

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

Name of Management : **Ajamu Palm Oil Mill, PT Perkebunan Nusantara IV subsidiary of PT**
Organisation **Perkebunan Nusantara III**

Plantation Name : Ajamu Estate and Meranti Paham Estate

Location : Village of Perkebunan Ajamu, Sub-District of Panai Hulu, District of Labuhanbatu, Province of Sumatera Utara, Indonesia

Certificate Code : **MUTU-RSPO/134**

Date of Certificate Issue : 06 September 2019 Date of License Issue : 6 December 2023

Date of Certificate Expiry : 05 September 2024 Date of License Expiry : 5 September 2024

Assessment	Assessment Date	PT Mutuagung Lestari Tbk Auditor	Reviewed by	Approved by
ASA-4	14 – 18 August 2023	Leonada (Lead Auditor Witnessing), Afiffuddin (Lead Auditor Witnessed), Benli Manurung, Erika Lucitawati, Dinda Febrima Napitupulu	Hasiholan Sihombing	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	30 November 2023

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

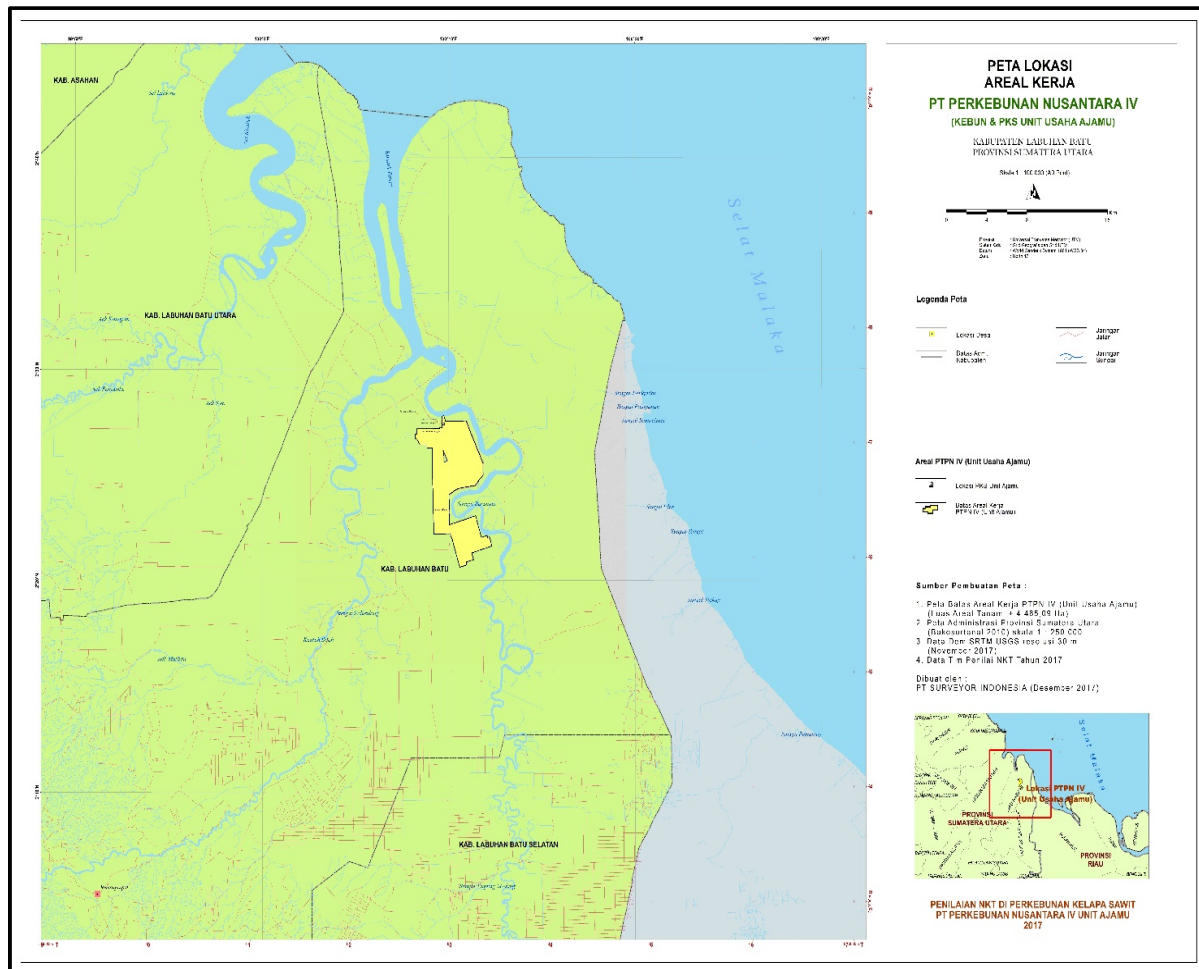


Figure 2. Operational Map of PT Perkebunan Nusantara IV – Ajamu Estate Unit

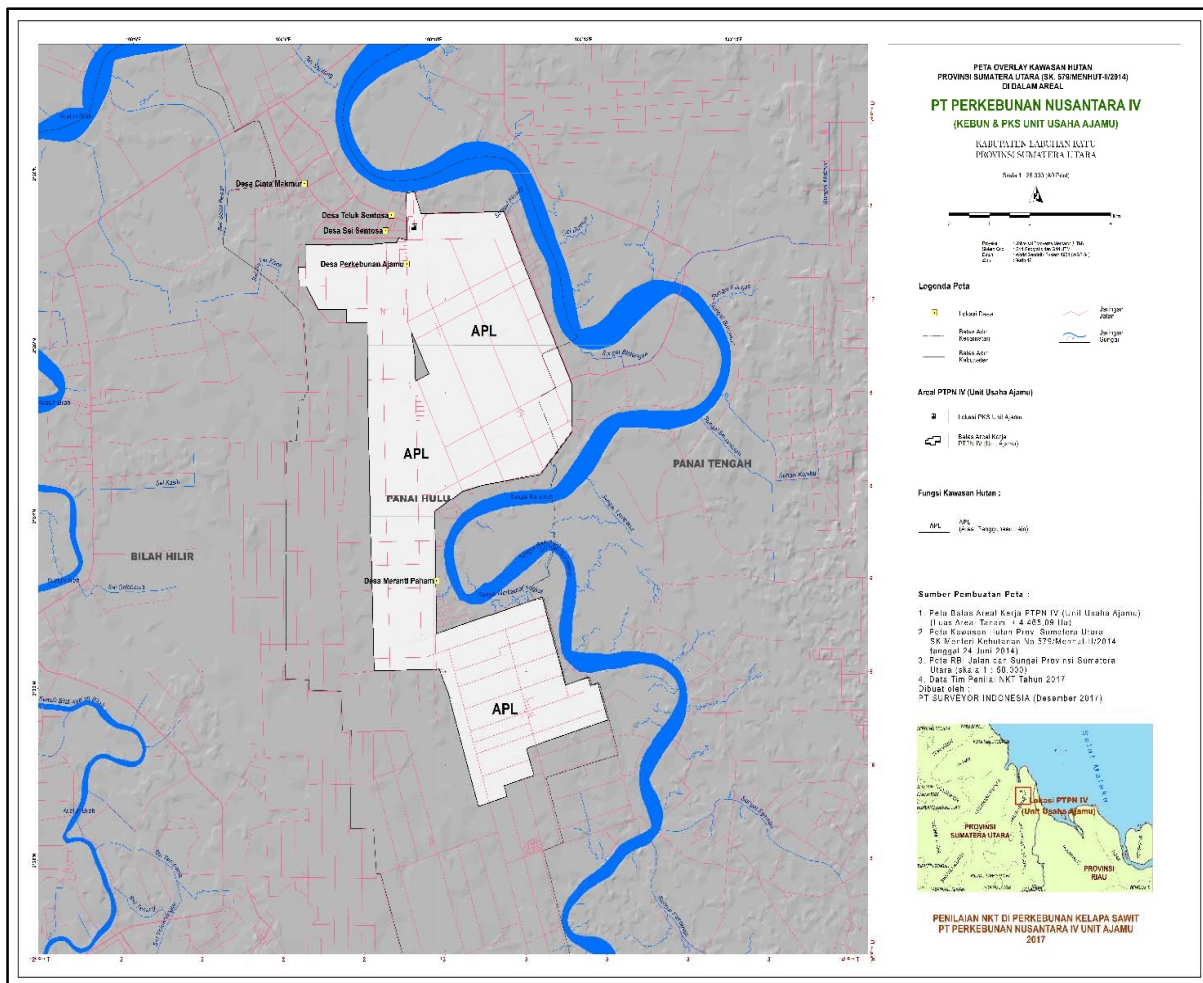


Figure 3. Location Map of PT Perkebunan Nusantara IV – Meranti Paham Estate Unit

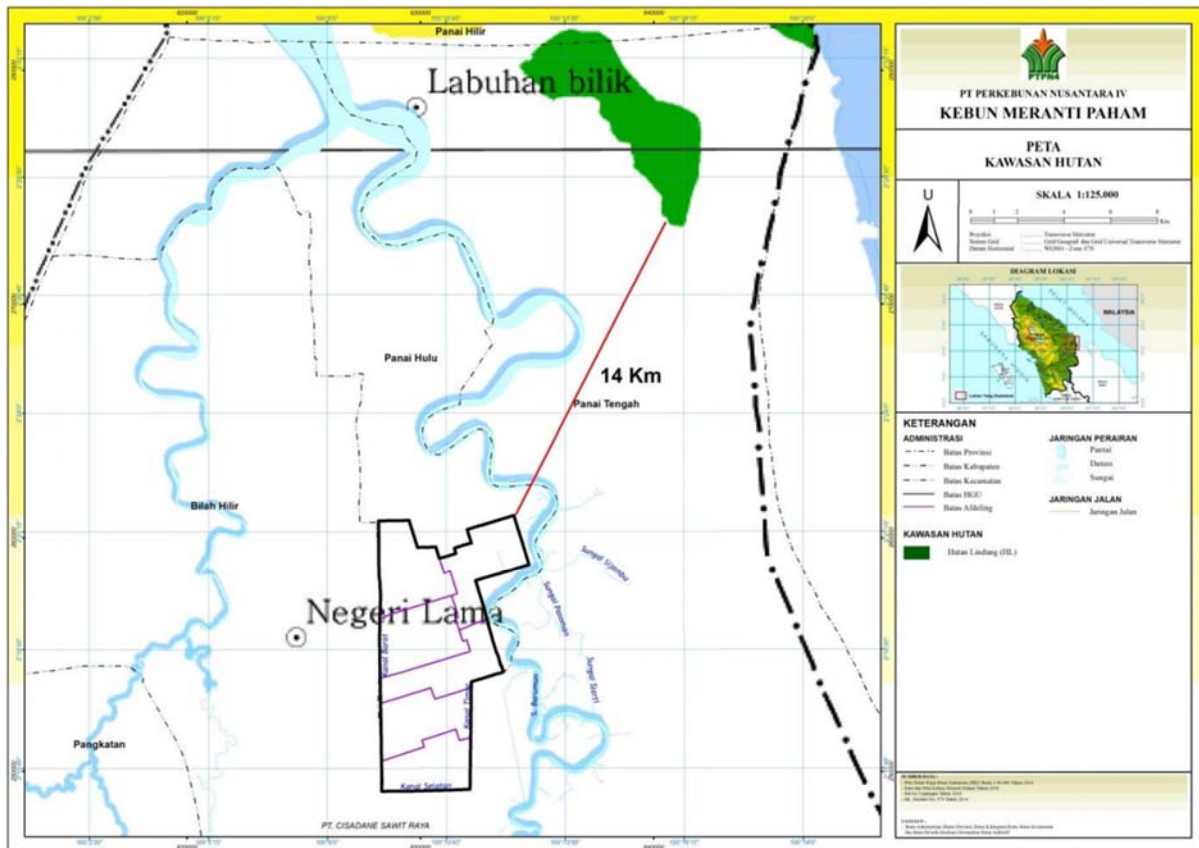
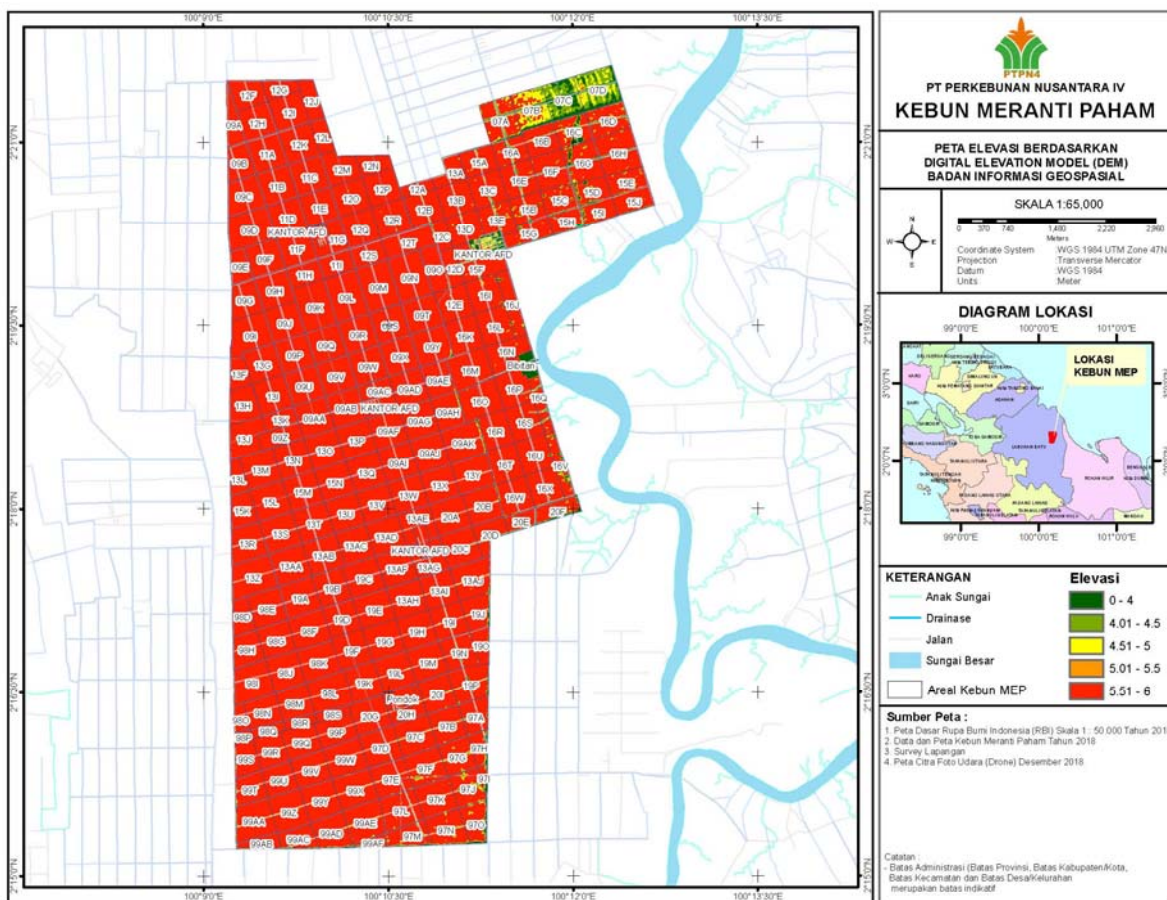


Figure 4. Operational Map of PT Perkebunan Nusantara IV Meranti Paham Estate Unit



Abbreviations Used

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

PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i> /specific time work agreement
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PPKS	:	<i>Pusat Penelitian Kelapa Sawit</i> (Palm Oil Research Center)
PR	:	Public Relation
PTPN	:	<i>Perseroan Terbatas Perkebunan Negara</i> State Plantation Limited Liability Company
R&D	:	Research and Development
RKL-RPL	:	Rencana Kelola Lingkungan dan Rencana Pemantauan Lingkungan
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SIMPEL	:	Sistem Pelaporan Elektronik
SKP	:	<i>Surat Kewenangan dan Penunjukan</i> (Letter of Authority and Appointment)
SMK3	:	<i>Sistem Manajemen Keselamatan dan Kesehatan Kerja</i> (Occupational Health and Safety Management System)
SOP	:	Standard Operating Procedure
SSU	:	Soil Sampling Unit
TLB	:	Truck Loader Backhoe
TTE	:	Tanda Terima Elektronik
UKL-UPL	:	Upaya Kelola Lingkungan dan Upaya Pemantauan Lingkungan
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none">RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Ajamu Palm Oil Mill, PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III	
1.2.2	Contact person	Pirgok Panggabean	
1.2.3	Organisation address and site address	Head Office: Jl. Sei Batang Hari No. 2, Medan, Sumatera Utara Province, Indonesia	
1.2.4	Telephone	(+62-61) 8452244	
1.2.5	Fax	-	
1.2.6	E-mail	ptb@ptpn3.co.id	
1.2.7	Web page address	http://www.ptpn3.co.id/	
1.2.8	Management Representative who completed the application for certification	Deni Leonard Hutagalung Ajamu Estate Manager	
