study of the work agreement documents of harvest workers, for example on 2 harvest workers (with the initials RTH and ZA) in Afdeling VI of Meranti Paham Estate and 1 harvest worker (with the initials RWN) in Afdeling V of Ajamu Estate, it was conveyed that workers are employees with temporary (PKWT) status with a tenure the longest work starts from 2021. The company also shows that the PKWT contract has been extended 3 times. Field visits during harvesting activities in Block 18A Afdeling 1 Ajamu Estate, found 1 temporary (PKWT) worker. RI Government Regulation No 35 of 2021 in article 4 paragraph 2 states that temporary (PKWT) cannot be held for permanent jobs. GAPKI Central Management Decree No. SK/002/PPG/III/2013 concerning the flow of work implementation processes in the oil palm plantation business sector states that harvesting and processing FFB into CPO is the main work. 			
<p>Non-Conformance Description (filled by auditor): The company has not been able to show evidence that all the main work has been done by permanent workers.</p>			
<p>Root Cause Analysis (filled by organization audited): The authority to appoint harvest workers because harvesting work is permanent in PT. Nusantara Plantation III (Persero)</p>			
<p>Correction (filled by organization audited): Coordinate with the HR Section (PTPN IV Management) regarding the proposal to appoint PKWT harvest workers to become permanent workers (PKWTT) of PT. Nusantara Plantation IV</p>			
<p>Corrective Action (filled by organization audited): Shows the Time Plan for the plan to appoint PKWT harvest workers to become permanent workers (PKWTT) according to the coordination results of PTPN IV and PTPN III (Persero) with a gradual mechanism in 2023</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification date January 13, 2023 The company shows evidence of improvement in the form of Matrix of Work Program Plan for Sub Personnel and PO of the HR Section.</p>			
<p>Based on a review of the explanation and proof of improvement attached regarding root cause analysis, correction and corrective action, this nonconformity is stated to be fulfilled with notes and will be further verified at the next visit</p>			

Follow up on next audit (filled by auditor):

Verified by : Leonada

NCR No.	: 2022.10	Issued by	: Leonada
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Minor raised to Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	6.5.4 A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"> SOP for Internal Communication and Handling of Employee Complaints Document No. SPO. 19 revision 03 effective date November 6 2018 procedure section 5.3 concerning Mechanisms for handling employee complaints at Plantations and Factories explained that "Employee complaints are submitted orally or in writing to the direct supervisor (foreman, assistant and/or head assistant) or submitted to HR assistant, general and security. All employee complaints must be submitted to the manager to be known and responded to immediately. Based on interviews with housing residents at Ajamu Mill, Afdeling IV Ajamu Estate and Afdeling I, IV and V Meranti Paham Estate there were complaints regarding housing facilities but until the audit was carried out there was no response from the company. Based on the recording of employee complaints by Meranti Paham and Ajamu in the document "Report on Monitoring Complaints and Complaints of Workers" for the period January - September 2022, it is known that there were no complaints from employees. 			
Non-Conformance Description (filled by auditor): The company has not been able to show evidence that complaints have been documented, implemented and communicated according to the procedures it has.			
Root Cause Analysis (filled by organization audited): Lack of outreach to workers regarding internal communication mechanisms and handling employee complaints, because not all workers get clear information regarding internal communication mechanisms and handling employee complaints and have not been documented in a measurable manner because there are still many workers who do not understand the procedures for internal communication mechanisms and handling employee complaints.			
Correction (filled by organization audited): Carry out outreach in collaboration with SPBUN (worker union) regarding internal communication mechanisms & handling employee complaints so that 2-way communication runs effectively and Demonstrate Bipartite LKS with SPBUN confirming internal communication mechanisms and handling employee complaints as well as samples of employee complaint monitoring forms			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Shows Bipartite LKS with SPBUN confirming internal communication mechanisms and handling employee complaints Overall monitoring of employee complaints 			
Assessor Evaluation and Conclusion (filled by auditor): Verification date December 29, 2022 The company shows evidence of improvement in the form of: <ol style="list-style-type: none"> List of Recapitulation of Internal Complaints (Employees) PTPN IV Ajamu Plantation Unit 2022. Letter from the Assistant Head of Plants to the Manager of the Ajamu Estate Unit No. Afd IV/Aja/002/IX/2022 dated October 13, 2022, regarding the Rehabilitation of Employee Houses. Letter from Plant Assistant Afdeling IV to Ajamu Plantation Unit Manager No. Afd IV/Aja/001/IX/2022 dated October 13, 2022, regarding the construction of bathing, washing, and toilet. Letter from Assistant Afdeling V to the Meranti Paham Plantation Unit Manager dated October 20, 2022 regarding Employee Home Improvement (G-2). Letter from Assistant Afdeling VI to Meranti Paham Plantation Unit Manager No. Afd.VI/MU/05/10/2022 dated October 20, 			

2022 regarding Application for Repair of Home Ceiling.

There are still auditor questions regarding the explanation of root cause analysis, correction, and corrective action. So that this discrepancy is declared not fulfilled.

Verification date January 9, 2023

The company shows evidence of improvement in the form of:

1. Minutes of Socialization of Employee Complaint Handling Mechanism Afdeling I – V Ajamu Business Unit January 4 – 7, 2023.
2. Minutes of the Meeting of the Bipartite Cooperation Institution (LKS) at PTPN IV Ajamu Plantation Unit on December 6, 2022 discussed the Mechanism for Handling Complaints of Ajamu Estate and Mill Employees.

There are still auditor questions on the explanation of root cause analysis and corrective action. So that this nonconformity is declared not fulfilled.

Verification date January 13, 2023

The company shows evidence of improvement in the form of:

1. Minutes of Dissemination of Internal Communication and Handling of Employee Complaints at Merati Paham Estate Afdeling I – VI dated November 10, 2022.

Based on a review of the explanation and proof of improvement attached regarding root cause analysis, correction, and corrective action, this nonconformity is declared fulfilled with notes and will be further verified at the next visit.

Follow up on next audit (filled by auditor):

Verified by : Leonada

NCR No.	: 2022.11	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Minor raised to Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	<p>6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p>		
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> • Manpower Agency regulation No. 15 of 2008 concerning first aid, among other things, regulates the contents of first aid kits, the need for first aid kits compared to the number of workers, and the number of first aid kits based on distance. • The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS System Management. • The company has an OHS Policy issued at Ajamu Estate on 10 June 2021 at PTPN IV which has been signed by SP Bun (worker union) and the Plantation Manager explaining in one of the points as follows: Allocating and budgeting for personnel/funds and other facilities to support the implementation of the K3 Management System (SMK3). • OHS System Management Procedure for Handling Emergency Situations No. Kebun Aja Document-4.3.17 revision 00 effective date 2 February 2020 which aims to provide instructions on how to respond quickly and appropriately to emergencies so as to reduce the impact of losses incurred. • Statement letter from the polyclinic doctor on January 2, 2021 explaining that the recommendation for the contents of the first aid kit in a building refers to Labor Minister Regulation regulation No. 15 of 2008 and for the provision of activities in the field is 11 items (Betadine, 70% alcohol, scissors, plaster, pins, distilled water, bandages, gauze, cotton, tweezers and eye drops). 			

Also informed was a letter from the Polibun regarding the contents of the first aid kit in engineering and processing work referring to Labor Minister Regulation number 15 of 2008, totaling 21 items.

- Based on field observations at Mill, it is known that:
 - There are no evacuation routes in the processing area.
 - There are 2 assembly points, one of which is covered by weather monitoring machines. While other gathering points are in areas adjacent to the Mill (distance ± 7 m) while the nearest tallest building has a height of > 9 m, and the ground conditions of the gathering point are hollow/uneven.
 - Visitor line is only found in the area next to the hoisting crane in a sketchy condition, there is no visitor line in the processing area, meanwhile there are routine activities such as audits and machine repairs in the processing area.
 - There is water injection in the first aid kit, which is not included in the contents of the first aid kit according to the Policlinic Letter for the contents of the first aid kit in technical work which refers to Labor Minister regulation number 15 of 2008.
 - Based on interviews revealed that the workers in the first aid box area did not understand the contents and functions of the first aid they brought
 - There are no first aid kits in the WWTP area, which is more than 1 km from the Mill.
 - There is no bund wall in temporary hazardous waste storage.
 - In the hazardous Warehouse, there is no MSDS affixed, there are no eye showers and body showers, there are several unauthorized people in the hazardous Warehouse area, and activities in the hazardous Warehouse do not use appropriate PPE.
 - The results of the observation of the WWTP area, there are no boundaries for the pool area, warnings regarding restricted and dangerous areas. The results of interviews with officers also revealed that local residents were still looking for grass in the area.
 - Unsaved action when dismantling FFB nets in the sorting area, not using PPE safety helmet and wearing sandals.
 - Unsaved action when the wheel loader moves, there are passengers on the steps up the wheel loader.
- Based on field observations at Ajamu Estate found that:
 - The contents of the first aid bag in the harvest area Block 18 A Afdeling 1 were incomplete and there was water injection that was not in accordance with Labor Minister regulation number 15 of 2008.
 - The contents of the first aid bag in the manual maintenance area in Block 19 M Afdeling 2 were incomplete and there was water injection that was not in accordance with Labor Minister regulation number 15 of 2008 and expired Iodine.
 - Based on interview revealed that the officers carrying the first aid kit did not understand the contents and functions of the first aid kit they were carrying.
- The results of field observations at the Meranti Paham Estate revealed that:
 - The contents of the first aid bag in the harvest area of Block 19 I Afdeling 5 are not in accordance with Labor Minister Regulation number 15 of 2008.
 - Fill in the first aid bag in the maintenance work area Block 19 G Afdeling 5, only 9 items that are not in accordance with Labor Minister Regulation number 15 of 2008 and mixed with a spare spray nozzle that has been used.
 - The contents of the first aid bag in the harvest area of Block 16 A and Block A07 Afdeling 1 are not in accordance with Labor Minister Regulation number 15 of 2008.
 - The contents of the first aid bag in the Afdeling 1 Nursery area are not in accordance with Labor Minister Regulation number 15 of 2008.
 - From the examination of the contents of the First Aid Bag, there was an additional 7 Star Puyer which was not in accordance with the Minister of Manpower Regulation number 15 of 2008.
 - Fill the first aid kit at the Afdeling 4 Ajamu Daycare Center with expired powder, bodrex, and Iodine.
 - There are no eye showers and body showers at the Meranti Paham B3 Warehouse.
 - Based on field observations, it is also known that during the firefighting simulation, the water pump did not work.

