

*Roundtable on Sustainable Palm Oil Certification*  
**R S P O**

**[ ✓ ] Surveillance**

Name of Management Organisation : **Pulu Raja Palm Oil Mill PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III**

Plantation Name : **Pulu Raja Estate**

Location : Village of Orika, Sub-District of Pulau Rakyat, District of Asahan, Province of Sumatera Utara, Indonesia

Certificate Code : **MUTU-RSPO/070**

Date of Initial Registration : 25 August 2015

Date of Certificate Issue : 19 October 2021      Date of License Issue : 19 January 2024

Date of Certificate Expiry : 18 October 2026      Date of License Expiry : 18 October 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Tbk Auditor	Reviewed by	Approved by
ASA-1.2	7 - 11 August 2023	Satria Adi Putra (Lead Auditor Witnessing), Rindu Galih Rezza Rachmansyah (Lead Auditor Witnessed), Kiki Fadli, I Wayan Sudi Antara dan Ibnu Satria Prabudi	Hasiholan Sihombing	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.2	<b>23 November 2023</b>

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

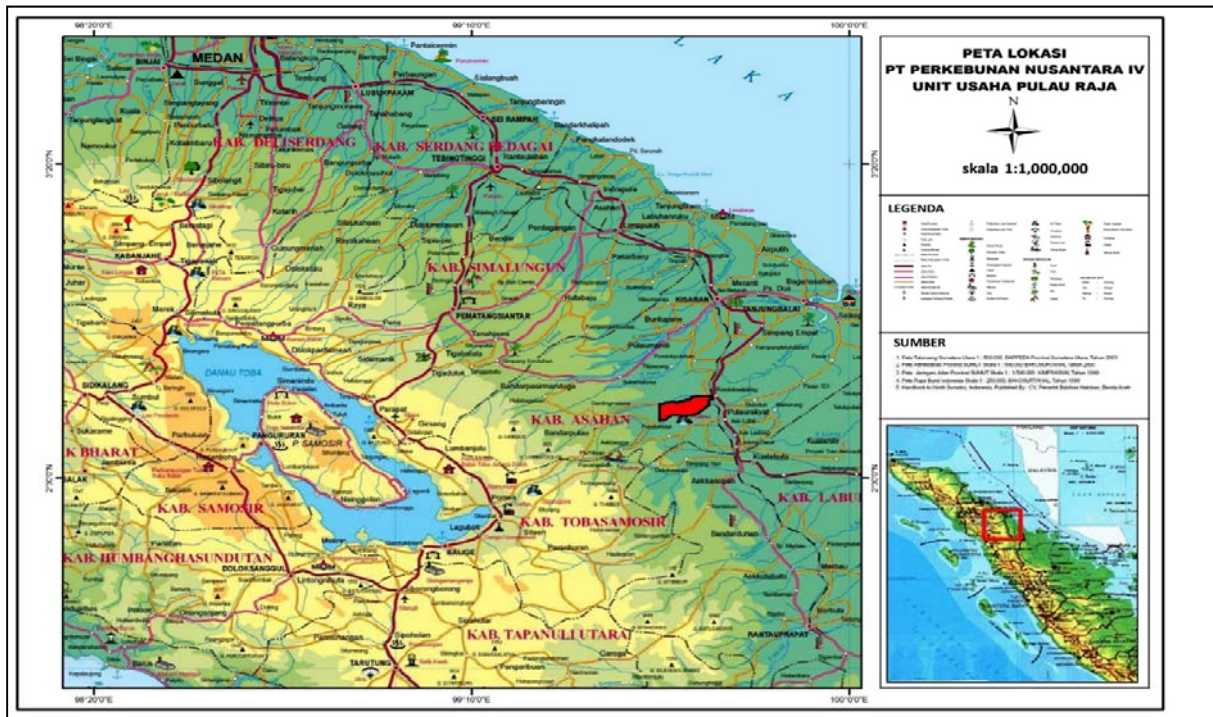
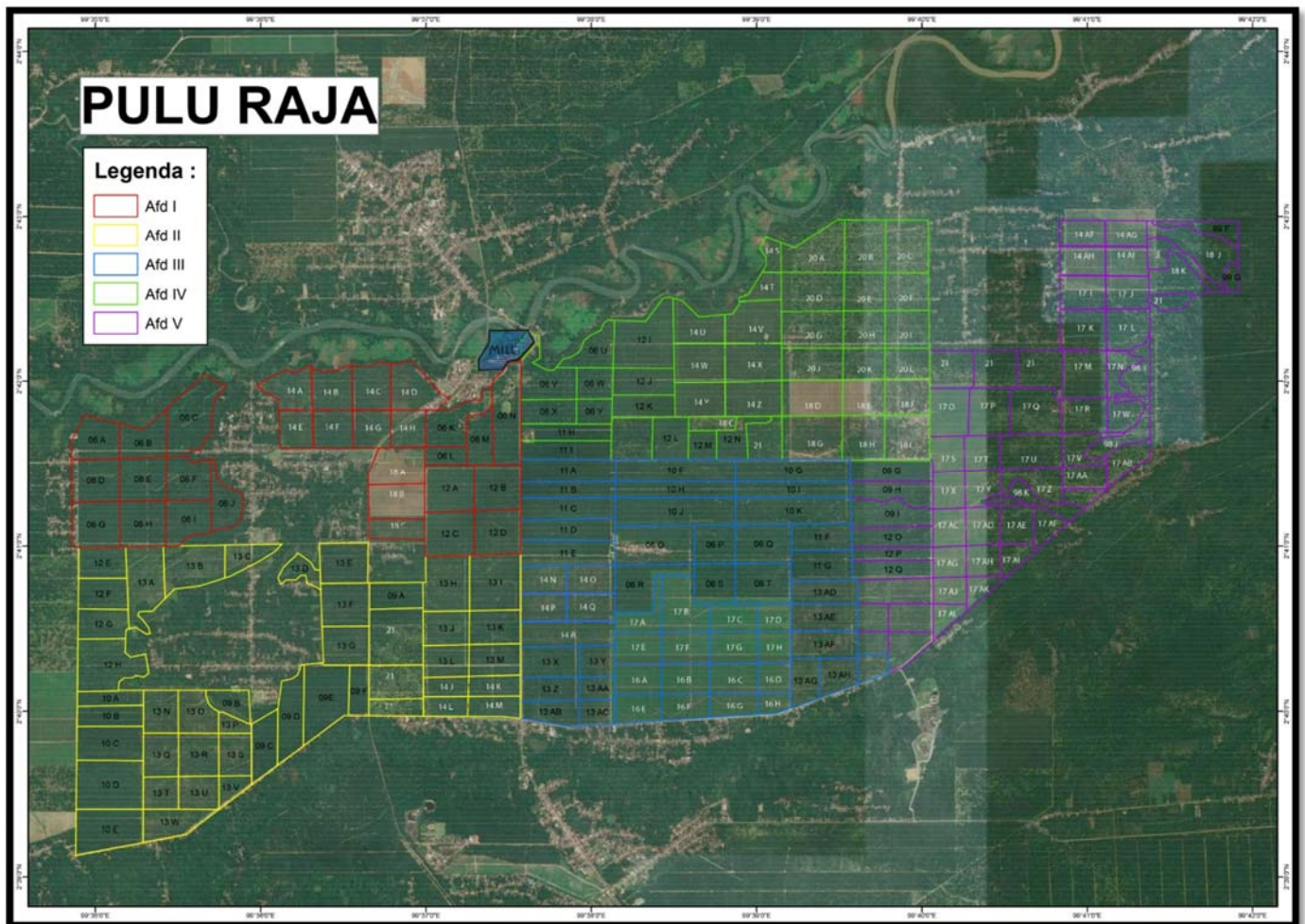


Figure 2. Operational Map of PT Perkebunan Nusantara IV - Pulu Raja Business Unit





## Abbreviations Used

ACOP	:	Annual Communication of Progress
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Insurance)
CH	:	Certificate Holders
CITES	:	Convention on International Trade in Endangered Species
CLA	:	Collective Labor Agreement
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CV	:	<i>Commanditaire Vennotschap</i>
EFB	:	Empty Fruit Bunch
EMS	:	Environment Management System
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior and Informed Consent
GHG	:	Green House Gases
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard Identification Risk Assessment and Control
HR	:	Human Resources
INANI-RSPO	:	Indonesia National Interpretation RSPO
IPM	:	Integrated Pest Management
ISO	:	International Standard Organization
ISPO	:	Indonesian Sustainable Palm Oil
KER	:	Kernel Extraction Rate
LCC	:	Legume Cover Crop
LSU	:	Leaf Sampling Unit
MASKEP	:	<i>Manajer Asisten Kepala</i> (Chief Assistant Manager)
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OHS	:	Occupational, Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan Dan Kesehatan Kerja</i> (OHS Committee)
PaPam	:	<i>Pewira Pengaman</i> (Security Officer)
PDIK	:	Pedoman Dasar dan Intruksi Kerja (Basic Guidelines and Work Instructions)
PK	:	Palm Kernel
PKS	:	<i>Pabrik Kelapa Sawit</i> (Palm Oil Mill)
POM	:	Palm Oil Mill
PPD	:	<i>Petugas Pengendali Dokumen</i> (Document Controller)
PPE	:	Personal Protective Equipment
PPIS	:	<i>Pabrik Pengolahan Inti Sawit</i> (Palm Kernel Crushing Factory)
PPKS	:	<i>Pusat Penelitian Kelapa Sawit</i> (Palm Oil Research Center)
PTPN IV	:	PT Perkebunan Nusantara IV
QMS	:	Quality Management System
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pantau Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Endangered, Threatened
SA 8000	:	Social Assurance 8000
SEIA	:	Social and Environmental Impact Assessment

SOP	:	Standard Operating Procedure
SPH	:	Stand Per Hectare
SPI	:	<i>Saluan Pengawas Internal</i> (Internal Control Unit)
SSU	:	Soil Sampling Unit
TPSA	:	<i>Tempat Pembungan Sampah Akhir</i> (Landfill)
UP3	:	Unit Pengelola Pengaduan Pelanggaran (violation complaint management unit)
UPDKS	:	<i>Ulat Pemakan Daun Kelapa Sawit</i> (Palm leaf-eating caterpillars)
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant of Effluent Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used		
		<ul style="list-style-type: none"><li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governor on 12<sup>th</sup> November 2020.</li><li>• Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20<sup>th</sup> April 2020.</li></ul>	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	Pulu Raja Palm oil Mill - PT Perkebunan Nusantara IV	
1.2.2	Contact person	Pirgok Panggabean	
1.2.3	Organization address and site address	<b>Head Office:</b> Jl Sei Batang Hari No. 2, Medan – Sumatera Utara, Indonesia	
1.2.4	Telephone	+62 61-8452244	
1.2.5	Fax	+62 61-8455177	
1.2.6	E-mail	ptb@ptpn3.co.id	
1.2.7	Web page address	<a href="http://www.ptpn3.co.id/">http://www.ptpn3.co.id/</a>	
1.2.8	Management Representative who completed the application for certification	Pirgok Panggabean	
1.2.9	Registered as RSPO member	1-0030-06-000-00; 13 December 2006	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One (1) unit of Palm Oil Mill (Pulu Raja Mill), supplied by one (1) estates, i.e: Pulu Raja Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude (S)Longitude (E)
	Pulu Raja POM	Village of Orika, Sub District of Pulau Rakyat, District of Asahan, Province of Sumatera Utara, Indonesia	N 02° 42' 07"E 99° 37' 27"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude (S)Longitude (E)
	Pulu Raja Estate	Village of Orika, Sub District of Pulau Rakyat, District of Asahan, Province of Sumatera Utara, Indonesia	N 02° 41' 56"E 99° 37' 31"
1.5	Description of Area Statement		
1.5.1	Tenure		
	<ul style="list-style-type: none"><li>• State HGU</li></ul>	4.630.54 Ha	

	<ul style="list-style-type: none"> <li>Community</li> </ul>	- Ha
	<b>Total</b>	<b>4,630.54 Ha</b>
1.5.2	<b>Area Statement</b>	
	<b>Total area</b>	<b>4,630.54 Ha</b>
	Mature area	3,824.00 Ha
	Immature area	529.00 Ha
	Oil Mill, Infrastructure and Emplacement	97.54 Ha
	Roads	175.00 Ha
	Nursery	5.00 Ha
	HCV* (Cemetery)	0.25 Ha
	*HCV area of 0.25 ha is located in the Afdeling IV near Housing area (including on emplacement).	
	* HCV area as much as 133.32 ha has been included in planted area	
1.6	<b>Planting Year and Cycles</b>	
1.6.1	<b>Age profile of planting year</b>	
	<b>Planting Year</b>	<b>Pulu Raja Estate (Ha)</b>
		<b>TOTAL (Ha)</b>
	2006	529.00
	2009	200.00
	2010	302.00
	2011	185.00
	2012	380.00
	2013	626.00
	2014	652.00
	2016	137.00
	2017	581.00
	2018	232.00
	<b>Sub Total Mature</b>	<b>3,824.00</b>
	2020	265.00
	2021	171.00
	2022	93.00
	<b>Sub Total Immature</b>	<b>529.00</b>
	<b>TOTAL</b>	<b>4,353.00</b>
1.6.2	<b>New Planting area after January 2010</b>	- Ha
1.6.3	<b>Planting Cycle</b>	3 <sup>rd</sup> Cycle
1.7	<b>Description of Mill and Supply Base</b>	
1.7.1	<b>Description of Mill</b>	
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>
		<b>FFB Processed (tonnes/year)</b>
		<b>CPO</b>
		<b>Out put (tonnes)</b>
		<b>Extraction (%)</b>
		<b>Palm Kernel</b>
		<b>Out put (tonnes)</b>
		<b>Extraction (%)</b>
	Pulu Raja POM	30
		154,728.69
		34,797.86
		22.49
		5,743.93
		3.71
	*Production data source from August 2022 to July 2023	
1.7.2	<b>Description of Certification Scope of Supply Base</b>	
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>
		<b>Production Area (Ha)</b>
		<b>FFB (ton/year)</b>
		<b>Yield (ton/ha/ year)</b>
		<b>Supplied to Mill</b>
		<b>FFB (ton/year)</b>
		<b>%</b>
	Pulau Raja Estate	4,630.54
		3,824.00
		113,824.12
		29.77
		113,824.12
		100.00



*Production data source from August 2022 to July 2023					
1.7.3	FFB description from other source				
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	Number of Smallholders	Production Area (Ha)	Supplied to Mill FFB (tones/year)
	RSPO Certificate			24,537.00	15,121.21
	Berangir Estate	PTPN IV	-	4,222.00	2,980.22
	Meranti Paham Estate	PTPN IV	-	3,006.00	7,630.86
	Ajamu Estate	PTPN IV	-	2,929.00	1,713.69
	Air Batu Estate	PTPN IV	-	5,543.00	1,566.75
	Tinjowan Estate	PTPN IV	-	5,435.00	705.62
	Padang Matinggi Estate	PTPN IV	-	3,402.00	524.07
	Non RSPO Certificate			-	25,421.73
	CV. Edi Jaya	Third Party	-	-	3,670.28
	CV. Doge Doge Star	Third Party	-	-	2,443.52
	PT. Fortuna Alam Makmur	Third Party	-	-	36.96
	CV.Cipta Karya Mandiri	Third Party	-	-	2,591.13
	PT. Edi Jaya Nabasa	Third Party	-	-	16,629.44
	PT.Syamil Alfazza Utama	Third Party	-	-	39.12
	CV.Rimau Kapas	Third Party	-	-	11.28
	TOTAL				40,542.94
	*Production data source from August 2022 to July 2023				
	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 of Actual Certified Production (MT)	
	FFB Processed		104,200	63,283	
	CPO Production		22,900	15,311	
	Palm Kernel (PK) Production		3,750	2,095	
1.8.2	Product selling				
	Type of selling product		Actual selling product for last year (MT)		
	CSPO sold under RSPO Scheme		8,341.83		
	CSPK sold under RSPO Scheme		2,580.78		
	CSPO sold under another scheme		9,923.67		
	CSPK sold under another scheme		771.97		
	CSPO sold as conventional		0		
	CSPK sold as conventional		0		
1.8.3	Estimate of Certified FFB Claim				
	Name of Estate(s)	Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)
	Pulau Raja Estate	4,630.54	3,824.00	110,000	28.77
	TOTAL	4,630.54	3,824.00	110,000	28.77
	*Projected FFB production for 12 months of certificate				

1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tones)	Extraction (%)	Out put (tones)	Extraction (%)	
	Pulau Raja Mill	30	110,000	24,200	22.00	4,070	3,70	MB
*Projected CSPO and CSPK production for 12 months of certificate								
1.9	Other Certifications							
	ISO 9001:2008				-			
	ISO 14001: 2004				-			
	OHSAS 18001:2007				-			
	ISCC				-			
	Others							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Pulau Tiga (PTPN I)	2022	Pulau Tiga Estate	2022	Aceh Tamiang District, Aceh Province	Audited on 2022		
	Tanjung Seumantoh (PTPN I)	2022	Lama Estate	2022	Aceh Timur District, Aceh Province			
			Baru Estate	2022	Aceh Timur District, Aceh Province			
			Tualang Sawit Estate	2022	Aceh Timur District, Aceh Province			
			Julok Rayeuk Selatan Estate	2022	Aceh Timur District, Aceh Province			
	Cot Girek (PTPN I)	2022	Julok Rayeuk Utara Estate	2022	Aceh Utara District, Aceh Province			
			Cot Girek 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	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
		Aek Nabara Utara Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
Rambutan (PTPN III)	2016	Tanah Raja Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Gunung Monaco Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Silau Dunia Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Sarang Ginting Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Sei Putih Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Rambutan Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Bandar Betsy Estate	2022	Simalungun District, Sumatera Utara Province	
Sei Daun (PTPN III)	2015	Sei Daun Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
		Bukit Tujuh Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 14, 2016 (Certified)
Sei Silau (PTPN III)	2017	Sei Silau Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Pulau Mandi Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Ambalutu Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017

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

					2015
Dolok Ilir (PTPN IV)	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015
		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
Pulu Raja (PTPN IV)	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
Adolina (PTPN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
Bah Jambi (PTPN IV)	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birung Ulu	2022	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2nd Stage Audit (30.0 Ha)
Dolok Sinumbah (PTPN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2nd Stage Audit (35.94 Ha)
		Balimbangan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang (PTPN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019

		Bukit Lima	2022	Simalungun, Sumatera Utara	Preparation
Gunung Bayu (PTPN IV)	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan (PTPN IV)	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Padang Matinggi	2019	Simalungun, Sumatera Utara	Certified on March 2019
Air Batu (PTPN IV)	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2022	Asahan, Sumatera Utara	Out of Scope certification 2nd Stage Audit
Berangir (PTPN IV)	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2022	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2nd Stage Audit (10.0 Ha)
Sawit Langkat (PTPN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2022	Langkat, Sumatera Utara	Out of scope Certification 2nd Stage Audit (301.50 Ha)
Pasir Mandoge (PTPN IV)	2020	Pasir Mandoge	2020	Asahan, Sumatera Utara	Certified on October



					2018
		Sei Kopas	2020	Asahan, Sumatera Utara	Certified on October 2018
		Tonduhan	2020	Simalungun, Sumatera Utara	Certified on October 2018
		Sei Kopas (HPK)	2022	Asahan, Sumatera Utara	
Timur (PTPN IV)	2022	Timur	2022	Mandailing Natal, Sumatera Utara	
		Balap	2022	Mandailing Natal, Sumatera Utara	
Ajamu (PT PN IV)	2021	Ajamu	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
		Meranti Paham	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
		Panai Jaya	2022	Labuhan Batu Utara, Sumatera Utara	Preparation
Sosa (PTPN IV)	2022	Sosa	2022	Padang Lawas, Sumatera Utara	Preparation
PT Agro Sinergi Nusantara (PTPN IV)	2022	PT Agro Sinergi Nusantara	2022	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara (PTPN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
Tandun (PTPN V)	2016	Tandun Estate,	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Lindai Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Lindai 98 ha	2021	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian 866 ha	2023	Tapung Hulu District, Kampar District, Riau Province, Indonesia	
Sei Rokan (PTPN V)	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau Province, Indonesia.	Certified
Sei Tapung (PTPN V)	2019	Sei Tapung	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified

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

		Sei Batu Langka	2023	Kampar District, Riau Province, Indonesia	
Rimbo Dua (PTPN VI)	2018	Rimbo Satu	2018	Jambi Province	Certified
		Rimbo Dua	2018	Jambi Province	Certified
		Batang Hari	2022	Jambi Province	
Bunut (PTPN VI)	2022	Bunut	2022	Jambi Province	
Ophir (PTPN VI)	2022	Ophir	2022	Sumatra Barat Province	
		Pangkalan 50 Kota	2022	Sumatra Barat Province	
Aur Gading (PTPN VI)	2023	Durian Luncuk	2023	Jambi Province	
Solok Selatan (PTPN VI)	2023	Solok Selatan	2023	Sumatra Barat Province	
Tanjung Lebar (PTPN VI)	2022	Tanjung Lebar	2023	Jambi Province	
		Bukit Cermin	2023	Jambi Province	
Bekri (PTPN VII)	2022	Bekri	2022	Lampung Province	Audited on February 2022
		Rejosari	2022	Lampung Province	Audited on February 2022
		Padang Ratu	2022	Lampung Province	Audited on February 2022
Betung (PTPN VII)	2022	Betung	2022	Lampung Province	Certified
		Bentayan	2026	Lampung Province	
Talang Sawit (PTPN VII)	2023	Betung Krawo	2023	Musi Banyuasin District, Sumatera Selatan Province	
Sungai Lengi (PTPN VII)	2023	Sungai Lengi	2023	Muara Enim District, Sumatera Selatan Province	
Kertajaya (PTPN VIII)	2022	Kertajaya	2022	Lebak District, Banten Province	
		Cisalak Baru	2022	Lebak District, Banten Province	
		Bojongdatar	2022	Lebak District, Banten Province	
Cikasungka (PTPN VIII)	2022	Cikasungka	2022	Bogor District, Jawa barat Province	
		Sukamaju	2022	Sukabumi District, Jawa barat Province	
Gunung Meliau (PTPN XIII)	2022	Gunung Meliau	2022	Sanggau District, Kalimantan Barat Province	
Rimba Belian (PTPN XIII)	2023	Rimba Belian	2023	Sanggau District, Kalimantan Barat Province	
		Gunung Mas	2023	Sanggau District, Kalimantan Barat Province	
		Sungai Dekan	2023	Sanggau District, Kalimantan Barat Province	
Parindu (PTPN XIII)	2023	Parindu	2023	Sanggau District, Kalimantan Barat Province	
Luwu (PTPN XIV)	2022	Luwu	2022	Luwu Timur, District, Sulawesi Tengah	

			Keera-Maroon	2022	Luwu Timur, District, Sulawesi Tengah	
			Malili	2023	Luwu Timur, District, Sulawesi Tengah	
			Asera	2023	Luwu Timur, District, Sulawesi Tengah	
			*Date Approval TBP in November 2021. This has become a Non-Conformity for Certification System related to TBP.			
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>					
	The company has no agreement with any associated smallholder					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.2	<p>1. <b>Satria Adi Putra (Lead Auditor Witnessing).</b> Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, ISCC Auditor, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, SA 8000, RSPO Lead Training, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011, ISO 22000. During the audit, he supervise and witnessing Lead Auditor.</p> <p>2. <b>Rindu Galih Rezza Rachmansyah (Lead Auditor Witnessed).</b> Bachelor of Agriculture, Department of Plant Pests and Diseases (Agrotechnology), Padjadjaran University. Has one year experience as a Field Expert in a private pesticide company and three years' experience in the field of Industrial Plantation Forest (HTI), Forest Rehabilitation and Reclamation in an Indonesian BUMN Company as an Assistant. Trainings attended include Lead Auditor ISO 9001, ISO 14001, ISO 19011, ISO 17021; 17065, SA 8000, ISO 45001, SCCS, ISPO, RSPO, RaCP and NPP awareness for RSPO and OHSAS 18001. Has conducted ISPO and RSPO Audit activities since 2017 in the aspects of Legality, Environment, Labor, OHS, Best Management Practices (BMP) and Social. In this audit activity, verification was carried out for Legality and supply chain aspects.</p> <p>3. <b>Kiki Fadli (Auditor).</b> Indonesian citizen, Bachelor of Agricultural Engineering, Agricultural Engineering Study Program. Has experience working in the Department of Sustainability in private and state-owned oil palm plantations. Has attended ISPO New Refreshment Lead Auditor training, RSPO Lead Auditor, General AK3, ISO 9001:2008, ISO 14001:2015, ISO 17021, ISO 17065, HCV, OHS management system and ISH Lead auditor training organized by RSPO. In this audit activity, an assessment of the employment aspect was carried out.</p> <p>4. <b>I Wayan Sudi Antara (Auditor).</b> Bachelor of Agricultural Engineering at the IPB University Bogor. Experienced in preparing Environment Impact Assessment since 1990 (has a competency certificate for Team Leader for EIA Preparation), involved as an auditor assessing the performance of Sustainable Production Forest Managers for both the Indonesian Ecolabel Institute/LEI scheme since 1997 and the Ministry of Forestry scheme since 2002 (has Auditor and LEI certificates). Previously worked at a Forestry Consultant, experienced in ISPO; RSPO assessment as an auditor (has passed ISPO; RSPO training). The training he has followed namely: Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 14001, Awareness ISO 45001, and Awareness ISO 19011. During this assessment, he verified the aspects of environment, Social, conservation and GHG aspect.</p> <p>5. <b>Ibnu Satria Prabudi (Auditor).</b> Bachelor of Agriculture, Faculty of Agriculture, INSTIPER, Yogyakarta. He have several trainings regarding system: RSPO Lead Auditor by the Indonesian Palm Oil Commission (2010) and has attended twice refreshment trainings (2017 and 2021), ISPO Auditor Training by the National Standardization Agency (2011) and has attended refreshment trainings (2021), ISO 9001: 2015 IRCA by PT TUV Rheinland Indonesia (2018), ISO 14001: 2004 by PT Bumi Hijau Cemerlang (2010), Green House Gass In House Training by the ISPO Commission, Involved in ISPO standard field testing (2011), OHS Expert Training by PT Safindo Raya (2016), RSPO Supply Chain Certification Training by Checkmark (2019) and has attended refreshment trainings (2022), Cleanliness Health Safety and Environment Sustainability (CHSE) Certification Auditor Training by Sucofindo (2020), ISO 45001 OH &amp; SMS Lead Auditor IRCA by PT TUV Rheinland Indonesia (2021), SNI ISO/IEC 17065:2012 by the National Standardization Agency (2022) and has participated in several activities audit related to the sustainable oil palm plantation certification system as an auditor and or Lead Auditor since 2010. He has had several professional experiences as Auditor in PT Mutu Agung Lestari, Internal Auditor in PT Tasik Raja – Anglo Eastern Plantation Group, Auditor in PT TUV Rheinland Indonesia and Auditor in PT PCU Indonesia. During this assessment, he verified the aspects of BMP and OHS aspect.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.2	<p>Number of auditors: 3 auditors &amp; 1 auditor trainee</p> <p>Number of days for <b>ASA-1.2</b> at site: 4 days</p> <p>Number of working days for <b>ASA-1.2</b>: 12 Working days</p>