1.2.9	Registered as RSPO member	1-0030-06-000-00 13 December 2006	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Ajamu Mill; Ajamu Estate and Meranti Paham Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	<div>Coordinate</div> <div>LatitudeLongitude</div>
	Ajamu POM	Village of Perkebunan Ajamu, Sub-District of Panai Hulu, District of Labuhanbatu, Province of Sumatera Utara, Indonesia	N 02° 27' 25"E 100° 09' 40"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	<div>Coordinate</div> <div>LatitudeLongitude</div>
	Ajamu Estate	Village of Perkebunan Ajamu, Sub-District of Panai Hulu, District of Labuhanbatu, Province of Sumatera Utara, Indonesia	N 02° 27' 25"E 100° 09' 40"
	Meranti Paham Estate	Village of Meranti Paham, Sub-District of Panai Tengah, District of Labuhanbatu, Province of Sumatera Utara, Indonesia	N 02° 20' 05"E 100° 11' 15"
1.5	Description of Area Statement		

1.5.1	Tenure			
	• State	9,458.49 Ha		
	• Community	- Ha		
1.5.2	Area Statement			
		Ajamu Estate (Ha)	Meranti Paham (Ha)	Total (Ha)
	• Total area	4,465.09	4,993.40	9,458.49
	• Mature area	3,733.00	3,900.00	7,633.00
	• Immature area	491.00	785.00	1,276.00
	• Mill/ Emplacement	66.00	0	66.00
	• Facilities and Infrastructure Area (Housing, roads, reservoirs, offices, etc.)	54.67	42.80	97.47
	• Road/Ditch	117.00	200.90	317.90
	• POME	3.00	0	3.00
	• Nursery	0	6.20	6.20
	• Mapping plant blocks	0	42.94	42.94
	• HCV Areas	0.42	15.56	15.98
*HCV area in Meranti Paham Estate (16.37 Ha) is include in mature area				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Ajamu Estate	Meranti Paham Estate	Total
	1999	-	303.00	303.00
	2000	593.00	-	593.00
	2001	428.00	-	428.00
	2005	390.00	-	390.00
	2006	479.00	-	479.00
	2007	-	118.00	118.00
	2009	287.00	904.00	1,191.00
	2010	92.00	-	92.00
	2011	110.00	193.00	303.00
	2012	237.00	374.00	611.00
	2013	-	810.00	810.00
	2014	113.00	-	113.00
	2015	120.00	276.00	396.00
	2016	56.00	562.00	618.00
	2018	345.00	-	345.00
	2019	483.00	360.00	843.00
	Subtotal of Mature area	3,733.00	3,900.00	7,633.00

	2020	378.00	178.00	556.00			
	2021	113.00	129.00	242.00			
	2022	-	478.00	478.00			
	Subtotal of Immature area	491.00	785.00	1,276.00			
	TOTAL	4,224.00	4,685.00	8,909.00			
1.6.2	New Planting area after January 2010	- Ha					
1.6.3	Planting Cycle	2 nd Cycle					
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Ajamu	30	195,228.89	40,844.59	20.92	6,995.59	3.58
	*Production data source from August 2022 to July 2023						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/h a/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Ajamu	4,465.09	3,733.00	71,301.52	19.10	68,819.41	96.52
	Meranti Paham	4,993.40	3,900.00	77,697.59	19.92	63,888.73	82.23
	TOTAL	9,458.49	7,633.00	148,999.11	19.52	132,708.14	89.07
	*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 (tonnes/year)		
	Panai Jaya Estate (RSPO Non-certified)	PT PN IV	-	3,342.00	62,361.31		
	TOTAL					62,361.31	
	*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 (01 February 2023 to 05 December 2023) (MT)		Last Year Actual Certified Volume (August 2022 to July 2023) (MT)		
	FFB Processed		155,000		132,850.84		
	CPO Production		32,550		30,280.83		
	Palm Kernel (PK) Production		6,200		5,543.79		