Non-Conformance Description (filled by auditor):

Based on the observed evidence, it is known that:

1. The company has not been able to prove that the emergency response facilities and the provision of first aid facilities in the work area are not in accordance with the policies, procedures and regulations that apply.
2. Determination of the contents of the first aid kit is not all in accordance with Labor Minister Regulation number 15 of 2008.

3. The contents of the first aid boxes and bags available in the field are not in accordance with company regulations.

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

The PIC evaluator's lack of understanding of OSH aspects related to emergency response aspects and emergency response infrastructure.

Correction *(filled by organization audited):*

- Complete the contents of the first aid kit and the contents of the first aid bag according to the Minister of Manpower and Transmigration Regulation no 15 of 2008
- Installing evacuation routes in the processing area.
- Fixed a faded Visitor line.
- Relocating meeting points that are more open and visible.
- Carry out outreach to local residents in the WWTP area, it is a restricted area that may not enter without permission from the company
- Providing eye showers and body showers at the B3 Warehouse
- Carry out outreach to workers regarding the contents and functions of First Aid

Corrective Action *(filled by organization audited):*

Carry out regular monitoring of the performance of PIC evaluators on OHS aspects in the company through Internal Audit.

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

Verifikasi Auditor 02 Januari 2023

1. This discrepancy is a recurring discrepancy, namely in 2021 and will repeat itself in 2022. Root problem analysis for 2022 "There has not been monitoring of compliance with the standard of first aid kits and first aid contents" contrary to the 2021 root cause analysis, namely "There has not been an evaluation of the results of monitoring inspections OHS that has been carried out by officers. Please re-identify the analysis of the root of the problem.
2. Correction, with the following notes:
 - a. Not yet shown the latest recommendations from Doctor Polibun regarding the contents of the first aid kit in all work areas. This is the basis for correction "Complete all contents of the first aid kit and contents of the first aid bag according to Permenakertrans no 15 of 2008".
 - b. Correction has not been shown regarding expired first aid items according to the results of observations during the audit.
 - c. Corrections have not been shown regarding understanding the contents, functions, and use of first aid kits in first aid bags/boxes. Evidence of improvement has been shown.
 - d. It has not been shown that the first aid box/bag has been fulfilled in accordance with applicable regulations.
 - e. Correction has not been shown from the results of observations during the audit, such as: bundwall at hazardous and toxic waste temporary storage, emergency response facilities at the B3 Warehouse, warnings at WWTP, safe work techniques when unloading FFB nets, safe work techniques driving wheel loaders without passengers, and water pump fire prevention facilities at MEPs
3. Please formulate a corrective action after identifying the root cause analysis Back. corrective action is an improvement plan based on root cause analysis, so that the non-conformity does not recur.
4. The company shows evidence of improvement, as follows:
 - a. Documents for handing over the first aid kit and bag for the Ajamu Estate Foreman, according to Permenakertrans number 15 of 2008 on October 17, 2022 to Krani Afdeling 1, Krani Afdeling 2, Krani Afdeling 3, Krani Afdeling 4, and Krani Afdeling 5.
 - b. Minutes of the Ajamu Estate socialization regarding the use of first aid, contents of first aid bags and kits on November 9, 2022, which were attended by Askep, Assistants, Harvest Foreman, Maintenance Foreman, and nurses.
 - c. Documents for handing over the first aid kit and bag for the Ajamu Estate Foreman, according to Permenakertrans number 15 of 2008 on October 17, 2022 to Krani Afdeling 1, Krani Afdeling 2, Krani Afdeling 3, Krani Afdeling 4, and Krani Afdeling 5.
 - d. p.s. Document handing over the contents of the first aid kit/first aid bag MEP Estate Foreman, in accordance with Permenakertrans number 15 of 2008 on October 26, 2022 to Head of Afdeling 1, Head of Afdeling 2, Head of Afdeling 3, Head of Afdeling 4, Head of Afdeling 5, Head of Afdeling 6, Head of Staff Engineering, Warehouse Clerk, Nursery Clerk, and Secretary Manager.

- e. Minutes of outreach in Afdeling 5 MEP estates regarding the use of types of first aid drugs, contents of First Aid Bags and Kits on November 10, 2022, which was attended by Askep, Assistants, Harvest Foreman, Maintenance Foreman, and nurses.
- f. Minutes of socialization in Afdeling 1 of MEP Estate Nurseries regarding the use of types of first aid drugs, contents of First Aid Bags and Kits on 17 November 2022, which was attended by Krani, Foreman and workers.
- g. Minutes of socialization in Afdeling 1 of the MEP Estate regarding the use of first aid, contents of First Aid Bags and Kits on November 4, 2022, which was attended by Assistants, Harvest Foremen, Harvesters, and nurses.
- h. Photo of the contents of the first aid kit at the PKS Ajamu B3 Warehouse and follow-up photos, which have not been shown a description so that the information referred to is not clear.
- i. Eye shower and body shower repair documents at the Ajamu B3 PKS Warehouse accompanied by documentation photos.
- j. Minutes of OSH policy socialization to local residents looking for grass in the WWTP area and dismantling FFB nets in the sorting area on 07 November 2022.
- k. First aid handover documents to WWTP workers, November 26, 2022.
- l. Documentation of visitor line photos, gathering points, and evacuation routes, which will be observed again in the next audit.

Based on the audit verification, the discrepancies were declared unfulfilled.

Audit Verification January 10, 2023

- No revision of root cause analysis yet.
- Proof of correction, as follows:
 - Repair of the MEP Estate water pump machine for fire fighting facilities and photo documentation has shown that it is functioning properly.
 - Decree of the MEP Estate Manager regarding 5 Officers Monitoring the Contents of First Aid Boxes and Bags in the field on 01 July 2022.
 - Documents for handing over the contents of the First Aid Box in Afdeling Afdeling, warehousing, and the MEP Estate Nursery dated October 26, 2022, according to Minister of Manpower Regulation 15 of 2008 totaling 21 types.
 - Minutes of socialization of the functions and contents of the first aid kit at the MEP Estate on November 10, 2022, followed by Assistants, Foremen, and 5th Afdeling Employees.
 - Minutes of socialization of the functions and contents of the first aid kit at the MEP Estate on November 17, 2022, followed by Assistants, Foremen, and Nursery Employees.
 - Minutes of socialization of the functions and contents of the first aid kit at the MEP Estate on November 4, 2022, followed by Assistants, Foremen, and Afdeling 1 Employees
 - Installing restricted area signs and taking care of the depth of the pool in the WWTP POM pool.
 - Minutes of OSH License socialization at POM Ajamu on 06 January 2023 which was attended by Managers, Chief Machinists, TU & personnel Assistants, Technical Assistants, QA Assistants, Processing Assistants, SP Bun, and related Operators.
- Please formulate a corrective action after identifying the root cause analysis. corrective action is an improvement plan based on root cause analysis, so that nonconformities do not recur.
- Revision of Root Cause Analysis (January 12, 2023):

The Inspection and investigation team did not understand the procedure for handling emergency response and work accidents so that it did not work effectively in the unit of certification
- Corrective Action Action (January 12, 2023):
 - Carry out regular monitoring of the performance of the PIC evaluator on OHS aspects in the company through Internal Audit.
 - Based on the verification above, the non-compliance is declared not fulfilled

Auditor Verification January 13, 2023

- Root problem analysis, as follows:

The company revised the root cause analysis "The inspection and investigation team did not understand the procedures for handling emergency response and work accidents so that they did not work effectively in the certification unit", while in the

previous audit "There has not been an evaluation of the monitoring results of OHS inspections that have been carried out by officers" and "There is no specific PIC who is responsible for evaluating the results of OHS inspection monitoring that has been carried out by officers".