2.2.2	<b>Assessment Process</b>
ASA-1.2	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PTPN IV, Pulu Raja POM based on:</p> <ul style="list-style-type: none"> <li>• RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020</li> <li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</li> </ul> <p>The scope of certification of Pulu Raja POM consists of one mill (Pulu Raja POM) and one estate (Pulu Raja Estate).</p> <p>The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-1.2 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.3). Improvement of findings from ASA-1.1 were observed by auditors at this ASA-1.2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.2.</p> <p>Number of units in this certification activity is 1 (one) Mill and 1 (one) estate. The auditor team used the <math>(0.8\sqrt{y}) \times (z)</math> formula to determine the units sampling to be focused on and also considered the issues raised by stakeholder, (y) is the number of estate and (z) multiplier defined by the risk assessment. The risk for this assessment is low due to the area is geographic locations, distance of estate, complexity of labor, landscape setting, presence of HCV, number of communities/ conflicts and legality. Based on this formula, the auditor team determined that the sampling locations are one palm oil mill (Pulu Raja POM) and one estate (Pulu Raja Estate).</p> <p>The opening meeting was held on 7 August 2023. As for the participants who attended the opening meeting included the Estate and Mill Managers, Support Team from Medan and other staff. Closing meeting was held on 11 August 2023 attended by the same participants as the opening meeting. Management Pulu Raja POM – PTPN IV accept all the ASA-1.2 audit results.</p> <p>Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates through teleconference. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III.</p> <p>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.</p> <p>All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).</p> <p>The assessment program please find Appendix 2.</p>



2.2.3	<b>Locations of Assessment</b>
ASA-1.2	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. At the sample locations for this assessment, direct visits and interviews with respondents by the auditor team were carried out:</p> <p><b>Pulu Raja Palm Oil Mill</b></p> <ul style="list-style-type: none"> <li>• <b>Security post.</b> Interview with security about worker welfare, OHS implementation, emergency situation, worker training, FFB supplier, and complaint mechanism.</li> <li>• <b>Hydrant Simulation.</b> Observations and interviews with factory fire emergency response officers related to emergency response procedures, availability and state of emergency response equipment and handling officers in conducting simulations.</li> <li>• <b>WTP.</b> Observation and interview related to waste management, environmental, and OHS aspect.</li> <li>• <b>Weighbridge.</b> Observation and interview related supply chain, FFB Source, OHS aspect and worker welfare.</li> <li>• <b>Workshop.</b> Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.</li> <li>• <b>EFB Area.</b> Observation of EFB area, implementation of OHS and environmental aspects</li> <li>• <b>Boiler Station.</b> Observation of boiler work process according to SOP, implementation of OHS and environmental aspects</li> <li>• <b>Grading Station.</b> Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Sterilizer Station.</b> Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Engine Room Station.</b> Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Pressing Station.</b> Observation of the Pressing process according to SOPs, implementation of OHS and environmental aspects</li> <li>• <b>Kernel Station.</b> Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices</li> </ul> <p><b>Pulu Raja Estate</b></p> <ul style="list-style-type: none"> <li>• <b>Pole HGU No.12 and 13 Afdeling 3, No. 9 and 7 Afdeling 4, No. 3 and 4 Afdeling 5.</b> Field observation related to company operational boundaries area.</li> <li>• <b>Housing Complex at Afdeling 3-5.</b> Observations and interviews with residents related to the welfare facilities provided, the actual condition of the facilities and the complaint mechanism.</li> <li>• <b>Rinse House at Afdeling 3-5.</b> Observations related to housekeeping, condition of supporting infrastructure, storage of PPE and clean clothes of workers.</li> <li>• <b>Potential HCV Block 06P Afdeling 3, Block 22I and 17 AF Afdeling 5.</b> Observations and interviews with HCV officers regarding HCV conditions and management.</li> <li>• <b>Replanting Area Blok I, Division IV.</b> Observation related replanting mechanism</li> <li>• <b>Harvesting, Block 05BY, 17R and 16Q, Division IV.</b> Field observations and interviews related to aspects of BMP, OHS, and Labour.</li> <li>• <b>Circle and Path Spraying, Block 25J, Division V.</b> Observation and interviews with foremen and workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE</li> <li>• <b>Transport FFB, Blok 16R, Division VII.</b> Field observations and interviews related to aspects of BMP, OHS, and Labour.</li> <li>• <b>Landfill.</b> Field observations related to waste management and OHS.</li> </ul>
2.3	<b>Stakeholder Consultation and Stakeholders Contacted</b>
2.3.1	<b>Summary of stakeholder consultation process.</b>

<b>ASA-1.2</b>	<p>Summary of stakeholder consultation process for Pulu Raja POM – PTPN IV</p> <ul style="list-style-type: none"> <li>• Public consultation via the Mutu website on 17 July 2023.</li> <li>• Public consultation with government agencies of Asahan District (Agriculture Agency, Labor Agency, and Environmental Agency) on 8 August 2023.</li> <li>• Public consultation by interview with locals of the nearby village (Orika Manis and Baru Village) and local contractor on 9 August 2023.</li> <li>• Consultation meeting and interview with Internal Stakeholder (labor union and gender committee) on 9 August 2023.</li> <li>• Consultation with NGO (WWF, Sawit Watch, Wahana Lingkungan Hidup Indonesia, dan AMAN) via email on 2 August 2023.</li> </ul> <p>Numbers of input from stakeholders were clarified by Pulu Raja POM – PTPN IV.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	ASA-1.3 will conduct 8 – 12 months after this assessment

### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Pulu Raja POM – PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there is three (3) Nonconformities were assigned against Major Compliance Indicator, two (2) Nonconformities were assigned against Minor Raised to Major Compliance Indicator, one (1) Nonconformities were assigned against Minor Compliance Indicator and six (6) opportunity for improvement were identified.

MUTUAGUNG LESTARI found that Pulu Raja POM – PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III complied with the requirements of **Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.**

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b> <b>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.</b>		
<b>1.1.1</b> Company can show Director Decree No. 04.03/Kpts/02/II/2018 regarding the publication of PTPN IV company documents which regulates the types of company documents and the authority over the publication of company documents. PTPN IV document data is divided into Open Document Data, Closed Document Data, and Confidential Document Data. The mechanism for requesting information and responses is listed in the SOP for the Storage Period of Requests for Information and Responses No. SPO 06 No. Revision 03 Effective Date 1 August 2017 with maximum time of responded to information requests is 30 days since mail received.  The company also shows examples of documents that can be accessed by the public, including: <ol style="list-style-type: none"> <li>1. Laras Estate Environmental Evaluation Document</li> <li>2. Revision of the Dolok Ilir Estate and POM Environmental Management and Monitoring Plan Document</li> <li>3. Permit to use Surface Air</li> <li>4. Liquid waste management permit</li> <li>5. 2009 Social Impact Assessment Report</li> <li>6. 2010 HCV Identification Report</li> </ol>		
<b>1.1.2</b> The audit evidence observed by the auditor team to ensure requests for information has been presented in an appropriate language and accessible to stakeholders is by observing the Company's routine reports provided to relevant agencies, including: <b>OHS Aspect</b> <ul style="list-style-type: none"> <li>• Report on P2K3 Activities for the first quarter of 2023 dated 03 April 2023. The report was received on 03 April 2023 by UPT Labor Inspection Region IV, North Sumatra Province through Letter of Introduction Number: PUR/X/37/IV/2023.</li> <li>• Report on P2K3 Activities for the period and Quarter II of 2023 dated 03 July 2023. The report was received on 03 July 2023 by UPT Labor Inspection Region IV, North Sumatra Province through Letter of Introduction Number: PUR/X/54/VII/2023.</li> </ul>		

**Manpower Aspect**

- Compulsory Manpower Reporting with reporting number 21273.20220908.0001 reporting date 8 September 2022 and mandatory reporting again on 8 September 2023.
- Evidence of Fixed Period Working Agreement registration to the Asahan District Labor Office with No. 2553/III-DKT/VII/2023 on 31 July 2023.

**Legality Report:**

- PTPN IV – Pulu Raja HGU Utilization Report for 2023 on 03 July 2023 to the National Land Agency of the Asahan Regency.
- PTPN IV – Pulu Raja Plantation Business Activity Report for 1<sup>st</sup> Semester in 2023 on 14 July 2023 to Agriculture Agency of Asahan Regency.
- PTPN IV – Pulu Raja Plantation Business Activity Report for 2<sup>nd</sup> Semester in 2022 on 02 January 2023 to Agriculture Agency of Asahan Regency.
- PTPN IV – Pulu Raja (Plantation) Investment Progress Report for 2<sup>nd</sup> Quarter in 2023 to Capital Investment Coordinating Agency by online.
- PTPN IV – Pulu Raja (Palm Oil Mill) Investment Progress Report for 2<sup>nd</sup> Quarter in 2023 to Capital Investment Coordinating Agency by online.

**1.1.3**

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

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

**1.1.4**

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

**1.1.5**

Company has shown contact list and detailed stakeholder information in Company's Stakeholder document at the time of surveillance-1.2. The stakeholders included in the list include 2 sub-district government contacts, 9 district agency contacts, 1 banking contact, 1 educational institution contact, 12 local village contacts, 1 internal organizational agency/agency, and 13 partner contacts. From the results of interviews via telephone by auditors with stakeholders referring to the list, it can be connected, and the information found is valid. Based on results of document review and interview with management, company cooperates with partners such as environmental quality testing laboratory, hazardous waste transporters, as well as boiler repair and sorting contractors. In addition, company has internal organizations in the form of gender committee and employee cooperative.

<b>Status: Comply</b>
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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 an ethical behaviour policy that is contained in the PTPN IV Code of Ethics document in accordance with the Decree of the Board of Commissioners and Directors of PTPN IV No. DK-08/KPTS/VII/2020 which was established on 21 July 2020. The Code of Conduct document also explains the commitment and attitude of business actors, obligations and rights of business actors, prohibitions for business actors, ethics with stakeholders, and compliance with violations.

The company has also socialized regarding policies to act ethically to workers, local communities and contractors, for example:

- Pulu Raja POM employees which were socialized on March 7 2023 which was attended by 40 people.
- Community representatives (such as the Head of Orika Village, Head of Manis Village, etc) and contractors who had been socialized on 9 February 2023 which was attended by 14 people.

Based on interviews with workers at the Estate and Mill, contractors and trade union representatives it is known that they understand the code of ethics in the company. For example, avoiding fraud or violations in the work environment, working according to procedures, and obligations as a contractor.

### 1.2.2

The company has an employee recruitment mechanism listed in the PDIK Recruitment and Appointment of Group IA-IID Employees with No 04.15.01A issued in June 2013 which describes the stages of employee recruitment starting from job vacancy information, employee candidate tests to employee acceptance and costs in the process Recruitment is borne entirely by the company.

Based on interviews with management representatives, the method of monitoring code of ethics compliance is carried out through an internal audit conducted by the SPI Office of the Board of Directors. The company also shows the results of an internal audit by the SPI Office of the Board of Directors, for example, which was carried out on 8-19 May 2023 with no results found to violate ethical business practices. In addition, the Company also monitors through complaints submitted through the whistleblowing system and it is known that there have been no complaints in the violation reporting system during 2022-2023.

Based on interviews with labor unions and contractors, it was conveyed that a code of ethics policy has been implemented by the company in all business operations and transactions including recruitment and work contracts. The code of ethics (anti-corruption, anti-bribery and anti-fraud) is stated in every work agreement of third parties (contractors) and workers.

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

Unit certifications show compliance with related regulation i.e :

#### OHS & BMP Aspect

- The unit already has an OHS Committee organizational structure. This is in accordance with Permenaker No. 4/1987.
- The unit already has personnel with authority as OHS Experts. This is in accordance with Permenaker No. 2/1992.
- The unit has provided Light Fire Extinguishers (APAR) at points identified as having a potential fire risk. This is in accordance with Permenaker No. 4/1980.
- The unit has several licensed operators. This is in accordance with Permenaker No. 8/2020
- The unit has a licensed first aid worker. This is in accordance with Permenaker No. 2/1980 jo. Minister of Manpower No. 15/2008.
- The unit has conducted periodic and special inspections. This is in accordance with Permenaker No. 2/1980 jo. Minister of Manpower No. 3/1986.
- The unit has received ISPO certificate. This is in accordance with the Minister of Agriculture No. 38/2020
- The unit has carried out replanting activities using the non-burning method. This is in accordance with Law no. 22/2019.

#### Employment Aspects:

- Proof of Recording of Work Agreement for a Specific Time by the Asahan District Manpower Office through a reporting letter with No. 2553/III-DKT/VII/2023 on July 31, 2023 for 70 people who are in accordance with government regulations No. 35 of 2021.
- Compulsory Manpower Reporting with reporting number 21273.20220908.0001 reporting date September 8, 2022 which is in accordance with Ministry of Labour regulations No 18 of 2017.
- The company has set a minimum wage with components of basic salary and fixed allowances so that a total of IDR 2,710,493 is obtained which is in accordance with the Decree of the Governor of Sumatra Utara No 188.44/949/KPTS/2022 dated 28 November 2022.

Companies can show some evidence of compliance with relevant regulations when the Surveillance-1.2 audit activities are carried out,

including demonstrating compliance with relevant regulations in legal, environmental, worker welfare and other aspects. The following are some of the evidences that have been shown:

### Legality Aspect

- Location Permit for PTPN IV – Pulu Raja (Mill & Estate) not owned due to PTPN IV – Pulu Raja area is a Dutch Heritage Plantation (NV. Rubber Culture Masscthapij Amsterdam) since 1912 and that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 of 1959.
- PTPN IV – Pulu Raja (Mill & Estate) has had a Plantation Business Permit (IUP) since 2012 in accordance with the Decree of Regent of Asahan Regency No. 503/IUP/BPPM/1609/XI/2012 dated 22 November 2012 for Palm Oil Plantation & Industry with the capacity of 30 tons of FFB/hour in mill and an operational area of 4,630.43 Ha.
- PTPN IV – Pulu Raja has had a Land Title (HGU) for the operational area in accordance with HGU Certificate No. 02 of 2006 dated 13 December 2006 for an area of 4,630.43 Ha that has been valid until 31 December 2030. This certificate refers to Decree Letter from National Land Agency No. 15/HGU/BPN/2006 dated 22 August 2006.
- PT Perkebunan Nusantara IV already has a Business Identity as one of the requirements in carrying out business activities in Indonesia (according to Government Regulation No. 24 of 2018). This identity is proven by the existence of a Business Identification Number (NIB) issued by the Government of the Republic of Indonesia with No. 9120400152539 dated 23 January 2019 with 8 types of business that are permitted (including plantation activities and the palm oil industry).
- Letter of Assessment of Plantation Business No. 521/0416 January 2019 from the Head of the Agriculture Agency of Asahan Regency with "Kelas II (Good)" results. This result is based on Decree from Asahan Regent No. 39-TANI-TAHUN 2021 on 01 April 2021.

### Best Management Practices Aspect

- The company has demonstrated all use of chemicals for the implementation of plantation operations during 2022 to 2023 (July), all pesticides used by the company are pesticides with active ingredients that have been registered with valid permits. The company no longer uses pesticides with banned active ingredients (WHO categories 1A and 1B and paraquats). This is evidenced by the realization of the use of pesticides for diving in 2022 to 2023 (July).
- The management unit already owns and uses pesticides registered with the Pesticide Commission.
- IPM activities according to the best IPM guidelines.

### OHS Aspect

- Provision of PPE for free to all workers and arrange the use of PPE according to the type of work based on the free predetermined HIRAC.
- Have permits for all factory operating machines such as boiler and sterilizer machines that have been tested for eligibility according to applicable regulations.
- Has a license / competency for some special jobs that require more expertise such as OHS experts, Hiperkes, boiler operators, diesel engine operators, welder, wheel loader operators and others in accordance with the requirements contained in the regulations.
- Has carried out a general health check (Medical Check Up) every year until 2022 (August) for all workers and special checks (cholinesterase, spirometry and audiometry) according to the level of risk / danger for certain jobs (last checks in August 2022).

Based on the explanation and description above, it can be concluded that in general the company has complied with all relevant regulations in Indonesia.

### **2.1.2**

Procedure of legal requirement which presented in document No. 04.01/KOL/P/034, dated 01 August 2018 mentioned that the guidelines include informing the person in charge of identifying and updating regulations as part of corporate legal and investor relations with a period of once a year. The procedure mentioned that in order to monitor and update of laws and/or regulations, the Legal Officer required to actively check and make coordination with Government Agencies or Institutions.

As proof that the company has complied with the laws in force in Indonesia, the company has a list of regulations/laws made according to its type, such as Laws, Government Regulations, Presidential Decrees, Presidential Instructions, Ministerial Regulations, Ministerial Decrees and so on. Companies can show documents updating regulations from 2021-2022 which were carried out in 09 January 2023, where there are several new regulations included, namely:

- Government Regulations No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and



layoffs

- Government Regulations No. 36 of 2021 concerning Wages
- Government Regulations No. 37 of 2021 concerning Job Loss Guarantee
- Minister of Environment regulations No. P.12 of 2020 concerning Storage of Hazardous and Toxic Waste
- Regulation of the Minister of Manpower No. 4 Of 2022 concerning payment procedures and terms for "Jaminan Hari Tua".

As proof that the implementation of legal compliance has been fulfilled, the company has conducted routine Internal Audits every year and usually these activities are combined with RSPO Internal Audits. The last Internal Audit was conducted on 17-22 July 2023 for the Pulu Raja POM & Estate. As for the contractor/vendor (Third Party) internal audit activity conducted in July 2023, where the contractor/vendor is monitored for compliance with relevant regulations. For more details related to compliance with regulations related to contractors/vendors, it has been explained in Indicator 2.2.2.

Based on the explanation above, it can be concluded that the company has a documented system to ensure compliance with relevant regulations for the company and third parties working with the company (contractors/vendors) and this has been well documented.

### 2.1.3

Procedure of legal boundary pole monitoring and maintenance is presented in SOP No. 12, revision 02 dated 02 January 2015. Procedure mentioned that maintenance was carried out by officers who have been appointed by the Estate Manager. Monitoring the boundaries of the HGU every six (6) months. Related to damaged or missing boundary pole that has been explained such as:

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

The company shows the document for monitoring the HGU stake which is carried out every six (6) months. The last HGU stake monitoring was carried out in June 2023 for Pulu Raja Estate for 410 HGU Pole. The report on the inspection and maintenance of the boundary markers has provided complete information regarding the number of stakes, condition of stakes, location of stakes, coordinates of stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report in first semester of 2023, it is known that all HGU Pole are available and in good condition.

Field observations to several HGU Poles (boundary markers) in Pulu Raja Estate Division 3 (Pole No. 12 & 13), Division 4 (Pole No. 07, 09, 15 & 16), Division 5 (Pole No. 03 & 04) show that the poles sampled during the audit were available in the field and in well-maintained conditions. Verification using GPS indicates that the pole coordinate is in accordance with the provisions of the land title. 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 and 2.2.3

The company shows a list of contractors for the 2023 period which also includes company name, work object, contract number, contact party and contact number, including 1 CPO transporter, 1 PK transporter, 1 security service, 1 outsourcing service, 1 hazardous and toxic waste transporter and 1 FFB transporter and it can be shown that the cooperation contract already has its own clause regarding the fulfilment of relevant legal obligations, for example in work agreement with No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/1180/I/2022 dated 26 January 2022 with CV Aljuzira for FFB transport work.

In addition, the Employment Agreement has also included a separate clause which prohibits practices involving child labor, forced labor, and workers from human trafficking, which states that as a form of compliance with applicable laws and regulations, the parties are required to comply with provisions such as not employing minors according to labor regulations, not practicing forced labor, not employing workers who are the result of human trafficking and so on.

### 2.2.2

The company shows a list of contractors for the 2023 period which also includes company name, work object, contract number, contact

party and contact number, including 1 CPO transporter, 1 PK transporter, 1 security service, 1 outsourcing service, 1 hazardous and toxic waste transporter and 1 FFB transporters.

The company also shows an agreement with a contractor that contains a clause regarding legal compliance obligations, for example a work agreement with CV Aljuzira no. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/1180/I/2022 dated 26 January 2022 regarding FFB transport cooperation. In these agreements it has been explained about:

- Obligation to use PPE.
- Guarantee that there is no child labor, forced labor or the consequences of human trafficking and protection.
- Third parties must comply with the provisions made by the company regarding the implementation of RSPO and ISPO.

The company shows a contractor evaluation document containing the company's evaluation of third parties for compliance with regulations, for example as follows:

- PT Employee Nusantara Jaya (outsourcing services) which states that it has been fulfilled regarding the use of PPE, payment of BPJS, payment of minimum wages, not employing minors, etc.
- PT Wahana Adidaya Pertiwi (CPO transporter) which states that it has been fulfilled regarding the use of PPE, payment of BPJS, payment of minimum wages, not employing minors, etc.

The company has shown documentation of legal compliance by the contractor, for example for PT Employee Nusantara Jaya (outsourcing services), namely:

- Data on wages for employees for July 2023 have met the district minimum wage, for example for those with the initials RS with a basic wage of IDR 3,024,300
- Proof of Social Security Agency on Employment and Health payments that were last paid for the July 2023 period.
- Minutes of PPE handover on 1 May 2023 to 4 workers with PPE types, namely safety shoes and helmets.
- Evidence of a cooperation agreement between workers (e.g. with the initials RS) and PT Employee Nusantara Jaya with No. 213/PKWT/PT.KNJ/V/2023 dated 1 May 2023.

Status: Comply

## 2.3

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

### 2.3.1 & 2.3.2

Based on the results of a review of documents related to basic information, weigh tickets and a list of FFB suppliers for PTPN IV – Pulu Raja, information was obtained that currently there are two (2) types of suppliers that send their FFB to Pulu Raja POM, namely Direct Supplier & Indirect Supplier. For now, the list of the two suppliers is presented as follows:

#### Direct Supplier

- Pulu Raja Estate
- Meranti Paham Estate
- Ajamu Estate
- Tinjowan Estate
- Air Batu Estate

#### Indirect Supplier

- CV Edi Jaya
- CV Doge Doge Star
- CV Cipta Karya Mandiri
- CV Rimau Kapas
- PT Edi Jaya Nabasa
- PT Syamil Alfazza Utama

From the list above, the Direct Supplier is the Main Estate of PTPN IV which is in North Sumatra Province and for each Geolocation it has been shown, apart from that, also for indirect suppliers' evidence of land ownership status is HGU (Land Title) and has other permits (Plantation Business Permit, Business Identification Number and others).

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 (RJP) of the Pulu Raja unit (PKS and Kebun), can be traced through the Long-Term Plan document for the 2020 – 2024 period which has been approved by top management. This document explains information related to long-term economic indicators, including: FFB Production, OER, Production Cost, Price of CPO/PK, replanting, CPO Production, PK Production, TM area, TBM, land clearing, arable land, reserve area, road, drainage, housing and others. Based on document observations and management interviews, it known that the Pulu Raja unit does not have a plasma scheme to date.

**3.1.2**

Based on document observations and management interviews, it known that Pulu Raja Estate does not yet have a replanting plan within the next 5 (five) years. The last replanting activity was carried out in 2022 covering an area of 93 Ha with the following details:

- Division I: 7 Hectares
- Division II: 2 Hectares
- Division III: 3 Hectares
- Division V: 81 Hectares

**3.1.3**

The Management Review is carried out by the unit of certification within the planned time according to the scale and nature of the activities carried out. The forms of management review activities carried out are:

No.	Type of Management Report	Period	Purpose of activities
1.	Monthly Report	Monthly	Reporting the results of field operations including: Production, fixed costs, investment, general costs, constraints and follow-up
2.	Quarter Report	Quarterly	Report on operational performance based on 3 months including: Production, fixed costs, investment, general costs, constraints and follow-up
3.	Semester Report	Semester	Report operational performance based on 6 months including: Production, fixed costs, investment, general costs, constraints and follow-up
4.	Annually Report	Annually	Report on annual time-based operational performance including: Production, fixed costs, investment, general costs, constraints and follow-up.

**Notes:**

*All of the above reports are used as material for consideration in preparing projected plans and costs for the next period.*

In addition to management reports related to operational performance reporting, there are other methods carried out by the certification unit as part of the management review process, including: Discussion on the results of internal management system audits (ISO, RSPO, ISPO, ISCC etc.) both conducted internally and externally, Discussion of Internal Audit Results from the Internal Supervisory Unit (SPI). The Internal Audit management system and internal SPI audits are routinely carried out by the Head Office for units with a schedule of at least once a year

**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**
**Document Observation:**

Based on document observations, several efforts have been made by the certification unit related to continuous improvement, including:

1. Evidence of follow-up on the results of external audit discrepancies (ISO, RSPO, ISPO, ISCC etc.) in the previous period
2. Evidence of follow-up on the results of internal audit discrepancies (ISO, RSPO, ISPO, ISCC etc.) in the previous period and this

year's period

3. Evidence of a budget policy to improve the condition of employee housing facilities through the RKAP.

**Field observation:**

Based on field observations, several efforts have been made by the certification unit related to continuous improvement, including:

1. Provision of trash cans in employee housing
2. There is an activity in the accumulation of plants that are indicated to be affected by the initial attack of Ganoderma disease
3. Making "Rorak" on the side of the main road as one of the infrastructures for controlling land fires.

**3.2.2**

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

Name of RSPO Member	: Pulu Raja Palm Oil Mill
RSPO Membership Number	: 1-0030-06-000-00
Name of Certified Unit	: Pulu Raja Palm Oil Mill
Name of Certification Body	: PT. Mutu Agung Lestari
RSPO Palm Trace ID Number	: RSPO_PO1000002335
Supply Chain Model	: Mass Balance (MB)
Number of Mills	: 1
Number of Estates	: 1
Production Area (ha) - Estate	: 3,824
Certified Area (ha) - Estate	: 4,631
High Conservation Value (HCV) Area (ha)	: 0,25 (include Afdeling 4)
Peatlands - Planted (ha)	: 0
Peatlands - Unplanted (ha)	: 0
Additional side aside river buffer (ha) that are not part of the above HCV areas	: 0
Freshwater Usage per PO produced tonne	: 4.73
Average LTIFR	: 0.00

Based on the results of verification and comparison of the matrix template with several other documents, it shows that the area data is in accordance with the basic information and results of the HCV study. Other data related to employment, production, supply chain is also in accordance with related documents.

**Status: Comply**

**3.3**

**Operating procedures are appropriately documented, consistently implemented and monitored.**

**3.3.1**

Consistent with the previous assessment, related to the operational procedures of the Factory and Estate up to this ASA 1.3 assessment, there has been no change. Changes to procedures are only found in types of supporting procedures. Such as emergency response procedures, impact assessment procedures, etc. All copies of procedures are available in the unit and can be accessed either in hard copy or soft copy. All of documents are written using the Bahasa.

**3.3.2**

The mechanism for monitoring the consistency of the implementation of procedures is carried out through:

Type of monitoring	Period	Executor	Method
<b>1. Internal</b>			
a. Operational Aspect (Agronomy and Processing)	Semester	SPI	Audit
b. OHS Aspect	Monthly	P2K3	Inspection
c. Management System	Annually	Internal Auditor	Audit
<b>2. External</b>			
1. Inspectorate	Conditional	Ministry	Investigation

2. Certification Body	Annually	Private	Certification
3. Government	Conditional	Local government	Monitoring and Evaluation

All of the above supervision has been included in the Company's management system and is routinely carried out in accordance with the period.

### 3.3.3

Based on interviews with management representatives, the method for monitoring code of ethics compliance is carried out through internal audits carried out by the Directors of the SPI Office. The company also showed that the results of an internal audit carried out by the Directors of the SPI Office, for example, which was carried out on 8-19 May 2023, found no results that violated company procedures. Apart from that, the Company also monitors complaints submitted through the whistleblowing system and it is known that there are no complaints in the violation reporting system during 2022-2023.