1.8.2	Product selling							
	Type of selling product			Actual selling product for last year (August 2022 to July 2023) (MT)				
	CSPO sold as RSPO certified product			18,476.32				
	CSPK sold as RSPO certified product			3,937.32				
	CSPO sold under another scheme			0				
	CSPK sold under another scheme			0				
	CSPO sold as conventional			0				
	CSPK sold as conventional			0				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates		Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Ajamu		4,465.09	3,733.00	75,000	20.09		
	Meranti Paham		4,993.40	3,900.00	82,000	21.03		
	TOTAL		9,458.49	7,633.00	157,000	20.57		
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Ajamu	30	157,000	32,970	21.00	6,280	4.00	MB
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	Other Certifications							
	ISO 9001:2015			-				
	ISO 14001:2015			-				
	ISO 45001:2018			-				
	SMK3			Certificate No. REG.SMK3.2021.SUC SK-1097, valid thru 21 April 2024				
	ISPO			Certificate No. MUTU-ISPO/263, valid thru 26 January 2027				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time bound						
	Pulau Tiga (PTPN I)	2022	Pulau Tiga Estate	2022	Aceh Tamiang District, Aceh Province	Certified in 2022		
	Tanjung Seumantoh (PTPN I)	2023	Lama Estate	2023	Aceh Timur District, Aceh Province			
			Baru Estate	2023	Aceh Timur District, Aceh Province			
			Tualang Sawit Estate	2024	Aceh Timur Distrcit, Aceh Province			

			Julok Rayeuk Selatan Estate	2024	Aceh Timur District, Aceh Province	
	Cot Girek (PTPN I)	2023	Julok Rayeuk Utara Estate	2024	Aceh Utara District, Aceh Province	
			Cot Girek Es-tate	2023	Aceh Utara District, Aceh Province	
	Sawit Hulu (PTPN II)	2022	Sawit Hulu Estate	2022	Langkat District, Sumatera Utara Province	Audit on December 2022
	Kwala Sawit (PTPN II)	2023	Kwala Sawit Estate	2023	Langkat District, Sumatera Utara Province	
			Air Tenang Estate	2023	Langkat District, Sumatera Utara Province	
	Sawit Seberang (PTPN II)	2023	Batang Serangan Estate	2023	Langkat District, Sumatera Utara Province	
			Sawit Seberang Estate	2023	Langkat District, Sumatera Utara Province	
			Tanjung Jati (Rayon) Estate	2023	Langkat District, Sumatera Utara Province	
	Pagar Merbau (PTPN II)	2022	Tanjung Garbus Estate	2022	Deli Serdang District, Sumatera Utara Province	Certified in 2022
			Melati Estate	2023	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	2023	Simalungun District, Sumatera Utara Province	
	Sei Daun (PTPN III)	2015	Sei Daun Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)

			Bukit Tujuh Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
	Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
	Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 14, 2016 (Certified)
	Sei Silau (PTPN III)	2017	Sei Silau Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
			Pulau Mandi Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
			Ambalutu Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
			Hutapadang Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
	Sei Mangkei (PTPN III)	2017	Dusun Hulu Estate	2017	Batubara District, Sumatera Utara Province	Oct 2017 (Certified)
			Bangun Estate	2017	Simalungun District, Sumatera Utara Province	Oct 2017 (Certified)
			Gunung Para Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
			Gunung Pamela Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
			Sei Dadap Estate	2017	Asahan District, Sumatera Utara Province	Oct 2017 (Certified)
	Sei Baruhur (PTPN III)	2018	Sei Baruhur Estate	2018	Labuhan Batu Selatan District, Sumatera Utara Province	April 2018 (Certified)
			Sei Kabara Estate	2018	Labuhan Batu Selatan District, Sumatera Utara Province	April 2018 (Certified)
	Hapesong (PTPN III)	2020	Hapesong Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
			Batang Toru Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
	Aek Nabara Selatan (PTPN III)	2014	Aek Nabara Selatan Estate	2014	Labuhan Batu District, Sumatera Utara Province	May 23, 2014 (Certified)
			Rantau Prapat Estate	2014	Labuhan Batu District, Sumatera Utara Province	May 23, 2014 (Certified)
			Merbau Selatan Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
			Membang Muda Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
			Labuhan Haji Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
			Bandar Selamat Estate	2014	Asahan District, Sumatera Utara Province	May 23, 2014 (Certified)

	Aek Torop (PTPN III)	2014	Aek Torop Estate	2014	Labuhan Batu Selatan District, Sumatera Utara Province	June 17, 2014 (Certified)
	Aek Raso (PTPN III)	2014	Aek Raso Estate	2014	Labuhan Batu Selatan District, Sumatera Utara Province	June 30, 2014 (Certified)
	Pabatu (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
	Bah Jambi (PTPN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
			Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
			Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
			Bah Birung Ulu	2022	Simalungun, Sumatera Utara	Certified in 2022
			Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
				2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (30.0 Ha)
	Dolok Sinumbah (PTPN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
				2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
			Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
	Mayang (PTPN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
			Bukit Lima	2023	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	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019

			Air Batu	2021	Asahan, Sumatera Utara	Out of Scope certification 2 nd Stage Audit
	Berangir (PTPN IV)	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018
			Berangir	2021	Labuhan Batu Utara, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (10.0 Ha)
	Sawit Langkat (PTPN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
			Sawit Langkat	2021	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 Ha)
	Pasir Mandoge (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
	Timur (PTPN IV)	2023	Timur	2023	Mandailing Natal, Sumatera Utara	
			Balap	2024	Mandailing Natal, Sumatera Utara	
	Ajamu (PTPN IV)	2021	Ajamu	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
			Meranti Paham	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
			Panai Jaya	2024	Labuhan Batu Utara, Sumatera Utara	
	Sosa (PTPN IV)	2022	Sosa	2022	Padang Lawas, Sumatera Utara	Certified in 2019
	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	2023	Rokan Hulu District, Riau Province, Indonesia.	
			KUD Karya Mukti	2023	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	Audited in November 2022
	Tanah Putih (PTPN V)	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified
	Lubuk Dalam (PTPN V)	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified
			Lubuk Dalam Plasma	2023	Siak District, Riau Province, Indonesia	
	Sei Buatan (PTPN V)	2022	Sei Buatan	2022	Siak District, Riau Province, Indonesia	Certified in 2022
			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	2022	Kampar District, Riau Province, Indonesia	Certified 2022
			Sei Galuh Plasma	2023	Kampar District, Riau Province, Indonesia	
	Sei Pagar (PTPN V)	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	Certified
			Sei Pagar Plasma	2023	Kampar District, Riau Province, Indonesia	
	Sei Garo (PTPN V)	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified
	Terantam (PTPN V)	2019	Terantam	2019	Kampar District, Riau Province, Indonesia	Certified
			Terantam 2 (725.44 ha)	2023	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	Certified
	Bunut (PTPN VI)	2022	Bunut	2022	Jambi Province	Certified
	Ophir (PTPN VI)	2022	Ophir	2022	Sumatra Barat Province	Certified in 2023
			Pangkalan 50	2023	Sumatra Barat Province	
	Aur Gading (PTPN VI)	2023	Durian Luncuk	2022	Jambi Province	Certified
	Solok Selatan (PTPN VI)	2023	Solok Selatan	2023	Jambi Province	
	Tanjung Lebar (PTPN VI)	2022	Tanjung Lebar	2022	Jambi Province	Certified
			Bukit Cermin	2023	Jambi Province	
	Bekri (PTPN VII)	2022	Bekri	2022	Lampung Province	Certified
			Rejosari	2022	Lampung Province	Certified
			Padang Ratu	2022	Lampung Province	Certified
	Betung (PTPN VII)	2022	Betung	2022	Lampung Province	Certified
			Bentayan	2026	Lampung Province	
	Talang Sawit (PTPN VII)	2023	Betung Krawo	2022	Musi Banyuasin District, Sumatera Selatan Province	Audited in December 2022
	Sungai Lengi (PTPN VII)	2023	Sungai Lengi	2022	Muara Enim District, Sumatera Selatan Province	Certified
	Kertajaya (PTPN VIII)	2022	Kertajaya	2022	Lebak District, Banten Province	Certified
			Cisalak Baru	2023	Lebak District, Banten Province	
			Bojongdatar	2023	Lebak District, Banten Province	
	Cikasungka (PTPN VIII)	2023	Cikasungka	2023	Bogor District, Jawa barat Province	
			Sukamaju	2023	Sukabumi District, Jawa barat Province	
	Gunung Meliau (PTPN XIII)	2023	Gunung Meliau	2023	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	2022	Luwu	2022	Luwu Timur, District, Sulawesi Tengah	Certified