- The previous audit also showed evidence of improvement such as documents for emergency response facilities for the B3 Warehouse such as first aid kits, fire extinguishers, lights and other emergency response facilities
Based on the root cause analysis and evidence of improvement from the previous audit, to identify "The Inspection and Investigation Team lack understanding regarding emergency response and work accident handling procedures so that they do not work effectively in the unit of certification" to be inappropriate. Please identify Back Root cause analysis of non-conformity.

Revision Root January 13, 2023

The PIC evaluator's lack of understanding of OSH aspects related to emergency response aspects and emergency response infrastructure.

Root cause analysis is acceptable

- Corrections. The company shows evidence of improvement as follows:
 - Documentation of MSDS installation in the B3 Warehouse and prohibition for those who are not interested in the B3 Warehouse area.
 - Inspection of contents of first aid kits in November and December 2022, at Afdeking Offices 1, 2, 3, 4, 5, TPA Afdeling 5, Plants Office, and main post. The results shown, fill in the first aid kit as many as 21 types.
 - Inspection of First Aid Kits in January 2023 at the processing office, LB3 Warehouse, engine room, B3 Warehouse, general workshop with contents of 21 types.
 - Dissemination of the use of types and functions of first aid kits in the first aid kit at POM, November 26 2022 by doctors and attended by staff and employees regarding the position of the first aid kit.
 - Socialization on the use of PPE while working and in the POM area to staff, third parties and local residents on December 6-7 2022.
 - HIRAC Ajamu POM, update January 5, 2023, with the following details:
 - ✓ Loading ramp - Sorting, risk identification is in accordance with the risk level identification.
 - ✓ unsafe action on wheel loader operations, risk is in accordance with risk control. The socialization of the Wheel Loader operating policy was shown at POM Ajamu on 04 December 2022, which was attended by operators, foremen and related staff. The socialization contained, among other things, the prohibition on giving rides to other people when heavy equipment is in operation.
 - ✓ Activities in WWTP, risk identification is in accordance with the risk level identification. Risk control by using procedures and using appropriate PPE, implementing procedures, outreach, and warnings.
 - ✓ Documentation of expired iodine replacement to the Maintenance Foreman of Afdeling 2 Kebun Ajamu and TPA Afdeling 5 Ajamu.
 - ✓ Documentation of eyeshower and body shower installation in the B3 Warehouse at PKS.
 - ✓ Hazardous and toxic waste temporary storage bund wall has been shown.
 - ✓ Letter from Estate manager Ajamu and MEP dated 13 January 2023 stating a commitment stating that the Foreman's First Aid bag contains 21 items referring to Regulation of the Minister of Manpower and Transmigration number 15 of 2008.
- Corrective action is acceptable.

Based on the auditor's verification, the discrepancy is declared to have been fulfilled and will be observed again in the next audit.

Follow up on next audit (filled by auditor):

Verified by : Sentot Adi Subandono

NCR No.	: 2022.12	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Major (Recurring)	Date of Closing	: 22 December 2022
Standard Ref. & Requirement	6.7.3 Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"> The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK by implementing OHS management system. It has also been arranged for the provision of the necessary resources in the preparation, implementation and continuous improvement. The mechanism that regulates PPE is contained in the SE(Letter) Mill Manager number AJA/SE/Intern/05/V/2020 dated 02 May 2022 it is known that the HR Assistant assigns the Foreman to distribute PPE to employees, Sanctions for not using PPE while working, procedure for replacing PPE damage. The PTPN IV PPE matrix for the Ajamu plantation determined by the management found that the types of boots used were safety boots (with iron protectors) and safety shoes for workers at MILL and safety boots for work in the plantations. Based on field observations and interviews with MILL Ajamu workers, it was found that several employees wore AP boots. The results of the interview revealed that the safety boots provided by the company were damaged, and had not yet been replaced, so they bought their own. Several workers stated that they had reported this to their superiors, but there had been no replacement. Based on observations and interviews with workers at Kebun Ajamu, it is known that: <ul style="list-style-type: none"> There was 1 harvester with PKWT (Contract Worker) status in Block 18A Afdeling 1 using his own shoes and helmet because PPE was not provided by the company. There were 2 manual maintenance workers in Block 19 M Afdeling 2 using boots that were bought by themselves because the ones provided by the company were old damaged. The results of observations and interviews with workers at Meranti Paham Estate, it is known that: <ul style="list-style-type: none"> 1 harvester (Freelance worker status) in Block 19I wears gambier shoes that he bought himself. 1 manual maintenance worker in Block 19G Afdeling 5 using AP boots that he bought himself. 2 harvesters from Block A07 Afdeling 1 use gambir shoes that they bought themselves. The results of an interview with PIC Sustainability revealed that there will be no PPE stock in 2022. The results of field observations to the mill and estate warehouses showed no PPE stock. 			
Non-Conformance Description (filled by auditor): Based on this, it is known that there are still workers who use PPE that are not in accordance with the PPE matrix and are not provided free of charge by the company. This becomes Non-Conformity No. 2022.12			
Root Cause Analysis (filled by organization audited): Delays in the PPE procurement process at the PTPN IV Head Office, caused by a vendor change due to the inability of the previous vendor.			
Correction (filled by organization audited): <ul style="list-style-type: none"> Evidence of replacement of PPE for Ajamu Estate employees including: 1 PKWT harvester afdeling I and 2 maintenance employees in afdeling V Evidence of replacement of PPE for meranti understand employees including: 1 harvester in afdeling I, 1 Maintenance worker in afdeling V and 2 harvesters in afdeling V Evidence of Change of PPE for Ajamu Mill employees Information dissemination to employees regarding the mechanism and replacement of PPE 			

Corrective Action (filled by organization audited):

1. Create a PPE Procurement Program in the Sustainability Planning Section so as not to experience delays in Procurement.
2. Determine PPE Procurement Supervision Officers.
3. Evaluation of PPE procurement vendors in the procurement process.
4. Monitoring the use of PPE

Assessor Evaluation and Conclusion (filled by auditor):**Root cause analysis:**

PIC's lack of understanding in the field regarding the process of replacing and using PPE according to the company's matrix.

Auditor Verification 19 October 2022

The results of field observations revealed that both Assistants, Foremen, and workers had understood PPE standards, especially safety shoes and safety boots, however, as a result of observations at the estate warehouse and MILL, no PPE stock was found, especially safety shoes and safety boots. The results of the interview with PIC Sustainability found that there was no PPE stock in 2022. Please identify again what is the root of the problem in this regard.

Auditees Response:

Regarding the Stock PPE, the 2021 Budget does not provide stock and provide PPE in 2022, it is planned to provide PPE every 2 years and provide 5% stock of the total employees who receive PPE and are still in the procurement process

Auditor Verification 30 October 2022

Based on the company's explanation dated 19 October 2022, it is known that one of the reasons for using PPE is not in accordance with the PPE matrix and PPE purchased by yourself because there is no PPE stock at the company.

1. Why isn't PPE stock provided for 2021, so that workers buy PPE independently and PPE that is not in accordance with the PPE matrix?

Auditee's response (01 Dec 22): Mechanism for 2021 for Stock PPE is included in Budget 429 with a mechanism for replacing PPE Assistant to the manager with a copy to APK (Plant Personnel Assistant) to replace PPE, while for 2022 the PPE budget is carried out 2 times and stock as much as 5% is provided for PPE which is often damaged

2. Why is there no stock of PPE for 2022 until October 2022?

Meanwhile the company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing K3 in all aspects of work in order to prevent and reduce accidents and PAK by implementing SMK3. It has also been arranged for the provision of the necessary resources in the preparation, implementation and continuous improvement.

Auditee's response: The initial PPE contract was entered into the IPS (Integrated Procurement System) / Procurement in March due to a Vendor Change so the Contract was revised in July resulting in delays

Please identify again what is the root of the problem in this regard.

Revision 01 December 2022**Root cause analysis:**

Delays in the PPE procurement process at the PTPN IV Head Office, caused by a vendor change due to the inability of the previous vendor.

Auditor: already accepted.

Correction**Auditor Verification 19 October 2022**

1. Please show all proof of correction for MILL Ajamu

Auditee's response: Will send proof of handover of PPE for MILL Ajamu employees.

2. It has not shown the procurement of PPE for all workers

Auditee's response: Management will thoroughly monitor the use of PPE and evaluate by top management whether the PPE is replaced because it is damaged or the PPE is not used and a warning letter is given

Corrective action

Auditor Verification 19 October 2022

Please corrective action is adjusted to identify the root of the problem after repair. Corrective action is an action that fixes to the root of the problem so that it is hoped that the same incident and discrepancy will not recur in the following days.

Auditees Response:

The Management will continue to carry out Compliance Evaluation and implementation of the mechanism for using PPE

Auditor Verification 30 October 2022

Please corrective action adjusted to the identification of the root of the problem after repair. Corrective action is an action that fixes to the root of the problem so that it is hoped that the same incident and discrepancy will not recur in the following days.