**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

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

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

### 3.4.2

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

#### **Social Impact Assessment (SIA)**

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

#### **Environmental Impact Assessment (EIA)**

Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report (RKL-RPL) report for PT Perkebunan Nusantara IV Pulu Raja Business Unit. Company is



consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly. This is one of effort of the company to develop its management and monitoring plan by participatory manner with affected party. This report described the realization of monitoring and management of the environment in accordance with environmental parameters in monitoring and management implementation report (RKL-RPL) report based on document verification Second Semester 2021 and First Semester 2022.

The significant impacts that are managed and monitored based on company's environmental management and monitoring plan. Company has management and monitoring plan which is contained in environmental management include: erosion management and monitoring; surface water management and monitoring; ground water (wells) quality management and monitoring; air quality and odor management and monitoring; water biota management and monitoring; opportunity of employment for locals; community income; public facility and social; community fidgetiness; community perception and attitude; health community monitoring; disturbance of land use for oil palm planting; social fidgetiness; and waste management. Results of monitoring are listed on regular environmental management and monitoring report which is in accordance with management and monitoring plan in environmental impact assessment document. For examples, implementation report of second semester of 2021 which has been delivered to Environmental Agency of Asahan Regency and Environmental Agency of Sumatera Utara on 2 March 2022 and 17 March 2022 respectively, and Environmental Ministry through environmental electronic reporting system (*SIMPEL*) with ID number of 1649046095-2164. Besides, implementation report of first semester of 2022 which has been delivered to Environmental Agency of Asahan Regency on 31 August 2022 respectively, and Environmental Agency of Sumatera Utara Environmental Ministry through environmental electronic reporting system (*SIMPEL*) with ID number of 1660015496-2164.

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

### 3.4.3

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

#### **Social Impact Assessment (SIA)**

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

#### **Environmental Impact Assessment (EIA)**

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

Based on the verification results of the Management and Monitoring (RKL-RPL) Implementation Report document for Second Semester of 2021 and First Semester of 2022, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. Several things can be concluded from the results of the review of the RKL-RPL



document for Second Semester of 2021 and First Semester of 2022, including erosion management and monitoring; surface water management and monitoring; ground water (wells) quality management and monitoring; air quality and odor management and monitoring; water biota management and monitoring; opportunity of employment for locals; community income; public facility and social; community fidgetiness; community perception and attitude; health community monitoring; disturbance of land use for oil palm planting; and social fidgetiness. Based on document review result of those documents, all environmental parameters have met quality standards set out in the applicable regulations, such as air quality and odor, as well as water surface quality.

**Status: Comply**

### 3.5

#### A system for managing human resources is in place.

##### 3.5.1-3.5.2

The company has a human resource management system, for example as follows:

- PDIK Recruitment and Appointment of IA-IID Group Employees No 04.15.01A issued in June 2013.
- PDIK Employee Performance Assessment Group IA-IVD No 04.15.04 issued in June 2013.
- PDIK Issuance of Employee Pension Decree Group IA-IVD No 04.15.12 issued in June 2013.
- Collective Labor Agreement for the period 2022 – 2023 in CHAPTER II in article 12 regarding acceptance, in Article 13 regarding appointment, in Article 14 concerning class and career path, in article 15 regarding promotion in class, in article 16 regarding promotion (promotion), in Article 17 regarding demotions and in Article 18 regarding mutations.

The company also shows records of the implementation of employment procedures, for example:

##### Employee Promotion and Assessment

The company shows employee ratings for the 2022 period, for example what is stated in letter no. PUR/04.07/9/1/2022 regarding performance appraisal on January 21, 2023, with the following assessment:

- Employee with the initials J, harvester position, promoted from class IA/13 to IB/0 with an assessment of 5 points of attendance, 5 points of job knowledge, 5 points of productivity, 5 points of teamwork and 5 points of honesty.
- Employee with the initials JI, the position of Plant Foreman I, was promoted from class IC/9 to ID/0 with an assessment of 5 points for attendance, 5 points for job knowledge, 5 points for productivity, 5 points for teamwork and 5 points for honesty.

With a rating scale from 1 point is very bad to 5 points is very good.

##### Pension

The company shows documents of pension provisions, for example those shown in the PTPN IV directors' decision letter regarding pension provisions in names with the initials J with No. 04.07/Kpts/0403-PUR/V/2023 dated 26 June 2023 and an application for applying for retirement benefits to the Head of HR Section has been made with No. PUR/04.07/24/IV/2023.

##### Training

The company has an HR development mechanism listed in PDIK Education and Training No. 04.11/KOL/KOL/P/009 revision 1 dated 12 August 2019 which describes the stages of identifying human resource development needs and the realization of the plan. In addition, each new employee will undergo a probationary and training period before becoming a permanent employee.

The results of interviews with representatives of trade unions, it was stated that the employment procedures had been carried out by the company in accordance with the applicable provisions and the personnel could also explain the mechanism regarding termination of employment, retirement or promotion. Based on the interview, it is known that there is no discrimination against workers. The company has also provided employee rights in accordance with company rules and regulations.

**Status: Comply**

### 3.6

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

##### 3.6.1

At the top management level, the Company has a Policy regarding the commitment to implementing OHS in every operation carried out by the Company. This policy was signed by the President Director of PT Perkebunan Nusantara IV on March 26, 2020. Then furthermore, at the business unit level, policies regarding commitment to OHS implementing in the field, the Unit Manager issues an OHS Policy. Both of these policies are oriented towards how the potential for work accidents and work-related diseases can be minimized.

To ensure that the objectives of the OHS implementation commitment policy are implemented, at the initial stage, the unit conducts an identification risk analysis of all operations, both plantations and mills. The identification results are documented under the name Document Risk Analysis (Doc No. FM-4.2.1-01 rev-01). Risk identification is carried out by the personal in charge in each unit that is part of the RISK MANAGEMENT TEAM of each unit (POM and Estate). After the personal in charge has identified the risks in each section, the identification results are reviewed by an OHS expert.

Based on document observations, interviews with related PICs and field observations, it known that:

1. Documents of Risk Identification of POM and Estate can be shown. All documents are prepared and determined in January 2023. Reviewed by OHS expert.
2. Based on field observations, it known that all of OHS problem conditions that have been identified.
3. Based on observations of the Work Accident Recapitulation document for the 2023 period, it known that there is no work accidents up to the July 2023 period.
4. All of operational potential risk have assessed by unit and reviewed by OHS expert.

### 3.6.2

The Pulu Raja Unit (POM and Estates) have set OHS goals and targets for each unit, then an OHS program for each unit is developed to ensure that the goals and targets set are achieved. The program was created by the Occupational Safety and Health Advisory Committee (P2K3). In general, the OHS program includes:

- Monthly Meeting
- OHS periodic reporting of activities to related agencies
- Hazard identification, risk assessment, and risk control
- Training needs analysis
- Implementation of OSH policies, commitments and objectives
- Determine OHS work plan
- Development of personal skills and abilities
- Emergency response training
- Identification of employee medical examination
- Check emergency response equipment
- OHS internal audit
- OHS external audit
- Performance evaluation and OHS management review

To ensure the effectiveness of the health and safety plan is monitored, the company has conducted monthly OSH meetings. Minutes of meetings. The OHS meeting has discussed the implementation and evaluation of OHS

Regarding previous NC based on document and field observation it known that:

1. There are 9 (nine) persons regarding first aid officer. All of the licenses valid until on August 24, 2024.
  - a. Certificate No. 566.49/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial NS)
  - b. Certificate No. 566.50/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial AKS)
  - c. Certificate No. 566.51/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial ERS)
  - d. Certificate No. 566.52/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial SYD)
  - e. Certificate No. 566.53/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial MSH)
  - f. Certificate No. 566.54/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial ERK)
  - g. Certificate No. 566.55/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial EN)
  - h. Certificate No. 566.56/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial SJO)
  - i. Certificate No. 566.57/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial AS)
2. The crane's operator (initial MA) has a new license and have until on August 9, 2028. Number of certificate 0422090823/A-OOC2/12/VIII/2023 dated August 9, 2023.
3. Based on field observations it is known that the workers who were sampled for interviews can explain unsafe conditions and unsafe actions which the main factors are causing work accidents in the field.

Regarding the results of the 2022 periodic health checks at the Pulu Raja Estate where there is 1 (one) person indication of exposure to work-related diseases, the unit can show evidence of follow-up examinations carried out by the company's doctor on October 20, 2022.

Status: Comply

### 3.7

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

#### 3.7.1-3.7.2

The company shows a training program for each unit in 2022-2023 where the training also includes parties who need training such as staff, workers, smallholders and contractors. The training programs include the following:

- Basic OSH and environment
- First aid training
- Training on the management of hazardous and toxic materials and hazardous and toxic waste
- Agronomy training
- Operator license training
- RSPO-ISPO & SCCS training
- Emergency response training

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

- Socialization on domestic waste management and hazardous and toxic waste which was carried out on June 5, 2022, which was attended by 26 workers.
- Dissemination of the principles of implementing the plantation management system to contractors and community representatives which was carried out on 9 February 2023 which was attended by 14 people.
- Socialization of OHS basics which was carried out on 26 July 2023 which was attended by 23 people.

Based on interviews with contractors, trade unions and workers such as warehouse workers, harvesters, grading officers and boiler officers, it was conveyed that the company has provided training or outreach regarding work procedures to each worker orally and understood by workers. In addition, competency/special training has also been given to each worker who operates certain equipment so that each worker can obtain an operating permit. The training program also involves contractors such as socialization of SOPs and policies and training related to OHS.

#### 3.7.3

PTPN IV – Pulu Raja provided an understanding of SCCS to weighbridge operators, sorting, sustainability, security, and laboratory on 03 January 2023. The materials discussed included the definition of RSPO SCCS, new standards for RSPO SCCS, principles for compliance with RSPO SCCS. Based on interviews with weighbridge operators and security, it is known that they understand the supply chain process.

Status: Comply

### 3.8

**Supply Chain Requirements for Mills**

#### 3.8.1 & 3.8.2

The Mill (Pulu Raja POM) 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 FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

#### 3.8.3

Estimated certified product recorded in the last assessment report and certificate, as well as in the RSPO IT Platform. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

Products	Last Year Projected	Actual (19 January – 31 July 2023)	Next Period Projected
FFB Certified Estates (MT)	104,200	63,283	110,000
CSPO (MT)	22,900	15,311	24,200

CSPK (MT)	3,750	2,095	4,070
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Based on the table above, the company has shown the previous license projections and the actual realization of FFB, CSPO and CSPK production in that period. The table has also been projected regarding the need for license quotas for the next 12 months. In addition, there are also CSPO and CSPK certified products which are the remaining stock from the previous year's license, namely 495 MT for CSPO and 622 MT for CSPK, so that the actual total certified products added to the remaining certified stock amounted to 15,806 for CSPO and 2,717 MT for CSPK.

### 3.8.4

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

- Member Name: Pulu Raja Palm Oil Mill PT Perkebunan Nusantara IV
- License ID: CB143573
- Commodity: Palm Oil
- Member ID: RSPO\_PO1000002335
- RSPO Membership Number: 1-0030-06-000-00 (PT Perkebunan Nusantara III)
- Type of Business: Oil Mill

All transaction has been announced to RSPO IT Platform and confirmed shipped. During license it was known there is product sold as RSPO certified and non-certified/conventional as described in indicator 3.8.8 and 3.8.16. The company has been removed of certified stock for products sold as another scheme.

### 3.8.5

The unit of certification can present procedure of SCCS are describe in Basic Guidelines and Work Instructions for Handling Certified Palm Oil Products Document Number: 04.03/P/003 dated 2018 Revision 01 Dated 01 November 2021 and approved by the Director. In the procedure described all aspect that required in SSCS model are FFB Received, Documentation of CSPO and CSPK Product, responsible persons / PIC, training, production and storage, selling and dispatch, the handling of non-conformity product and reporting. In the procedure also informing the changing of SCCS Model.

In the SOP has been describes and explaining regarding to the SCCS procedure, such as:

- Handling of Certified Fresh Fruit Bunches (FFB): Delivery of FFB from the Estate, Receiving certified FFB at the POM, Recording
- Handling of CSPO and CSPK: Monitoring of CSPO and CSPK stock, CSPO delivery, PK delivery, Recording, Reporting → If the realization of CSPO and CSPK production reaches 80%, it must be reported to the Sustainability planning department. POM records and balances all receipts of RSPO certified FFB and shipments of CSPO/CSPK every month (real time)
- CSPO Control, CSPK (Certified Products) Not RSPO IT Platform / Palm Trace compliant
- RSPO IT Platform/Palm Trace → Head engineer/appointed officer coordinates with PT Kharisma Pemasaran Bersama Nusantara (KPNB) through the planning & Sustainability, marketing and then PT. Kharisma Pemasaran Bersama Nusantara (KPNB) will remove it in case of cancellation of shipments because the volume of CSPO/CSPK/CSPKO/CSPKE is sold under conventional schemes or in case of underproduction due to non-balance within 3 (three) months or loss or damage
- Announcement → Done a maximum of 3 months from delivery
- Traceability
- Market Communication and Claims
- Occupational Health and Safety

Based on interviews in Pulu Raja POM note that the weighbridge operators understand the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out, for instance on 03 January 2023. Based on field observation, obtained information that key persons for SSCS implementation (such as weighbridge operators, manager, and assistant) understood the supply chain implementation. FFB from certified and uncertified sources were received and verified by the software program to classified and separate RSPO certified and uncertified source.

### 3.8.6

The Procedure to conduct annual internal audit including supply chain refers to Procedure No. 21 dated 2 January 2018. In the SOP

mentioned that internal audit is done annually. Internal audit of SCCS describe the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. Unit of certification has conducted internal audit for RSPO standard, including supply chain conducted by Strategic Planning and Sustainability Division from Head Office Medan.

Internal audit of SCCS carried out simultaneously with the activity Audit Internal RSPO P&C conducted on 17-22 July 2023. All of SCCS indicators has been assessed and complied. Management Review of RSPO P&C implementation conducted on 26 July 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa 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 August 2022 – July 2023:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Aug-22	15,646	1,735	17,381
Sep-22	12,995	2,594	15,589
Oct-22	13,491	1,281	14,772
Nov-22	10,239	1,788	12,027
Dec-22	13,291	2,941	16,232
Jan-23	4,417	1,981	6,398
Feb-23	6,955	1,961	8,916
Mar-23	8,640	2,624	11,264
Apr-23	8,711	2,177	10,887
May-23	9,270	2,989	12,259
Jun-23	12,244	1,609	13,853
Jul-23	13,047	1,741	14,788
<b>Total</b>	<b>128,945</b>	<b>25,422</b>	<b>154,367</b>

Estimated certified product recorded in the last assessment report. Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected	Actual (19 January – 31 July 2023)	Next Period Projected
FFB Certified Estates (MT)	104,200	63,283	110,000
CSPO (MT)	22,900	15,311	24,200
CSPK (MT)	3,750	2,095	4,070

According to the data during the certification period, there still not any overproduction yet. Apart from that, the company also has a mechanism for handling nonconforming FFB which is stated in Procedure No. 21 dated 2 January 2018.

### 3.8.8

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

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

as amount as 27.94 MT and stamped of RSPO Certified MB.

### 3.8.9, 3.8.10 & 3.8.11

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of certified products (CPO and PK) is outsourced to the third parties and the company has its listed very well, as shows through several Work Agreement as follows:

- Agreement with CPO Transporter of PT Wahana Adidaya Pertiwi No. 04.05/S.Perj/Pem/02/III/2023 dated 15 March 2023, valid thru 31 December 2023.
- Agreement with PK Transporter of CV Karya Mandiri No. 04.05-Peng/S.Perj/02/III/2023 dated 10 March 2023, valid thru 31 December 2024.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Pulu Raja POM, as well as the willingness to observe by Certification Body and the company internal audit in order to verify the compliance. Based on the results of interviews with the CPO/PK transporters (PT Wahana Adidaya Pertiwi & CV Karya Mandiri) stated that the provisions related to granting access to accredited CBs to obtain the information and systems they have are in accordance with those stated in the Cooperation Agreement.

In the period from 2022 to April 2023, there were no additional new CPO/PK transporters in collaboration with the company. So that at the time of the audit there were only 2 transporters, namely PT Wahana Adidaya Pertiwi & CV Karya Mandiri.

### 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. To the auditors the company can show all the required documents covering all aspects of this RSPO Supply Chain Certification Standard requirements such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document review known that the mill still kept document according to the procedure.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 12 months before audit (19 January – 31 July 2023):

#### Crude Palm Oil

Month	CPO (ton)		Total
	Certified	Non-Certified	
Opening stock	495.34	-	495.34
19 January – 31 July 2023	15,310.74	2,647.38	17,958.12
<b>Total</b>	<b>15,806.08</b>	<b>2,647.38</b>	<b>18,453.46</b>

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme (ISCC)	Non-Certified	
August 2022 – July 2023	8,341.83	-	9,923.67	18,265.50

The total CSPO sold as non-certified, the company has removed stock during the last 12 months of the license period, namely from January 2023 – July 2023 where the total CSPO that has been allocated to credit from stock is 8,851 MT (this is in accordance with the actual sales of CSPO products with non-certified during that period).



**Palm Kernel**

Month	PK (ton)		Total
	Certified	Non-Certified	
Opening stock	621.77	-	<b>621.77</b>
19 January – 31 July 2023	2,095.08	780.95	<b>2,876.02</b>
<b>Total</b>	<b>2,716.84</b>	<b>780.95</b>	<b>3,497.79</b>

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme (ISCC)	Non-Certified	
August 2022 – July 2023	<b>2,580.78</b>	-	<b>771.97</b>	<b>3,352.75</b>

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

**3.8.13 & 3.8.14.**

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 August 2022 until July 2023 i.e OER 22.49% and KER 3.71%. Periodically update of extraction is actual extraction.

**3.8.15.**

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

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

**3.8.16.**

Documentation for the Sustainable Certified Product (CSPO and CSPK), consist of daily record of the FFB acceptance, daily record of certified production, which classified as the CSPO and CSPK, certified sales record, stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation.

Based on delivery and transaction document review, it was known that announcement is carried out less than three months after delivery date. The status of announcements has been 'confirmed' by the buyer. The supply chain PIC has known that for P&C 2018 (included supply chain standard) the announcement should be conducted within three months after the delivery date. For example:

- Shipping announcement with transaction id TR-d103b5ad-bdf1 volume of CSPO 1,000 MT, the module of SCCS MB, dated 17 July 2023, the mill can present evidence of delivery of CSPO from Pulu Raja POM to PT Agro Jaya Perdana (Contract No. 0078/HOLDING/CPO-L/NIV/III/2023) which was carried out on 02 June – 11 July 2023 with CPO Transporter is PT Wahana Adidaya Pertiwi.
- Shipping announcement with transaction id TR-4ec2a145-dcc5 volume of CSPK 255.96 MT, the module of SCCS MB, dated 25 July 2023, the mill can present evidence of delivery of CSPK from Pulu Raja POM to PT Perkebunan Nusantara IV – Pabrik Pengolahan Inti Sawit Pabatu (Contract No. 0026/HOLDING/PKO-L/NIV/IX/2022) which was carried out on 02-16 July 2023 with CPO Transporter is CV Karya Mandiri.

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

### 3.8.17

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

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

Status: Comply

## PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

### 4.1

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

#### 4.1.1 & 4.1.2

A human rights policy document that defines basic human rights, including reproductive rights, privacy rights, women's rights and children's rights. Issued on 02 January 2015. The policy describes respecting human rights and respecting race, nation, culture, religion and without forced labor, ensuring that all employees receive fair remuneration, fair management and opportunities to develop careers. The company has socialized this policy to all workers and contractor on each unit.

The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and mill. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit. This policy has been socialized to surrounding community in 20 July 2023, for examples socialization of all company policies, code of ethics, communication procedures and complaint handling.

Based on the results of interviews with community representatives, it is known that so far from 2022 until now (August 2023) there has never been any intimidation/act of violence committed by the certification unit against workers, communities, contractors, or other parties who cooperate with the company. If there is a problem, usually the unit of certification will negotiate in a good manner and without resorting to violence. This is in line with the results of interviews with representatives of the workers union and gender committee who stated that there had never been any incidents or issues related to human rights violations that occurred in the certification unit operational areas.

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

Status: Comply

### 4.2

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

#### 4.2.1

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

- The company provides a written or e-mail channel for reporting violations through complaint@ptpn4.co.id or through an electronic room portal managed by the Whistleblowing Management Unit (UP3).
- Each reporter will receive proof of receipt of the report which includes the reporting registration number.
- On the reports received, for the next process they will be reported to the Board of Directors, Board of Commissioners.
- In carrying out verification, if needed UP3 can communicate with the reporter.
- UP3 verifies the report and decides whether or not further investigation is necessary on the report within 30 days and can be

extended for 14 working days.

- If based on the verification results indicate indications of a report then UP3 will not follow up on the report, if there is an indication of a violation then proceed to investigation.
- Protection of whistleblowers is contained in article X in the document.

In addition, there is also an SOP for internal communication and handling employee complaints with SPO No. 19 revision 2 with an effective date of January 2, 2015. If the problem cannot be resolved at the unit level, it will be continued at the board of directors' level and thereafter in accordance with the agreement of the parties, including to the legal channels or other settlement routes.

#### 4.2.2

The company has SPO Communication and Consultation with the community Number 03 dated 2 January 2017, Revision No. 4 In point 5.1 it is explained that Communication and consultation with people who cannot read and write is carried out by the PIC by conveying and introducing the problems to be resolved which can be in the form of pictures, stories, videos, dialogues and case examples.

Based on interviews with representatives of the village community (Orika Village and Manis Village), it can be concluded that the personnel are familiar with the company's grievance and complaint mechanisms. In addition, for affected parties who cannot read or write, the company provides explanations orally or through visual methods in the form of pictures/flow of complaints and grievance mechanisms.

#### 4.2.3

Based on interviews with village community representatives (Orika Village and Manis Village), it was conveyed that if there were complaints, the company would inform the parties on the progress of complaint handling, including the agreed time frame, and the results would be made available and communicated to relevant stakeholders. From the recapitulation of Unit Incoming & Outgoing Letters, for example the Pulu Raja Unit, it is known that during the 2022-2023 period there were no incoming letters in the form of complaints from stakeholders.

#### 4.2.4

The company shows SOP for internal communication and handling employee complaints with No. 19 revision 3 dated 6 November 2018 which explains that complainants (employees) can submit complaints in writing or verbally through the workers' union (SP-BUN) as a third-party bridging conflict resolution. If an agreement is not reached with the company, legal action will be taken in accordance with applicable law.

Based on interviews with representatives of the village community (Orika Village and Manis Village), it can be concluded that the personnel are familiar with the company's grievance and complaint mechanisms. In addition, based on the complaint documents and interviews, there have been no complaints in the last 2 years.

**Status: Comply**

### 4.3

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

#### 4.3.1

The company has carried out development around the plantation, among others, through various activities documented in the Social Impact Analysis Monitoring and Management Plan for Semester I of 2023. Based on this document, several CSR programs have been implemented, such as:

- Food assistance to the community around the company.
- Assistance for road repairs for Desa Persatuan in April 2023.
- Paving and upgrading of roads in Desa Manis Village.

The CSR activities carried out were based on proposal submissions from the surrounding community, this was in line with the results of public consultations with representatives from Manis Village.

Based on the results of the document review, the company has also contributed to improving the welfare of the community around the plantation by conducting business partnerships such as collaborating with local contractors in the work of transporting fresh fruit bunches (FFB) to the factory.

Based on the results of public consultations with representatives from Manis Village, it is known that the surrounding community also feels the CSR programs created by the company and their proposal submissions are often fulfilled by the company.

Status: Comply

#### 4.4

**Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).**

##### 4.4.1.

PTPN IV – Pulu Raja has managed totalling area for about 4,630.54 Ha as scope of certification. The plantation of Pulu Raja is a former of Dutch colonial era plantation that has been nationalized by Government Law No. 86/1958 dated 27 December 1958 and Government Regulation No. 19/1959 dated 2 May 1959. On that area the unit management of Pulu Raja has the documents of land ownership *HGU* No. 2 issued on 13 October 2006 valid until 31 December 2030 for 4,630.54 Ha.

##### 4.4.3.

PTPN IV Pulu Raja Business Unit is a Dutch colonial heritage plantation which was nationalized based on government regulation No. 19 of 1959 dated May 2, 1959. There is a legal right map in the map plot No. 24/07/1999 dated March 13, 2006, scale 1: 20,000.

##### 4.4.2 – 4.4.6.

During onsite assessment, the company has no new land acquisition. The results of interview with local communities (Manis Village) are known that there are no indigenous rights or customary rights.

In conclusion, the company is a nationalization program for foreign companies by government that already have previous land rights, there is no acquisition of land belonging to the surrounding community or other rights that use the FPIC process in its acquisition.

Status: Comply

#### 4.5

**No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.**

##### 4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7 and 4.5.8

The history of Pulu Raja Estate areas comes from concession rights owned by Dutch (Netherland Indie) Government Company, which was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. Furthermore, based on information from Head Village of Orika, Manis and Baru, it was known that there is no new compensation and planting on local people's land. Furthermore, there is no customary right within estate operational areas.

Status: Comply

#### 4.6

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

##### 4.6.1 – 4.6.4.

As explained in Indicator 4.5.1, it was mentioned that PTPN 4 Pulu Raja Business Unit operational areas were ex concession from Dutch (Netherland Indie) Government Company, as mentioned and described in Government Law (UU) No. 86/1958 dated December 27<sup>th</sup>, 1958, Government Regulation (PP) No. 19/1959 dated May 2<sup>nd</sup>, 1959, and Land Book (on the 1<sup>st</sup> Land Title Certificate) dated July 1<sup>st</sup> 1982. Hence, CH operational areas were not derived from indemnity land. Operational area map was available in a proper scale (1:6,300).

Based on consultation public information from Head Village of Manis Village, it was known that there is no any negotiations concerning compensation for loss of legal, customary or user rights.

In conclusion, there's no any compensation conducted right now by certificate holder.

Status: Comply

#### 4.7

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

##### 4.7.1 – 4.7.3.

As explained in Indicator 4.5.1, it was mentioned that PTPN 4 Pulu Raja Business Unit operational areas were ex concession from Dutch (Netherland Indie) Government Company and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

Based on consultation public information from Head Village of Manis Village, it was known that there is no any negotiations concerning compensation for loss of legal, customary or user rights.

**Status: Comply**

#### 4.8

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

##### 4.8.1 – 4.8.4.

As explained in Indicator 4.5.1, it was mentioned that PTPN 4 Pulu Raja Business Unit operational areas were ex concession from Dutch (Netherland Indie) Government Company and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

Based on consultation public information from Head Village of Manis Village, it was known that there is no land disputes issues on company operational area.

In conclusion, there's no land dispute issues on certificate holder operational area.

**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

The company has sale and purchase agreements with several outside FFB suppliers, for example:

- CV Doge Doge Star (No. PKS PUL/SP.02/V/2022)
- PT Fortuna Alam Makmur (No. PKS PUL/SP.01/V/2022)

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

##### 5.1.2

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

##### 5.1.3

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

#### 5.1.4

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

#### 5.1.5

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

#### 5.1.6

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

#### 5.1.7

During onsite assessment there is only one weighbridge at the factory site, the certificate holder has shown evidence of the calibration results of the weighing equipment in Pulu Raja POM in the Test Result Information Record (No. 116/SKHP-MT/ASH.59/2023) in the Legal Metrological Sector of the Asahan Regency Government Industry and Trade Office on 16<sup>th</sup> March 2023. The third party stated the test results, "Validated by affixing a valid calibration mark "21 and JP8" in accordance with Law of the Republic of Indonesia No. 2 of 1981".