		Keera-Maroon	2024	Luwu Timur, District, Sulawesi Tengah	
		Malili	2026	Luwu Timur, District, Sulawesi Tengah	
		Asera	2025	Luwu Timur, District, Sulawesi Tengah	
<p><u>PTPN I</u> Time bound plan (TBP) for uncertified unit such as PKS Tanjung Seumantoh, PKS Cot Girek, and its supply bases has revised from 2022 to become 2023. There are two estates that expected to be certified in 2024, i.e.: Tualang sawit and Julok Rayeuk Utara Estate. There is no smallholder scheme in PTPN I units.</p> <p><u>PTPN II</u></p> <ul style="list-style-type: none"> • PKS Pagar Merbau had certified in 2022. However, TBP for uncertified unit of its estate supply bases has revised from 2022 to become 2024. There is only two units is expected to be certified in 2023. • In TBP, Sawit Hulu and Sawit Seberang has audited in December 2022 • PKS Kwala Sawit. The TBP of mill and estate supply base has revised from 2022 to become 2023. All units is expected to be certified in 2023. <p><u>PTPN III</u> PTPN III has a time-bound plan to achieve RSPO certification for all relevant entities included all of units are not certified Rambutan Estate, Bandar Betsy Estate) and joint venture (JV) unit (Julok Rayeuk Selatan & Karang Inong Estate) with other PTPN at Aceh Province.</p> <p>PTPN III has changed the time-bound plan in accordance with the self-assessment. The justification of changes because there are some problems in accordance with RSPO requirements as follow:</p> <ol style="list-style-type: none"> a. Some Estates (Batang Toru, Hapesong, Rambutan and Bandar Betsy) have conducted a conversion from rubber to oil palm. b. There is a land conflict on going in the other PTPN III's management units, such as Batang Toru Estate coverage 276.16 Ha (updated on September 2022). While the company has already made a conflict resolution mechanism, these conflicts remain un-resolved, as the land claimants do still not agree the mechanism. c. There are 2 (two) units at Aceh Province that joint venture with other PTPN (KKINO & KJLRS). <p><u>PTPN IV</u> The time bound plan is available and any revision from previous time bound plan. Refer to the time bound plan on Table 8 above. There are some units are not certified, e.i. Timur estate, Batang Laping estate, Bah Birung Ulu estate, Dolok Sinumbah estate, Bukit Lima estate and Panai jaya Estate.</p> <p><u>PTPN V</u> The time bound plan is available and any revision from previous time bound plan as presented on table above, section 5.1. The reason for revising the previous time bound plan is adding the scheme of smallholder (plasma) unit which managed by a single management system and any the part of Sei Pagar areas do not include of the scope of RSPO P&C certification. The organization has demonstrated all relevant documents/information. Revision of time bound plan has reviewed by CB and CB has approved about it.</p> <p><u>PTPN VI</u> The time bound plan is available and any revision from previous time bound plan. Refer to the time bound plan on Table 8 above. PTPN VI has provided letter above, letter no.S.01/06.S2/V/2021 dated on 3 May 2021 to LUCA consultant, reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 for all uncertified management unit and reason of revision of time bound plan. Based on those evidence so CB has approved revision it because initial requirement has not available i.e the review of disclosure and LUCA has not been available.</p>					

	<p>PTPN VII PKS Talang Sawit: as stated by RSPO secretariat through email dated 10 January 2022, it was known that disclosure for Betung Krawo Estate on area covers 9,623.82 ha was zero liability. Thus, LUCA is not necessary for Betung Krawo Estate. However, disclosure registration, LUCA and HCV assessment for Bentayan Estate are not available LUCA and HCV assessment for Senabing Estate are not available.</p> <p>PTPN VIII PKS Kertajaya: self-assessment for Kertajaya Estate Afdeling 3 and 4, as well as for Cisalakbaru Estate are not available, included disclosure registration and LUCA. Apart from Cisalak Baru Estate, HCV assessment for Bojongdatar and Kertajaya Afdeling 3&4 are not available. PKS Cikasungka: LUCA for Cikasungka Estate on area covers 3,967.38 ha has final conservation liability for 0 ha and 21.08 ha of environmental remediation area. The LUCA stated pass through email dated 06 December 2022</p> <p>PTPN XIV The time bound plan is available as refer to the time bound plan on Table 8 above. There are some units are not certified, e.i. Asera estate, Malili estate, Keera Maroangin.</p>
1.10.2	Progress of Associated Smallholders and Out growers for Certifiable Standard
	The Company didn't have associated smallholders and out growers.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 4	<p>1. Leonada (Lead Auditor Witnessing). Bachelor of Agriculture, Department of Agricultural Cultivation, Faculty of Agriculture, Plant Breeding and Seed Technology Study Program, Bogor Agricultural University. Has more than five years working experience as a plantation operations and sustainability staff in a private Indonesian oil palm plantation company. Trainings that have been attended include: Indonesian Sustainable Palm Oil (ISPO) Auditor Training, RSPO Lead Auditor, ISO 17021: 2011, ISO 17065: 2012, ISO 19011: 2011, ISO 9001 Lead Auditor; 2008, ISO 14001: 2005, Training Management Deployment Program Agronomy, analysis base solution for operation, Training on peat management for oil palm, Training on Integrated Plant Pest and Weed Control (IPM), Training on Limited Use of Pesticides, Training on Pesticide and Fertilizer Waste Management, Mediation training and conflict resolution, training for General OSH Expert, SMK3 Auditor and currently working for an independent certification body as an auditor. During this assessment, he is carried out witnessing Afiffuddin as development RSPO Lead Auditor.</p> <p>1. Afiffuddin (Lead Auditor Witnessed). Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Lead Auditor ISPO in 2016, RSPO P&C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2021, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. During this audit, he assigned to verify legal aspect, land dispute, SCCS, Best Management Practices, OHS aspects, social, environment aspect, GHG and HCV.</p> <p>2. Benli Manurung (Auditor). Bachelor of Agriculture Majoring in Soil Science. He has more than 4 years of experience as a plantation operations staff in a private oil palm plantation company in Indonesia. The trainings he has attended include: ISPO, RSPO, Lead auditor of ISO 9001: 2015; ISO 14001: 2015, IHT Health & Safety Aspect and Best Management Practice. Has participated in several audit activities since 2016 in the field of Best Management Practice, Health & Safety Aspect and Worker Welfare. During the audit, he verified BMP and OHS.</p> <p>3. Erika Lucitawati (Auditor). Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include ISPO Lead Auditor Training, RSPO Lead Auditor Training, Awareness SA8000, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. During this assessment, she verified worker welfare and transparency.</p> <p>4. Dinda Febrima Napitupulu (Auditor Trainee). Bachelor of Social and pursuing her Double Degree Master Program in Environmental Science at Padjadjaran University Bandung and University of Twente the Netherlands. Experienced as Sustainability Officer, Internal Auditor for Environmental Management System (ISO 14001) and OHSAS 18001. She has participated in Quality Management System (ISO 9001), ISPO and RSPO trainings. During the audit, she verified the social, environment aspect, GHG and HCV under the supervision of Lead Auditor.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 4	<p>Number of auditors: 3 auditors and 1 trainee auditor</p> <p>Number of days for ASA 4 onsite audit: 5 days</p> <p>Number of working days for ASA 4 onsite audit: 15 Working days</p>
2.2.2	Assessment Process
ASA 4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Ajamu POM - PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III to the requirements of RSPO Certifications Systems for Principles & Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020) and Indonesia National Interpretation RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20th April 2020</p>

The scope of certification of Ajamu POM - PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III consists of one mill (Ajamu POM) and two estates (Ajamu Estate and Meranti Paham Estate).

The audit program is included as Appendix 2. 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 estate. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to directly observe the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-4 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from ASA-3 findings were observed by auditors at this ASA-4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-4.

The opening meeting was held on 14 August 2023. As for the participants who attended the opening meeting included the Group Estate Manager, Estate and Mill Managers, Support Team from Medan, and other staff. Closing meeting was held on 18 August 2023 attended by the same participants as the opening meeting. Management Ajamu POM - PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III accepts all the onsite ASA-4 audit results.

Public Stakeholder Notification was made on MUTU Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment.

Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.

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.

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

The assessment program please find Appendix 2.

2.2.3	Locations of Assessment
ASA 4	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Ajamu POM:</p> <ul style="list-style-type: none"> • Security Post. Field observations and interviews related to employment aspects. • Weighbridge. Field observations and interviews regarding the mechanism for separating certified and non-certified fruit. • Sorting Station. Observations related to work procedures, anti-bribery practices, employment, complaint mechanisms and OHS aspects. • WWTP. Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies. • Empty bunch area. Field observations related to empty bunch managed for composting.

- **Mill Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities.
- **Water Treatment Plant (WTP).** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **Workshop.** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **Landfill, Afdeling 1.** Observation related to waste management and environmental aspect.
- **Chemical warehouse.** Observations and interviews for material handling, OHS, and hazardous materials handling.
- **Loading Ramp Station.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Sterilizer Station.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Hoisting crane Station.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Press Station.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Clarification Station.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Kernel Stations.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Engine room.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Boilers.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Hydrant Simulation.** Observation related to emergency response, readiness of firefighting equipment.

Ajamu Estate:

- **Harvesting Block 10C Division I.** Observation and interview with harvester related fruit ripeness, safe working practices and worker welfare.
- **Barn Owl Nest Observation Block B19 Division I.** To check nest condition.
- **Immature Area Block B19 Division I.** observation of land conditions whether there are indications of burning or not and observation of ground cover crops (LCC).
- **Leaf Sampling Unit Block 10D Division I.** Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects.
- **Harvesting Block 10D Division III.** Observation and interview with harvester related fruit ripeness, safe working practices and worker welfare.
- **EFB Application Block 18D Division I.** Observe the condition of the ground cover mulch (EFB).
- **Peat Area Block 09G Division V.** Observation peat area, water management, water level monitoring, piezometer monitoring and subsidence pole conditions and staff interviews on monitoring techniques.
- **Clinic.** Observation and interview with worker related to clinic condition, OHS, and environmental aspects.
- **Housing Area Afdeling III.** Observations and interviews with residents about housing facilities, domestic waste management.
- **Rinse House.** Observations and interviews related to OHS and environmental aspects.
- **HGU Pole No. 10C Afdeling 1.** Observe the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 2 Block WF Afdeling 1.** Observe the condition of the HGU boundary markers owned by the company.
- **HGU Pole No. 3 and No. 4 Afdeling 2.** Observe the condition of the HGU boundary markers owned by the company.