1. Create a PPE Procurement Program in the Sustainability Planning Section so as not to experience delays in Procurement
2. Monitoring the use of PPE by the PIC and evaluated by the manager every month

Verifikasi Auditor 01 Desember 2022

Several things are of concern for corrective action

1. For number 1 it is not appropriate, because the analysis of the root of the problem is related to a change in vendor due to vendor incompetence. Please re-identify. Analysis of the root of the problem (auditee response: to ensure the incompetence of vendors, the company also procures stocks of PPE other than the PPE needed by workers)
2. How to ensure the timeframe for the realization of PPE procurement, in addition to what programs are carried out so that PPE procurement, PPE replacement, and PPE stock are carried out on schedule. (auditee's response: the company appoints a PIC in ensuring the timing of the PPE procurement)
3. How is the PPE stock mechanism always available
4. Monitoring the use of PPE by the PIC and evaluated by the Manager every month □ has been accepted

Revision 22 December 2022

1. Create a PPE Procurement Program in the Sustainability Planning Section so as not to experience delays in Procurement.
2. Determine PPE Procurement Supervision Officers.
3. Evaluation of PPE procurement vendors in the procurement process.
4. Monitoring the use of PPE by the PIC and evaluated by the manager every month

Auditor Verification December 22, 2022:

Has been accepted

The company shows evidence of improvement on October 19, 2022, as follows:

Ajamu Mill

The company shows evidence of improvement:

1. Integrity Fact dated October 14, 2022 which was signed by the MILL manager, Maskep, Masrep, 4 Assistants, and 107 workers. The document contains commitments including applying the principles and criteria of the RSPO and other plantation management systems, providing PPE for workers, ensuring PPE is used when working, implementing government regulations and procedures related to PPE, and being prepared to accept company sanctions for violations of commitments. Note: Mill Employee Data per October 12 submitted to the Auditor 136 workers. Not all employees have shown commitment regarding this matter, in the Integrity Fact only 114 employees
2. Auditee Response: Will be completed for all integrity facts including cranials
3. Program Plan for Monitoring the Use of PPE for the period October 2022 – December 2022 which contains, among other things, making integrity facts, socializing the use of PPE to all employees, socializing external parties and security, issuing SEs on PPE obligations for FFB transport workers and external parties carrying out work at MILL Ajamu, determining the PIC for monitoring the use of PPE, monitoring PPE during the work process, evaluating top management regarding the use of PPE, and giving rewards and punishments.
4. SE of MILL Manager number MILL-AJA/SE/ /X/2022 dated 17 October 2022 regarding the obligation to use PPE, including the obligation of all external parties when entering MILL to report to the security post, comply with the rules in force at MILL, use PPE, transportation of FFB and empty fruit bunches must use nets, as well as sanctions if they are not implemented.
5. Monitoring the Use of Employee PPE for the 3rd week of October 2022, October 16, 2022 for 18 workers from various positions, but the type of PPE for each position has not been announced. Please be informed.
6. The type of PPE will be indicated in the PPE Monitoring update

7. Video of imparting the facts of integrity to several MILL workers, however, it is still found in the video that MILL workers are wearing non-safety boots/safety shoes according to the company's PPE matrix, which means they are still using inappropriate PPE.

Auditee: Hirac's adjustment for replacement PPE is PPE safety Boots

Ajamu Estates

- Integrity Fact dated October 14, 2022 signed by the manager, head assistant, 7 assistants and 222 workers. The document contains commitments including applying the principles and criteria of the RSPO and other plantation management systems, providing PPE for workers, ensuring PPE is used when working, implementing government regulations and procedures related to PPE, and being prepared to accept company sanctions for violations of commitments.
- Video of imparting the facts of integrity to workers in Afdeling I, II, III, IV, and V but it is still found in the video that participants are wearing non-safety boots according to the company's PPE matrix, which means they are still using inappropriate PPE. Auditee's response: A work HIRAC will be provided for the PPE used.
- Minutes of delivery of PPE safety boots on 14 October 2022 to 3 PKWT workers.
- Monitoring the use of PPE and the implementation of the ban on illegal working Afdeling I, II, III, IV, and V on 15 -18 October 2022 for harvesters and maintenance workers. The PPE that is monitored is safety boots and helmets.
- Management evaluation carried out by the Evaluation Team, Head Assistant, and Manager on 18 October 2022 which stated among other things that all workers who were active during 15 – 18 October 2022 had used PPE.

Meranti Paham Estate

- Integrity Fact dated 14 October 2022 signed by the Manager, Assistant Chief, and 8 Assistants, as well as 332 Afdeling I, III, IV, V, VI workers, and plantation office workers. The document contains commitments including applying the principles and criteria of the RSPO and other plantation management systems, providing PPE for workers, ensuring PPE is used when working, implementing government regulations and procedures related to PPE, and being prepared to accept company sanctions for violations of commitments. Note: MILL Employee Data as of October submitted to the Auditor 529 workers. Which means not all employees show commitment regarding this matter.
- Auditee's response: Integrity facts will be provided for all employees
- Video of imparting the facts of integrity to Afdeling I, II, III, IV, V, VI, and plantation office workers but it is still found in the videos, participants in Afdeling I, II, III, IV, and V who wear boots instead of safety boots according to the company's PPE matrix, which means they are still using inappropriate PPE.
- Auditee's Response: Will be adjusted to the revised HIRAC
- Minutes and documentation of delivery of PPE safety shoes on 18 October 2022 to 2 Afdeling V workers.
- Minutes of delivery of boots on 18 October 2022 to 1 harvester Afdeling I.
- Planned Program for Monitoring Illegal Labor and Use of PPE for the period October 2022 – September 2023 which contains, among other things, making integrity facts, socializing the use of PPE to all employees, determining the PIC for monitoring the use of PPE, monitoring PPE during the work process, evaluating top management regarding the use of PPE, and giving rewards and punishments.

Auditee Response: To MILL Ajamu, Ajamu Estate and meranti Paham Estate regarding Hirac and policies regarding replacement of PPE shoes

Conclusion:

Based on the Auditor's comments in root cause analysis, correction and corrective action, as well as notes on the evidence shown, it is stated that the company has not been able to demonstrate that all workers have used PPE in accordance with the PPE matrix and provided free of charge by the company. Then there are still questions from the auditor regarding the explanation of root cause analysis, correction, and corrective action. So that this discrepancy is declared not fulfilled.

The company shows additional proof of improvement on October 30, 2022, as follows:

Mill Ajamu

- MILL Ajamu Manager Circular number MILL-AJA/SE/002/X/2022 dated 17 October 2022 regarding PPE replacement, which among other things regulates:
 - Mandatory use of PPE
 - Sanctions for repatriation and considered absent for employees who do not use PPE.

- If PPE is damaged while working, then a request for replacement of PPE is submitted, by submitting an application letter signed by the Assistant and showing physical evidence of PPE that has been damaged.
- PPE safety boots/safety shoes will be replaced with boots
- Auditor's Note:
 1. When PPE is damaged while working, what is the treatment for the employee? □ the mechanism for replacing PPE is still in the form of a request and presentation of proof of damage. Do workers stop working until appropriate PPE is provided or some other mechanism? Please explain
Auditee's Response: Mechanism If you don't wear PPE, workers can't work
 2. The basis for replacing safety boots/safety shoes with boots has not been shown. Please show the analysis.
HIRAC and Occupational Accident Reports
Proof of replacement of PPE safety boot for 2 dump truck drivers and boiler operators.

Estates

1. HIRAC revision 2 dated 17 October 2022 which discusses the activity of wearing boots in the Ajamu Estate with the potential danger of undergrowth, hot floors, wet floors, and rocky floors, with the risk of injuring your feet, being pricked by thorns, being bitten by venomous animals, getting injured burns, wrinkles, sprains, bumps, trips, cramps, and swelling. Risk control is carried out by controlling risks including the use of safety shoes, socialization of K3 aspects, first aid, and being taken to the nearest hospital for intensive care. There is a dualism of PPE, namely boots and safety shoes. Please identify again
2. SE of the Ajamu Plantation Manager number AJA/SE/Intern/19/X/2022 dated 20 October 2022 concerning the use of boots, pending the procurement of safety boots. The SE does not explain whether workers use boots on their own supply or are given them for free from the company. This SE also contradicts the HIRAC revision 2 dated 17 October 2022.
Auditee Response: Will be improved regarding the manager's PPE policy

Conclusion:

Based on the Auditor's comments and questions in root cause analysis, correction, and corrective action, as well as notes on the evidence shown, it is stated that the company has not been able to demonstrate that all workers have used PPE that is in accordance with the PPE matrix and is provided free of charge by the company Please identify those highlighted in yellow:

Root cause analysis

1. Proof of correction according to the results of the visit at MILL (confirmation to the assistant)
2. Corrective action in accordance with the root cause analysis that has been corrected
3. Explanation and answers to the auditor's questions on October 19 and 30 on the Assessor Evaluation and Conclusion
4. So that the discrepancy is declared not fulfilled.

Auditee: Immediate Responses under Highlight Auditor Questions

Conclusion 01 December 2022

The company has made improvements to the root cause analysis and corrections which are acceptable, but the company still has to follow up:

1. Shows evidence of correction improvement
2. Auditor's comments on corrective action and proof of improvement.
3. Follow up on the auditor's verification on October 19 and October 30 (can be in the form of proof of improvement or explanation).