#### 5.1.8.

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

#### 5.1.9.

Company has grievance mechanism for external stakeholder, including for smallholder in procedure No. 13 Rev. 01 dated January 2, 2015. However, based on document review of complaint book, there is no complaint from independent supplier.

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 company has conducted training activities for several farmer groups around the company, for example in the recording of best plantation practice training activities for independent smallholders on January 31, 2022. In these activities, the company provides training related to oil palm cultivation starting from seeding, plant maintenance, use of chemicals (including pesticides), harvesting to the legality of land ownership. From this evidence, the company has attempted a land legality and support campaign for farmers as mentioned in the opportunity to improvement of the previous assessment.

The company has an annual report that is posted on the PTPN4 website, where the report contains complete information related to the company's business development and other information, such as support from plasma farmers and third party FFB suppliers.

Status: Comply

#### PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

#### 6.1



**Any form of discrimination is prohibited.**
**6.1.1-6.1.2**

The company demonstrated PTPN IV's plantation management system policy, which was issued on January 25, 2022, by the Director, which among other things explained in point 13, namely providing equal opportunities for everyone to get jobs and positions without distinction of ethnicity, religion, race and gender.

The company also periodically socializes company management system policies, for example as shown in the documentation of company management system policy socialization which was conducted on 3 February 2023 which was attended by 20 people from workers, contractors and community representatives.

Based on the verification of labor documents and interviews with workers' representatives, it is known that the workers come from various ethnic groups, such as Javanese, Batak and others. It was also conveyed that there was no indication of discrimination against workers and no recruitment fees were imposed on workers. The company has also provided equal opportunities for local people to get jobs.

Based on interviews with community representatives (Orika Village Head and Manis Village Head), the trade union and gender committee stated that there is no discrimination, and all workers have equal opportunities, for example in terms of promotion and there are also no migrant workers.

**6.1.3**

The company shows employee ratings for the 2022 period, for example what is stated in letter no. PUR/04.07/9/1/2022 regarding performance appraisal on January 21, 2023, with the following assessment:

- Employee with the initials J, harvester position, promoted from class IA/13 to IB/0 with an assessment of 5 points of attendance, 5 points of job knowledge, 5 points of productivity, 5 points of teamwork and 5 points of honesty.
- Employee with the initials JI, the position of Plant Foreman I, was promoted from class IC/9 to ID/0 with an assessment of 5 points for attendance, 5 points for job knowledge, 5 points for productivity, 5 points for teamwork and 5 points for honesty.

With a rating scale from 1 point is very bad to 5 points is very good.

Based on this, the company has carried out promotions on the basis of skills, abilities and quality of workers.

**6.1.4**

Based on the results of the document review, interviews with workers and interviews with the management of the gender committee in each unit, it is known that there is no treatment for pregnancy testing which is a discriminatory measure in employee recruitment.

**6.1.5**

The company shows a plantation management system policy that was ratified on January 25, 2023, which explains, namely:

- Point 11 regarding prevention of sexual harassment and various forms of violence against women workers and protecting the reproductive rights of women workers.
- Point 13 regarding giving equal opportunities to all people to get jobs and positions regardless of ethnicity, religion, race and gender.

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

The gender committee also has work programs, for example:

- Inspection of housing cleanliness
- Increasing the faith and piety of employees
- Socialization of gender committees and grievance mechanisms
- Improved employee health
- Monitoring the number of pregnant, giving birth and breastfeeding women

The company also shows the realization of the program, for example monitoring and dissemination of acts of sexual harassment which

took place on 23 June 2023 which was attended by 11 people. The company also shows documents of women employees who are pregnant, giving birth and breastfeeding for the 2023 period. Based on these documents, it is known that until June 2023 there were no women workers who were pregnant, giving birth and breastfeeding.

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

### 6.1.6

The company shows proof of payment for workers with the same scope, for example employees with NIK 4024097 (Harvesters with class IA/03) and employees with NIK 4024123 (Harvesters with class IA/03), where both of them get the same wage value, for example for the June period 2023 namely:

- Basic salary of IDR 2,018,106
- Fixed allowance of IDR 504,526

**Status: Comply**

## 6.2

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

### 6.2.1

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

The company shows the Decree of the Board of Directors No. 04.07/Kpts/37/VIII/2023 on July 20, 2023, concerning the stipulation of wage adjustments to the 2023 minimum wage which took effect from January 1, 2023, such as:

- In Group IA/0, the basic salary is IDR 2,168,394 and fixed allowances are IDR 542,099 so that a total of IDR 2,710,493 is obtained.
- For Group IB/0, the basic salary is IDR 2,168,523 and fixed allowances are IDR 542,131 so that a total of IDR 2,710,654 is obtained.

Apart from that, the company also provides salary slips to workers every month. The company also shows a list of the number of workers for June 2023, namely 410 people at Pulu Raja POM and Pulu Raja Estate. In addition, referring to the complaint addressed to PTPN IV on the RSPO complaint portal (<https://askrspo.force.com/Complaint/s/case/5000o00002PZMO7AAP/detail>) it was stated that there was a violation of wages, holiday allowances and bonuses for casual daily workers, but based on document verification and interviews with workers, it is known that the Pulu Raja unit does not have workers with casual daily worker status and for daily allowances and bonuses have been given to employees for the 2023 period.

In addition, the company also shows a work agreement for a certain time, for example agreement no. PUR/S.Perj/51/VII/2023 dated 1 July 2023 for harvest work. The agreement has explained several working conditions, rights and obligations of workers and others. For example, worker responsibilities, wages, leave, social security and others. The agreement has been signed by both parties.

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

### 6.2.2

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

- Article 19 regarding official working days which explains that working days in 1 week are 5 days or 6 days.
- Article 25 regarding annual leave which explains that employees are entitled to 12 days of leave after working continuously for 12

months.

The company also shows a work agreement for a certain time, for example agreement no. PUR/S.Perj/51/VII/2023 dated 1 July 2023 for harvest work. The agreement has explained several working conditions, rights and obligations of workers and others. For example, worker responsibilities, wages, leave, social security and others. The agreement has been signed by both parties.

Referring to a complaint addressed to PTPN IV on the RSPO complaint portal (<https://askrspo.force.com/Complaint/s/case/5000o00002PYscZAAT/detail>) it was stated that there was a violation of the work agreement, wages and overtime for PKWT workers, but based on verification documents and interviews with workers, it is known that the company has made a work agreement for PKWT and has paid wages and overtime/premiums in accordance with regulations. For example, shown to personnel with the initials AAT who received a basic salary in the June 2023 period of IDR 2,018,106, a fixed allowance of IDR 504,526 and a harvest premium of IDR 1,375,631.

Based on interviews with workers, for example harvest, maintenance and sorting workers, it was conveyed that workers had received a work agreement letter and could explain the contents of the work agreement letter.

The company shows the Decree of the Board of Directors No. 04.07/Kpts/37/VIII/2023 on July 20, 2023, concerning the stipulation of wage adjustments to the 2023 minimum wage which took effect from January 1, 2023, such as:

- In Group IA/0, the basic salary is IDR 2,168,394 and fixed allowances are IDR 542,099 so that a total of IDR 2,710,493 is obtained.
- For Group IB/0, the basic salary is IDR 2,168,523 and fixed allowances are IDR 542,131 so that a total of IDR 2,710,654 is obtained.

For the shortfall/difference in the old salary to the new salary from January - June 2023, it has been added to the salary for July 2023.

The company also shows the implementation of paid leave, for example as shown by the provision of 3 days annual leave for personnel with the initials NP as clerk 1. The leave letter was submitted on February 13, 2023, and was approved by the manager.

### 6.2.3

The company has a CLA for the 2023-2024 period which explains that in article 21 point 1, namely work carried out outside the official working days and official working hours is declared as overtime.

The company shows the Decree of the Board of Directors of PTPN IV No. 04.15/KPTS/10/II/2015 concerning reaffirmation of the transfer of overtime pay to payment of performance incentives, for example for security guard personnel with the initials PS group ID/01 of IDR 1,817,628/month and HS class 1B/00 of 1,495,164/month.

The company also shows an absence list showing that security personnel work 2 shifts and in the period May-June 2023 personnel with the initials PS and HS have entered full work every day (including Sundays).

If the overtime calculation is simulated according to government regulations 35 of 2021, it is known that:

PERSONNEL	MONTHLY WAGE	HOUR WAGES	NUMBER OF OVERTIME HOURS ONE MONTH		OVERTIME WAGES ACCORDING TO GOVERNMENT REGULATION 35/2021	
			MAY	JUNE	MAY	JUNE
PS	2.556.998	14.780	377,5	370	5.579.577	5.468.724
HS	2.522.895	14.583			5.505.161	5.395.787

PERSONNEL	PERFORMANCE INCENTIVES/MONTH	EXCESS PAYMENT
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	PROVIDED			
	MAY	JUNE	MAY	JUNE
PS	1.817.628	1.817.628	-3.761.949	-3.651.096
HS	1.626.413	1.626.413	-3.878.748	-3.769.374

Info: for HS personnel get additional overtime of 131,249/month due to group <IC

Based on the sample data above, it is known that there is a difference in overtime pay between the performance incentives given compared to the calculation of overtime in accordance with Government Regulation 35 of 2021. So, the company has not been able to provide sufficient evidence that the implementation of overtime payments is fully in accordance with the issued provisions and **has become Nonconformity No. 2023.01 with Major status.**

Based on reports from online media, it is known that there have been deaths in the application land area (<https://sumut.wahananews.co/events/security-ptpn-4-ditemukan-tewas-di-parit-pembesan-limbah-industrial-9v2biwm7Qe>), Based on document verification and interviews, it is known that the personnel who died in the factory waste disposal ditch on November 11 2022 were not on duty and the cause of the death of the personnel was due to heart disease. The company also shows a letter of application for pension compensation with No. PUR/04.07/85/XII/2022 which was transferred on February 13, 2023, to the heirs (employee's wife).

#### 6.2.4

Based on field observations at Estate and Mill, it is known that the company provides decent housing, sanitation facilities, water supply, medical needs, education and public facilities, which are briefly described as follows:

- Houses (dwellings): Staff houses and employee houses
- Educational Facilities: Kindergarten, Elementary and Middle School
- Clean water facilities: water and bathrooms
- Health facilities: Polyclinic
- Places of worship: mosques and churches
- Sports facilities: volley ball field and ball field

The company has also budgeted costs for home repairs, for example for the 2023 period in collaboration with CV Namikaze. As of July 2023, 8 houses have been repaired in Afdeling 2 Pulu Raja Estate.

Based on interviews with trade unions and the gender committee, it was conveyed that the facilities and infrastructure provided by the company could be used properly. In addition, if there is damage to facilities such as housing, then the occupants of the house will submit complaints of damage to the foreman or direct assistant, to be followed up by the company.

#### 6.2.5

Based on field visits to the company area, it is known that the company area is close to community settlements where there is access to proper food. The same thing was conveyed by workers and workers' representatives (workers' unions and gender committees), that workers' access to proper, sufficient and affordable food is very easy to obtain because the location of work units and housing is close to the centre of the crowd so it is easy to find traders, shops and vegetable sellers to meet daily basic needs.

#### 6.2.6

A living wage is given to all workers according to applicable regulations, namely based on the Decree of the Governor of Sumatra Utara Province No 188.44/949/KPTS/2022 dated 28 November 2022, which stipulates the provincial minimum wage of Sumatra Utara for 2022 of IDR 2,710,493/month. The company has implemented it with a wage component consisting of basic wages, special allowances and rice supplies.

The company shows the Decree of the Board of Directors No. 04.07/Kpts/37/VIII/2023 on July 20, 2023 concerning the stipulation of wage adjustments to the 2023 minimum wage which took effect from January 1, 2023, such as:

- In Group IA/0, the basic salary is IDR 2,168,394 and fixed allowances are IDR 542,099 so that a total of IDR 2,710,493 is obtained.
- For Group IB/0, the basic salary is IDR 2,168,523 and fixed allowances are IDR 542,131 so that a total of IDR 2,710,654 is obtained.

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

With regard to a decent living wage, the company has assessed the wages paid in accordance with the minimum wage and has also assessed the in-kind benefits provided, which include school facilities, extrafooding and work clothes, for example for group IA/00, among others, as follows :

- Prevailing Wages
  - Salary: IDR 2,710,493
  - Other allowances: IDR 2,225,867
- In-Kind Benefits
  - School Facilities: IDR 317,827
  - Extrafooding: IDR 129,450
  - Work clothes: IDR 75,650

Total: IDR 5,635,287,-

### 6.2.7

In connection with the discrepancy in the previous assessment, it is known that the workforce for the 2022 period will consist of 35 Fixed Period Working Agreement workers for harvesting workers. The company shows proof of improvement in the form of approval for the appointment of Fixed Period Working Agreement workers to become permanent worker as stated in the Letter of the Director of Plantation Holding HR No. DSDM/N.IV/1730/2023 on 12 June 2023 which explained that for the Pulu Raja unit it is planned to appoint Fixed Period Working Agreement to permanent worker from 2023-2025 as many as 35 people.

Based on the workforce for the 2023 period, it is known that there were an additional 35 harvesters with Fixed Period Working Agreement status, bringing the total Fixed Period Working Agreement harvest to 70 people. 2553/III-DKT/VII/2023 on 31 July 2023, but the company has not been able to show and explain the reasons for adding Fixed Period Working Agreement workers for harvesting work (permanent) and plans to appoint these workers.

Based on this, the discrepancy in this indicator is declared not fulfilled and becomes **Minor Raised to Major (No. 2022.07)**.

6.2.3	<b>Status:</b>	
6.2.7	<b>Nonconformity No. 2023.01 with Major status</b> <b>Nonconformity No. 2022.07 with Minor Raised to Major status.</b>	

### 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, 6.3.2 and 6.3.3

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

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

The company showed proof of registration of the PTPN IV plantation workers union Pulu Raja unit to the Asahan Regency Manpower Office with No. B/106/III-DTK/VII/2004 on 1 July 2004 as well as the PTPN IV plantation worker union decision letter No. 20/Kpts/SP.BUN-PTPN-IV/VII/2019 dated 22 July 2019 concerning the inauguration of the composition of the management of the PTPN IV Unit Pulu Raja plantation workers union for the 2019-2024 period with the initials of the chairman being ES.

The company also shows trade union meetings, for example the meeting held on 6 May 2023 which was attended by 10 people related to monitoring the use of PPE. Based on the results of interviews with workers and trade union representatives, it is known that the



company has facilitated the formation of trade unions and has not interfered with the formation or activities of registered organizations/trade unions, or other representatives who are freely chosen for all workers, including migrant workers and contract workers.

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

Status: Comply

#### 6.4

##### Children are not employed or exploited.

##### 6.4.1, 6.4.2 and 6.4.3

The company demonstrated PTPN IV's plantation management system policy, which was issued on January 25, 2022, by the Director which among other things explained in point 9 namely the commitment not to use underage children in accordance with laws and regulations and workers who are the result of human trafficking. Based on the verification of the employee list for the July 2023 period, it was found that there were no workers under 18 years of age. In addition, management system policies are socialized periodically to employees and stakeholders, for example the socialization, which was held on February 2, 2023, with 20 participants.

Based on the results of interviews with the contractor, it was conveyed that there is a clause in the cooperation agreement which states the prohibition of using underage children. The company also shows one of the contracts with third parties, for example a cooperation contract with the FFB transporter with No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/1180/I/2022 dated 26 January 2022 with CV Aljuzira which states in article 3 point 19 that the contractor is obliged to comply with all applicable laws and regulations, including not hiring minors.

The results of verification of the labor list documents, interviews with internal and external stakeholders, and field observations revealed that there were no indications of workers under the age of 18. Apart from that, the results of field observations in offices, housing and the company's operational areas also show signs prohibiting the use of child labour.

##### 6.4.3

Based on the document review, it is known that there are students who carry out field work practices, for example as shown by the approval letter for apprentice students at Pulu Raja Estate as many as 4 students listed in the official travel letter No. 354/ITSI/PKL-I/VI/2023 dated 8 June 2023 who conducted practical from 12 June – 11 August 2023. Based on interviews with management representatives, it was conveyed that students who carried out field work practices more often carried out administrative data collection activities. Apart from that, students are first informed about areas/activities that have the potential to be high risk and in their field reviews, students are accompanied by company staff or employees.

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 demonstrated PTPN IV's plantation management system policy, which was issued on January 25, 2022 by the Director which among other things explained in point 11 namely preventing sexual harassment and various forms of violence against women workers and protecting the reproductive rights of women workers. In addition, management system policies are socialized periodically to employees and stakeholders, for example the socialization, which was held on February 3, 2023 with 20 participants and also communicated during the morning assembly.

The results of interviews with harvest, maintenance and Mill workers revealed that the company had provided socialization regarding policies on preventing sexual harassment and violence as well as protecting reproductive rights. The company also has a gender committee to address issues or problems of sexual harassment and violence.

The results of interviews with representatives of the committee and workers stated that there were no cases of violence or sexual harassment in the last 2 years. In addition, from the results of the interviews it is known that the company has granted permission/paternity leave, menstruation leave and breastfeeding permission for female workers.



**6.5.3**

The company also shows documents of women employees who are pregnant, giving birth and breastfeeding for the 2023 period. Based on these documents, it is known that until June 2023 there were no women workers who were pregnant, giving birth and breastfeeding.

Based on the results of interviews with representatives of the gender committee from the plantations and factories, it is known that the majority of working women are already in their old age, so that no one is pregnant or has just given birth. However, the gender committee representative explained that if a female employee had just given birth or was about to give birth, they would be given permission for 45 days pre-delivery and 45 days after delivery, giving permission to breastfeed according to the baby's needs by being allowed to leave work that was known by the foreman and direct supervisor.

**6.5.4**

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

- The company provides a written or e-mail channel for reporting violations through [complaint@ptpn4.co.id](mailto:complaint@ptpn4.co.id) or through an electronic room portal managed by the Whistleblowing Management Unit (UP3).
- Each reporter will receive proof of receipt of the report which includes the reporting registration number.
- On the reports received, for the next process they will be reported to the Board of Directors, Board of Commissioners.
- In carrying out verification, if needed UP3 can communicate with the reporter.
- UP3 verifies the report and decides whether or not further investigation is necessary on the report within 30 days and can be extended for 14 working days.
- If based on the verification results indicate indications of a report then UP3 will not follow up on the report, if there is an indication of a violation then proceed to investigation.
- Protection for whistleblowers is contained in article X which explains that if requested, the company guarantees the confidentiality of the identity of the reporter and the disclosure of disgrace or incident (whistleblower).

The company has also socialized the whistleblowing system to all employees and internal and external stakeholders, for example what was done on 9 February 2023 which was attended by 14 people.

Based on the verification of complaint documents, there were no reports of sexual harassment and violence. Interviews with the gender and workers' committees also conveyed that there were no complaints regarding sexual harassment and violence and that personnel could submit a complaint mechanism. Complaints regarding sexual harassment can be submitted to the gender committee.

<b>Status: Comply</b>
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**6.6**
**No forms of forced or trafficked labour are used.**
**6.6.1**

Based on the results of the review of employee list documents, interviews with labor unions and gender committees, interviews with management and the results of field visits at the estate and mill, it was found that there were no migrant/foreign workers.

**6.6.2**

The company shows proof of Fixed Period Working Agreement registration to the Asahan District Manpower Office with No. 2553/III-DKT/VII/2023 on 31 July 2023 which reported that there were 70 workers with Fixed Period Working Agreement status who were employed as harvesters.

The company also shows a work agreement for a certain time, for example agreement no. PUR/S.Perj/51/VII/2023 dated 1 July 2023 for harvest work. The agreement has been signed by both parties and explains, among other things, the following:

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

The proof of the implementation of the work agreement is contained in the worker's salary slip, for example Fixed Period Working Agreement workers on behalf of the initials A whose basic wage is IDR 3,024,301 or has exceeded the provincial minimum wage and has been registered with Fixed Period Working Agreement as evidenced by the details of benefits and deductions for Fixed Period Working Agreement.

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 organization has defined OHS Committee (*Panitia Pembina Keselamatan dan Kesehatan Kerja* / P2K3) in accordance with national regulation i.e.: Regulation of Ministry of Manpower No. PER.04/MEN/1987. All estates and mill already have a valid P2K3, who have responsible for implement OHS within the organization. The P2K3 has approved by Decree of Head of Manpower of North Sumatra. This organization consist of staff and representative workers. The OHS committees have an OHS expert.

Regular meeting between P2K3 and workers are conducted on regular basis (monthly) as required by regulations. In addition, the meting results reported to local authority agency. Records of meeting such as minute meeting and attendance list available at all estates and mill. The OHS committee discuss how to improve the OHS implementation in the operational estate and mill.

### 6.7.2

PT Perkebunan Nusantara IV as a corporate entity has established procedures for accidents and emergencies (No. Doc: 4.3.16, Rev-02 dated 15 February 2014). These procedures cover potential emergencies such as fire, explosion, natural disaster (eg earthquake), riot/sabotage, etc. These procedures are written in Indonesian, so that they are easily understood by personnel at all levels in the organization.

Accident logs are reported to local authorities along with monthly P2K3 reports. There is evidence of accidents being investigated and actions being taken to prevent their recurrence in the future, for example the 2019 accident investigation report. The investigation is recorded in the document "OHS Problem Investigation Report".

There is evidence that the organization has people trained as first aid workers, for example:

- Certificate No. 566.49/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial NS)
- Certificate No. 566.50/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial AKS)
- Certificate No. 566.51/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial ERS)
- Certificate No. 566.52/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial SYD)
- Certificate No. 566.53/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial MSH)
- Certificate No. 566.54/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial ERK)
- Certificate No. 566.55/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial EN)
- Certificate No. 566.56/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial SJO)
- Certificate No. 566.57/P3K/DTK/SU/2021 valid until on August 24, 2024 on behalf (initial AS)

Based on field observations on activities such as harvesting, spraying, offices, chemical warehouses, hazardous waste, hydrant, fire extinguisher etc., it is evident that first aid kits are available in the workplace. There is evidence that first aid kits are adequately stocked and checked regularly.

The Unit of Certification has also carried out an emergency response simulation which was carried out on June 6, 2023. The simulation was carried out for emergency response activities for land fires, riots, earthquakes, use of fire extinguishers and hydrants. This activity was confirmed through document observation, interviews and demonstrations when the auditor made field observations.

### 6.7.3

The company has prepared an annual K3 implementation budget. One of these budgets is allocated for the procurement of PPE. The PPE procurement process is carried out by the Office of the Board of Directors on the recommendation of the unit (amount and type). After procuring PPE, it is distributed to all units and each unit distributes it to all of its workers.

Based on document observations and interviews with management, it is known that for 2023 PPE distribution has been carried out to all

workers in the field. The PPE distribution for the 2023 period will be carried out in February 2023 (Pulu Raja POM) and March 2023 (Pulu Raja Estate).

Based on interviews with found workers, it is known that they understand how to replace PPE if it is damaged. Based on observations in the field, it is known that all workers found have adequate protective equipment and are in accordance with the potential risks in the workplace.

In addition, the company has conducted K3 training related to related regulations such as:

- Decision of the Minister of Manpower No. 8 of 2020 concerning Operators
- Decision of the Minister of Manpower No. 15 of 2008 concerning First Aid at Work
- Decision of the Minister of Manpower No. 1 of 1988 concerning Steam Ship Operators

The company has also provided sanitation facilities for the pesticide applicators. Sanitation facilities have been provided for each departmental office. Based on observations of sanitation facilities, it is known that sanitation facilities are in good condition and there are several bathrooms that workers can use to shower after work.

#### 6.7.4

The company has a policy to include employees in the Collective Labor Agreement Documents for the period 2022 to 2023, especially in Chapter VIII concerning Social Security and Worker Welfare. The document describes some of the following information:

- For prospective employees, the Company registers the Employment Social Security Agency Program in accordance with applicable regulations, which consist of Work Accident Benefit, Death Benefit, Old Age Benefit and Pension Benefit.
- Companies through Employment Social Security Agency register social security programs for employees in accordance with applicable regulations, which consist of Work Accident Benefits, Death Benefits, Old Age Benefits and Pension Benefits.
- The settlement process for obtaining allowances/compensation from the social security administering body is the responsibility of the company.

The company also shows proof of Social Security Agency on Employment payments, for example:

- The May 2023 period was paid on May 31, 2023, for 414 permanent employees and 70 Fixed Period Working Agreement employees.
- The June 2023 period was paid on June 26, 2023, for 410 permanent employees and 70 Fixed Period Working Agreement employees.

as well as Social Security Agency Health payments, for example:

- The May 2023 period was paid on June 14, 2023, for 414 permanent employees and 70 Fixed Period Working Agreement employees.
- The June 2023 period was paid on June 21, 2023, for 410 permanent employees and 70 Fixed Period Working Agreement employees.

#### 6.7.5

The organization has recorded any occupational injuries on document no. FM-3.1601/11-03, revision no. 01. Companies can display work accident records using LTA, for example for the period 2022 to July 2023 it is known that FR:0, SR:0 and LTA:0.

<b>Status: Comply</b>
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### **PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT**

#### **7.1**

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

##### **7.1.1**

The company has a program and implementation of Integrated Pest Management (IPM) for 2022 and 2023. The PHT plan includes identification of pests and diseases, blocks, plans for using chemicals, area of coverage, etc. The company has a procedure regarding the Integrated Pest Management (IPM) plan which is documented in the Oil Palm OPT Procedure Number 05.11 dated 01 August 2017.

Activities in the procedure include Identification of OPT and Threshold Limits (section 3.1.4), and Control Techniques (mechanical, biological, chemistry).

Based on document observations, it is known that there are records of pest occurrence and control in the document: Recapitulation of global telling and monitoring of pests and diseases. Based on these documents, it is known that there are no pests and diseases that exceed the control threshold. However, specifically for Ganoderma disease, the level of attack is close to the economic control threshold, so the unit carries out control by means of bundling plants indicated to be attacked by Ganoderma disease.

Based on verification documents and interviews with management, there were no signs of using fire for pest control and also no rat infestation.

Training for those involved in IPM implementation has been demonstrated as stated in the document: Pest and Disease Control Training on 3 – 5 April 2023 with 35 participants. This training was conducted for the Pulu Raja Estate.

### 7.1.2

Based on document observations, it is known that there are invasive species in the operational work area of the unit (Pulu Raja Estate) based on PermenLHK No. 94 of 2016. The invasive types include: *Turnera subulata*, *Turnera ulmifolia*, *Euphorbia heterophylla*, *Cassia tora* and *Elephantopus scaber*. For the types of *Euphorbia heterophylla* and *Elephantopus scaber*, the unit has controlled their spread mechanically (hand picking) to be localized as ornamental plants and plants that can be used as medicines. As for *Turnera subulata* and *Turnera ulmifolia* units are used as biological pest control by planting at certain points (main road block)

### 7.1.3

Based on document and field observations as well as interviews with management, it known that there is no indication that the unit of certification is carrying out pest and disease control measures by burning (using fire). This is because the unit of certification in managing plant pests and diseases begins with the application of early warning systems, biological, mechanical control and the last alternative is to use chemicals according to the type of target.

Status: Comply

## 7.2

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

### 7.2.1

The certification unit (Pulu Raja Estate) already has procedures regarding the Integrated Pest Management (IPM) plan which are documented in the Oil Palm OPT Procedure Number 05.11 dated 01 August 2017. The procedure describes the Identification of Pests and Thresholds (3.1 .4), and measurement techniques (mechanics, biology, chemistry). Control using chemicals is carried out in the last alternative by considering the type of chemical and the target pest. Considering this, the unit of certification (Pulu Raja Estate) in determining the use of chemicals as pest and disease controllers takes into account WHO recommendations regarding the Classification of Pesticide Hazards (2009) and applicable laws and regulations.