Meranti Paham Estate:

	<ul style="list-style-type: none"> • Chemical Storage. Observations and interviews related to work procedures, work procedures, worker welfare, OHS, and environmental aspects. • Fertilizer warehouse. Observation of material handling, OHS, and handling of hazardous materials. • Temporary Hazardous Waste Storage. Observation of hazardous waste handling and OHS. • Harvesting Block 109K Division II. Observation and interview with harvester related fruit ripeness, safe working practices and worker welfare. • Leaf Sampling Unit at Division II. Field observations and interviews related to technical work, employment aspects, OHS aspects, social aspects, and environmental aspects. • Peat Area Block 131I Division V. Observation peat area, water management, water level monitoring, piezometer monitoring and subsidence pole conditions and staff interviews on monitoring techniques. • Immature Area Block 22K Division V. observation of land conditions whether there are indications of burning or not and observation of ground cover crops (LCC). • Harvesting Block 160 Division IV. Observation and interview with harvester related fruit ripeness, safe working practices and worker welfare. • Rinse House Afdeling 2 & 4. Observation of cleaning facilities for workers exposed to chemicals and storage areas for work tools and PPE exposed to chemicals. • Housing Afdeling 2 & 4. Field Observations related to employee facilities, sanitation and the environment. • HCV 6 Christian cemetery, Afdeling 4 block 13AE. Observations regarding cemetery management. • Block 13Z Afdeling 3 HGU stakes number 12 and 13. Observe the condition of the HGU boundary markers owned by the company. • Block 99AC Afdeling 6 HGU stake number 94B. Observe the condition of the HGU boundary markers owned by the company. • Block 99AD Afdeling 6 HGU stake number 94D. Observe the condition of the HGU boundary markers owned by the company. • Block 19K Afdeling 5 Fire Tower. Observation of fire monitoring facilities owned by the company.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PTPN IV was held by:</p> <ul style="list-style-type: none"> • Public Notification on website on MUTU website with notification date 31 July 2023 • Public consultation meeting with government institution 15th August 2023. • Public consultation meeting with communities on 15th August 2023. • Public consultation meeting with internal stakeholders and contractor 15th August 2023. • Public consultation with NGOs (by email) such as WALHI, WWF, AMAN and Sawit Watch date 8 August 2023 <p>Numbers of input from stakeholders were clarified by PTPN IV.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit RC will be conducted eight (8) months to twelve (12) months after the date of annual licenses.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Ajamu POM – PT Perkebunan Nusantara IV, operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were four (4) Nonconformities were assigned against Minor raised to Major Compliance Indicators; one (1) nonconformity were assigned against Minor Compliance Indicators; and zero (0) nonconformance against supply chain requirement for CPO mill and zero (0) opportunity for improvement were identified.

Further explanation of the non-conformities raised, and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidence e.g. (document record/photographic/etc). Those corrective action(s) taken that consist of four (4) Nonconformities were assigned against Minor raised to Major Compliance Indicators and one (1) Minor non-conformity had been closed out shall be verified during next assessment.

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

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

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

- Social responsibility and community economic empowerment document for the social aspect
- Legality of plantation business for the legal issue aspect.

Based on interviews with government agencies and Cinta Makmur Village, they already know the types of documents that can be accessed by the community by requesting with a written or verbal request to the company.

1.1.2

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

Environmental Report Against Manpower Regulation

The company has shown reports related to environmental management to relevant agency, for example Environment Management and Monitoring (*RKL-RPL*) Report of PT Perkebunan Nusantara IV Ajamu Unit for first semester 2023 was reported to Environment Agency Labuhanbatu letter number Aja/X/06/VII/2023 on 14th July 2023 and *RKL-RPL* report of Meranti Paham Estate letter number MEP/X/72/VII/2023 on 31st July 2023.

Mandatory Report Against Manpower Regulation

- Payment of BPJS Health period July 2023 Ajamu Estate and Ajamu Mill.
- Payment of BPJS Employment period July 2023 Meranti Paham Estate.
- Mandatory Reporting Manpower of the Meranti Paham Estate with number 21471.20221005.0002.
- Mandatory Reporting Manpower of the Ajamu Estate and Mill with number 21471.20220818.0001.
- Report of 2023 Ajamu Bipartite LKS Meeting to the Labuhanbatu Regency Manpower and Transmigration Office.

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

1.1.3

The company has a SOP Retention Period of Requests for Information and Responses SPO No.6 Revision 03 effective date August 1, 2017. The procedure explains that the company will respond to requests for information no later than 14 days after the request is received. Based on the verification results of incoming and outgoing mail documents, it is known that all incoming letters including requests for information have been responded to by the company. Based on document verification it is known that there were no requests for information from stakeholders addressed to the company for 2021-2022 but there are request for assistance only from surrounding villages. For example, the application for the construction road in Meranti Paham Village was dated 19 February 2023 and was assisted on 16 March 2023.

1.1.4

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

Based on result interview with community representatives (Cinta Makmur Village) and government stakeholders (Manpower Agency of Labuhanbatu Regency), known that stakeholders already know the mechanism of communication and consultation with the company.

1.1.5

The certification unit has shown stakeholder list document, updated in Agustus 2023. Based on this document, there are 60 stakeholders related to the company which include Government Stakeholders (province, district, sub-district, and village), other Authorities (TNI/POLRI), Partner Cooperatives, Hospitals, Corporations, Suppliers, NGOs, Internal Stakeholders, Contractors, and Banking. The stakeholder register explains the name, agency/position, location, category,

contact person number, and other information. As for the list of landowners previously owned but in a different document. Among the stakeholder's company, there are 1 CPO transporter, 1 PK transporter, 1 Whell Loader Rental, 3 Procurement of Goods/Services, 1 Security Services, 2 Nursery Maintenance Services, 4 Plant Maintenance Services and 4 FFB transporters.

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

Status: Comply

1.2

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

1.2.1

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

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

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

This policy has been socialized to internal and external stakeholders, for example the socialization at the Ajamu and Meranti Paham Units on 17 June 2023. In addition, based on interviews with workers, it is known that the workers who found to be involved in corrupt practices will be given strict sanctions by the company and sanctions in accordance with applicable regulations.

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

1.2.2

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

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

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

In addition, the company also shows contractor performance evaluation documents as a system to monitor compliance

and the overall implementation of ethical business policies and practices. Evaluation of contractor performance includes discipline in the use of PPE, environmental awareness, and compliance with laws and regulations.

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

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

The company has list of relevant regulation in 2023, such as:

Environment:

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

Compliance with Best Management Practices and OHS Regulation:

Company has carried out replanting with zero burning, has conducted monitoring of groundwater levels and subsidence of peat soils, as well as water management, and planted using certified seeds. The company has also used herbicides registered with the Director General of Fertilizers and Pesticides.

CH has a factory machine license and periodic inspections carried out by the competent authority, such as license deed no. 02/J.0200.C for boiler No.1. The last inspection was carried out on August 15, 2020, and a re-examination will be carried out on August 15, 2024. Based on field observations and document studies, it is known that the company already has an operator with an OHS license. K3 head crane operators, Turbine Operators in the Engine Room, Boiler Operators and K3 Electricians have been shown.

Compliance with Legal Regulation

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

- Ajamu Estate: Plantation Permit based on Decree of Labuhanbatu Regent No. 180/318/Huk/2012 about Granting of IUP for PTPN IV Ajamu issued on 11 December 2012. This permit covering area 5,737.09 Ha and mill capacity 30-ton FFB/hour.
- Meranti Paham Estate: Plantation Permit based on Decree of Labuhanbatu Regent No. 180/317/Huk/2012 about Granting of IUP for PTPN IV Meranti Paham issued on 11 December 2012. This permit covering area 3,721.40 Ha.

Compliance with Manpower Regulation:

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

- Mandatory Reporting Manpower of the Ajamu Estate and Mill with number 21471.20220818.0001.
- The implementation of the minimum wage in 2023 is in accordance with the Minimum Wage Decree of the Labuhanbatu Regency established by the Governor of Sumatera Utara in November 28, 2022.
- Payment of overtime wages to workers in accordance with Government Regulation No.35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.
- Reporting activities of the Bipartite Cooperation Institute to Manpower Agency Labuhanbatu Regency.

2.1.2

Procedure of legal requirement which presented in document No. MEP/SE/Intern/D5/V/2020, dated 6 September 2022 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation every 6 months. The procedure mentioned that to monitor and update of laws and/or regulations, the sustainability officer required to actively check and make coordination with Government Agencies or Institutions. From the auditor verification, the law registers in 2023 have been updated, for example Government Regulations No.36 year 2021 related to Wages.

Internal audit of regulations compliance is conducted annually as example on 24 – 29 July 2023 in certification unit. Regarding the evidence of evaluation of legal compliance from contractors collaborating with the company, is explained in more detail in indicator 2.2.2

2.1.3

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

The company shows the HGU stake monitoring document which is carried out every 6 months. The last HGU stake monitoring was carried out for example in 2023 at Ajamu Estate and Meranti Paham Estate. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report, it is known that all HGU stakes are available.

Field observations of several samples of HGU boundary pole in Ajamu Estate (Pole Numbers 10C, 2, 3 and 4) and Meranti Paham Estate (Pole Numbers 12, 13, 94B and 94D), showed that the HGU boundary markers sampled were available in the field and in well-maintained condition. Verification using GPS shows that the coordinates of the HGU stake location are in accordance with the HGU certificate.

Status: Comply	
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2.2

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

2.2.1

In monitoring the existence of contractors for plantation and mill activities, company had well-documented the list of contractors, type of business, contact persons, work agreements, and ensuring other matters related to compliance with laws and regulations in Indonesia. During the audit, company has contractors list which is updated July 2023 there are as many as 26 contractors consisting of scope of work in work service, heavy equipment rental grader, compactor heavy equipment rental, backhoe loader rental, harvesting, and replanting.

2.2.2

In terms of implementation of the fulfilment of relevant legal obligations in surveillance 4, the company shows the following documents from the third party concerned.

PT Bravo Anak Kolong

- Work agreement between PT Perkebunan Nusantara IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 for FFB transportation work which is valid from 11 March 2022 to 11 March 2025.
- Proof of transfer of BPJS *Ketenagakerjaan* costs to PT Bravo Anak Kolong in January 2023 paid on January 26, 2023, along with a list of workers registered with BPJS *Ketenagakerjaan* in January 2023 of 10 workers.
- However, the company has not been able to show proof of the implementation of the fulfilment of relevant legal obligations in the employment aspect such as a list of workers working at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employment relationship between employees and employers and proof of the provision of BPJS *Ketenagakerjaan* and Health on an ongoing basis. Regularly to workers working at PT Perkebunan Nusantara IV.

CV Munawaroh Kurnia

- Work agreement between PT Perkebunan Nusantara IV and CV Munawaroh Kurnia Jaya No. 04.04/SPKP/Pemeliharaan Tanaman Menghasilkan/325/III/2023 for maintenance of mature plants which is valid from 02 March 2023 to 29 August 2023.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in the employment aspect such as a list of workers working at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employment relationship between employees and employers and proof of the provision of BPJS Employment and Health to workforce working at PT Perkebunan Nusantara IV.

PT Jaya Wira Manggala

- Proof of payment from PT Perkebunan Nusantara IV to PT Jaya Wira Manggala for the period May 2023 which was paid on 26 May 2023.
- Evidence of PT Jaya Wira Manggala BPJS *Kesehatan* payment for the month of May 2023 which was paid on May 10, 2023.
- Proof of payment for PT Jaya Wira Manggala BPJS *Ketenagakerjaan* for the month of April 2023 which was paid on April 26, 2023.
- Documents List of Names of Security Members of PT Jaya Wira Manggala in Ajamu Unit of 42 employees.
- Document the PT Jaya Wira Manggala Security Shift Schedule every month, for example August 2023 at the Ajamu Unit with 6 working days per week and 1 day off.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in terms of employment such as agreement with PT PN IV, proof of payment of wages to workers and proof of employee relations with employers who work at PT Perkebunan Nusantara IV.