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

Auditor Verification December 13, 2022

The company shows proof of repair on December 11, 2022, as follows:

1. Decree of the Head of the Planning and Sustainability Section number 04.03/Kabag/Kpts/30/XI/2022 dated 01 November 2022, regarding officers supervising PPE procurement.
2. Evaluation of PPE procurement vendors a.n PT IKN, semester 2 of 2022, with the statement that all evaluation parameters have been fulfilled.
3. Manager Letter number: MEP/SE/32A/XI/2022 Plantation dated November 1, 2022 concerning PPE Replacement Mechanism & 5% replacement stock. The obligation to use PPE has been regulated, sanctions for not using PPE, a 5% PPE stock, and a mechanism for replacing PPE if it is damaged. The attached list of PPE Receipts for MEP plantations to Afdeling

- 1, Afdeling 2, Afdeling 3, Afdeling 4, Afdeling 5, and Afdeling 6 is shown. In the document, it shows handover from the Administration Assistant and received by the Farm Personnel Assistant.
4. Manager Letter number: MILL-AJA/SE/003/XI/2022 dated 04 November 2022 concerning PPE Replacement & 5% replacement stock. The obligation to use PPE has been regulated, sanctions for not using PPE, a 5% PPE stock, and a mechanism for replacing PPE if it is damaged. Attachments to the PPE Receipt List for Shift 2 Processing, engineering, non-MILL, Shift 1 Processing, and Quality Assurance are shown. The document shows the handover from the TU and Personnel Assistants, received by the respective Assistants at MILL.
 5. Manager Letter number: Plantation AJA/SE/23A/XI/2022 dated 01 November 2022 concerning PPE Replacement Mechanism & 5% replacement stock. The obligation to use PPE has been regulated, sanctions for not using PPE, a 5% PPE stock, and a mechanism for replacing PPE if it is damaged.
 6. HIRAC Harvest and Maintenance of Ajamu and MEP which were ratified on 17 October 2022 and 22 November 2022, discussed the use of 2 types of shoes in the estate, namely safety boots and boots.
 7. Evidence of handing over of MILL Ajamu workers in the form of yellow helmet caps, safety boots, gloves, safety google chemical, ear plugs, ash masks, safety goggles, rubber breastplates, laboratory coats, safety shoes. The distribution of PPE according to the work, as follows:
 - 5 Warehouse officers and because of system documents.
 - 56 workers in MILL.
 - 23 Quality Assurance workers.
 - 40 Engineering workers.
 8. Evidence of handing over of MEP Plantation workers in the form of safety boots, T-shirt gloves, chemical masks, ash masks, neutral goggles, helmets, egrek gloves, ax gloves, chemist clothes, aprons, rubber gloves. The distribution of PPE according to the work, as follows:
 - 65 workers Afdeling 1.
 - 59 Afdeling 2 workers.
 - 63 Afdeling 3 workers.
 - 42 workers Afdeling 4.
 - 56 Afdeling 5 workers.
 - 52 Afdeling 6 workers.
 - 18 Engineering workers.
 - Stock PPE Boots: 18 pcs.
 9. Proof of handing over of Ajamu Plantation workers in the form of safety boots, blue helmets, face helmets, chemical masks, rubber gloves, t-shirt gloves, plastic aprons, ear plugs, ash masks, first aid waist bags, safety goggles, egrek gloves, sarongs axes, raincoats, and chemist work clothes. The distribution of PPE according to the work, as follows:
 - 65 Afdeling 1 workers, and stock of 6 rubber gloves, 6 aprons, and 6 chemist suits.
 - 54 Afdeling 2 workers.
 - 49 Afdeling 3 workers.
 - 57 Afdeling 4 workers.
 - 58 Afdeling 5 workers.
 - 19 HR Afdeling workers, Stock for guests (8 safety boots, 3 safety shoes, and 1 white helmet), and stock (14 safety boots, 6 gray masks, 111 shirt gloves, 4 aprons, 59 egrek gloves, and 59 sarongs ax).
 - 33 Engineering workers.
 - 9 staff.
 - Stock PPE Boots: 14 pcs.

Conclusion December 13, 2022:

The company has shown evidence of improvements that have been received, but has not yet shown a revised corrective action, so that the non-conformity is declared unfulfilled.

Major onsite verification

The company shows additional proof of improvement on December 22, 2022, as follows:

- Evidence of inventorying/monitoring the condition of workers' PPE and handing over of damaged PPE, for example that was carried out on 14 October 2022 in Afdeling I of Ajamu Estate in the form of giving 45 pairs of boots to harvesters and maintenance.

- Mechanism for procurement of PPE and 5% stock, for example as stated in SE with No. KebunAja/SE/23A/XI/2022 which was published on November 1, 2022 explains that the company ensures that workers wear PPE and provide stock of 5% of the number of employees.
- Appointment of PIC for monitoring the use of PPE, which will be carried out by the assistant of each department.
- Field visits to Afdeling III of Ajamu Estate and Afdeling II of Meranti Paham Estate and Ajamu MILL, it was found that the implementation of the use of PPE for workers (Harvesting, Boiler Operators, Boiling) has been implemented in accordance with HIRAC.

Based on this, the discrepancy in this indicator is stated to have been fulfilled and will be observed in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Briyogi Shadiwa / Kiki Fadli

NCR No.	: 2022.13	Issued by	: Hasiholan Sihombing / Alfiany Sukmawati
Date Issued	: 15 October 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	: 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		

Evidence observed (filled by auditor):

The certification unit has the following procedures:

- SOP for Hazardous Waste Management No. SPO 21 Revision 02 dated 02 January 2022. The procedure states in point 5.3.b that "All hazardous waste and used packaging for hazardous waste may not be used for other purposes and must be submitted directly to a licensed hazardous waste storage (maximum in a 1 week)."
- The company has procedures related to waste management in the Basic Guidelines Work Instructions for PT Perkebunan Nusantara IV No. 04.03/P/003 Revision 00 which is effective from 1 February 2022 where in point 7.4.3.14 stated "Employees regularly bring their domestic waste to the Final Waste Disposasal Area (landfill area) that has been provided."

Based on the results of the field visit, the following was found:

- Domestic waste piled up open area around mill employee housing, Ajamu Estate Afdeling IV and V employee housing, and Meranti Paham Estate employee housing Afdeling I and V-VI.
- Domestic waste scattered along the ditches in mill employee housing, Ajamu Estate employee housing afdelling IV and V, and Meranti Paham Estate employee housing Afdeling I and V-VI.
- 3 units of former oil drums used as water reservoirs in mill employee housing.
- Drums of ex-paint used as water containers and rice storage in the Ajamu Estate employee housing Afdeling IV and V, and Meranti Paham Estate housing afdeling I, V and VI.
- 3 ex sacks of NPK type fertilizer in the Ajamu Estate employee housing afdeling V.
- Inner sacks of ex fertilizer in blocks 19I and 13 AH Afdeling V and behind the housing area Afdeling V-VI Meranti Paham Estate.
- There are used oil containers at the security post and oil storage area, also used paint containers at the Ajamu POM material warehouse.

Non-Conformance Description (filled by auditor):

Based on the evidence obtained, it was concluded that there was still waste disposal that was not in accordance with the procedures that were owned.

Root Cause Analysis (filled by organization audited):

There is no officer who specifically monitors the handling of domestic waste and B3 waste in residential areas

Correction (*filled by organization audited*):

- Removing all domestic waste and ex hazardous and toxic waste during the audit
- Appoint a PIC who is responsible for monitoring waste transportation

Corrective Action (*filled by organization audited*):

Create a schedule for transporting waste to landfill that has been provided by the company

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

Auditor Verification (30 December 2022)

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

1. Minutes of socialization of the ban on burning waste to workers (work environment) and the community (residential environment) which was carried out on November 12, 2022 at Ajamu POM.
2. Minutes of withdrawal of B3 waste (3 used oil drums) and transferred to hazardous and toxic waste temporary storage on 12 November 2022.
3. Minutes of the implementation of mutual cooperation cleaning of ditches and domestic waste at Ajamu POM housing on November 12, 2022
4. Decree of Plantation Manager of PTPN IV Ajamu Business Unit No. AJA/MU/Kpts/08/XII/2022 which is set on 01 December 2022. The document contains the appointment of a cleaning officer to collect waste from temporary storage and bring it to landfill for Afdeling I – V.
5. Minutes of the implementation of the hazardous and toxic waste transportation, which was carried out on 25 November 2022 at Afdeling V
6. Minutes Socialization of understanding of handling agrochemical and chemical waste to workers (work environment) along with the community (housing environment) and Ajamu Business Unit stakeholders, which was conducted on 05 November 2022 to external stakeholders (community, worker union, DSS staff), 12 November 2022 at Afdeling V, 10 November 2022 at Afdeling IV, 09 November 2022 at Afdeling III, 08 November 2022 at Afdeling II, and 07 November 2022 at Afdeling I.
7. Minutes of socialization of hazardous and toxic waste management and chemicals of the Meranti Paham Business Unit, which were carried out on November 15, 2022, November 21 at Afdeling V, and November 21, 2022 at Afdeling I,
8. Minutes of quoting the inner fertilizer behind the Afdeling V-VI housing area, and storing it at hazardous and toxic waste temporary storage Meranti Paham Business Unit.
9. Root cause analysis, correction and corrective action. However, there are still a number of auditor responses that need to be completed by the company as well as supporting documents as actions taken to correct non-conformances.