Based on the results of document studies and visits to pesticide storage warehouses, it is known that the company uses selective pesticides according to the target pests/weeds to be controlled. The company has shown records of pesticide use for the 2022-2023 period. From this data it is known that the company only uses selective pesticides according to the target pests/weeds to be controlled.

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

### 7.2.2 and 7.2.3

The unit of certification shows records of the use of pesticides carried out in Pulu Raja Estate, for example:

Trade Mark	Active Ingredient	Registration	Usage		Unit
			2022 (Jan-Dec)	2023 (Jan-Jul)	
Phosthene 97 WG	Acephate	1010120124498	2,754	1,219	Kg
Roundup	Glifosat	1030120145067	298	174	Litre

Starane 480 EC	Fluroxypyr	1030120083155	276	145	Litre
Decis 25 EC	Deltamethrin	1010197938	379	137	Litre
Capture 50 EC	Sipermetrin	1010120031874	1,532	445	Litre
Amcothene 75 SP	Acephate	1010119921006	55	0	Kg

Based on the table above, it is known that pesticide use has not exceeded that of the previous year (2022), such as the use of cypermethrin in 2022 was 1,532 L, whereas until July 2023 use was still 445 L.

#### 7.2.4

The Unit of Certification does not apply prophylactic pesticides, this is proven by the mechanism of pest and disease control based on detection and census results. The use of insecticides is carried out based on the results of the EWS which is carried out routinely every week. If the EWS results exceed the threshold, an effective census will be carried out. If the census results are especially effective in telling above the threshold, then pest eradication is carried out with the main priority using the manual and if it is no longer possible to use the manual method then it is carried out using chemical methods (chemistry).

#### 7.2.5

Based on the results of field visits at the Pesticide Warehouse at the Pulu Raja Central Warehouse, known that there were no pesticides with the active ingredient paraquat or pesticides with categories 1A and 1B by WHO.

#### 7.2.6

To ensure that pesticides are handled by personnel who have adequate knowledge, the certification unit (Pulu Raja Estate) has developed an awareness program for pesticide applicators every year. As basic training, the certification unit received training in pesticide management from the local Pesticide Commission which was conducted on 2-5 October 2018 located at the Dolok Ilir Unit which was attended by 47 people.

Then furthermore, the unit of certification can show proof of the 2023 pesticide management training which was conducted on 3 – 5 April 2023 with 35 participants. This training was conducted for the Pulu Raja Estate.

#### 7.2.7

Based on the results of field visits to the pesticide storage warehouses at the Central Warehouse of Pulu Raja Estate, it known that the storage warehouses have been equipped with safety warnings and symbols, MSDS, emergency response facilities and infrastructure, adequate ventilation and lighting.

Based on interviews with management, it known that the mixing of pesticides is carried out in each Afdeling. Pesticides that have been mixed with water according to the dosage are filled into knaps cans as needed.

#### 7.2.8

Based on field observations at the Chemical Warehouse, as well as interviews with operators at each Estate and Mill, it known that containers of used pesticides will be stored in temporary shelters for Hazardous and Toxic waste which are built taking into account OHS and environmental aspects. The water used for rinsing will be reused as mixing water for chemical activities.

Based on the results of a field visit to the employee housing area, it was found that there were no traces of pesticide packaging that was reused, for example as a water reservoir or flower pot.

#### 7.2.9

Based on that interview and field observation, its known that there's no pesticide with aerial spraying.

#### 7.2.10

The certification unit has conducted a special medical examination (cholinesterase) for pesticide operators and is carried out annually at Pabatu Hospital in August 2022. The results of the health check are informed to workers and all pesticide operators are fit to work (normal results). In addition, based on interviews with pesticide workers, it is known that they have never had a work accident caused by chemicals such as irritants.



Based on interviews with the management of the certification unit, it is known that the health inspection program for pesticide operators in 2023 will be carried out in the second week of August 2023. There is a letter for submitting the names of the pesticide operators in the Pulu Raja Estate units to the Human Resources Section of the Office of the Directors. dated July 10, 2023.

### 7.2.11

Based on document observations, it known that there aren't female workers in maintenance activities (related to chemicals). All of chemical operator are men.

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

Unit of certification has a waste management plan consisting of:

- Solid Waste  
Solid waste is reused by the certification unit. The solid waste that is reused is EFB which is used back to the land as fertilizer. Meanwhile, shells and fiber are reused as boiler fuel.
- Mill Effluent  
Mill Effluent management, namely by reusing it with land applications. Before being distributed to the Land Application, first the mill effluent is managed in the WWTP pond. Unit of certification has a land application permit in accordance with Operational Eligibility Letter from Environmental Agency of Serdang Bedagai Regency number 18.20/660/359/2022 dated 12 August 2022 about Land Application License of PTPN IV Pabatu.
- Domestic Waste  
SOP for household domestic waste management document No. SPO-20, second revision, effective January 2, 2015, in the procedures described relating to waste management from offices and housing, provision of trash bins (trash cans) in offices and housing, making temporary garbage dumps, making a final dumpsite with a size of 1.5 x 2 x 9 meters with a minimum distance of 1 KM from the housing.
- Hazardous and Toxic Waste.  
Unit of Certification has SOP of hazardous and toxic waste management No. SPO 02, revision 3, issued on January 2, 2017, which describes the management of hazardous and toxic waste from the time it is produced until it is submitted to the waste carrier. Unit of Certification also has a temporary hazardous waste storage permit

In realization of waste management, it is divided into several types based on the characteristics of the waste it produces, including solid and liquid waste, POME, and hazardous and toxic waste. Solid waste from the FFB processing process in the form of shells and fiber is reused by company as a substitute for fossil fuels (diesel) for power generation in boilers. Some of the solid waste in the form of shells is also sent or sold, while the empty fruit bunches are used as fertilizer. Data on solid waste utilization is explained in more detail in indicator 7.9.1. Unit of certification uses POME by applying it to the Land Application. The regulation and management of POME are explained in more detail in indicator 7.8.3. As for air waste, the unit of certification has not made a common use for air waste, namely the Biogas Plan, so far, the management related to air waste has only been limited to measuring air quality from waste-producing sources such as Boilers and Gensets.

In management of hazardous and toxic waste, company does not reuse it, but only temporarily stores it located in temporary hazardous waste storage. The waste stored in the temporary storage warehouse will then be transported by a licensed party once a year.

Unit of certification can also show Manifest, balance sheet, and logbook. Based on the results of the document review by comparing the manifest, the balance sheet, and the logbook,

Unit of certification has procedures related to hazardous and toxic waste management in Hazardous and Toxic Waste Management SOP No. SPO 02 Revision 02 which is effective as of January 2, 2015. The procedure states in point 5.3 that the following matters:

- "All divisions in Business Unit hand over hazardous and toxic waste to hazardous and toxic waste temporary storage officer and record it on storage card."
- "All hazardous and toxic waste and used hazardous and toxic packaging produced may not be used for other purposes and must be submitted directly (maximum 1 week) to a licensed hazardous and toxic waste temporary storage"

Management of medical waste



- PTPN IV in collaboration with First Level Health Facilities (FKTP) PT. Prima Medica Nusantara
- FKTP has work agreement for Transportation and Management of hazardous and toxic waste (medical) No. 096/FPR-ABS/SPK-LB3/IV/2022 with PT. Amindy Barokah North Sumatra
- FKTP has not been able to show Temporary Storage of Hazardous and Toxic Waste Permit
- FKTP has records of transporting medical waste: 23-02-2021, 08-11-2022 (> 1 year)
- Until the time of the audit (10-08-2023) the FKTP had not been able to show evidence of transporting the medical waste
- Minister of Health regulations 18 of 2020: Must have Temporary Storage of Hazardous and Toxic Waste, equipped with a refrigerator, shelf life of 90 days

#### Liquid waste management

- PT PN IV has WWTP
- DT PN IV has an LA permit based on the Letter of the Asahan Regency Environmental Service No. 660.1/550/LH/2020 Concerning Recommendations for the Land Application Study (LA) of PT Perkebunan Nusantara IV Kebun Pulu Raja dated June 2, 2020. LA land area of 220 Ha; using the long bed method, Location of LA Afdeling IV: Block U with an area of 10 ha; Block V with an area of 12 ha; Block W with an area of 19 ha; Block X with an area of 19 ha; Block Y with an area of 20 ha. The LA location is in Afdeling III Block 2016 A, 2016 B, 2016 C, 2016 D, 2016 E, 2016 F, 2016 G and 2016 H covering an area of 137 Ha. The long bed measures 0.6m x 1.2m x 10m
- Observation results in block X, the depth of the long bed is above 0.6m ( $\pm 2$ m) the length of the long bed is above 10m ( $\pm 100$ m). Long bed copy relate. There is no rainwater drainage. LA long bed dimensions and layout differ from the recommendations of the LA study. Thus making the LA area a dangerous area

The company has not been able to show evidence of the implementation of waste treatment in accordance with laws and regulations taking into account the characteristics of poison (toxicity) and other hazards. **So this becomes nonconformity No. 2023.02 in the Minor category.**

#### 7.3.2

Unit of certification has had SOP for Household Waste Management No. SPO 20 Revision 03 which has been effective since January 2, 2018. Point 5.4 in the procedure states:

- "Each employee collects their trash in the provided trash can and cleans the yard around the housing. Disposal of waste by sorting organic and inorganic waste;
  - The cleaning staff periodically picks up trash from the temporary landfill and brings it to the landfill using the tools provided."
- The company has documentation and minutes of outreach regarding household domestic waste which was made on December 23, 2022 attended by 81 people including Personnel Assistants, Plant Askeps, Afdeling Assistants I – VII, Employees and Village Heads.
  - The socialization informs, among others:
    - Management of domestic waste must be carried out by collecting all the waste produced by households and separating it into organic and non-organic waste and disposed of in TPSA.
    - It is not allowed to manage domestic waste by burning it.
    - If waste management is still found by burning it will be given a warning.
  - The company has an evaluation of understanding regarding the socialization of household domestic waste to 81 people which was made on December 23, 2022.
  - The company has a work program for monitoring office and housing cleanliness for the 2023 period which was made on December 24, 2022 and monitoring activities are carried out once a month.
  - The company has an evaluation of monitoring the cleanliness of offices and housing which is set on December 24, 2024 which includes management and monitoring locations, there is no activity of burning waste around the housing area, there is no random waste disposal, the availability of organic and inorganic waste storage places at homes and offices, suitability of monitoring results, and so forth.

#### 7.3.3

Unit of certification already has SOP for Domestic Waste Management No. SPO 20 Revision 03 which has been effective since January

2, 2018. Point 5.5 in the procedure states that it is forbidden to burn waste in any form without the company's permission.

- The company has documentation and minutes of socialization regarding domestic household waste which was made on December 23 2022, attended by 81 people, including Personnel Assistants, Plant Inspectors, Divisional Assistants I – VII, Employees and Village Heads.
- The socialization informs, among other things:
  - Domestic waste management must be carried out by collecting all waste produced by the household and separating it into organic and non-organic waste and disposing of it to the TPSA.
  - It is not permitted to manage domestic waste by burning it.
  - If waste management is still found by burning it, a warning will be given.
- The company has an evaluation of understanding regarding the socialization of domestic household waste to 81 people which was made on December 23, 2022.
- The company has a work program for office and housing cleanliness monitoring activities for the 2023 period which was created on December 24, 2022, and monitoring activities are carried out once a month.

The company has a monitoring evaluation of the cleanliness of offices and housing which will be determined on December 24, 2024, which includes management and monitoring locations, no waste burning activities around residential areas, no careless dumping of waste, availability of organic and inorganic waste storage sites in homes and offices, suitability of monitoring results, and so on.

**7.3.1** Status: Nonconformity No. 2023.02 in the Minor category.

#### 7.4

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

##### 7.4.1; 7.4.2

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

1. Basic guidelines and work instructions for fertilization management with the number: Business unit A.10 which came into effect on February 24, 2020. In the IK it explains about maintaining soil fertility by providing fertilizer into the soil as a substitute for nutrients that have been taken by plants both with organic fertilizers as well as single and compound inorganic fertilizers.
2. SPO on Leaf and Soil Sample Analysis with number: 05.4. This procedure explains that soil analysis is carried out every 3-5 years or once a year if needed, while leaf analysis is carried out once a year and on young plants, if necessary, leaf samples can be taken twice a year with the consideration that changes in nutrients in young plant leaves are very important. change quickly.
3. There is no revision regarding this procedure until this assessment.

The company has shown the fertilizer recommendation for 2023 which is based on the results of soil analysis (on February 13, 2018) and leaf analysis (on September 1, 2022) by PPKS with soil parameters %Fraction (Sand, Dust, Clay); pH (H<sub>2</sub>O, KCl); C; N; C/N; P; K; Ca; Na; Mg; JKB; CEC; KB; Al-dd and the leaf parameter is N; P; K; Ca; Mg; B.

##### 7.4.3

Based on field observations, it known that the company has implemented a nutrient recycling strategy including through the use of solids, land applications, and empty tree applications. Confirming the results of field observations, the unit of certification can show records of the use of solids, LA and EFB applications.

##### 7.4.4

There is a record of fertilizer use (2022 - 2023), as stated in the Fertilization Plan and Achievement Years for 2022 and 2023 for each division covering all types of fertilizer (NPK 15.7.24+1 TE, Dolomite, NPK 12.12.17.2+1TE, KCL/MOP, TSP) for each semester. The fertilization program has been linked to the agronomy report.

Status: Comply

#### 7.5

**Practices minimize and control erosion and degradation of soils.**

##### 7.5.1

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

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

### 7.5.2; 7.5.3

Based on the area statement verification, known that there are no new/extensive planting activities in the company but only replanting activities. Based on the area statement verification, known that there are no new/extensive planting activities in the company but only replanting activities. In additions, based on the results of the field visit in the replanting area in block I Division IV Pulu Raja Estate, it is known that the company has made terracing on the sloped area to prevent erosion. In addition, the company has also planted *Leguminose cover crops* (LCC) and used exs chipping of palm oil plants as mulch to covering the soils.

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

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

Based on the area statement verification, known that there are no new/extensive planting activities in the company but only replanting activities. In additions, based on the results of the field visit in the replanting area in block I Division IV Pulu Raja Estate, it is known that the company has made terracing on the sloped area to prevent erosion. In addition, the company has also planted *Leguminose cover crops* (LCC) and used exs chipping of palm oil plants as mulch to covering the soils.

### 7.6.2 & 7.6.3

There was no new land clearing after November 2005, only replanting activities. Since the beginning of PTPN IV's operational activities, Pulu Raja Estate has carried out three replanting activities and has not carried out new land development. The plantation management unit stated that PTPN IV Pulu Raja units have no plans to carry out new land development activities.

Status: Comply

## 7.7

**No new planting on peat, regardless of depth after November 15<sup>th</sup>, 2018 and all peatlands are managed responsibly.**

### 7.7.1 – 7.7.7

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

Based on information from the results of the document review, field visits and interviews with stakeholders and management units until the ASA 1.2 audit was carried out, the company has not yet developed new areas and the operational area of PTPN IV-Pulu Raja Estate does not have peatlands.

Status: Comply

## 7.8

### Practices maintain the quality and availability of surface and ground water

#### 7.8.1

Company has identification on water course within its operational area in HCV document and there is also water management plan covered in HCV management plan, environmental management and monitoring plan document (*RKL-RPL*), and water quality and water source management in 2022. Among other the plan covers determination of riparian area border, protection of riparian area by not conducting chemical spraying and tree enrichment. The action taken among other by testing periodically river water quality, monitoring and tree enrichment in riparian, agrochemical use in riparian prohibition, monitoring volume of water use, applying treated mill effluent to permitted land application. The company was conducted water quality testing every semester by accredited testing laboratory No. LP-1284-IDN. Location of surface water testing conducted in upstream and downstream of Asahan River and Aek Nagaga River. Based on environmental monitoring analysis in *RKL-RPL* report in second semester of 2022 and first semester of 2023, it was informed that the company activity has not given negative effect to environment. Apart from that, all workers are ensured to have sufficient sources of clean water every year.

#### 7.8.2

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

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

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

#### 7.8.3

All palm oil mill effluent produced by Pulu Raja Palm Oil Mill are processed at waste water treatment plant before it distributed to estate as land application. Monitoring of BOD has carried out every month regularly and reported to Environmental Agency every three month. Based on waste water analysis in period August 2022-July 2023, all parameters that tested under threshold especially BOD and COD. It shows that POME can be applied in to the land application. For examples, BOD in June 2023 is 498 mg/l with threshold 5000 mg/l and pH 7.54. Company has had license to use the effluent for land application based on Decree of Investment and Integrated Services Office of Asahan Regency number 503/IPAL/DPMPPTSP/0008/VI/2020 dated 4 June 2020 about Land Application License of PTPN IV Pulu Raja and valid until 4 June 2025. Besides, company has also shown proof of payment of surface water utilization for period June 2023 on 5 July 2023 to *Kas Daerah Provinsi Sumatera Utara*.

#### 7.8.4

Company already has a Water Resources Usage Permit for Pulu Raja Industrial Business Unit based on Decree of Minister of Public Works and Public Housing No. 341/KTPS/M/2021 dated March 23, 2021, which is valid for up to 2 years from the date of its enactment (Currently, the permit extension process is being processed and this can be proven by a letter requesting a permit extension). Water usages monitoring for Pulu Raja Mill are conducted daily and listed on "*Neraca pemakaian harian*" Standards of water usage for FFB process recorded on 2023 budget projected 1.20-1.50 m<sup>3</sup>/MT FFB process. Water consumption monitored by using flowmeters installed in the piping system of WTP. According to water use data in the last period January to July 2023 average water used for processing still below the determined budget (1.00 m<sup>3</sup>/ton FFB). The overall use of water under the budget of the company.

	Status: Comply	
<b>7.9</b>		
<b>Efficiency of fossil fuel use and the use of renewable energy is optimized.</b>		
<b>7.9.1.</b>		
The certification unit has monitored fossil fuel, fiber and shell usages. For example, during period of January to December 2022: CPO production: 38,810.97 MT; Shell Usage: 6,059 MT; Fiber Usage: 15,705 MT; Diesel Usage: 162,531 Litre. Based on previous year monitoring data sighted that the fossil fuels usage in 2022 is 4.18 litre/ton CPO which is decreased from fossil fuels usage in 2022 5.62 litre/ ton CPO.		
	Status: Comply	
<b>7.10</b>		
<b>Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimize GHG emissions.</b>		
<b>7.10.1</b>		
<b>Non-Conformity No. 2023.03</b>		
The unit of certification has not been able to show the results of calculating greenhouse gas emissions using the RSPO Palm GHG Calculator version 4.0 for the 2022 period		
<b>7.10.2</b>		
Company has been operated since 1920, currently estate operations have carried out 3 <sup>rd</sup> cycle replanting and there is no new development.		
<b>7.10.3</b>		
Company has identified sources of pollution and emissions generated from all operational activities of the plantation and factory. They also have plans to reduce or minimize these emissions. This is contained in the Mitigation document and efforts to reduce GHG emissions, such as:		
<ul style="list-style-type: none"> <li>• Providing appropriate training to spraying team</li> <li>• Planting beneficial plants (<i>cassia cobanensis</i>, <i>turnera spp</i> and <i>antigonon spp</i>) in empty areas.</li> <li>• EFB application</li> <li>• Perform routine services on vehicles and generators</li> <li>• Plant trees around generator houses and riparian belt areas.</li> <li>• Perform leaf analysis to determine the type and dosage of fertilizer</li> <li>• Land monitoring that has the potential to be fire-prone</li> </ul>		
Company has also conducted an assessment of activities that cause pollution or emissions, for example:		
<ul style="list-style-type: none"> <li>• Liquid Waste quality testing</li> <li>• Air quality testing</li> <li>• Testing of emissions of boilers and generators</li> <li>• Noise testing</li> <li>• Odor testing</li> <li>• Vibration testing</li> </ul>		
Mitigation measurements and plan to reduce waste, pollution, and emission including GHG from Mill and estate are identified and recorded on waste/pollution identification document and GHG identification document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every month and monitoring periods January-June 2023 sighted that all of waste water testing parameters is compliant to the standards quality. Noise level monitoring on first semester 2023 are conducted based on <i>RKL/RPL</i> matrix are also in accordance with applicable regulation.		
	Status: Comply	
<b>7.11</b>		



**Fire is not used for preparing land and is prevented in the managed area.**
**7.11.1**

Based on results of field observation and document review of Land Fire Prevention and Management Report in second semester of 2022 and first semester of 2023, there were no land burning activities in plantations. In addition, company has a fire prevention and control policy which is contained in Letter No. 04.07/SE/56/VI/2020 dated June 24, 2020.

**7.11.2**

Based on results of document review of Land Fire Prevention and Management Report in second semester of 2022 and first semester of 2023, there were no land burning activities in plantations. In addition, company has a fire prevention and control policy which is contained in Letter No. 04.07/SE/56/VI/2020 dated June 24, 2020, which contains fire prevention and control activities determined by the company including formation of firefighting teams, installation of fire extinguishers and hydrants, building fire monitoring towers, providing firefighting facilities and infrastructure, and perform fire prevention behaviour. Based on results of field observation, it is known that there were no land burning activities in replanting area.

**7.11.3**

Based on results of document review of Land Fire Prevention and Management Report in second semester of 2022 and first semester of 2023, there were no land burning activities in the plantations. Based on the report, company already has an emergency organizational structure such as a fire in the Pulu Raja Business Unit in 2022 which consists of a Plantation/Factory Manager, Plantation Assistant, Administrative Assistant, Processing Assistant, etc. Company has shown stakeholders involvement evidence in prevent and control fires as for example document of minutes of socialization on 15 June 2023 which was held in Pulu Raja Unit and was participated by 112 participants.

Status: Comply

**7.12**

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

**7.12.1 & 7.12.8**

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

**7.12.2**

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

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

Potential HCV	AFD	Block Location	Remarks	Coverage (ha)
4.1	I	88L, 88G, 88I, 88H, 88K	Riparian Zone	20.39
	II	88D, 88E, 06K, 93A, 06N, 06J, 06E, 06F, 06I		34.59
	III	86C, 87E, 85H, 06O, 06S, 06T, 06P, 06Q, 06R		34.57
	IV	06V		2.28
	V	95H, 92K, 95I, 92J, 85J, 95K, 92T, 92P, 92R, 92Q, 92S		41.25
Total 4.1				133.07



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

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

#### **7.12.3.**

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

#### **7.12.4.**

Company has compiled a 2023 HCV management and monitoring program based on the results of a management review conducted on 7 January 2023. Company has implemented HCV management and monitoring plan for 2023 in accordance with management plan for example:

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

The unit of certification has shown an HCV monitoring document for the period January-December 2022 which shows the following monitoring results:

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

Company has presented HCV Management and Monitoring Evaluation for period 2022. Based on the document, HCV management has been done by the company in form of socializing HCV management to employees and community, maintaining the no-hunting placards that have been installed, and making necessary procedures for flora management actions that are categorized as protected from extinction, set limits on spray restrictions on river borders, conserved perennials in river bodies, and cooperated with the community to maintain cleanliness of cemetery, as well as maintain protected plants at cemetery.

In addition, the company has shown results of HCV monitoring in January-June 2023 which shows that the river border maintenance boundary signs are still available in good condition and the HCV signboard is in good condition. This has been proven during a field visit to riparian which showed that the riparian was still in good condition and HCV signboard was in good condition. About consistency for correction of nonconformity regarding HCV management plan is developed in consultation with relevant stakeholders, company has set up management plan review annually, as for 2022 management and monitoring results is reviewed on 7 January 2023. This review has been participated by surrounding village including Villages of Manis, Pulau Rakyat Pekan, Baru, Labojiur, Aek Loba, Aek Nagaga Plantation, Tunggul 45, Ofa Padang Mahondang, Persatuan, Bangun, Padang Mahondang, Orika. Management activities carried out in 2022 include signboard maintenance, flora & fauna monitoring, as well as socialization to employees and the surrounding community.

#### **7.12.5.**

Based on result of document review and interviews with local communities, it is known that there are no local community lands designated as HCV areas by company. As for the HCV 6 area which is a public cemetery located within the company's area.

Management agreement has been made between company and community which can be seen in Joint Agreement on Management of Cemetery dated July 1, 2019, between PTPN IV Pulu Raja and Tunggul 45 Village. The agreement has explained several points such as regular cleaning of the cemetery area, inspection of the guardrail, installation of signboards, and maintenance of woody plants in the cemetery area.

#### 7.12.6.

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

#### 7.12.7.

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

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

Results of HCV monitoring in 2023 have been reviewed and developed into HCV monitoring plan in 2023 which was made on 7 January 2023. This review has been participated by surrounding village including Villages of Manis, Pulau Rakyat Pekan, Baru, Labojiur, Aek Loba, Aek Nagaga Plantation, Tunggul 45, Ofa Padang Mahondang, Persatuan, Bangun, Padang Mahondang, Orika. Management activities carried out in 2022 include signboard maintenance, flora & fauna monitoring, as well as socialization to employees and the surrounding community.