PT Sowsof Dahra Jaya

- Evidence of PT Sowsof Dahra Jaya Employment BPJS payment for July 2023, which was paid on July 11, 2023 along with a list of workers registered at BPJS *Ketenagakerjaan* for July 2023 of 10 workers.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in terms of employment such as SPK with PT PN IV, proof of payment of wages to workers and proof of employee relations with employers who work at PT Perkebunan Nusantara IV.

The company has not been able to show sufficient evidence that third parties who have cooperation ties have fulfilled the relevant legal obligations as stated in the contract clauses including but not limited to such as fulfilment of the availability of cooperation contracts, minimum wages, BPJS *Ketenagakerjaan/Kesehatan* membership and evidence of employee employment relationships with employer. Thus, this nonconformity changed its status to **Minor raised to Major**.

2.2.3

Managing the contractor, company has a copy of the collaboration agreement in PT Perkebunan Nasional IV. Company has shown that there were several separate clauses on the work agreement between the company and the contractor

related to fulfilling legal obligations in Indonesia. Some of these obligations are related to the registration of workers' health and social security insurance, the provision of minimum wages, the obligation to use PPE, other permits such as tax payment and others. For example, for agreement between two parties, such as:

- Work agreement between PT Perkebunan Nusantara IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-LOADING-UNLOAD-TBS/227/III/2022 for FFB transport work which is valid from 11 March 2022 to 11 March 2025.
- Work agreement between PT Perkebunan Nusantara IV and CV Munawaroh Kurnia Jaya No. 04.04/SPKP/Pemeliharaan Tanaman Menghasilkan/325/III/2023 for work on maintenance of produce plants which is valid from 02 March 2023 to 29 August 2023.

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

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

2.2.2	Status: Non-Conformity No. 2022.02 with minor raised to major category
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2.3

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

2.3.1 & 2.3.2

Based on interview with management, it is known that the company received FFB from FFB supplier other than its own estates (Ajamu and Meranti Paham Estate) in March to May 2023. The indirect suppliers are PT Bravo Anak Kolong, PT Rama Angkasa Mandiri, and CV Duta Mandiri. It can be confirmed by the agreement letters with each supplier, for example agreement letter between PTPN IV Ajamu POM and PT Bravo Anak Kolong number PKS-AJA/BAK/SP-TBS/02/II/2023 on 9th February 2023 and valid until 7th February 2024.

The other documents also confirmed the purchase, including:

- Payment to PT Rama Angkasa Mandiri for 109.400 kg FFB purchase on 27th March to 31st March 2023, document number 101735047 on 4th April 2023.
- Payment to PT Bravo Anak Kolong for 48.200 kg FFB purchase on 27th March to 31st March 2023, document number 101735055 on 4th April 2023.
- Payment to CV Duta Mandiri for 59.930 kg FFB purchase on 27th March to 31st March 2023, document number 101735093 on 4th April 2023.

The company can also provide the information of FFB suppliers coordinates. The proof of ownership status was shown by the company during ASA 4.

The FFB suppliers get the price information by WhatsApp chat from the company assistant.

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

3.1.2

The unit of certification indicates the projected replanting program in the five-year work plan, as stated in the 2023-2027 Ajamu and Meranti Paham Plantation Long Term Plan document which describes the plan for replanting activities per year of planting and the size of the area, for example of replanting plan in Meranti Paham Estate 2024 for an area of 373 Ha and Ajamu Estate 2025 for an area of 217 Ha.

3.1.3

The company has conducted regular management review meetings as held on August 01, 2023, which discussed Internal and external audit results, Customer feedback, Evaluation of regulatory compliance, Follow up from previous management review, etc.

In addition, the company has also routinely conducted RSPO and ISPO internal audits, for example the RSPO and ISPO internal audits which were carried out on 24 -29 July 2023 with 4 non-compliances that were fulfilled on 10 August 2023.

Status: Comply

3.2

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

3.2.1

The company has an updated system to improve existing practices. It aims for implementing continuous improvement.

Environmental Aspect

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

Compliance with Best Management Practices and OHS Aspect

Company has carried out replanting with zero burning, has conducted monitoring of groundwater levels and subsidence of peat soils, as well as water management, and planted using certified seeds. The company has also used herbicides registered with the Director General of Fertilizers and Pesticides.

CH has a factory machine license and periodic inspections carried out by the competent authority, such as license deed no. 02/J.0200.C for boiler No.1. The last inspection was carried out on August 15, 2020, and a re-examination will be carried out on August 15, 2024. Based on field observations and document studies, it is known that the company already has an operator with an OHS license. K3 head crane operators, Turbine Operators in the Engine Room, Boiler Operators and K3 Electricians have been shown.

3.2.2

The company has shown the RSPO metric template version 2.1 in January to December 2022. The information in metric template is in sync with other documents, such as the number of workers, HCV area, FFB production and Lost Time Injury Frequency Rate.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The CH has SOPs and work instructions for all plantation activities. Standard Operating Procedures (SPO) for Palm Oil

Plants/Factory, Tea Plant/Factory, PPIS and Organic Compost Factory, 2008. There are approximately 11 chapters related to BMP, including land development, design and mapping, land clearing, land preparation and preservation, road and bridge construction, new planting, nurseries, immature management, mature management, harvesting, and road and bridge maintenance.

The CH has procedures related to palm oil processing contained in the factory SOP documents. Which includes among others receiving FFB, receiving outside FFB, weighing operations, sorting stations, loading ramp stations, kernel stations, purifier machines, steam turbines, boilers, clarification stations, decanter machines, water treatment plants, boiler ash cleaning, continuous sterilizer system and logistics (CPO and PK dispatch).

Based on the results of field observations in the immature area in Block 23C division I Ajam Estate it is known that replanting activities are carried out using the chipping method and there are no indications of burning (zero burning). In addition, before carrying out replanting activities, the company first planted LCC (*Mucuna bracteata*)

3.3.2, 3.3.3

The CH already has a system that ensures the consistency of SOP implementation in procedure of annual internal audit is presented in document SPO – 21, which became effective on 02 January 2018 regarding the implementation of internal audits of RSPO and ISPO. CH has routinely conducted RSPO and ISPO internal audits, for example the RSPO and ISPO internal audits which were carried out on 24 -29 July 2023 with 4 non-compliances that were fulfilled on 10 August 2023.

	Status: Comply	
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3.4

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

3.4.1

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

Environment Impact Assessment

Ajamu

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

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

Meranti Paham

- Environmental permits in the form of *UKL-UPL* Documents and the 2006 *Pabrik Kompos* Ajamu Estate II based on Decree of the Head of Bapedalda of Labuhanbatu Regency No. 660/361/BPDL-LB/Set/2006 on 19th July 2006. The scope of the study covers an area of 4,993.4 ha located in Selat Beting Village, Panai Tengah District, Labuhanbatu Regency. The RKL-RPL matrix, included;

- Deterioration of air quality (ambien air quality)
- Improved noise
- Decreased quality of Barumun River
- Improved soil fertility
- Decreasing the abundance, diversity and uniformity of aquatic biota
- Increasing employment opportunities and business opportunities
- Community perception
- The *SEL* and *RKL-RPL* documents have been approved by the AMDAL commission of the Ministry of Agriculture No. RC.220/667/B/IV/1994 for *SEL* and *RKL-RPL* studies approved by the Minister of Agriculture No. 010/RKL-RPL/134/P/1996. This information is obtained from the Revised *RKL-RPL* document.

Social Impact Assessment

Study Report on Identification of Social Impacts has conducted within 3 months starting from November 2017. The assessment was conducted by Surveyor Indonesia for Ajamu Unit. Meanwhile, Meranti Paham Unit began the SIA in January 2018. The assessment was conducted by the Kompasia.

The social impact assessment has involved relevant parties.

- **Meranti Paham:** examples of consultation attendance on 30th January 2018 along with event documentation with representatives of Sei Tampang Village, Perkebunan Ajamu Village, Meranti Paham Village, and Selat Beting Village.
- **Ajamu:** documentation of the event with representatives of Ajamu Village, Meranti Paham Village, Sei Sentosa Village, Cinta Makmur Village, Perkebunan Ajamu Village.

The aspects studied in the Social Impact Assessment, include:

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

3.4.2

The implementation of environmental management is conducted based on the Environment Management and Monitoring (*RKL-RPL*) Report documents and Environmental Permits owned by the company. The environmental management report is carried out every semester and submitted to Environmental Agency of Labuhanbatu Regency. Based on the report, it is known there is no negative impact caused by the company.

- *RKL-RPL* Document of Ajamu Unit, reported to Environmental Agency of Labuhanbatu Regency on 14th July 2023.
- *RKL-RPL* Document of Meranti Paham Unit, reported to Environmental Agency of Labuhanbatu Regency on 31st July 2023.

Based on document review, it can be concluded that all management and monitoring parameters requested in environmental documents have been implemented. For example, conducting the air pollution management in a preventive method, such as to operate the machine based on SOP, regular machine maintenance, install the filter, and oil changes based on the technical guides. Based on the evaluation of air quality, noise, and water quality results, it is known that all parameters still comply to the standard, and there is no indication of contamination.

Social Impact Assessment

The company has SIA plan for 2023. The document states the source of impact, management objectives, management plan, and location and time implementation. There are several aspects that are managed, including;

- **Ajamu:**
 - Public and social facilities
 - Business Opportunity for surrounding Community
 - Job Opportunity

- **Meranti Pahami**
 - Public facilities and social facilities
 - Employment Opportunity
 - Conflict with breeders
 - Groceries Bazar

The company has documentation on the planning program held with the relevant stakeholders, it was held in Panai Hulu District Office on 10th July 2023 with 27 participants.

Based on the interview result with Cinta Makmur Village, the SIA program can be confirmed. The village representatives were involved in the implementation of SIA program as well as for the SIA evaluation.