Based on the explanation above, the nonconformity with this indicator is declared Not Fulfilled.

Auditor Verification (09 January 2023)

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

- Minutes of dissemination of household domestic waste and hazardous and toxic waste to employees and workers at Afdeling II Meranti Paham Estate on 26 December 2022, at Afdeling IV on 19 December 2022, at Afdeling III on 13 December 2022
- Schedule for transporting waste to Meranti Paham Estate landfill in 2023 on Afdeling I-VI
- Decree of the Meranti Paham Business Unit Manager regarding the appointment of officers to monitor the transport of household waste and hazardous and toxic waste along with job descriptions with No. MEP/MU/Kpts/10/XII/2022
- Monitoring the management of domestic waste (garbage)/ hazardous and toxic waste in estate and housing areas and evaluating Afdeling I to V and Ajamu Estate Emplacement for December 2022

However, there is still some evidence of improvements that still need to be sent and explanations from the company, including;

- In corrective action, please explain regarding waste transportation during the audit.
- Please provide proof of implementation of waste transportation according to a predetermined schedule.

Based on the explanation above, the nonconformity with this indicator is declared Not Fulfilled.

Auditor Verification (13 January 2023)

The company has provided the following proof of improvement:

- Evidence of implementation in the form of photographs of the activity of transporting domestic waste to the landfill area which was carried out according to the schedule at the Ajamu Unit.

- Evidence of implementation in the form of photos of the activity of transporting hazardous and toxic waste to a licensed hazardous and toxic waste temporary storage which was carried out according to the schedule at the Ajamu Unit.
- Evidence of implementation in the form of photos of the activities of transporting domestic waste to the landfill area which was carried out according to schedule at the Meranti Paham Unit.
- Evidence of implementation in the form of photos of the activity of transporting hazardous and toxic waste (inner sacks and used oil drums) to licensed hazardous and toxic waste temporary storage which was carried out according to schedule at the Meranti Paham Unit.

Based on the verification results, evidence of improvement has been accepted. Thus the nonconformity is declared fulfilled with the Notes and will be further verified at the next surveillance.

Follow up on next audit (filled by auditor):

Verified by : Hasiholan Sihombing / Alfiany Sukmawati

NCR No.	: 2022.14	Issued by	: Hasiholan Sihombing / Alfiany Sukmawati
Date Issued	: 15 October 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: January 13, 2023
Standard Ref. & Requirement	: 7.3.3 The unit of certification does not use open fire for waste disposal.		

Evidence observed (filled by auditor):

The certification unit has procedures related to waste management in the Basic Guidelines for PT Perkebunan Nusantara IV, Work Instructions No. 04.03/P/003 rev 00 which is effective from 1 February 2022 where in Point 7.4.3.15 it is stated "Regarding with the Zero Burning policy, it is prohibited to burn domestic waste in any form without the company's permission."

Based on the results of the field visit, the following facts were found:

- There is a warning regarding the prohibition of burning in residential areas for mill employees.
- There are several points for burning household waste behind residential houses for mill employees.
- There are several points of incineration of household waste in housing for employees of Ajamu Estate divisions IV and V.
- There are several household waste incineration points in housing for employees of Meranti Paham Estate Afdeling I.
- Results of interviews with management, landfill area is in the process of being relocated.

Then, based on the results of interviews with 3 residents of housing for mill employees, 2 residents of Ajamu Estate Afdeling IV, 3 residents of Afdeling V, residents do not deliver garbage to landfill area due to the far distance, so household waste is burned to avoid accumulation of garbage and it is stacked in front of the house.

Non-Conformance Description (filled by auditor):

From the description of the evidence above, it can be concluded that there is still open burning for waste destruction and it is not in accordance with the procedures that are owned.

Root Cause Analysis (filled by organization audited):

There is no official who specifically monitors the handling of domestic waste in residential areas

Correction (filled by organization audited):

Carry out socialization on the prohibition of burning waste to workers and their families in the plantation area.

Corrective Action (filled by organization audited):

- Appoint a PIC who is responsible for monitoring waste transportation
- Create a schedule for transporting waste to landfill that has been provided by the company

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification (30 December 2022)

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

1. Monitoring Evaluation of Domestic Waste Management Afdeling I to V Ajamu Estate Emplacement in November 2022.

2. Routine Schedule for Maintaining the Cleanliness of the Housing Environment and Transportation of Organic and Inorganic Waste to Ajamu Estate landfill in November 2022.
3. Decree of Plantation Manager of PTPN IV Ajamu Business Unit No. AJA/Kpts/04A/VI/2022 which was set for June 10, 2022. The document contains the appointment of a cleaning officer to collect waste from temporary storage and bring it to landfill for Afdeling I – V.
4. Minutes of waste transportation from the emplacement in Ajamu Estate to the landfill site for the November 2022 period on 04 November 2022, 25 November at Afdeling V, 18 November 2022 at Afdeling IV, 11 November 2022 at Afdeling III, 11 November 2022 at Afdeling II, and 04 November 2022 at Afdeling I.
5. Minutes of ditch repair in Ajamu Estate Emplasmant on 04 November 2022, 25 November at Afdeling V, 18 November 2022 at Afdeling IV, 11 November 2022 at Afdeling III, 11 November 2022 at Afdeling II, and 04 November 2022 at Afdeling I.
6. Minutes of Dissemination of the Prohibition of Burning Waste to Workers (Work Environment) and Community (Housing Environment) and stakeholders, which was carried out on 04 November 2022, 25 November at Afdeling V, 18 November 2022 at af Afdeling d IV, 11 November 2022 at Afdeling III, 11 November 2022 in Afdeling II, and 04 November 2022 in Afdeling I.
7. Monitoring of the Cleanliness of the Ajamu Business Unit Housing Environment in November Afdeling I – V.
8. Landfill location plan of Ajamu Plantation Business Unit for Afdeling I – V.
9. Minutes of Dissemination of Household Domestic Waste and Photos of Garbage Collection Activities in Housing and Estate Areas at the Meranti Paham Business Unit Afdeling I, which was carried out on November 21, 2022.
10. Root cause analysis, correction and corrective action. However, there are still a number of auditor responses that need to be completed by the company as well as supporting documents as actions taken to correct nonconformity.

Based on the explanation above, the nonconformity with this indicator is declared Not Fulfilled.

Auditor Verification (09 January 2023)

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

- Minutes of dissemination of household domestic waste and hazardous and toxic waste to employees and workers at Afdeling II Meranti Paham Estate on 26 December 2022, at Afdeling IV on 19 December 2022, at Afdeling III on 13 December 2022
- Schedule for transporting waste to Meranti Paham Estate landfill in 2023 on Afdeling I-VI
- Decree of the Meranti Paham Business Unit Manager regarding the appointment of officers to monitor the transport of household waste and hazardous and toxic waste along with job descriptions with No. MEP/MU/Kpts/10/XII/2022
- Monitoring the management of domestic waste (garbage)/ hazardous and toxic waste in estate and housing areas and evaluating Afdeling I to V and Ajamu Estate Emplacement for December 2022

However, there is still some evidence of improvements that still need to be sent and explanations from the company, including;

- In corrective action, please explain regarding waste transportation during the audit.
- Please provide proof of implementation of waste transportation according to a predetermined schedule.

Based on the explanation above, the nonconformity with this indicator is declared Not Fulfilled.

Auditor Verification (13 January 2023)

The company has provided the following proof of improvement:

- Evidence of implementation in the form of photographs of the activity of transporting domestic waste to the landfill area which was carried out according to the schedule at the Ajamu Unit.
- Evidence of implementation in the form of photos of the activity of transporting hazardous and toxic waste to a licensed hazardous and toxic waste temporary storage which was carried out according to the schedule at the Ajamu Unit.
- Evidence of implementation in the form of photos of the activities of transporting domestic waste to the landfill area which was carried out according to schedule at the Meranti Paham Unit.
- Evidence of implementation in the form of photos of the activity of transporting hazardous and toxic waste (inner sacks and used oil drums) to licensed hazardous and toxic waste temporary storage which was carried out according to schedule at the Meranti Paham Unit.

Based on the verification results, evidence of improvement has been accepted. Thus the nonconformity is declared fulfilled with the Notes and will be further verified at the next surveillance.