Status: Comply

**3.2 Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-1.2</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA-1.2</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA-1.2</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-1.2</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	

### 3.3 Summary of RSPO Partial Certification.

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

PT Perkebunan Nusantara V subsidiary of PTPN III Time Bound Plan (TBP) is explained in table 1.10. PT Perkebunan Nusantara V subsidiary of PTPN III has 10 (ten) management units with 63 (sixty-three) mills. PT Perkebunan Nusantara V subsidiary of PTPN III has informed the TBP progress, MUTU has considered that PT Perkebunan Nusantara V subsidiary of PTPN III is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PT Perkebunan Nusantara V subsidiary of PTPN III on 13 November 2022.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Perkebunan Nusantara V subsidiary of PTPN III based on their Time Bound Plan. There are 28 uncertified mills and 77 uncertified estates of PT Perkebunan Nusantara V subsidiary of PTPN 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 12-13 November 2022 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 of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	PTPN I PKS Tanjung Seumantoh: Kebun Lama, Kebun Baru and Tualang Sawit Estate stated has no replacement of primary forest or any area containing HCV. Disclosure of two estates had delivered in 07 December 2022. LUCA for Kebun Lama had conducted on 22-26 October 2022 on area covers 4.739,72 ha, while for Kebun Baru had conducted on 17-21 October 2022 on area covers 4.739,52 ha. Both resulting resulting zero liability. However, approval of LUCA from RSPO is not available. Moreover, disclosure registration and LUCA for Tualang Sawit Estate are not available. PKS Cot Girek: Cot Girek and Julok Rayeuk Utara Estate stated has no replacement of primary forest or any area containing HCV, as informed in HCV report that had delivered on 07 December 2022. LUCA for Cot Girek had conducted in 12-16 October 2022 on area covers 7.596.36 ha, resulting zero liability. Review of disclosure for Cot Girek Estate was still under review by RSPO. However,

		<p>approval of LUCA and evidence of disclosure to RSPO are not available. Furthermore, disclosure registration, LUCA, SIA and HCV for Julok Rayeuk Utara Estate is not available</p> <p><b>PTPN II</b></p> <ul style="list-style-type: none"> <li>• PKS Sawit Hulu: disclosure of Kebun sawit Hulu had responded by RSPO through email dated 26 August 2022, which stated that LUCA is not required for this management unit which covers 9,671 ha.</li> <li>• PKS Sawit Seberang: disclosure of Kebun Sawit Seberang had delivered in 19 september 2022 and responded by RSPO through email dated 08 November 2022 which informs zero liability on area covers 8,079.11 ha. However, disclosure and LUCA for Batang Serangan dan Tanjung Jati Estate are not available. HCV for Tanjung Jati and Batang Serangan was still ongoing.</li> <li>• PKS Kwala Sawit: disclosure registration and LUCA for mill and estate supply bases are not available. HCV for Kwala Sawit and Air Tenang Estate was still ongoing.</li> </ul> <p>PKS Pagar Merbau: disclosure registration and LUCA for mill and estate supply bases are not available. HCV for Melati, Patumbak, Tandem, Bandar Klippa, Limau Mukur, were still ongoing by Consultant CV Alam Semesta</p> <p><b>PTPN III</b></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"> <li>- KRBTN dated 20 August 2021, there are raw non compliant land clearance with area 489.83 Ha.</li> <li>- KBDY dated 20 August 2021, there are raw non compliant land clearance with area 116.20 Ha. (Not available LUCA review)</li> <li>- KKINO dated 18 August 2021, there are raw non compliant land clearance with area 477.85 Ha.</li> <li>- KJLRS dated 18 August 2021, there are raw non compliant land clearance with area 3,823.91 Ha.</li> </ul> <p>The KBDBY and KRBTN has conducted HCV-HCS assessment by CV Greenera dated 19 to 23 October 2021. While the KNINO and KJLRS have been assessed on November 2022 by CV Greenera (ALS-HCV).</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion areas 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</p>
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		<p>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 areas, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> <li>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 on January 2018.</li> <li>Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</li> </ol> <p>PTPN IV Timur Estate and Batang Laping Estate has conducted HCV assessment by PT Koompasia Environment Institute in 2018.</p> <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.</p> <p>PTPN VI Uncertified management units has conducted HCV assessment such as : During audit, other the uncertified management units has not been carried out HCV assessment such as Unit of Ophir business (Ophir POM &amp; estate), Unit of Pangkalan 50 Kota business (Pangkalan 50 Kota estate), Unit of Solok Selatan business (Solok Selatan POM &amp; estate), Bukit Cermin Estate, PT Bukit Kausar &amp; PT MAJI but PTPN VI have budget &amp; the allocation activity plan year 2020 for HCV assessment in 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. Bukit Kaustar will be assessed HCV identified Auditee has been submitted reporting template for</p>
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		<p>disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar &amp; PT MAJI.</p> <p>Following up one of resolution from 35<sup>th</sup> BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 &amp; 8 (compensation concept note &amp; 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>There are also letter for SEVP Operation from Head of Planning &amp; Sustainability with number: ND-312/06.08/XI/2021 dated 25 November 2021 about RSPO certification preparation in awareness criteria 7.12 RSPO P&amp;C and Risk Analysis for six business units (PLK, Solisel, BKC, B. Kausar, and MAI) by Consultant Inovasi Sejahtera Berkelanjutan.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p>PTPN III</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PTPN 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"> <li>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</li> </ol>

		<p>Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018.</p> <p>b. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</p> <p>PTPN V</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate &amp; POM), Unit of Durian Luncuk Business (Aur Gading POM &amp; Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate &amp; POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar &amp; 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 &amp; 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 35<sup>th</sup> BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 &amp; 8 (compensation concept note &amp; 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</p> <p>Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after November 2005. However the HCV identification document</p>
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		<p>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	<p>Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&amp;C 2018).</p>	<p><b>PTPN I</b> It was reported that there are no land conflict in PKS Tanjung Seumantoh, PKS Cot Girek, as well as on its estate supply bases.</p> <p><b>PTPTN II</b> Any evidence regarding land conflicts resolution in PTPN II with surrounding communities were available. For example as shows through mediation process on occupation in Kebun Jati, Tanjung Garbus, Patumbak, Limau Mungkur, Bandar Klippa and Tandem Estate.</p> <p><b>PTPN III</b> PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion areas 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 areas, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> <li>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 on January 2018.</li> <li>Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</li> </ol> <p>For JV units, there is any new plantings since January 1st 2010. The JV units not yet comply with the RSPO New Plantings Procedure. PTPN III has sent disclosure regarding this issue to the RSPO Secretariat.</p>

	<p>Based on self assessment in KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no land dispute issues, since last year period until the partial audit conducted on November 2022.</p> <p><b>KRBTN</b> There are several area in Afdeling VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p> <p><b>PTPN IV</b> There is no labour issue/dispute found during partial certification audit.</p> <p><b>PTPN V</b> There was land conflict between PT PN V with community in Senama Nenek village, located in Sei Kencana Estate and Terantam Estate for approximately <math>\pm 2,800</math> Ha (<math>\pm 550</math> Ha under Terantam Estate and <math>\pm 2,250</math> Ha under Sei Kencana Estate). During this initial audit, this area has been released in accordance with a court decision.</p> <p><b>PTPN VI</b> 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. 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. 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. 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</p>
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		<p>panel decision (since year 2019). Further details on this case are available here: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/26">http://www.rspo.org/members/complaints/status-of-complaints/view/26</a>. Unit of Bukit Cermin Business has provided some evidences relate of land compensation record and document from dispute/conflict areas.</p> <p>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 November-December 2021 and January to November 2022.</p> <p><b>PTPTN VII</b></p> <ul style="list-style-type: none"> <li>Any evidence regarding land conflicts resolution in PTPN VII with surrounding communities were available.</li> <li>Bentayan and Senabing Estate has an opportunity to develop mechanism or flow chart process towards land conflict resolution through FPIC approach, and conducting socialization to the respective stakeholders.</li> </ul> <p><b>Observation.</b></p> <p><b>PTPTN VIII</b></p> <ul style="list-style-type: none"> <li>PKS Kertajaya: There were land occupied by surrounding communities. However, there were a statement from occupant regarding those areas which mentioned several requirement by estate unit.</li> </ul> <p>PKS Cikasungka: There were land occupied by surrounding communities. However, there were a statement from occupant regarding those areas which mentioned several requirement by estate unit.</p> <p><b>PTPN XIV</b></p> <p>There were land occupied by surrounding communities, e.i. Asera estate, Keera Maroangin estate, Malili estate. There were effort to resolve land occupied by estate unit.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>PTPN I</b></p> <p>There is no negative issues regarding labor disputes.</p> <p><b>PTPTN II</b></p> <p>There is no negative issues regarding labor disputes</p> <p><b>PTPN III</b></p> <p>Based on self assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute issues, since last year period until the partial audit conducted on October 2022.</p> <p><b>PTPN IV</b></p>

		<p>There is no labour issue/dispute found during this initial certification audit.</p> <p><b>PTPN V</b> There is no labour issue/dispute found during this initial certification audit.</p> <p><b>PTPN VI</b> There is a mechanism of resolving grievance and compliant from employee and industrial action. It has covered in the collective labour agreement between PT Perkebunan Nusantara VI and SP-BUN PTPN VI (labour union) period of 2020 to 2021 (article 76 – sub section XIV) and SOP of internal communication and handling employee complaint. Scope of collective labour agreement is all company employees and as a normative reference for subsidiaries. Collective labour agreement has signed by both parties and any evidence of registration about collective labour agreement from Ministry of Man Power has been shown by auditee. Based on self-assessment against uncertified management units, there is no identified labor disputes ongoing at subsidiary companies of PT Perkebunan Nusantara VI. Based on website date on 3 October 2017 that any labour dispute between Mr M.Dasuky Hajar Nasution and PT MAJI. Based on communication with representative of PTPN VI that it has followed up both parties. SP-Bun (labour union) have vital position because based on SOP of internal communication and handling employee complaint that employee's grievance &amp; 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><b>PTPTN VII</b> There is no negative issues regarding labor disputes on.</p> <p><b>PTPTN VIII</b> There is no negative issues regarding labor disputes</p> <p><b>PTPN XIV</b> There is no negative issues regarding labor disputes</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>PTPN I</b> Evaluation on contractors and/or third parties regarding regulation compliance is not available.</p> <p><b>PTPTN II</b> Identification, installation and maintenance of BPN</p>



		<p>boundary poles for Limau Mukur, Melati, Bandar Klippa and Tandem Estate are not available.</p> <p><b>PTPN III</b>  <b>KRBTN</b>  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 &amp; Oil Palm 546.41 Ha to Rubber: 1,156.95 Ha and Oil Pal 5,158.33 Ha.  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><b>KBDBY</b>  <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.  HGU on process, the latest process are <i>Nota Dinas</i> 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><b>KJLRS</b>  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><b>KKINO</b>  IUP on process due to revision of AMDAL document. However there are HGU number 122 year of 1999 with area 4,632.60 Ha.</p> <p>Based on Self assessment there are some conditions not yet compliance with RSPO criteria 2.1 such as:</p> <ol style="list-style-type: none"> <li>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.</li> <li>There is a land conflict (Batang Toru Estate) not yet resolved.</li> </ol> <p><b>PTPN IV</b></p>
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		<p>Some estates didn't have HGU (land title), e.i. Kebun Dolok Sinembah, Kebun Batang Laping, Kebun Timur. During partial certification, HGU on progress.</p> <p>PTPN V</p> <p>There has been no significant legal non-compliance in PTPN V and its subsidiary. The company is not in the process of any litigation. PT PN V has acquired HGU (land title) for all of its subsidiaries except the part of Sei Berlian estate (Sei Berlian-2) because the organization still in-process to get Land Use Right (HGU).</p> <p>PTPN VI</p> <p>Uncertified management units has complied with applicable legal requirement which supported by some evidences such as :</p> <ol style="list-style-type: none"> <li>1. Some uncertified management units (Solok Selatan Estate &amp; POM, Pangkalan 50 Kota Estate, Bukit Cermin Estate, Pinang Tinggi POM, &amp; 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.</li> <li>2. Some uncertified management units (Solok Selatan Estate &amp; POM, Pangkalan 50 Kota Estate, , Bukit Cermin Estate, PT MAJI &amp; 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.</li> <li>3. Some uncertified management unit (II Solok Selatan POM, Tanjung, Pinang Tinggi Estate &amp; POM, &amp; PT Bukit Kautsar) have environment document so they has complied with Minister of Environment Regulation no.05 Year 2012 jo Minister of Environment &amp; 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.</li> <li>4. Solok Selatan POM have land application permit so they has complied Minister of Environment Decree no.29 year 2003.</li> <li>5. PT Bukit Kautsar have permit of release for forest areas from government too (Minister of Forestry Decree no.69/Kpts-II/1997 &amp; 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).</li> </ol>
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		<p>6. Plantation Business Permit (Izin Usaha Perkebunan) on behalf PT MAJI (Head of Tanjung Jabung Timur decree No.30 year 2005) and PT Bukit Kautsar - Pengabuan POM (Governor of Jambi decree No.564/KEP.Gub/Disbun/2011).</p> <p>7. Solok Selatan Estate (head of Solok Selatan District decree No.660/152/KLH-2011), Pangkalan 50 Kota Estate (head of capital investment and integration service decree no.007/IL/DPMPTSP-LK/II/2020), 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>8. etc</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 Solok Selatan business, Unit of Pangkalan 50 Kota business, Unit of Bukit Cermin business and PT Bukit Kautsar.</p> <p>PTPN VII</p> <ul style="list-style-type: none"> <li>• Bentayan and Senabing Estate is currently ongoing to obtain HGU Certificate</li> <li>• Bentayan and Senabing Estate has identified do not comply with several regulation, such as PP No. 50 in 2012, PP No. 38 in 2011, PP No. 101 in 2014 and Permenaker No. 19 in 2012. This notes has evaluate and settled up to remain closed/complied by the unit of certification.</li> <li>• Program of maintenance of BPN boundary poles in Bentayan and Senabing Estate is not available.</li> </ul> <p>PTPN VIII</p> <p>Estate of Sukamaju, Bojongdatar, Cislak Baru and Cikasungka has identified do not comply with several regulation, such as PP No. 50 in 2012, PP No. 38 in 2011, PP No. 101 in 2014 and Permenaker No. 19 in 2012. This notes has evaluate and settled up to remain closed/complied by the unit of certification on 26 July 2022.</p> <p>PTPN XIV</p>
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		The company didn't have Land Use Right (HGU) during partial certification, still in process to get Land Use Right (HGU), e.i. Unit Kebun Asera dan Kebun Malili
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### 3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.1

NCR No.	:	2022.1	Issued by	:	Erika Lucitawati
Date Issued	:	22 September 2022	Time Limit	:	ASA-1.2
NC Grade	:	Minor	Date of Closing	:	11 August 2023
Standard Ref. & Requirement	:	1.1.5 An up-to-date list of contacts and detailed information on stakeholders and their appointed representatives is available.			
<b>Evidence observed (filled by auditor):</b> The Company has shown the contact list and detailed stakeholder information in the Company's Stakeholder document at the time of the surveillance-1.1 assessment. The stakeholders listed in the list include 2 sub-district government contacts, 9 district agency contacts, 1 banking contact, 1 educational institution contact, 12 local village contacts, 1 internal organization/organizational agency, and 12 partner contacts. Based on the results of document reviews and interviews with management, the company cooperates with environmental quality testing laboratory partners, B3 waste transporters, boiler repair and sorting contractors, labor service providers, CPO/PK transporters, seed development suppliers (PPKS), and others. In addition, the company has an internal organization in the form of a gender committee and employee cooperative. However, these contacts with partners and internal organizations have not been included in the Company's Stakeholder documents shown during the surveillance-1.1 assessment.					
<b>Non-Conformance Description (filled by auditor):</b> The company has not shown evidence that it has an up-to-date list of contacts and detailed stakeholder information that includes (but is not limited to) environmental quality testing laboratories, hazardous and toxic waste transporters, boiler repair and sorting contractors, labor service providers, CPO/PK transporters, seed development suppliers. (PPKS), as well as internal organizations in the form of gender committees and employee cooperatives.					
<b>Root Cause Analysis (filled by organization audited):</b> The PIC responsible for monitoring legal aspects and legal compliance has not yet been established					
<b>Correction (filled by organization audited):</b> Shows a list of internal and external stakeholders					
<b>Corrective Action (filled by organization audited):</b> Establish a PIC who is responsible for monitoring legal aspects and legal compliance					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>					
<b>Auditor verification dated August 11, 2023</b> The company shows evidence of improvement in the form of: <ul style="list-style-type: none"><li>• PTPN IV Unit Pulu Raja Plantation/Factory Manager Decree No. PUR/M.U/Kpts/08/II/2023 Dated 09 January 09 January 2023 Concerning Officers who are responsible for monitoring legal aspects and legal compliance</li><li>• List of Company Stakeholders dated 12 June 2023 includes:<ul style="list-style-type: none"><li>- National Level: 3</li><li>- Provinces: 3</li><li>- District: 32</li><li>- Internals: 6</li><li>- NGO journalists: 10</li><li>- Partners: 25</li></ul></li></ul>					
Based on this evidence, the discrepancies in this indicator have been met and consistency will be ensured in the next assessment					

Follow up on Next Audit (filled by auditor):	
Verified by	: I Wayan Sudi Antara

NCR No.	: 2022.2	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 22 September 2022	Time Limit	: ASA-1.2
NC Grade	: Minor	Date of Closing	: 11 August 2023
Standard Ref. & Requirement	2.2.1 A list of contractors is available.		

**Evidence observed (filled by auditor)**

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

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

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

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

The PIC responsible for monitoring the updated list of contractors has not yet been established

**Correction (filled by organization audited):**

- Shows updated contractor list documents
- Appointment of PIC in charge of monitoring the list of contractors

**Corrective Action (filled by organization audited):**

Conduct periodic monitoring to ensure that the list of contractors has been updated

**Assessor Evaluation and Conclusion (filled by auditor):**
**Auditor verification dated August 11, 2023**

The company shows evidence of improvement in the form of:

- Updated contractor list for the 2023 period, such as 1 CPO transporter, 1 PK transporter, 1 security service, 1 outsourcing service, 1 hazardous and toxic waste transporter and 1 FFB transporter.
- The company shows the appointment of a PIC who is responsible for monitoring the list of contractors listed in the decree no. PUR/M.U/Kps/08/1/2023 dated 9 January 2023 which explains that personnel will conduct monitoring once a year.

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



<b>Follow up on Next Audit</b> (filled by auditor):	
<b>Verified by</b>	: Kiki Fadli

<b>NCR No.</b>	: 2022.3	<b>Issued by</b>	: Briyogi Shadiwa
<b>Date Issued</b>	: 22 September 2022	<b>Time Limit</b>	: ASA-1.2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 11 August 2023
<b>Standard Ref. &amp; Requirement</b>	2.3.2 For All FFB obtained indirectly, the unit of certification obtains evidence according to indicator 2.3.1 from the collection centre, agent or other intermediary.		

**Evidence observed** (filled by auditor)

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

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

The company has not been able to show evidence of information for FFB obtained indirectly.

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

The company has not collected data related to the source of FFB from third parties and communicated with FFB suppliers regarding this matter.

**Correction** (filled by organization audited):

The company collects data related to the source of FFB from each FFB supplier from agents, collectors and others.

**Corrective Action** (filled by organization audited):

The company appoints a PIC who is used as the monitoring officer for the FFB source data collection and this activity is updated every month.

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

**Auditor Verification dated 11 August 2023.**

During the audit activity (Surveillance-1.12), the Company has determined the root of the problem, corrective and corrective actions to resolve discrepancies that have arisen in the previous assessment. The company can also show some evidence of improvement to the auditor and apart from that the auditor has also conducted a document review and interviews with relevant stakeholders to ascertain whether the discrepancies have been met or not. The following are the results of the verification carried out during the audit activities, namely:

- The company shows PTPN IV Manager's Decree – Pulu Raja No. PUR/M.U/Kpts/01/I/2023 dated January 9, 2023 concerning Officers Responsible for Carrying Out Processing Document Requirements, in which it explains that Quality Assurance Assistants and Processing Clerks are the officers in charge. One of the required documents that must be prepared is an updated list of FFB sources originating from suppliers, collectors, agents and others.
- There is a supplier list document along with the FFB suppliers updated per July 2023, in which there are already 6 FFB

suppliers with 54 supplying farmers. In addition, suppliers can show land ownership documents for their suppliers, namely all of them are SKT (Land Certificate) issued by the local Village Government.

- The company can also show several supplier legality documents to do business, one of which is the NIB (Business Identification Number), including the following:
  - ❖ NIB (Business Identification Number) for PT Syamil Alfazza Utama issued by the Government of the Republic of Indonesia through the Head of the Investment Coordinating Board on July 24 2019.
  - ❖ NIB (Business Identification Number) for CV Rimo Kapas issued by the Government of the Republic of Indonesia through the Head of the Investment Coordinating Board on December 18 2019.
  - ❖ NIB (Business Identification Number) for CV Doge Doge Star issued by the Government of the Republic of Indonesia through the Head of the Investment Coordinating Board on February 23, 2021.
  - ❖ NIB (Business Identification Number) for PT Edi Jaya Nabasa issued by the Government of the Republic of Indonesia through the Head of the Investment Coordinating Board on July 20, 2022.
  - ❖ NIB (Business Identification Number) for CV Edi Jaya issued by the Government of the Republic of Indonesia through the Head of the Investment Coordinating Board on December 23, 2019.
- Based on the results of interviews with FFB suppliers (PT Edi Jaya Nabasa and CV Doge Doge Star) it is known that the company has routinely requested data related to the source of FFB which it receives from agents, farmers, collectors and others every month. This is done to update the FFB source data received by the supplier.

Based on the explanation above, this discrepancy is declared Fulfilled and will be observed again for consistency in monitoring the source of FFB from the supplier.

**Follow up on Next Audit** (filled by auditor):

**Verified by** : **Rindu Galih Rezza Rachmansyah**

<b>NCR No.</b>	<b>: 2022.4</b>	<b>Issued by</b>	<b>: Alexander Sitio</b>
<b>Date Issued</b>	<b>: 22 September 2022</b>	<b>Time Limit</b>	<b>: 21 December 2022</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 20 December 2022</b>
<b>Standard Ref. &amp; Requirement</b>	<b>3.6.1 All operating activities are assessed for risk to identify OHS problems. Mitigation plans and procedures are documented and implemented</b>		

**Evidence observed** (filled by auditor):

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

1. Chemist spray activity.
2. Passing FFB to collection place using motorbikes/along-along as a means of passing FFB which can cause an accident risk to employees
3. Pump house activities in the WTP area that cause noise from the engine sound which results in an OHS risk to the machine operator.
4. Monitoring activities for HGU stakes
5. Patrol activities to safeguard company assets
6. Monitoring activities for potential HCV areas and flora and fauna
7. Replanting activities
8. Etc

<b>Non-Conformance Description (filled by auditor):</b> 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.	
<b>Root Cause Analysis (filled by organization audited):</b> Lack of understanding of the document control officer in submitting the HIRARC document which includes all operational activities.	
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Shows HIRAC which has included all operational activities</li> <li>Conduct outreach to document control officer and employees regarding HIRAC documents</li> </ul>	
<b>Corrective Action (filled by organization audited):</b> Schedule socialization on a regular basis to ensure that all employees receive information regarding HIRAC	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor Verification on 20 December 2022</b> The company has shown evidence of improvement in the form of: <ul style="list-style-type: none"> <li>HIRAC document which contains all operational activities such as spraying activities, FFB shunting, pumping house activities (WTP), inspection of stakes and others.</li> <li>Evidence of socialization related to HIRAC documents, for example, which was carried out on December 1, 2022 which was attended by 23 people including document control officer.</li> <li>The HIRAC socialization schedule is listed on the HIRAC socialization barchart which is planned to be held in November and December 2022.</li> </ul> Based on this, the nonconformity in this indicator is declared fulfilled by observation in the next assessment.	
<b>Follow up on Next Audit (filled by auditor):</b>  Based on document verification, field visits and interviews, it is known that the company has conducted a risk assessment to identify OHS problems and that mitigation plans and procedures are documented and implemented.	
<b>Verified by</b>	<b>: Kiki Fadli</b>

NCR No.	:	2022.5	Issued by	:	Alexander Sitio
Date Issued	:	22 September 2022	Time Limit	:	21 December 2022
NC Grade	:	Major	Date of Closing	:	20 December 2022
Standard Ref. & Requirement	:	3.6.2 Monitoring the effectiveness of the OSH plan to manage OHS risks in people.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none"><li>Company shows the documents of 7 licensed first aid workers, for example in the name of Suryadi (authority card number: Ser.27//PK3-P3K/X/2018, 20 September 2018). The company already has a first aid officer who already has a first aid certificate &amp; license, for example:<ul style="list-style-type: none"><li>- Certificate No. Ser.6193/PK3-P3K/X/2018 license expires until September 2021</li><li>- Certificate No. Ser.8161/PK3-P3K/X/2018 license expires until September 2021</li></ul></li></ul>					

<ul style="list-style-type: none"> <li>- Certificate No. Ser.8195/PK3-P3K/X/2018 license expires until September 2021</li> <li>- Certificate No. Ser.8196/PK3-P3K/X/2018 license expires until September 2021</li> <li>• The company has not been able to show proof of the first aid officer's license renewal document whose license has expired in September 2021.</li> <li>• During the field visit, there was a hosting crane operator who did not have a hosting crane operator license with the initials M.A. The company showed a training plan letter for hosting crane operator staff on November 29, 2021. However, until September 2022 there has not been training to have a hosting crane operator certificate and license.</li> <li>• However, the company has not been able to demonstrate the effectiveness of the OHS plan/programme, such as monitoring the condition of factory machines, inspections on the application of PPE, extension/training programs related to OHS competency obligations for workers, as well as periodic and special health check programs.</li> </ul>	
<p><b>Non-Conformance Description (filled by auditor):</b>          Company has not been able to show sufficient evidence regarding the effectiveness of the OHS plan to manage OHS risks in people.</p>	
<p><b>Root Cause Analysis (filled by organization audited):</b>          There are no personnel in charge of monitoring the implementation of the OHS program made by the company.</p>	
<p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>• Re-inventory (update) all workers' licenses.</li> <li>• Shows the results of special and periodic health checks.</li> <li>• Shows a certificate that has attended crane training for personnel with the initials MA.</li> <li>• Show first aid worker license.</li> </ul>	
<p><b>Corrective Action (filled by organization audited):</b>          Assign a PIC in charge of monitoring the implementation of the OHS program made by the company.</p>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p> <p><b>Auditor Verification on 20 December 2022</b>          The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> <li>• The company shows a list of licenses which also lists 9 first aid workers who have attended first aid training and have licenses that are valid until August 25, 2024.</li> <li>• Certificate No. B.20/EMCOTAMA-SK/XII/2022 which lists on behalf of the initials MA, explains that the personnel has conducted class III hoisting crane training which will be held on 5-8 December 2022.</li> <li>• Evidence of periodic examinations carried out on November 25, 2022 which were attended by 490 people with parameters of blood pressure, sugar levels, cholesterol, and uric acid.</li> <li>• Evidence of a special inspection that was carried out on August 13 2022, which was attended by 29 plantation employees with cholinesterase parameters and 15 POM employees with spirometry parameters and 18 people with audiometric parameters.</li> <li>• Evidence of inspection of POM equipment that has been carried out periodically, for example Boiler No. 2 which was inspected on August 21, 2021 (an inspection every 2 years) and Crane No. 2 which were examined on September 2, 2021 (an examination every 2 years).</li> <li>• The company appoints personnel in charge of monitoring the implementation of the OHS program made by the company.</li> </ul> <p>Based on this, the nonconformity in this indicator is declared fulfilled by observation in the next assessment.</p>	
<p><b>Follow up on Next Audit (filled by auditor):</b></p> <p>Based on document verification, field visits and interviews, it is known that the company has monitored the effectiveness of the OSH plan to deal with OSH risks in people.</p>	
<b>Verified by</b>	<b>:</b> <b>Kiki Fadli</b>

NCR No.	:	2022.6	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	22 September 2022	Time Limit	:	21 December 2022
NC Grade	:	Major	Date of Closing	:	20 December 2022
Standard Ref. & Requirement	:	6.2.4 The unit of certification provides adequate housing, sanitation facilities, water supplies, medical needs, education and public facilities in accordance with national standards or higher standards, if public facilities are not available or cannot be accessed. In the case of acquisition of non-certified units, a plan that describes in detail the infrastructure improvement is developed. Given a reasonable time (5 years) to upgrade the infrastructure.			
<b>Evidence observed</b> (filled by auditor) <ul style="list-style-type: none"><li>The results of field visits in the residential areas of Afdeling 4 workers (houses in 1980) and Afdeling 5 (houses in 1998), it was found that there were more than 3 houses in each Afdeling in damaged conditions such as the condition of the kitchen with no roof, the ceiling of the house being damaged. damaged on the front and sides, and the condition of the house starting to tilt/unstable.</li><li>There is no evidence of programs and realizations for monitoring and repairing houses in 2021-2022.</li></ul>					
<b>Non-Conformance Description</b> (filled by auditor): The company has not been able to prove that the housing facilities provided are in a suitable condition for the workers and their families to live in with a reasonable timeframe to improve infrastructure.					
<b>Root Cause Analysis</b> (filled by organization audited): The company has not made an inventory of employee housing conditions					
<b>Correction</b> (filled by organization audited): <ul style="list-style-type: none"><li>Carry out an inventory regarding employee housing conditions.</li><li>Shows the budget for housing repairs as well as the timeline for the repair program for damaged workers' houses.</li></ul>					
<b>Corrective Action</b> (filled by organization audited): Make a routine schedule to monitor workers' housing conditions.					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):  <b>Auditor Verification on 20 December 2022</b> The company shows evidence of improvement in the form of: <ul style="list-style-type: none"><li>Evidence of an inventory of housing conditions listed in the housing facility monitoring document for each Afdeling in September 2022.</li><li>Proof of request for an investment budget and timeline for home improvement planned for completion by July 2023.</li><li>Schedule routine monitoring of housing conditions which is carried out once a year.</li></ul> Based on the results of observations in the 3rd housing complex, the company has shown progress in repairing houses in several locations, for example repairing the roof and walls of the house's kitchen.  Based on this, the nonconformity in this indicator is declared fulfilled by observation in the next assessment.					
<b>Follow up on Next Audit</b> (filled by auditor):					

Based on document verification, field visits and interviews, it is known that the company has carried out housing renovations and has budgeted funds for repairs to facilities that are still damaged.