3.4.3

Environment Impact Assessment

The company has the Environmental Monitoring and Management Plan and reports it to the Environmental Agency of Labuhanbatu. The implementation of Environmental Management and Monitoring is carried out in accordance with the direction as described in indicator 3.4.1. The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis. It means the management and monitoring plans are in sync with the actual implementation.

The RKL-RPL document also shows that the company has managed all the recommended impacts. One of the evaluations conducted by the company is the compliance evaluation. Numerous things can be concluded from that evaluation, for instance: the company conducts the air pollution management in a preventive method, such as to operate the machine based on SOP, regular machine maintenance, install the filter, and oil changes based on the technical guides. Based on the evaluation of air quality, noise, and water quality results, it is known that all parameters still comply to the standard, and there is no indication of contamination.

Based on the field observations, it can be seen that the company has carried out environmental management in accordance with the RKL-RPL by having signboard for conservation areas, prohibits hunting protected animals. Based on the results of interviews with Environmental Agency of Labuhanbatu, the company has reported the RKL-RPL regularly.

Social Impact Assessment (SIA)

The company has carried out Monitoring and Management of Social Impacts in 2023 by managing 3 (three) impact parameters, including public facilities and social facilities, job opportunities, and business opportunities. The SIA evaluation has not been done because the SIA program has not been conducted by the time this surveillance audit is held. However, the company can show the program progress. For example, from the meeting with relevant stakeholders it was decided to have a road maintenance in Bagan Bilah Village. The company provides the information on the agreement letter with third party for the construction and the schedule for the road maintenance.

	Status: Comply	
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3.5

A system for managing human resources is in place.

3.5.1 and 3.5.2

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

Recruitment procedure

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

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

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

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

- Workers with the initials SPD who have sent their application letter on 25 June 2023 and have been accepted as workers through the acceptance stages determined by the procedure, for example: ability test, medical test, etc. The worker has received an agreement which was signed on 01 July 2023.

Payroll and incentive systems

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

The wage reference used by the certification unit is Decree of the Governor of Sumatera Utara Number 188.44/949/KPTS/2022 concerning the Sumatera Utara Minimum Wage in 2023. In the document, it is explained that the minimum wages Labuhanbatu Regency in 2023 is IDR 2.710.493. Furthermore, there is the determination of wages by the unit of certification in accordance with Decree of the Board of Directors of PT Perkebunan Nusantara IV number 04.07/Kpts/37/VII/2023 regarding Basic Salary and Special Allowances for Group IA Employees until IVD 2022 issued on 20 July 2023. In the document explained that the wages of group IA in 2022 were IDR 2.710.493 which is valid from January 1, 2023.

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

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

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

- LS (initial) performance appraisal document for the 2022 assessment period which provides information regarding the assessment criteria, assessment results and follow-up of the assessment results.
- Promotional document in the form of LS (initial) Promotional Decree Number UG/KPTS/MEP/03/VII/2023 issued on 31 July 2023. The worker is promoted from the position of harvest foreman to foreman I of Afdeling III.

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

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

3.6.1

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

The Company already has a Risk Management document (HIRAC) prepared by the POM and Estate Risk Management Team. The document describes the risk assessment and its control for all operational areas of the company which are reviewed annually, for example the POM HIRAC document which was revised on February 20, 2023

Based on field observation, hazard identification risk assessment and control (HIRAC) documents has been implemented adequately and appropriate in Estate and Mill. For examples: operator uses ear muff, harvester uses helmet, etc

3.6.2

Based on document review as well as field observations in warehouses and harvesting activities, known that the company has completed OHS instructions such as banners for gathering points, evacuation routes, and OHS warnings in order to controlling risks and potential hazards for all employees, for example, warning about PPE mandatory areas at each station according to the identification of risks and potential hazards.

In additions, the company carries out activities to monitor the effectiveness of the OSH plan such as:

- Regular monthly OHS meetings for each unit in the context of the effectiveness of the OSH plan that has been prepared in the beginning of the year.
- MCU.
- The company simulates land fires per semester.
- Hold a First Aid Kit Simulation for each management unit.

All operators have received training in accordance with applicable regulations, for example:

- Already have 4 certified boiler operators
- Already have 2 certified lift operators and production personnel
- Already have 4 certified first aid workers, for example on behalf of AN with license number 080/P3K/DTK/SU/2022 dated 11 October 22 which is valid until 11 October 2023
- Already have 18 certified firefighters, for example certificate number SF.1158/BPPIKHL-Sum/KHL/PPI.4/3/2022 dated 31 March 2022 which was held by the Ministry of Environment and Forestry, Center for Climate Change and Forest and Land Fire Control for North Sumatra Region on 29 – 31 March 2022, etc.

Based on interview with the Manpower Agency of Labuhanbatu Regency, it is known that occupational accidents have been reported regularly in the OHS Guiding Committee quarterly report where there have been no deaths cases or fatality.

	Status: Comply	
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3.7

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

3.7.1 & 3.7.2

The company has shown results of training identification and program for 2021-2022 in order to improve the competence and expertise of all workers including contractors. The company had identified the needs of competence standard and the proposed training for each worker (including contract workers). The certification unit has identified and carried out training for the 2022-2023 period including the following:

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

The company also showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, smallholders, and related stakeholders. The following is an example of training/socialization documentation that had been carried out, for example:

- Socialization of High Conservation Value to workers on 10 January 2023.
- Training on proper spraying techniques for spray workers on 09 March 2023.
- Simulation of Basic Level Forest and Land Fire Control on 30 December 2023.

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

3.7.3

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

responsibilities for each of the personnel who handle products.

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

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1, 3.8.2 and 3.8.15

Based on the results of a document review and interviews with management, it is known that the POM processes Fresh Fruit Bunches (FFB) from plantations/ estates that are certified and not certified by the RSPO P&C.

The mill has verified the volume and source of certified and non-certified FFB that goes into the mill and sales volume of RSPO certified product.

Because the POM processes certified and non-certified FFB without physical separation, only the MB Module applies.

3.8.3

Estimated certified product recorded in the last assessment report. Actual certified produced has been verified during this assessment and not exceed the estimate. The estimates of certified production for the next license period describe at ASA-1.4 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume 01 February 2023 to 05 November 2023) (MT)	*Actual (MT)
FFB Certified	155,000	132,850.84
CSPO	32,550	28,693.22
CSPK	6,200	4,762.72

**Actual production 12 months before audit (August 2022 – July 2023)*

3.8.4

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

- Member Name: Kebun Ajamu PT Perkebunan Nusantara IV
- License ID: CB143561
- Core Product: Palm Oil
- Member ID: RSPO_PO1000004202
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

3.8.5

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

Based on the interviews with weighbridge officers and security, the two personnel have been able to explain well about

the management of certified and uncertified products, especially regarding the origin of the FFB source.

3.8.6

The Procedure to conduct supply chain internal audit set in SOP of RSPO Internal Audit (No. 21 dated 2 January 2018). In the SOP mentioned that internal audit will be conducted annually. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 24 – 29 July 2023. Based on result of internal audit, there is not non conformity SSCS indicators and complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 1 August 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, 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	12,642.50	5,885.00	18,527.50
Sep-22	11,028.24	6,684.26	17,712.50
Oct-22	12,298.32	6,161.68	18,460.00
Nov-22	11,515.57	4,904.43	16,420.00
Dec-22	12,567.86	5,717.03	18,284.89
Jan-23	7,467.51	2,337.49	9,805.00
Feb-23	8,779.89	3,795.11	12,575.00
Mar-23	11,631.03	4,951.47	16,582.50
Apr-23	10,113.95	4,051.05	14,165.00
May-23	12,895.50	5,296.00	18,191.50
Jun-23	9,975.27	6,217.23	16,192.50
Jul-23	11,935.20	6,377.30	18,312.50
Total	132,850.84	62,378.05	195,228.89

Estimated certified product recorded in the last assessment report (ASA-3). Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected Certified Volume 01 February 2023 to 05 November 2023) (MT)	*Actual (MT)
FFB Certified	155,000	132,850.84
CSPO	32,550	28,693.22
CSPK	6,200	4,762.72

**Actual production 12 months before audit (August 2022 – July 2023)*

According to the data during the license period, there still has not been any overproduction yet.

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

3.8.8

The mill has product information provided in such as document of weighbridge ticket, delivery order and other invoices, as example at invoices of CPO certified delivery on 14 August 2023. The information provided on invoices are:

- The name and address of the buyer (PT Industri Nabati Lestari - Simalungun);
- The name and address of the seller (PT Perkebunan Nusantara IV – Ajamu POM in Labuhanbatu District)
- The loading or shipment / delivery date (14 August 2023);
- A description of the product supply chain model (Mass Balance)
- The date on which the documents were issued (14 August 2023);
- The quantity of the products delivered (27.47 ton);
- Any related transport documentation (transport by PT Wahana Adidaya Pertiwi);
- A unique identification number (N00DDF1712308140000002);
- RSPO certificate number (Mutu-RSPO/134);
- etc.

3.8.9

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

1. Agreement with CPO & PKO Transporter of PT Wahana Adidaya Pertiwi No. 04.05/S.Perj/Pem/02/III/2023 dated 15 March 2023, valid thru 31 December 2023.
2. Agreement with CPO Transporter of PT Kereta Api Indonesia No. 04.05/S.Perj/Pem/03/III/2023 dated 13 March 2023, valid thru 31 December 2023.

Based on interviews with CPO & PK Transporter i.e. PT Wahana Adidaya Pertiwi (CPO & PKO transporter) & CV Karya Mandiri (PKO transporter), it is known that no problems in payment, must use PPE because it is stated in the agreement, provided socialization regarding RSPO & ISPO, fulfillment of regulatory obligations such as BPJS registration, worker age and wages above the minimum wage and in the clause of the work agreement, have agreed that are willing to be audited at any time by the certification body appointed by the first party, there will be no forced labor or child labor and compliance with relevant regulations.

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

3.8.10 and 3.8.11

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

1. PT Wahana Adidaya Pertiwi (CPO & PKO transporter)
2. PT Kereta Api Indonesia (CPO transporter)

3.8.12

The company has current records and reports stored at the mill office, complete, accurate and up to date. All records can be accessed by auditors, such as certified product delivery records, sales contracts, delivery orders/invoices, production and product sales reports. Based on document verification in the Procedure for Handling Certified Palm Oil Products, document number 04.03/UNIT/SUS/P/001, revision 04, revision date 26 June 2023, it is explained that:

- The minimum retention period for all documents and reports is two years for handling Certified Sustainable Palm Kernel Oil (CSPKO) and Certified Sustainable Palm Kernel Expeller (CSPKE)
- The minimum retention period for all documents and reports is five years for handling Certified Sustainable Palm Oil (CSPO), Certified Sustainable Palm Kernel (CSPK)
- The minimum retention period for all documents and reports is five years for handling Certified Fresh Fruit Bunches (FFB).