Follow up on next audit (filled by auditor):

Verified by : Hasiholan Sihombing / Alfiany Sukmawati

NCR No.	: 2022.15	Issued by	: Hasiholan Sihombing
Date Issued	: 15 October 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 3 January 2023
Standard Ref. & Requirement	<p>Certification System 5.5.3 Requirements for uncertified management units:</p> <ol style="list-style-type: none"> No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12. Any new plantings since 1 January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB. Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8. Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2. Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1. 		
<p>Evidence observed (filled by auditor): Unit of certification has shown documents related to the Time Bound Plan for all units that have not been RSPO certified on November 22, 2021. The document informs the condition of the units that have not been certified, such as:</p> <ul style="list-style-type: none"> HCV assessment process and progress. Information on new land clearing. <p>However, this document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), issues of land conflict (criteria 4.4,4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation (criterion 7.12).</p> <p>Non-Conformance Description (filled by auditor): Unit of certification has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents.</p>			
<p>Root Cause Analysis (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</p>			
<p>Correction (filled by organization audited): Revise the updated timebound plan and send it to Holding Perkebunan Nusantara</p>			
<p>Corrective Action (filled by organization audited): Coordinate with Nusantara Plantation Holding for revision of the timebound plan.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on 20 December 2022</p> <p>Based on PTPN Holding's time bound plan, it is known that there are around 74 units that are not yet RSPO certified. Then the company has shown a self-assessment carried out by the internal auditor team from PTPN Holding. Until the major verification was carried out, there were around 35 units that had carried out self-assessments.</p>			

In some of the self-assessment results, there are also plans for unit certification to be carried out over 2023, for example the Air Molek Estate Unit - PTPN V (2025) and the Bentayan Unit - PTPN VII (2027), this is due to the fact that it is still in the progress of obtaining/issuing HGU.

In this regard, this discrepancy has been fulfilled and for other PTPN self-assessment units along with submission of timebound plans to the RSPO for the assessment plan carried out above 2023 will be observed again in the next assessment.

Follow up on next audit (filled by auditor):

Verified by

Hasiholan Sihombing

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	6.7.1	<p>The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p> <p>The company also shows the Letter of Stipulation of Ajamu Mill's OHS Committee Authorization Stipulation with the initials YH, and has shown the General OHS Expert Certificate from the person concerned. The Secretary of the OHS Committee has shown an Appointment Letter as the Company's OHS Expert which has expired on September 20 2020, and currently has been shown an extension process by the OHS Service Agent on August 29 2022. Based on this, companies are encouraged to obtain OHS Expert Authorization of Secretary OHS Committee. This is an opportunity for improvement (OFI) for the company.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	The Company's commitment to implementing the principles of sustainable palm oil management.
2	Good cooperation from staff/PIC related to audit implementation.
3	Has got ISPO certificate
4	Company participation in PROPER with a BLUE predicate for the 2020-2021 period

3.5 Summary of Arising Issues from Public and Auditor Verification



Stakeholder Issues	Auditor Verification
<p>Villages around the Company Interviewees:</p> <ol style="list-style-type: none"> 1. Meranti Paham Village (Village Secretary) 2. Hamlets 1B, Sei Sentosa Village (Hamlets Head) <ul style="list-style-type: none"> • The company absorbs workers from the village. • There are no land tenure problems and conflicts between the company and the surrounding community. • There are no issues regarding environmental pollution for the past 1 year. • The company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting of certain animals around the plantation area. • Socialization on the prohibition of burning has been carried out for land clearing activities. • The company routinely provides assistance to villages in the form of CSR or direct assistance. • Communication between the village and the company is not a problem and the company always responds to requests from the village. 	<p>There are no negative issues from the village community around the company.</p>
<p>Meranti Paham Employee Cooperative Melati Tunas Baru Cooperative</p> <ul style="list-style-type: none"> • Savings and loan field • The current members are 520 people consisting of workers and employees. • The last <i>RAT</i> was in February 2022 with the agenda for the distribution of <i>SHU</i> and management meetings. 	<p>There are no negative issues that need further verification.</p>
<p>Gender Committee of Meranti Paham Estate</p> <ul style="list-style-type: none"> • Committee formed with management and membership of female employees • The committee has duties, among others, to provide counseling on maternal and child health, women's skills, as well as prevention of harassment and reporting procedures and provide assistance if there are complaints from members/employees related to incidents of harassment. • There were no reports/complaints related to acts of harassment or gender-related violations experienced by members during 2021-2022. 	<p>There are no negative issues that need further verification.</p>
<p>Gender Committee of Ajamu POM and Estate</p> <ul style="list-style-type: none"> • Committee formed with management and membership of female employees 	<p>There are no negative issues that need further verification.</p>

Stakeholder Issues	Auditor Verification
<ul style="list-style-type: none"> The committee has duties, among others, to provide counseling on maternal and child health, women's skills, as well as prevention of harassment and reporting procedures and provide assistance if there are complaints from members/employees related to incidents of harassment. There were no reports/complaints related to acts of harassment or gender-related violations experienced by members during 2021-2022. 	
<p>Environment Agency of Labuhanbatu District</p> <ul style="list-style-type: none"> Routine surveillance is carried out every year, the last is July 2022. Company participation in the PROPER program in 2021 with a blue rating Reporting is carried out on a regular basis There are no reports related to conflicts with wild or protected animals. There are complaints from the public regarding air emissions from chimneys The issue of environmental pollution obtained from the internet media https://www.poskotasumatera.com/2022/06/sidak-pks-ptpn-iv-ajamudlh-labuhanbatu.html?m=1 related to the POME in the mentoring process, has been carried out evaluation of raw standards with results that meet the requirements for disposing of POME into water bodies and valid permits. 	<p>The company already has a permit to discharge waste water into water bodies and periodically test it which is reported to the District and Provincial Environment Offices every semester.</p> <p>Based on the results of field visits, the WWTP flowmeter is running well and waste is channeled into water bodies through sewers at coordinates E 100°10'05,6" and N 02°27'32.8".</p> <p>Related to this issue has been explained further in the related indicators.</p>
<p>Local Contarctor - CV Munawaroh Kurnia Jaya</p> <ul style="list-style-type: none"> Contractor's activities in the field of maintenance, and transporter EFB and FFB. The cooperative relationship with the company has been going well since 2022. The cooperation agreement is renewed every 3 months. Contractor payments are made on time. PPE is provided by the contractor, in the form of a safety helmet, shoes, and gloves The contractor has enrolled his employees in the BPJS health program There are no major accidents, accident handling can be done through the nearest clinic. 	<p>There are no negative issues that need further verification.</p>
<p>PT Bravo Anak Kolong Local contractor, from Ajamu Plantation Village:</p> <ul style="list-style-type: none"> Transport FFB at Ajamu and Meranti Paham Estates. Transport Empty Janjang and Empty Janjang Retail at Ajamu Estate. Maintenance of Plants at the Ajamu and Meranti Paham Estates. FFB suppliers Cooperation is carried out in accordance with the employment contract. 	<p>There are no negative issues that need further verification.</p>

Stakeholder Issues	Auditor Verification
<ul style="list-style-type: none"> Not all contractor workers have been registered with <i>BPJS</i> for Manpower and Health. The age of workers is over 20 years old, and there are no workers under 18 years old PPE is given to workers in the form of goods/money for their own procurement Health checks for spray workers have not been carried out There has been no inspection of FFB source locations. Sorting FFB in POM, if not appropriate, return it (fraction 00, fraction 0, fruit sick, and empty bunches). Late payments, for example the absence of payments for transportation and retail of empty janjang at the Ajamu Estate which was carried out in August 2022 	
<p>CV Sarah Local contractor for supplying stationery, paper, cleaning equipment, etc.</p> <ul style="list-style-type: none"> Location: Negri Lama village, Bila Hilir district, Labuhanbatu district. Cooperation with the company has been running for 5 years, with contract renewal every year. Has 4 employees who already have <i>BPJS</i> Health, but do not have <i>BPJS</i> employment (in the process of management) with an age range of over 20 years. Employee wages ±Rp 2,300,000 and get breakfast and lunch from the company. Never provide goods /money/services to representatives/workers /staff/leadership of PTPN IV Ajamu and MEP, and never have any requests outside the applicable work contract. 	<p>There are no negative issues that need further verification.</p>
<p>Labuhanbatu Regency Agriculture Office</p> <ul style="list-style-type: none"> The company has routinely reported LKUP. Plantation class assessment/Agricultural Business Assessment is still valid. All seedlings planted are certified seedlings. There are no issues related to plantation and mill operations in the company. There are no fire reports for the last 1 year. The fire prevention facilities and infrastructure owned by the company are adequate. 	<p>There are no issues from the Labuhanbatu Regency Agriculture Office. The information provided has been verified in the report.</p>
<p>Labuhanbatu Regency Land Office</p> <ul style="list-style-type: none"> There are no additions or subtractions to the company's HGU. There are no land disputes and reports of potential land disputes received by the Agency. The company has routinely reported the use of its HGU land. 	<p>There were no issues from the Labuhanbatu Regency Land Office. The information provided has been verified in the report.</p>