Verified by : Kiki Fadli & Briyogi Shadiwa

NCR No.	: 2022.7	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 11 August 2023	Time Limit	: 9 November 2023
NC Grade	: Minor Raised to Major	Date of Closing	: 11 October 2023
Standard Ref. & Requirement	6.2.7 Permanent workers are employed for all major work performed by the unit of certification. Temporary workers and casual daily workers are limited to work of a temporary or seasonal nature.		

#### Evidence observed (filled by auditor)

- Based on the results of field observations and interviews with harvesters in Afdeling 4 Block 2012 I, it was found that there were still 3 harvesters who were still Fixed Period Working Agreement workers since June 2021.
- Based on the results of the review of the labor list document for the period of September 2022, it is known that currently the company still has 35 workers with Fixed Period Working Agreement status who work in Afdeling 1-5 and have been working since June 2021.
- The company can also show a work agreement between Fixed Period Working Agreement workers and the company for 2 workers. For example, work agreement No. PUR/S.Perj/17/VIII/2022 and No. PUR/S.Perj/16/VIII/2022 dated 01 July 2022 which is valid for 3 months (01 August 2022 to 31 October 2022).
- The company has a Board of Directors Regulation of PT Perkebunan Nusantara III (Parent Company of PT Perkebunan Nusantara IV) No. HES/PER/05/2019 dated March 22, 2019 regarding Guidelines for Recruitment of Employees at PT Perkebunan Nusantara III and its Subsidiaries, where in Chapter IV concerning the Implementation of Acceptance of Fixed Period Working Agreement in article 15 it is explained that this Fixed Period Working Agreement is made for certain jobs according to the type and nature or work activities will be completed within a certain time such as
  - Jobs that are once completed or temporary in nature.
  - Seasonal work.
  - Work related to new products/activities or additional products.
  - Work that is estimated to be completed in a not too long time.
- Harvest work is a permanent job, this is because the criteria for harvesting work are included in the description of permanent work in Law no. 13 of 2003 (explanation of article 59 paragraph 2) where it reads "work that is continuous, uninterrupted, not limited by time and is part of a production process in one company or work that is not seasonal."
- In Government Regulation No. 35 of 2021 in the Fixed Period Working Agreement section explains that Fixed Period Working Agreement cannot be held for work that is permanent and Fixed Period Working Agreement can be held based on a period of time (work that is not completed for too long, seasonal work, work related to new products) or the completion of a particular job (work that has been completed). once completed and temporary work).

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

The company has not been able to prove that the application of the use of Fixed Period Working Agreement is in accordance with company procedures and government regulations related to the types of work that can use Fixed Period Working Agreement (seasonal or temporary work).

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

The authority to appoint harvest workers because harvesting work is permanent in PT. Nusantara Plantation III (Persero)

#### Root Cause Analysis October 9, 2023:



The approval process is long for applications to recruit employees with permanent worker status so that the unit recruits employees with Fixed Period Working Agreement workers status

**Correction** (filled by organization audited):

PT. Perkebunan Nusantara III (Persero) has agreed regarding the appointment of Fixed Period Working Agreement harvest workers to permanent worker.

**Correction 9 Okt 2023 :**

Approval of selection for the appointment of Fixed Period Working Agreement workers harvester workers to become permanent worker harvesters

**Corrective Action** (filled by organization audited):

Shows the Time Plan plan for appointing Fixed Period Working Agreement harvest workers to become permanent workers (PKWTT) according to the PTPN IV quota with a gradual mechanism in 2023

**Corrective Action 9 Okt 2023 :**

Management's commitment to gradually appoint Fixed Period Working Agreement workers harvester workers to become permanent worker harvesters until 2025.

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

**Auditor verification dated August 11, 2023**

Based on the workforce for the 2022 period (previous audit assessment), it is known that there are 35 Fixed Period Working Agreement workers for harvesting workers. The company shows proof of improvement in the form of approval for the appointment of Fixed Period Working Agreement workers to become permanent worker listed in the Letter of the Director of Plantation Holding HR No. DSDM/N.IV/1730/2023 on 12 June 2023 which explained that for the Pulu Raja unit it is planned to appoint Fixed Period Working Agreement to permanent worker from 2023-2025 as many as 35 people.

Based on the workforce for the 2023 period, it is known that there were an additional 35 harvesters with Fixed Period Working Agreement status, bringing the total Fixed Period Working Agreement harvest to 70 people. 2553/III-DKT/VII/2023 on 31 July 2023, but the company has not been able to show and explain the reasons for adding Fixed Period Working Agreement workers for harvesting work (permanent) and plans to appoint these workers.

Based on this, the discrepancy in this indicator is declared not fulfilled and becomes Minor Raised to Major.

**Auditor verification dated October 11, 2023**

The company shows proof of improvement in the form of:

- Implementation of the appointment of Fixed Period Working Agreement workers to permanent worker from the HR Department of the Directors' Office through principle permit memo No. 04.07/KOL/eM-2698/IX/2023 dated 14 September 2023, it was informed that 604 employees from Fixed Period Working Agreement workers to permanent worker would be recruited/appointed for all units at PTPN IV.
- Schedule and letter of application for the appointment of 70 Fixed Period Working Agreement workers to permanent worker on September 26 2023 from the Pulu Raja unit manager to the HR department at the Directors' office with No. PUR/SEVP BS/03/IX/2023.
- Declaration of commitment with the Pulu Raja unit on August 21 2023 regarding planning for the appointment of Fixed Period Working Agreement workers workers for the 2023-2025 period.

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

Follow up on Next Audit (filled by auditor):	
Verified by	: Kiki Fadli

NCR No.	: 2022.8	Issued by	: Alexander Sitio
Date Issued	: 22 September 2022	Time Limit	: 21 December 2022
NC Grade	: Minor raised to Major	Date of Closing	: 20 December 2022
Standard Ref. & Requirement	<b>6.7.2</b> 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		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>Factory HIRAC documents on activities at the factory which are located at the dumping station, engine room, and factory office. In the HIRAC it is explained that one of the potential hazards in the factory is explosion.</li> <li>In the Occupational Health and Safety Management System (SMK3) document regarding Inspection and testing with document number : 4.4.1 Revision No : 03 which was effective on January 5, 2015 there is an obligation for the company to conduct monthly inspections of hydrants and fire extinguishers. However, the company has yet to show records of the Hydrant and Fire Extinguisher inspections for the January-August 2022 period.</li> <li>The auditor performs a simulation on 2 Hydrants in the area around the engine room. However, at the time of the simulation, the water flow did not reach the maximum pressure / did not reach the highest point and the nozzle position was not at both hydrant locations.</li> <li>The auditor also conducted a portable hydrant simulation and it was found that the hose, hose connector, and pipe connections were leaking so that the hydrant could not function properly.</li> <li>The results of checking the Fire Extinguisher located at the slamming station amounted to 3 units, weighbridge amounted to 1 unit, and Gudang Pupuk Afdeling 4 amounted to 1 unit, it is known that the Fire Extinguisher does not contain pressure (the indicator shows an arrow at the O/ Rechargeable point).</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> Based on the explanation above, it is concluded that the company has not been able to show evidence that emergency response and fire equipment are available and cannot be used all the time.			
<b>Root Cause Analysis (filled by organization audited):</b> There are no personnel to supervise the condition of fire equipment and emergency response			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Assign a PIC whose duty is to carry out periodic inspections to ensure that all fire control and emergency response tools are in ready-to-use condition.</li> <li>Replacing damaged fire and emergency response equipment according to the results of the equipment inventory as a whole.</li> </ul>			
<b>Corrective Action (filled by organization audited):</b> Create a periodic monitoring schedule for fire and emergency response equipment.			

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

**Auditor Verification on 20 December 2022**

The company shows evidence of improvement in the form of:

- Decree No. PUR/M.U/Kpts/04/X/2022 regarding officers who are responsible for monitoring fire extinguisher and hydrants between the initials MYT, S and RS issued on November 21, 2022.
- Minutes of replacement and repair of fire and emergency response equipment, namely replacement of fire extinguishers at 3 units of slamming stations, 1 unit of press station and 1 unit of fertilizer warehouse of Division IV as well as hydrant repairs, for example completing hydrant nozzles in the engine room and replacing hydrant hoses at the station seed mill station.
- Evidence of fire extinguisher and hydrant inspection/monitoring which is carried out once a month, for example in the third week of December 2022 at POM and plantation locations.
- A field visit to the POM and plantation areas found that 3 hydrant points at the POM were functioning and the fire conditions in the plantation area were in good condition.

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

**Follow up on Next Audit** (filled by auditor):

Based on document verification, field visits and interviews, it is known that the company has emergency and work accident response procedures, has conducted First Aid (First Aid) training and has first aid equipment in the workplace. The company also periodically documents all work accidents.

**Verified by** : Kiki Fadli & Briyogi Shadiwa

NCR No.	: 2022.9	Issued by	: Alexander Sitio
Date Issued	: 22 September 2022	Time Limit	: 21 December 2022
NC Grade	: Major	Date of Closing	: 20 December 2022
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.		
Evidence observed (filled by auditor): The results of field observations and interviews with workers show the following: <ul style="list-style-type: none"><li>1 harvest worker, 1 chemical spray/application worker, and 1 sorting worker who are in activities in the estate and factory are known to use PPE in the form of rubber boots and safety shoes purchased by themselves. This is because the PPE provided by the company has been damaged. Workers have submitted a request for replacement of the damaged PPE to the foreman and the damaged PPE has been returned to the foreman.</li><li>The results of field observations in the pumping house activities (WTP) area, it is known that the area has a potential hazard (indicated noise hazard) for employees but the operator does not use PPE to protect the ears.</li><li>The results of field observations at the Central Warehouse/Spare Parts show that there is no stock of PPE available.</li></ul>			
Non-Conformance Description (filled by auditor): Based on this evidence, the company has not been able to demonstrate the implementation of PPE management according to its SOP.			

<b>Root Cause Analysis</b> (filled by organization audited): Lack of management oversight of the use and service life of workers' PPE and the lack of socialization of the PPE replacement mechanism.	
<b>Correction</b> (filled by organization audited): <ul style="list-style-type: none"> <li>Checking PPE for employees and providing the necessary PPE according to HIRAC</li> <li>Dissemination of the PPE replacement mechanism to employees</li> </ul>	
<b>Corrective Action</b> (filled by organization audited): <ul style="list-style-type: none"> <li>Establish a PIC to monitor and check the PPE used by workers.</li> <li>Make a barchat monitoring the use of PPE by all workers every working day</li> </ul>	
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):  <b>Auditor Verification on 20 December 2022</b> The company shows evidence of improvement in the form of: <ul style="list-style-type: none"> <li>Monitoring the condition of employee PPE and handing over PPE, for example on 24 September 2022 for plantations in the form of boots for 7 people and 26 September 2022 in the form of ankle shoes for 2 people.</li> <li>Evidence of the Socialization of the replacement of PPE which was carried out on September 23, 2022 which was attended by 11 people.</li> <li>Decree No. PUR/MU/Kpts/05/XI/2022 regarding the PIC in charge of monitoring PPE for employees of 5 plantation personnel and 1 personnel at the POM issued on 28 November 2022.</li> <li>Documentation of PPE stock, for example as stated in the PPE certificate for the plantation on 29 September 2022 consisting of 5 pairs of boots, 5 helmets, 12 pairs of gloves and 5 welding goggles.</li> <li>Field visits to the POM area and Division III Pula Raja Estate found that workers have used the complete PPE.</li> </ul> <p>Based on this, the nonconformity in this indicator is declared fulfilled and will be observed in the next assessment.</p>	
<b>Follow up on Next Audit</b> (filled by auditor):  Based on document verification, field visits and interviews, it is known that the company has used the appropriate Personal Protective Equipment (PPE).	
<b>Verified by</b>	<b>: Kiki Fadli</b>

NCR No.	: 2022.10	Issued by	: Rindu Galih Rezza Rachmansyah
Date Issued	: 22 September 2022	Time Limit	: ASA-1.2
NC Grade	: Minor/Noncritical	Date of Closing	: 11 August 2023
Standard Ref. & Requirement	6.7.4 All workers are provided with health services and are covered by occupational accident insurance. Costs incurred as a result of work incidents, resulting in injury or illness, are borne in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.		

<b>Evidence observed (filled by auditor)</b> The company has shown proof of payment of Social Security Agency on Health and Employment for the period August 2022 for 454 permanent employees belonging to the company on August 23, 2022 for Social Security Agency on Health and August 29, 2022 for Social Security Agency on Employment. However, the evidence for as many as 35 Fixed Period Working Agreement workers has yet to be shown.	
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to prove that all of its workers, including Fixed Period Working Agreement workers, have been registered in the Social Security Agency on Health and Employment program.	
<b>Root Cause Analysis (filled by organization audited):</b> The unit has not yet archived documents related to proof of payment for Social Security Agency Fixed Period Working Agreement because the filing is done by the HR Section of the Office of the Directors	
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Coordinate with the HR Office of the Board of Directors to obtain Social Security Agency Fixed Period Working Agreement payment documents</li> <li>Show proof of payment document for Social Security Agency Fixed Period Working Agreement workers</li> </ul>	
<b>Corrective Action (filled by organization audited):</b> Assign a PIC who is responsible for coordinating with the HR Section of the Office of the Directors to obtain payment documents for the Social Security Agency Fixed Period Working Agreement every month.	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor verification dated August 11, 2023</b> The company shows evidence of improvement in the form of: <ul style="list-style-type: none"> <li>Letter of coordination between the Pulu Raja unit and the HR Office of the Directors' Office on January 9, 2023.</li> <li>The company shows proof of payment for Social Security Agency on Employment for Fixed Period Working Agreement workers for the June 2023 period which has been paid on June 26 2023 and proof of Social Security Agency on Health payments for Fixed Period Working Agreement workers for the June 2023 period which has been paid on June 21 2023.</li> <li>The company shows the appointment of a PIC in charge of coordinating with the HR Department of the Office of the Board of Directors regarding Social Security Agency Fixed Period Working Agreement as stated in the decree no. PUR/M.U/Kps/05/1/2023 dated 9 January 2023.</li> </ul> <p>Based on this, the discrepancy in this indicator is declared fulfilled.</p>	
<b>Follow up on Next Audit (filled by auditor):</b>  The company has been able to show that the workers have registered with BPJS Health and Employment	
<b>Verified by</b>	: <b>Kiki Fadli</b>

NCR No.	:	2022.11	Issued by	:	Erika Lucitawati
Date Issued	:	11 August 2023	Time Limit	:	9 November 2023

NC Grade	:	Minor Raised to Major	Date of Closing	:	9 November 2023
Standard Ref. & Requirement	:	7.3.3 The unit of certification does not use open burning for waste disposal.			
Evidence observed (filled by auditor): Based on the results of the field visits, the following were found: <ol style="list-style-type: none"><li>1 point of burning household waste on an empty land behind the house. Housing for POM Employees.</li><li>1 point of ex-arson next to the Fertilizer Warehouse in Afdeling IV Estate, Pulu Raja Estate</li><li>points of burning waste and 1 point of burning next to the Kindergarten in Afdeling V Housing Pulu Raja Estate.</li><li>Landfill Block I Afdeling IV, which has been opening the hole since 2021, does not contain household waste and is overgrown with green grass.</li><li>Results of interviews with residents of the Housing for POM Employees and Afdeling V Housing, household waste is disposed of by the residents themselves to the landfill. However, residents of Afdeling IV Housing, garbage is transported by officers every 5 days.</li></ol> <p>The company has procedures related to waste management in the SOP for Household Domestic Waste Management No. SPO 20 Revision 03 which has been effective since January 2, 2018. Point 5.5.c which states "It is forbidden to burn waste in any form without the company's permission."</p>					
Non-Conformance Description (filled by auditor): The company has not shown evidence that it does not use open burning for waste disposal in accordance with its procedures.					
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"><li>There are no officers who monitor and carry out regular collection of domestic waste</li><li>Lack of management supervision regarding domestic waste management according to procedures</li><li>Lack of discipline among workers and their families in managing domestic waste according to procedures</li></ul>					
Correction (filled by organization audited): <ul style="list-style-type: none"><li>Show documentation of the implementation of cleaning domestic waste to landfill that is available</li><li>Determine a PIC who is responsible for monitoring and implementing domestic waste collection</li><li>Carry out outreach to all workers and their families as well as the community around the plantation to dispose of waste in designated places and not burn waste.</li></ul>					
Corrective Action (filled by organization audited): Show a schedule for periodically transporting domestic waste to landfill which is supervised by the Afdeling Assistant every time the transport is carried out					
Assessor Evaluation and Conclusion (filled by auditor):					
Verification on August 11, 2023 The company shows evidence of improvement in the form of: <ul style="list-style-type: none"><li>Dissemination of the ban on burning domestic waste on September 23, 2022 to all employees</li><li>Minutes of domestic waste management dated September 23, 2022. Contains records of cleaning up accumulated domestic waste and residual burning waste in Afdeling IV and Afdeling V and disposing of it to landfill in Block 2018 A (with photo documentation of activities)</li><li>PTPN IV Unit Pulu Raja Plantation/Factory Manager Decree No. PUR/Kpts/01/IX/2023 September 26, 2022 About Cleaning Officers who take garbage from a temporary storage area to landfill</li><li>There is a monitoring schedule for domestic waste management (transportation) for October-November 2022</li></ul>					



Based on field observations on August 8, 2023

- Housing Afdeling 1 & 2
  - There is a trash can from sacks
  - Based on the information from residents, garbage collection is carried out every 2 days
  - There is a landfill in the estate that separates organic and inorganic waste
- Mill placements:
  - Information on housing workers/occupants, no garbage collection,
  - There is garbage piled up behind the house
  - There is a former burning of garbage

Based on this evidence, the company has not shown evidence in the form of:

- Carry out corrective actions consistently
- Not incinerating domestic waste according to the procedure.

So that the discrepancy in this indicator has not been fulfilled and becomes Minor raised to Major.

#### Verification date 09 November 2023

The Company has re-determined the root cause, correction and corrective actions that are more adequate to resolve this nonconformity since the previous assessment. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely:

- Proof of socialization related to domestic waste management in the entire PTPN IV – Pulu Raja area to workers, contractors, village administrators and surrounding communities on 03 October 2023. The hope is that all parties can support each other to ensure that domestic waste management is managed well. Good.
- The results of monitoring the cleanliness of housing, offices and company areas around the road in September – October 2023, the result of which was that all existing rubbish was immediately cleaned (this is shown by documentation of the activities).
- Monitoring the transportation of waste throughout the unit for each house owner so that it can be monitored to ensure that domestic waste is always transported and to prevent burning or accumulation of waste in workers' homes from recurring. Monitoring for the Estate shown is in the period September – October 2023.
- Monitoring the transportation of waste throughout the unit for each house owner so that it can be monitored to ensure that domestic waste is always transported and to prevent burning or accumulation of waste in workers' homes from recurring. Monitoring for the Mill shown is in the period September – October 2023.
- Other evidence of improvement when audit activities were carried out, namely cleaning up areas where a lot of domestic waste was found to be not well managed, cleaning up burnt rubbish in housing and socialization one day after the field visit.

Based on the explanation and evidence observed above, it can be concluded that the discrepancies in this indicator can be met and observations will be made again in the next assessment.

Follow up on Next Audit (filled by auditor):

Verified by : I Wayan Sudi Antara

NCR No.	: 2022.12	Issued by	: Briyogi Shadiwa
Date Issued	: 22 September 2022	Time Limit	: 21 December 2022
NC Grade	: Major	Date of Closing	: 20 December 2022

<b>Standard Ref. &amp; Requirement :</b>	<b>RSPO Certification System 5.5.3</b> The following are the requirements for management units that have not been certified. <ol style="list-style-type: none"> <li>Not clearing primary forest or any area required to maintain or enhance HCVs and HCS in accordance with Criterion 7.12 of the RSPO P&amp;C. All new plantings made since 1 January 2010 must comply with the RSPO NPP. Compliance with the NPP in any new planting development will be verified by an RSPO accredited CB.</li> <li>Land conflicts, if any, are resolved through mutually agreed processes (eg the RSPO Grievance System or Dispute Resolution Facility) in accordance with Criteria 4.4, 4.5, 4.6, 4.7 and 4.8 of the RSPO P&amp;C.</li> <li>Labor disputes, if any, are resolved through a mutually agreed process, in accordance with RSPO Criterion 4.2 P&amp;C.</li> <li>Legal non-compliance, if any, is resolved through action in accordance with the requirements of Criterion 2.1 of the RSPO P&amp;C.</li> <li>The CB must assess compliance with these rules in each assessment of the existing management unit. Assessment of compliance with the requirements in Section 5.5.3 letters (a) – (d) above, which is only supported by a statement solely from the company and without other supporting documents will not be accepted.</li> </ol>
<b>Evidence observed (filled by auditor):</b>	<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"> <li>HCV assessment process and progress.</li> <li>Information on new land clearing.</li> </ul> <p>However, the document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), land conflict issues (criteria 4.4, 4.5, 4.6, 4.7 and 4.8), and also the development of land remediation &amp; compensation. (criteria 7.12).</p> <p><b>Non-Conformance Description (filled by auditor):</b>  The company has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents.</p>
<b>Root Cause Analysis (filled by organization audited):</b>	<p>The revision of the timebound plan is coordinated directly by Holding Perkebunan Nusantara. So that the time bound plan used is based on what has been approved by the RSPO.</p>
<b>Correction (filled by organization audited):</b>	<p>Revise the updated timebound plan and send it to Holding Perkebunan Nusantara.</p>
<b>Corrective Action (filled by organization audited):</b>	<p>Coordinate with Nusantara Plantation Holding for revision of the timebound plan.</p>
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor Verification on December 21, 2022</b>	<p>Based on PTPN Holding's time bound plan, it is known that there are around 74 units that are not yet RSPO certified. Then the company has shown a self-assessment carried out by the internal auditor team from PTPN Holding. Until the major verification was carried out, there were around 35 units that had carried out self-assessments.</p> <p>In some of the self-assessment results, there are also plans for unit certification to be carried out over 2023, for example the Air Molek Air Estate Unit - PTPN V (2025) and the Bentayan Unit - PTPN VII (2027), this is due to the fact that it is still in the progress of obtaining/issuing HGU.</p> <p>In this regard, this nonconformity has been fulfilled and for other PTPN self-assessment units along with submission of timebound plans to the RSPO for the assessment plan carried out above 2023 will be observed again in the next assessment.</p>

<b>Follow up on Next Audit</b> (filled by auditor):	
The company has been able to demonstrate partial certification	
<b>Verified by</b>	: Briyogi Shadiwa

### 3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.2

<b>NCR No.</b>	: 2023.01	<b>Issued by</b>	: Kiki Fadli
<b>Date Issued</b>	: 11 August 2023	<b>Time Limit</b>	: 9 November 2023
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 11 October 2023
<b>Standard Ref. &amp; Requirement</b>	<b>6.2.3</b> <b>There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.</b>		

#### Evidence observed (filled by auditor):

- The company has a CLA for the 2023-2024 period which explains that in article 21 point 1, namely work carried out outside the official working days and official working hours is declared as overtime.
- The company shows the Decree of the Board of Directors of PTPN IV No. 04.15/KPTS/10/II/2015 concerning reaffirmation of the transfer of overtime pay to payment of performance incentives, for example for security guard personnel with the initials PS group ID/01 of IDR 1,817,628/month and HS class 1B/00 of 1,495,164/month.
- The company also shows an absence list showing that security personnel work 2 shifts and in the period May-June 2023 personnel with the initials PS and HS have entered full work every day (including Sundays).
- If the overtime calculation is simulated according to government regulations 35 of 2021, it is known that:

PERSONNEL	MONTHLY WAGE	HOUR WAGES	NUMBER OF OVERTIME HOURS ONE MONTH		OVERTIME WAGES ACCORDING TO GOVERNMENT REGULATION 35/2021	
			MAY	JUNE	MAY	JUNE
PS	2.556.998	14.780	377,5	370	5.579.577	5.468.724
HS	2.522.895	14.583			5.505.161	5.395.787

PERSONNEL	PERFORMANCE INCENTIVES/MONTH PROVIDED		EXCESS PAYMENT	
	MAY	JUNE	MAY	JUNE
PS	1.817.628	1.817.628	- 3.761.949	- 3.651.096
HS	1.626.413	1.626.413	- 3.878.748	- 3.769.374

Info: for HS personnel get additional overtime of 131,249/month due to group <IC

- Based on the sample data above, it is known that there is a difference in overtime pay between the performance incentives given compared to the calculation of overtime in accordance with Government Regulation 35 of 2021.

<b>Non-Conformance Description</b> <i>(filled by auditor):</i> The company has not been able to show sufficient evidence that the implementation of overtime payments is fully in accordance with the regulations issued.	
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"> <li>Krani's lack of understanding in the HR office in implementing the calculation of workers' overtime payments.</li> <li>The division of security work time into 2 shifts resulted in high overtime hours that exceeded company regulations so that overtime wages could not be processed.</li> </ul>	
<b>Correction</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"> <li>Show the results of the Bipartite LKS meeting between Management and SPBUN regarding the maximum time limit for working overtime totaling 40 hours/week and the division of working time into 3 shifts for security personnel</li> <li>Showing work absences with the formulation of 3 shifts and overtime hours carried out by workers in accordance with the Manager's SE Policy.</li> <li>Proof of payment of the difference (underpayment) of employee overtime wages</li> </ul>	
<b>Corrective Action</b> <i>(filled by organization audited):</i> Carry out regular outreach to office staff and other workers regarding policies regarding employee overtime hours	
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>  <b>Auditor Verification dated October 11, 2023</b> The company shows proof of improvement in the form of: <ul style="list-style-type: none"> <li>Division of security schedule into 3 shifts</li> <li>Collective agreement on working hours between the management of the Pulu Raja unit and SPBUN on September 1 2023 which informed that they agreed to adjust the security schedule to 3 shifts with overtime provisions of 40 hours/week.</li> <li>Proof of payment of the difference (underpayment) in overtime wages to employees with the initials PS and HS on October 1 2023.</li> <li>Socialization regarding changes to the security schedule and calculation of overtime wages which was held on September 4 2023, which was attended by 17 participants including HR staff and security personnel.</li> </ul> <p><b>Based on this, the discrepancy in this indicator is declared fulfilled by observation in the next assessment.</b></p>	
<b>Follow up on Next Audit</b> <i>(filled by auditor):</i>	
Verified by	Kiki Fadli

NCR No.	: 2023.02	Issued by	: I Wayan Sudi Antara
Date Issued	: 11 August 2023	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.		
<b>Evidence observed</b> <i>(filled by auditor):</i> <ul style="list-style-type: none"> <li>Management of medical waste <ul style="list-style-type: none"> <li>PTPN IV in collaboration with First Level Health Facilities (FKTP) PT. Prima Medica Nusantara</li> </ul> </li> </ul>			

- FKTP has work agreement for Transportation and Management of hazardous and toxic waste (medical) No. 096/FPR-ABS/SPK-LB3/IV/2022 with PT. Amindy Barokah North Sumatra
- FKTP has not been able to show Temporary Storage of Hazardous and Toxic Waste Permit
- FKTP has records of transporting medical waste: 23-02-2021, 08-11-2022 (> 1 year)
- Until the time of the audit (10-08-2023) the FKTP had not been able to show evidence of transporting the medical waste
- Minister of Health regulations 18 of 2020: Must have Temporary Storage of Hazardous and Toxic Waste, equipped with a refrigerator, shelf life of 90 days
- Liquid waste management
  - PT PN IV has WWTP
  - PT PN IV has an LA permit based on the Letter of the Asahan Regency Environmental Service No. 660.1/550/LH/2020 Concerning Recommendations for the Land Application Study (LA) of PT Perkebunan Nusantara IV Kebun Pulu Raja dated June 2, 2020. LA land area of 220 Ha; using the long bed method, Location of LA Afdeling IV: Block U with an area of 10 ha; Block V with an area of 12 ha; Block W with an area of 19 ha; Block X with an area of 19 ha; Block Y with an area of 20 ha. The LA location is in Afdeling III Block 2016 A, 2016 B, 2016 C, 2016 D, 2016 E, 2016 F, 2016 G and 2016 H covering an area of 137 Ha. The long bed measures 0.6m x 1.2m x 10m
  - Observation results in block X, the depth of the long bed is above 0.6m ( $\pm 2$ m) the length of the long bed is above 10m ( $\pm 100$ m). Long bed copy relate. There is no rainwater drainage. LA long bed dimensions and layout differ from the recommendations of the LA study. Thus making the LA area a dangerous area

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

The company has not been able to show evidence of the implementation of waste treatment in accordance with laws and regulations taking into account the characteristics of poison (toxicity) and other hazards.

**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):**

<b>Verified by</b>	:	
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NCR No.	:	2023.03	Issued by	:	I Wayan Sudi Antara
Date Issued	:	11 August 2023	Time Limit	:	9 November 2023
NC Grade	:	Major	Date of Closing	:	9 November 2023
Standard Ref. & Requirement	:	7.10.1 GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.			
Evidence observed (filled by auditor): The unit of certification has not been able to show the results of calculating greenhouse gas emissions using the RSPO Palm GHG Calculator version 4.0 for the 2022 period					

<b>Non-Conformance Description (filled by auditor):</b> The unit of certification has not been able to show the results of calculating greenhouse gas emissions using the RSPO Palm GHG Calculator version 4.0 for the 2022 period	
<b>Root Cause Analysis (filled by organization audited):</b> The QA Assistant's lack of understanding in presenting accurate data sources is due to a lack of understanding of data preparation for calculating greenhouse gas emissions using the RSPO Palm GHG Calculator	
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>Fill in the greenhouse gas emissions calculation using the RSPO Palm GHG Calculator</li> <li>Socialization to PIC monitoring at PKS carried out from the Planning Section on procedures for filling in metric templates.</li> </ul>	
<b>Corrective Action (filled by organization audited):</b> Establish PIC monitoring for RSPO Palm GHG Calculator GHG calculations	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor Verification Date 09 November 2023</b> The Company has re-determined the root cause, correction and corrective actions that are more adequate to resolve this nonconformity since the previous assessment. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely: <ul style="list-style-type: none"> <li>The company has provided access to check the RSPO Palm GHG Calculator website, so that the auditor team can check supporting data on the website.</li> <li>The results of the audit team's assessment and verification of the RSPO Palm GHG Calculator data where in general all data is in sync with the data provided.</li> <li>Decree of the Pulu Raja Plantation/Factory Manager No. PUR/MU/Kpts/08/II/2023 dated 06 February 2023 concerning Special Officers Responsible for Collecting Green House Gas (GHG) Calculation Data for the Pulu Raja Plantation/Factory.</li> </ul> <p><b>Based on the explanation and evidence observed above, it can be concluded that the discrepancies in this indicator can be met and observations will be made again in the next assessment.</b></p>	
Verified by	: Rindu Galih Rezza Rachmansyah

NCR No.	:	2023.04	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	11 August 2023	Time Limit	:	9 November 2023
NC Grade	:	Major	Date of Closing	:	9 November 2023
Standard Ref. & Requirement	:	RSPO Certification System 2020 Clause 5.5.2 Time Bound Plan			
Evidence observed <i>(filled by auditor)</i> :					
<ul style="list-style-type: none"><li>The company shows the Time Bound Plan for all management subsidiary units of PT Perkebunan Nusantara III which has been renewed in 2022 where there are several Uncertified Units (41 Units) that are planned to be certified past 30 June 2023. Based on the 2020 RSPO Certification System clause 5.5.2 it is known that the exclusion period outside the maximum period</li></ul>					



of the Time Bound Plan must obtain approval from the RSPO Secretariat. Based on the announcement for the Time Bound Plan from RSPO on 21 December 2021, RSPO members must be certified no later than 5 years starting from the effective RSPO Certification System from 01 July 2018 (until 30 June 2023).

- Companies can show an email on 21 July 2023 to the RSPO Secretariat regarding the Time Bound Plan Report for Holding Perkebunan Nusantara PT Perkebunan Nusantara III in 2023, in which the email asks to inform RSPO regarding submitting the Time Bound Plan and awaiting approval from RSPO.
- On 03 August 2023 the company received a reply email from the RSPO regarding the Time Bound Plan that was previously sent and the reply from the email stated that there were still a number of notes that needed to be revised by the company and the result was that the company had not yet received approval from the RSPO.
- After receiving the email mentioned above, the Company made revisions to the notes provided by the RSPO regarding the Time Bound Plan. On 09 August 2023 the Company sent back the Revised Time Bound Plan to the RSPO Secretariat and until the audit activities were completed, the Company had not yet received the Approval Time Bound Plan from the RSPO Secretariat.

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

The company has not been able to provide evidence that the Time Bound Plan for several uncertified units (exceeding 30 June 2023) has received approval from the RSPO.

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

The 2023 TBP has not yet been sent by the PIC of the Planning and Sustainability Section of PTPN IV to Holding Perkebunan Nusantara to report the TBP to the RSPO.

**Correction** *(filled by organization audited):*

Submit RSPO approved TBP 2023 Holding documents

**Corrective Action** *(filled by organization audited):*

Send an email screenshot of RSPO approval regarding the 2023 TBP

**Assessor Evaluation and Conclusion** *(filled by auditor):*
**Auditor Verification dated 09 November 2023**

The company has re-determined the root of the problem, corrective and corrective actions that are more adequate to resolve this non-conformity. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely:

- Proof of sending the revised TBP document for PT Perkebunan Nusantara III which was previously sent on 21 August 2023 and revised again on 29 August 2023 to the RSPO Secretariat, until approval for the TBP sending on 22 September 2023.
- TBP document for PT Perkebunan Nusantara III in Excel form which was sent on 21 August 2023 and received Approval by the RSPO Secretariat on 22 September 2023, where it shows the units that are under PT Perkebunan Nusantara III and are planned to carry out activities certification in the 2023-2026 period.

**Based on the explanation above, this non-conformity is declared to have been fulfilled.**

**Verified by**
**Rindu Galih Rezza Rachmansyah**

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	2.1.1	<p><b>The unit of certification complies to relevant regulations.</b></p> <p><b>Licensing</b> The company has the following wastewater/POME management permits:</p> <ul style="list-style-type: none"> <li>Asahan Regency Environmental Service Letter No. 660.1/550/LH/2020 Concerning Recommendations for the Land Application Study (LA) of PT Perkebunan Nusantara IV Kebun Pulu Raja dated June 2 2020. LA land area of 220 Ha; using the long bed method, Location of LA Afdeling IV: Block U with an area of 10 ha; Block V with an area of 12 ha; Block W with an area of 19 ha; Block X with an area of 19 ha; Block Y with an area of 20 ha. The LA location is in Afdeling III Block 2016 A, 2016 B, 2016 C, 2016 D, 2016 E, 2016 F, 2016 G and 2016 H covering an area of 137 Ha.</li> <li>Decree of the Head of Investment Service and One-Stop Integrated Licensing Services of Asahan Regency (among the Asahan Regent) No. 503/IPAL/DPMPTSP/0008/VI/2020 dated 4 June 2020, regarding Permit for Disposal of PTPN IV Pulu Raja Wastewater with a volume of 85 m3/hour</li> </ul> <p>Companies to ensure permits for waste water management/POME with the competent authorities.</p> <p><b>SIO</b> The company has the opportunity to improve monitoring performance for the SIO PKS validity period, which will expire on September 13, 2023.</p>
2	4.3.1	<p><b>Contributions to community development that are based on the results of consultation with local community are demonstrated.</b></p> <p>In compiling TJSL (Social and Environmental Responsibility) or what is usually called by the surrounding community is CSR (Corporate Social Responsibility), the Company always consults with the surrounding village community every year. This is evidenced by the provision of invitations for the preparation of the TJSL program every year and one example is the issuance of Letter No. X/01/I/2022 dated January 5, 2022 regarding the 2022 TJSL Program Requirement Data for 10 Villages that are included in and around the Company's operational area. The result of the distribution of the letter was that each village carried out consultations and provided the TJSL program needed for that year for each village to the Company. The result is that there are 3 main TJSL activities programmed, namely Drainage Development, Canal Normalization, and River Canalization for the 2022 TJSL Program.</p> <p>After that the Company submitted the application to the Head Office for approval on January 28 2022 but on May 11 2022 the Head Office sent a reply letter and stated that due to lack of funding the Company's CSR program for 2022 was not approved. To ensure that the program can run again, the company has re-submitted the program to the 2023 TJSL Program and added 1 more activity to it. The 2023 TJSL program was again submitted to the head office in accordance with Letter No. PUR/04.01/eM-165/VIII/2023 dated 10 August 2023.</p> <p>The company has the opportunity to ensure that the 2023 TJSL Program can be realized and approved by the Head Office.</p>
3	7.2.10	<p><b>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</b></p> <p>Companies have the opportunity to improve the socialization performance of the results of workers' health checks by giving notifications both personally and in bulk through announcements on information boards related to the results of workers' health checks.</p>
4	7.8.4	<p><b>Mill water use per tonne of FFB is monitored and recorded.</b></p>

No	Ref. Std.	Description																																																																		
		The company shows a letter of application for the extension of the permit to use water resources with No. 04.1/X/V/2023 dated 5 January 2023. Based on this, the company has the opportunity to monitor the process of extending the permit to use water resources.																																																																		
5	7.11.2	<p><b>The unit of certification establishes fire prevention and control measures for lands that are directly managed by the unit of certification.</b></p> <ul style="list-style-type: none"><li>Circular No. 04.07/SE/56/VI/2020 dated 24 June 2020 regarding fire prevention and control activities determined by the company including forming firefighting teams, installing fire extinguishers and hydrants, establishing fire monitoring towers, providing firefighting facilities and infrastructure, and carrying out fire prevention behaviour.</li><li>List of equipment owned by the company: Solo sprayer 5; Scratch/claw 5; 5 gloves; hoe 5; APAR 96; Watchtower/rain house 3; jute hemp 5; spades 8; portable machine 1; First aid kit 10</li></ul> <p>The company has the opportunity to provide firefighting facilities and infrastructure, according to the circular letter</p>																																																																		
6	7.12.7	<p><b>The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.</b></p> <ul style="list-style-type: none"><li>2010 HCVA Results by YASBI &amp; PT Surveyor Indonesia<table><tr><th>HCV Attribute</th><th>AFD</th><th>Block Location</th><th>Remarks</th><th>Coverage (ha)</th></tr><tr><td>6</td><td>Village of Lobu Jiur</td><td></td><td>Cemetery</td><td>0.25</td></tr><tr><td colspan="4">Total HVC Area (ha)</td><td>0.25</td></tr></table><table><tr><th>Potential HCV</th><th>AFD</th><th>Block Location</th><th>Remarks</th><th>Coverage (ha)</th></tr><tr><td rowspan="5">4.1</td><td>I</td><td>06G, 06H, 06F, 18A, 14H, 06K, 94A</td><td rowspan="5">Riparian Zone</td><td>20.39</td></tr><tr><td>II</td><td>12F, 12E, 13A, 12H</td><td>34.59</td></tr><tr><td>III</td><td>11E, 06O, 06P, 06Q, 11F</td><td>34.57</td></tr><tr><td>IV</td><td>06V</td><td>2.28</td></tr><tr><td>V</td><td>09I, 17AC, 17AD, 17AE, 17AF, 98K</td><td>41.25</td></tr><tr><td colspan="4">Total 4.1</td><td>133.07</td></tr></table></li><li>HCV PIC monitoring results (Feb 2019 &amp; May 2021)<table><tr><th>AFDELING</th><th>LOKASI</th><th>HCVA (2010)</th><th>UPDATE</th></tr><tr><td>I</td><td>06 DEFGK, 22A, 18A</td><td>20,39</td><td>21,66</td></tr><tr><td>II</td><td>12E, 12 F</td><td>34,59</td><td>6,00</td></tr><tr><td>III</td><td>11E, 11F, 10K, 06O, 06P, 06Q</td><td>34,57</td><td>36,57</td></tr><tr><td>IV</td><td>0,6 V</td><td>2,28</td><td>2,28</td></tr><tr><td>V</td><td>09I, 17AC, 17AD, 17AE</td><td>41,25</td><td>14,00</td></tr></table></li></ul>	HCV Attribute	AFD	Block Location	Remarks	Coverage (ha)	6	Village of Lobu Jiur		Cemetery	0.25	Total HVC Area (ha)				0.25	Potential HCV	AFD	Block Location	Remarks	Coverage (ha)	4.1	I	06G, 06H, 06F, 18A, 14H, 06K, 94A	Riparian Zone	20.39	II	12F, 12E, 13A, 12H	34.59	III	11E, 06O, 06P, 06Q, 11F	34.57	IV	06V	2.28	V	09I, 17AC, 17AD, 17AE, 17AF, 98K	41.25	Total 4.1				133.07	AFDELING	LOKASI	HCVA (2010)	UPDATE	I	06 DEFGK, 22A, 18A	20,39	21,66	II	12E, 12 F	34,59	6,00	III	11E, 11F, 10K, 06O, 06P, 06Q	34,57	36,57	IV	0,6 V	2,28	2,28	V	09I, 17AC, 17AD, 17AE	41,25	14,00
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No	Ref. Std.	Description			
				133.07	80,51
		Companies have the opportunity to complete a review with relevant stakeholders in determining HCV areas and HCV potential			

**3.4.4. Noteworthy Positive Components**

No	Description
1	The company's commitment to implementing the principles of sustainable palm oil management
2	Has obtained several other certifications such as ISPO, ISO and ISCC
3	Good coordination and assistance by the mentoring team

**3.5 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>CV Doge-Doge Star - FFB suppliers</b> <ul style="list-style-type: none"> <li>There is a collaboration between CV Doge-Doge Star and the company.</li> <li>FFB comes from own land, from farmers, and from agents around.</li> <li>There are no complaints regarding the payment of FFB and the price of FFB.</li> <li>So far the cooperation has been going well.</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>PT Wahana Adidaya Pertiwi – Transporter CPO</b> <ul style="list-style-type: none"> <li>There is cooperation between PT Wahana Adidaya Pertiwi and the company.</li> <li>The company periodically conducts outreach regarding company policies and evaluates their implementation.</li> <li>There are no complaints regarding payment for cooperation.</li> <li>So far the cooperation has been going well.</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>PT Karyawan Nusantara Jaya - Outsourcing Worker Provider</b> <ul style="list-style-type: none"> <li>There is cooperation between PT Karyawan Nusantara Jaya and the company.</li> <li>Wages for agency workers follow district minimum wages</li> <li>There are no complaints regarding payment for cooperation</li> <li>Additional working time/overtime or other benefits follow company policy and are the same as other workers.</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>SPBUN (Labor Union)</b> <ul style="list-style-type: none"> <li>The company has provided PPE and wages in accordance with applicable regulations.</li> <li>The company routinely conducts high-risk health checks as well as periodic health checks.</li> <li>The company has provided socialization related to CLA, company policies, work procedures and others.</li> <li>There are temporary workers for harvesting and the company has made plans to recruit permanent workers in 2023</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>Gender Committee</b> <ul style="list-style-type: none"> <li>No cases of sexual harassment in the last 2 years.</li> <li>Menstrual leave is available with a mechanism to report to the foreman and will be examined at the clinic.</li> <li>Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination.</li> <li>There is no difference between male workers and female workers. Every worker has equal rights in terms of employment opportunities and also anonymity protection.</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>National Land Agency of Asahan Regency.</b>  Communication relations between agencies and companies have gone	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
quite well over the past year. The company has also routinely sent mandatory reports to agencies according to their respective timetables. None of the company's management areas are currently in forest areas and there have never been any reports or issues related to land disputes/claims that have occurred.	
<b>Manpower Agency of Asahan Regency.</b>  Communication relations between the company and the agency have been quite good over the past year. The agency also stated that the company had carried out its obligations as an employer by providing workers' rights in accordance with statutory regulations and the PKB that had been jointly agreed upon. There were also no industrial disputes that occurred or were reported during the last year on the part of the agency.  Implementation of a good employment system starting from implementing minimum wages, wage scale systems, calculating/paying overtime and recruiting workers. Currently, the company has also carried out regular employment reporting online (Mandatory Labor Report). The company has also supported the formation of a labor union which will be a forum for workers' aspirations without any prohibition or coercion.	There are no issues/incidents that require further verification from the results of the public consultations carried out.
<b>Agriculture Agency of Asahan Regency.</b>  Communication relations between agencies and companies have gone quite well over the past year. The company has also routinely sent mandatory reports to agencies according to their respective timetables. None of the company's management areas are currently in forest areas and there have never been any reports or issues related to land disputes/claims that have occurred.	There are no issues/incidents that require further verification from the results of the public consultations carried out.
<b>Environmental Agency of Asahan Regency.</b>  Communication relations between agencies and companies have gone quite well over the past year. The company has also routinely sent mandatory reports to agencies according to their respective timetables. None of the company's management areas are currently in forest areas and there have never been any reports or issues related to land disputes/claims that have occurred.  The company has an Environmental Permit and Waste Management Permit starting from Land Application, TPS LB3 and others. There have been no fire incidents in the last 2 years or encounters with protected animals/plants in the last year.	There are no issues/incidents that require further verification from the results of the public consultations carried out.
<b>Orika Village.</b>  The communication relationship between the certification unit and the village in the last year has been quite good. The certification unit has collaborated in the Company's operational activities, namely empowering local contractors. During the last year there have never been any issues/incidents of land claims/disputes between the surrounding community and the certification unit. The certification unit	There are no issues/incidents that require further verification from the results of the public consultations carried out.



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>has also collaborated with the company for the company's operational activities and information disclosure regarding workforce recruitment is also quite good.</p> <p>Apart from that, land fires, environmental pollution, immoral acts or discrimination have never occurred or become issues during the last year. The certification unit has also provided assistance to villages and their communities in CSR programs which are realized every year.</p>	
<p><b>Manis Village.</b></p> <p>The communication relationship between the certification unit and the village in the last year has been quite good. The certification unit has collaborated in the Company's operational activities, namely empowering local contractors. During the last year there have never been any issues/incidents of land claims/disputes between the surrounding community and the certification unit. The certification unit has also collaborated with the company for the company's operational activities and information disclosure regarding workforce recruitment is also quite good.</p> <p>Apart from that, land fires, environmental pollution, immoral acts or discrimination have never occurred or become issues during the last year. The certification unit has also provided assistance to villages and their communities in CSR programs which are realized every year.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p><b>Baru Village.</b></p> <p>The communication relationship between the certification unit and the village in the last year has been quite good. The certification unit has collaborated in the Company's operational activities, namely empowering local contractors. During the last year there have never been any issues/incidents of land claims/disputes between the surrounding community and the certification unit. The certification unit has also collaborated with the company for the company's operational activities and information disclosure regarding workforce recruitment is also quite good.</p> <p>Apart from that, land fires, environmental pollution, immoral acts or discrimination have never occurred or become issues during the last year. The certification unit has also provided assistance to villages and their communities in CSR programs which are realized every year.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p><b>PT Jaya Wira Manggala (Security Contractor).</b></p> <p>The contractors have collaborated in security activities. Cooperation agreements for each activity carried out for contractors are available and well documented. The contractor's obligations to comply with relevant regulations are also stated therein. The contractor has also fulfilled several relevant regulations such as wages, BPJS, K3 and others. Currently, all contractor workers who work have been properly recorded and have complied with the relevant regulations.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>CV Karya Mandiri (Transporter PK).</b></p> <p>The contractor has collaborated in PK transportation activities. Cooperation agreements for each activity carried out for contractors are available and well documented. The contractor's obligations to comply with relevant regulations are also stated therein. The contractor has also fulfilled several relevant regulations such as wages, BPJS, K3 and others. Currently, all contractor workers who work have been properly recorded and have complied with the relevant regulations.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p><b>CV Aljuzira (FFB Transporter).</b></p> <p>The contractors have collaborated in FFB transportation activities. Cooperation agreements for each activity carried out for contractors are available and well documented. The contractor's obligations to comply with relevant regulations are also stated therein. The contractor has also fulfilled several relevant regulations such as wages, BPJS, K3 and others. Currently, all contractor workers who work have been properly recorded and have complied with the relevant regulations.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>
<p><b>National Land Agency of Asahan Regency.</b></p> <p>Communication relations between agencies and companies have gone quite well over the past year. The company has also routinely sent mandatory reports to agencies according to their respective timetables. None of the company's management areas are currently in forest areas and there have never been any reports or issues related to land disputes/claims that have occurred.</p>	<p>There are no issues/incidents that require further verification from the results of the public consultations carried out.</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Sign-off of Assessment Findings

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.

Signed on behalf of:

Pulu Raja POM – PTPN IV  
Management Representative



Pirgok Panggabean

Thursday, 09 November 2023

Mutuagung Lestari  
Lead Auditor



Satria Adi Putra

Thursday, 09 November 2023

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	National Land Agency	Asahan Regency	-	Interview	08-08-2023	✓	
2	Environmental Agency	Asahan Regency	-	Interview	08-08-2023	✓	
3	Manpower Agency	Asahan Regency	-	Interview	08-08-2023	✓	
4	Agriculture Agency	Asahan Regency	-	Interview	08-08-2023	✓	
5	Gender Committee	Asahan Regency	-	Interview	08-08-2023	✓	
6	SP-Bun (Worker Union)	Asahan Regency	-	Interview	09-08-2023	✓	
7	Orika Village	Asahan Regency	-	Interview	09-08-2023	✓	
8	Manis Village	Asahan Regency	-	Interview	09-08-2023	✓	
9	Baru Village	Asahan Regency	-	Interview	09-08-2023	✓	
10	CV Doge-Doge Star (FFB Supplier)	Asahan Regency	-	Interview	09-08-2023	✓	
11	PT Edi Jaya Nabasa (FFB Supplier)	Asahan Regency	-	Interview	09-08-2023	✓	
12	PT Jaya Wira Manggala (Security Contractor)	Asahan Regency	-	Interview	09-08-2023	✓	
13	PT Karyawan Nusantara Jaya (Labor Provider)	Asahan Regency	-	Interview	09-08-2023	✓	
14	PT Wahana Adidaya Pertiwi (Transporter CPO)	Asahan Regency	-	Interview	09-08-2023	✓	
15	CV Karya Mandiri (Transporter PK)	Asahan Regency	-	Interview	09-08-2023	✓	
16	CV Aljuzira (FFB Transporter)	Asahan Regency	-	Interview	09-08-2023	✓	
17	<b>Pulu Raja Estate:</b> <ul style="list-style-type: none"><li>• 4 HGU Bench Maintenance Officers</li><li>• 1 HCV Maintenance Officer</li><li>• Harvester: Andi Anwar, Amat Sujono, Sagirin, Mulyono</li><li>• Sprayer: Suwarno, Pranoto, Supono</li></ul>	Asahan Regency	-	Interview	08-08-2023	✓	
18	<b>Pulu Raja POM:</b> <ul style="list-style-type: none"><li>• 2 Security Officers</li><li>• 1 Weighing Officer</li><li>• 1 WTP officer</li><li>• Workshop: Joko, Indra</li><li>• Engine Room: Pairin,</li></ul>	Asahan Regency	-	Interview	08-08-2023	✓	

	Sutrisno • Boiler: Misuardi, Elyas						
19	AMAN (Aliansi Masyarakat Adat Nusantara)	Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email Questionnaire	02-08-2023		✓
20	Sawit Watch	Bogor	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email Questionnaire	02-08-2023		✓
21	WWF (World Wide Fund for Nature)	Jakarta	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email Questionnaire	02-08-2023		✓
22	WALHI (Wahana Lingkungan Hidup Indonesia)	Jakarta	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Email Questionnaire	02-08-2023		✓

Appendix 2. Assessment Program		
DATE	07 – 11 August 2023	
PROGRAM (WIB)	CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 07 August 2023</b>		
07.05 – 09.30	<b>Jakarta → Medan</b>	<b>All Auditor</b>
10.00 – 16.00	<b>Medan → Site (PTPN IV – Pulu Raja POM)</b>	<b>All Auditor</b>
16.00 – 17.00	<b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor</b>
<b>Tuesday, 08 August 2023</b>		
08.00 – 12.00	<b>Public Consultation in Asahan Regency (Environment; Manpower &amp; Transmigration; Plantation; and National Land Agency)</b>  <b>Public Consultation with Internal Stakeholder (Worker Union, Gender Committee, Worker Cooperative), Surrounding Community, and Contractor.</b>	<b>RIU</b>
08.00 – 12.00	<b>Field Observation to Pulu Raja Estate:</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application); Implementation of Occupational Health &amp; Safety Aspect; Implementation of Employment Procedure and Mechanism Aspect</li> <li>/Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> </ul>	<b>KID</b>  <b>ISP</b>  <b>IWS</b>
12.00 – 14.00	<b>Break/ISHOMA</b>	<b>All Auditor</b>
14.00 – 16.30	<b>Field Observation to Pulu Raja POM:</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO); Implementation of Employment Procedure and Mechanism Aspect</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> </ul> <b>Public Consultation, Document Review and Completing Audit Checklist.</b>	<b>KID &amp; ISP</b>  <b>IWS</b>  <b>RIU</b>
16.30 – 17.00	<b>Presentation of Audit Daily Progress</b>	<b>All Auditor</b>
<b>Wednesday, 09 August 2023</b>		
08.00 – 12.00	<b>Public Consultation with Internal Stakeholder (Worker Union, Gender Committee, Worker Cooperative), Surrounding Community, and Contractor.</b>  <b>Document Review and Completing Audit Checklist.</b>	<b>RIU</b>  <b>KID/IWS /ISP</b>



DATE	07 – 11 August 2023	
PROGRAM (WIB)	CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	Break/ISHOMA	All Auditor
14.00 – 16.30	Public Consultation, Document Review and Completing Audit Checklist.	All Auditor
16.30 – 17.00	Presentation of Audit Daily Progress	All Auditor
<b>Thursday, 10 August 2023</b>		
08.00 – 12.00	Public Consultation, Document Review and Completing Audit Checklist.	All Auditor
12.00 – 14.00	Break/ISHOMA	All Auditor
14.00 – 15.00	Presentation of Audit Daily Progress	All Auditor
15.00 – 17.00	Interim Meeting Auditor Team (Closing Meeting Preparation).	All Auditor
<b>Friday, 11 August 2023</b>		
08.00 – 10.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion).</li> <li>• Comments, Responses and Questions.</li> </ul>	All Auditor
10.00 – 16.00	Site (PTPN IV – Pulu Raja POM) → Site (PTPN IV – Pabatu POM)	All Auditor