Stakeholder Issues	Auditor Verification
<p>Labuhanbatu Regency Manpower Agency (Head of Industrial Relations Disputes)</p> <ul style="list-style-type: none"> • Reports have been carried out regularly for P2K3 and Manpower Reports online. • The company ensures that all workers are registered in the work accident insurance and health insurance (BPJS) program. • The current CLA is still valid for the period 2022-2023. • Auditors can re-verify the third party and the legal entity status of the third party to ensure the rights of the third party's workers. • There were no problems last year regarding industrial relations. • The agency for fulfilling the employee-related obligations of PTPN IV Ajamu unit is quite good in communication and implementation efforts, needs to comply with it and improve its archives. 	<p>The fulfilment of employment aspects such as the implementation of minimum wages, overtime payments, or employee complaints have been verified by the auditor.</p>
<p>Union Worker Plantation (SP Bun) Ajamu Unit</p> <ul style="list-style-type: none"> • So far, the relationship between Workers Union and company management has been established with good communication. • SP Bun members are all permanent employees of the business unit. • The number of employees who are currently members is around 470 people (plantation and POM employees). • There are workers who are assisted by people who are not employees on harvest work • Regarding the fulfilment of PPE, BPJS Health and Employment as well as the application of the minimum wage has been fulfilled by the company. • There are no issues related to industrial relations disputes that have not been resolved until the audit activity takes place. There were no complaints from workers related to wages, discrimination, or immoral acts. • The company provides PPE for employees. 	<p>The auditor has conducted field visits and interviews with workers who were informed by the union regarding the existence of job assistance from people who are not employees of the company and it has explained in indicator 6.2.2</p>
<p>Union Worker Plantation (SP Bun) Meranti Paham Unit</p> <ul style="list-style-type: none"> • So far, the relationship between Workers Union and company management has been established with good communication. • SP Bun members are all permanent employees of the business unit. • The number of employees who are currently members is around 470 people (plantation and POM employees). • There are workers who are assisted by people who are not employees on harvest work • Regarding the fulfilment of PPE, BPJS Health and Employment as well as the application of the minimum wage has been fulfilled by the company. • There are no issues related to industrial relations disputes that have not been resolved until the audit activity takes place. There were no complaints from worker related to wages, discrimination, or immoral acts. • The company provides PPE for employees. 	<p>The auditor has conducted field visits and interviews with workers who were informed by the union regarding the existence of job assistance from people who are not employees of the company and it has explained in indicator 6.2.2</p>

Stakeholder Issues	Auditor Verification
<p>Federation of Indonesia Metal Workers' Union Labuhanbatu Regency</p> <p>There is no complaint related to illegal worker, status of worker and their rights submitted to Federasi Metal for PTPN IV Ajamu and Meranti Paham also the problem in 2019 has been resolved and at this time the federation is no longer part of the PTPN IV stakeholder of the Ajamu unit</p>	<p>Auditor conducted interview with Federation of Indonesia Metal Workers' Union related daily workers issues. Based on interview with the federation, there is no specific issue related to worker in Ajamu POM, estate, and Meranti Paham estate. Nevertheless, the problem in 2019 has been resolved and at this time the federation is no longer part of the PTPN IV stakeholder of the Ajamu unit</p>
<p>CV Mentari Bersinar Local contractor for supplying goods, upkeep workers and construction, etc.</p> <ul style="list-style-type: none"> • Cooperation with the company has been running for 5 years, with contract renewal every year. • Has 6 employees who already have BPJS Employment, but not yet have BPJS Health with an age range of over 20 years. • Employee wages ±Rp 2,300,000 and get breakfast and lunch from the company. • Worker's status still freelance and doesn't have contract 	<p>Auditor has verified the status of contractors in Ajamu POM and its supply base. It has explained in indicator 2.2.2</p>
<p>Issue from internet</p> <p>https://askrspo.force.com/Complaint/s/case/5000o00002PYscZAAT/detail</p> <ul style="list-style-type: none"> • Temporary workers and contract issues. • Wages and overwork 	<p>Auditor has verified the status of workers in Ajamu POM and its supply base. There is temporary worker (PKWT) as harvester for the peak crop season. This situation also informed to Manpower Agency of Labuhanbatu Regency. But there are harvesting PKWT workers whose contracts have been extended 3 times as PKWT harvest. It has explained in indicator 6.2.7</p> <p>Based on interview with worker, representative of worker union and gender committee, there is no complaint from workers regarding contract issue, wages, or overwork.</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 – Unit Ajamu Management Representative</p>  <p>Pirgok Panggabean Friday, 13 January 2023</p> </div> <div style="text-align: center;"> <p>MUTU International Lead Auditor</p>  <p>Hasiholan Sihombing Friday, 13 January 2023</p> </div> </div>

Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Comm	Date of Contact	Response	
						Yes	No
1.	Meranti Paham Village	Labuhanbatu District	-	Direct Interview	11 October 2022	✓	
2.	Hamlets 1B, Sei Sentosa Village	Labuhanbatu District	-	Direct Interview	11 October 2022	✓	
3.	Meranti Paham Employee Cooperative	Labuhanbatu District	-	Via Telephone	11 October 2022	✓	
4.	Gender Committee of Ajamu POM and Estate	Labuhanbatu District	-	Via Telephone	11 October 2022	✓	
5.	Gender Committee of Meranti Paham Estate	Labuhanbatu District	-	Via Telephone	11 October 2022	✓	
6.	Environment Agency of Labuhanbatu District	Labuhanbatu District	-	Via Telephone	12 October 2022	✓	
7.	Local Contractor - CV Munawaroh Kurnia Jaya	Labuhanbatu District	-	Via Telephone	13 October 2022	✓	
8.	Department of Agriculture	Labuhanbatu District	-	Via Telephone	12 October 2022	✓	
9.	Land office	Labuhanbatu District	-	Via Telephone	13 October 2022	✓	
10.	PT Bravo Anak Kolong	Labuhanbatu District	-	Via Telephone	11 October 2022	✓	
11.	CV Sarah	Labuhanbatu District	-	Via Telephone	13 October 2022	✓	
12.	Labuhanbatu Regency Manpower Agency	Labuhanbatu District	-	Via Telephone	13 October 2022	✓	
13.	Union Worker Plantation (SP Bun) Ajamu Unit	Labuhanbatu District	-	Via Telephone	13 October 2022	✓	
14.	Union Worker Plantation (SP Bun) Meranti Paham Unit	Labuhanbatu District	-	Via Telephone	12 October 2022	✓	
15.	Federation of Indonesia Metal Workers' Union Labuhanbatu Regency	Labuhanbatu District	-	Via Telephone	12 October 2022	✓	
16.	CV Mentari Bersinar	Labuhanbatu District	-	Via Telephone	12 October 2022	✓	
17.	WWF	Jakarta	wwf-indonesia@wwf.or.id	E-mail	05 October 2022		✓
18.	WALHI	Jakarta	informasi@walhi.or.id	E-mail	05 October 2022		✓
19.	AMAN	Jakarta	rumahaman@cbn.net.id	E-mail	05 October 2022		✓
20.	Sawit Watch	Bogor	info@sawitwatch.or.id	E-mail	05 October 2022		✓
21	Ajumu POM Workers (18 workers)	PTPN IV, Labuhanbatu District	-	Direct Interview	11 October 2022	✓	
22	Ajumu Estate Workers (11 workers)	PTPN IV, Labuhanbatu District	-	Direct Interview	12 October 2022	✓	
23	Meranti Paham Estate Workers (17 workers)	PTPN IV, Labuhanbatu District	-	Direct Interview	12 October 2022	✓	

Appendix 2. Assessment Program

DATE	10 – 15 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 10 October 2022		
07.05 – 09.30	JAKARTA → KUALANAMU	All Auditor
10.00 – 18.00	From the airport to the audit location in Labuhanbatu District	All Auditor
Tuesday, 11 October 2022		
08.00 – 09.00	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) 	Management of UoC
09.00 – 12.00	<ul style="list-style-type: none"> Stakeholders' consultation to related agencies. Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities and previous land owners. Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any) 	All Auditor
12.00 – 14.00	Break	
14.00 – 16.30	Field Observation to Ajamu POM <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge) Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO) Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & land application 	HHS/ALF SAS LEO
16.30 – 17.00	submission of audit progress	All Auditor
Wednesday, 12 October 2022		
08.00 – 12.00	Field Observation to Ajamu Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV. Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place). 	HHS & ALF SAS & LEO
12.00 – 14.00	Break	

DATE	10 – 15 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 16.30	Document Verification	All Auditor
16.30 – 17.00	submission of audit progress	All Auditor
Thursday, 13 October 2022		
08.00 – 12.00	Field Observation to Meranti Paham Estate Aspect to be verified : <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV; • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect • Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place). 	HHS & ALF SAS & LEO All Auditor
12.00 – 14.00	Break	
14.00 – 16.30	Document Verification	All Auditor
16.30 – 17.00	submission of audit progress	All Auditor
Friday, 14 October 2022		
08.00 – 12.00	Document Verification	All Auditor
12.00 – 14.00	Break	
14.00 – 16.30	Document Verification	All Auditor
16.30 – 17.00	submission of audit progress	All Auditor
17.00 – ...	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
Saturday, 15 October 2022		
08.00 – 09.00	CLOSING MEETING <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion) • Comments, Responses and Questions 	All Auditor
09.00 – 18.00	Travel from site to the airport	All Auditor
18.00 – ...	KUALANAMU → Jakarta	All Auditor