For example, records of all volumes of certified palm oil/palm kernel oil purchased (input) and claimed (output) for the 12-month period prior to the audit (August 2022 – July 2023):

CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
August 2022 – July 2023	30,280.83	12,392.45	42,673.28

Month	CSPO Dispatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
August 2022 – July 2023	18,476.32	-	-	18,476.32

CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
August 2022 – July 2023	5,543.79	2,570.34	8,114.13

Month	CSPK Dispatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
August 2022 – July 2023	3,937.32	-	-	3,937.32

3.8.13 and 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 12-month period for August 2022 to July 2023 i.e OER 20.92 % and KER 3.58 %. Periodically update of extraction is actual extraction.

3.8.16

RSPO IT Platform member registration number for Ajamu POM is RSPO_ PO1000004202. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example:

- Certified CPO sold to PT Musim Mas - Belawan dated 1 February 2023 for 250 MT and transaction creates in IT Palm Trace dated 23 February 2023 (Transaction ID TR-5e7c64b3-d71a).
- Certified PK sold to PT Perkebunan Nusantara IV Pabrik Pengolahan Inti Sawit Pabatu dated 12 July 2023 for 802,54.04 MT and transaction creates in IT Palm Trace dated 25 July 2023 (Transaction ID TR-872c16e9-e35b).

3.8.17

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

	Status: Comply	
PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS		

4.1
The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.
4.1.1

The company shows the Plantation Management System Policy document which has been in effect since January 2022 which was approved by the Director. The document states that the company is committed to human rights and respecting the rights of Human Rights Defenders in carrying out operational activities. This policy was socialized to workers on 13-18 February 2023 which was attended by 357 participants including workers and external stakeholders.

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

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

4.1.2

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

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

Status: Comply

4.2
There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.
4.2.1

The unit of certification has a system to handling complaints and grievances in document of procedure for handling customer and environmental complaints No. SPO 13. This document explains about the mechanism to anticipate community turmoil. Company also has procedure for communication and consultation with community document no. SPO 03. This document explains the mechanism to received complaint or consultation from local community and set the time to respond the consultation. Other than that, company also has whistleblowing system that implemented in all activity of company. If the resolution is not found mutually, the complaint handling will be taken to third party, which means it can be brought to RSPO Complaint System. This statement is contained in SPO 19 Procedure for internal communication and handling internal complaint and has been socialized to the internal and external stakeholders. For example, company has shown minutes of Socialization of SOP Communication and Consultation to Internal Parties (Employees) and Stakeholders on 30 January 2023.

Based on the interviews with the surrounding communities (Sei Sentosa Village), contractors, and workers, it revealed that they had a good understanding of the communication procedures and personnel who served as communicators between the company and the community so that illiterate people can be informed by the related communicators. In addition, during the past year, there were no complaints or disputes that occurred between the company and the surrounding communities.

4.2.2

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

of the report can be represented by the Labor Union and the HR/General Assistant.

4.2.3

Based on documentation of internal and external stakeholders, there is no complain for 2022-2023. Based on interview with local community, representative of worker union and gender committee, it is known that there is no complaint yet. External stakeholder just submit request for assistance from surrounding villages.

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

4.2.4

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

Based on documentation of internal and external stakeholders, there is no complain for 2022-2023. Based on interview with the local community, there is no complaint yet. There are request for assistance only from surrounding villages. For example, the application for the construction road in Meranti Paham Village was dated 19 February 2023 and was assisted on 16 March 2023.

	Status: Comply	
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4.3

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

4.3.1

The company has CSR plan for 2023 based on the meeting with relevant stakeholders. It was held on 10th July 2023. By the time this surveillance audit is conducted, the program plan hasn't been implemented. However, the company can show the program progress. For example, from the meeting with relevant stakeholders it was decided to have a road maintenance in Bagan Bilah Village. The company provides the information on the agreement letter with third party for the construction and the schedule for the road maintenance.

Based on the interview result with Cinta Makmur Village, the CSR program can be confirmed. The village representatives were involved in the implementation of CSR program, such as the mosque renovation in March 2023 and road maintenance in April 2023.

	Status: Comply	
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4.4

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

4.4.1

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

Land Use Title

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

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

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

Location Permit.

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

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

Plantation Permit

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

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

4.4.2; 4.4.3, 4.4.4; 4.4.5 and 4.4.6

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

	Status: Comply	
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4.5

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

4.5.1; 4.5.2; 4.5.3, 4.5.4; 4.5.5, 4.5.6; 4.5.7; 4.5.8

Based on document areal statement and interview with management, there is no new planting in Ajamu and Meranti Paham Estate. Then, based on document “*Selayang Pandang Kebun Ajamu dan Meranti Paham*”, it is known that plantation area was originally a Japanese-owned plantation company “Namura” since 1935. Then nationalized by Indonesia Government in 1961. Therefore, land acquisition is not from surrounding community. Besides, based on interview with representative of Cinta Makmur Village and Teluk Sentosa village, there is no legal rights in the village or surrounding villages.

	Status: Comply	
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4.6

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

4.6.1; 4.6.2; 4.6.3 and 4.6.4

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

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

	Status: Comply	
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4.7

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

4.7.1; 4.7.2 and 4.7.3

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

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

Status: Comply

4.8

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

4.8.1; 4.8.2; 4.8.3 and 4.8.4

Based on interview with representative of Cinta Makmur Village and Teluk Sentosa village, there is no land disputes with the company. It is also known that there are no legal rights in surrounding village. The same thing also said by the representative of Plantation Agency of Labuhanbatu Regency, that there is no land dispute in PTPN IV Ajamu and Meranti Paham.

Based on document areal statement and interview with management, there is no new planting in Ajamu and Meranti Paham Estate. Then, based on document "*Selayang Pandang Kebun Ajamu dan Meranti Paham*", it is known that plantation area was originally a Japanese-owned plantation company "Namura" since 1935. Then nationalized by Indonesia Government in 1961. Therefore, land acquisition is not from surrounding community.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION
5.1

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

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

Based on interview with management, it is known that the company received FFB from FFB supplier other than its own estates (Ajamu and Meranti Paham Estate) in March to May 2023. The indirect suppliers are PT Bravo Anak Kolong, PT Rama Angkasa Mandiri, and CV Duta Mandiri. It can be confirmed by the agreement letters with each supplier, for example agreement letter between PTPN IV Ajamu POM and PT Bravo Anak Kolong number PKS-AJA/BAK/SP-TBS/02/II/2023 on 9th February 2023 and valid until 7th February 2024.

The other documents also confirmed the purchase, including:

- Payment to PT Rama Angkasa Mandiri for 109.400 kg FFB purchase on 27th March to 31st March 2023, document number 101735047 on 4th April 2023.
- Payment to PT Bravo Anak Kolong for 48.200 kg FFB purchase on 27th March to 31st March 2023, document number 101735055 on 4th April 2023.
- Payment to CV Duta Mandiri for 59.930 kg FFB purchase on 27th March to 31st March 2023, document number 101735093 on 4th April 2023.

Based on the interview with FFB suppliers, there is no complaint on the payment. It is always based on the agreement. However, the company has procedure in handling the complaint.

The company can also provide the information of FFB suppliers coordinates. The FFB suppliers get the price information by WhatsApp chat from the company assistant.

5.1.7

The certification unit has calibrated the weighbridges by Department of Commerce and Industry UPTD Metrology Legal Rantauprapat on 15th June 2023 and valid until 15th June 2024, as details:

- Electric weighting bridge GSC, type GST 9700, serial number 1109692, max capacity 50.000 kg and min capacity 10 kg.
- Electric weighting bridge AND, type AD-4329, serial number N1523205, max capacity 50.000 kg and min capacity 10 kg.

The test results are legalized based on the law of Republic Indonesia No 2 in 1981 concerning Legal Metrology.

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, 5.2.5

Based on interview with management, it is known that the company received FFB from FFB supplier other than its own estates (Ajamu and Meranti Paham Estate) on March to May 2023. The indirect suppliers are PT Bravo Anak Kolong, PT Rama Angkasa Mandiri, and CV Duta Mandiri. It can be confirmed by the agreement letters with each supplier, for example agreement letter between PTPN IV Ajamu POM and PT Bravo Anak Kolong number PKS-AJA/BAK/SP-TBS/02/II/2023 on 9th February 2023 and valid until 7th February 2024. There is no FFB purchase from direct suppliers. The company provided socialization to FFB suppliers regarding to RSPO.

5.2.4

The unit of certification can show training documents that were carried out such as Training on proper spraying techniques for spray workers on 09 March 2023.

Based on the results of interviews with pesticide applicators at Ajamu Estate and Meranti Paham Estate, it is known that workers have received routine training every year by the unit of certification and during field visits workers have implemented good and correct use of pesticides according to their procedures.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

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

Based on the results of interviews with harvesters and the spray team as well as representatives of the Cinta Makmur Village community. It is known that all this time everyone has the same treatment to get job opportunities, for example it is shown by the disclosure of information when there are job vacancies that are published in a transparent manner. From the list of employees updated for the July 2023 period, it is also known that the current employee demographics are diverse, not limited to religion, ethnicity, and certain groups.

An example of an open job vacancy announcement has been shown, for example for a harvester position the period is

December 2022. There are no working conditions in the vacancy that discriminate against certain groups. Thus, it can be concluded that the company has implemented a policy regarding equal opportunities and treatment to obtain employment opportunities.

6.1.2

The certification unit shows an employee list document that informs religion, ethnicity and gender for the period July 2023. From the document it is known that the employees in each unit come from different regions, for example: Lumajang, Medan, Ngawi, Samarinda, Bengkulu, Aceh, Bandung and Purbalingga. From the document, it is also known that the employees who work consist of Muslims and Christians as well as ethnic groups including Malay, Javanese, Batak, Sundanese, Nias and Bugis.

Based on interviews with plantations and mill workers, worker unions and gender committees revealed that the recruitment of workers is based on the needs of the unit of certification without distinction of ethnicity, religion and background. All prospective employees are entitled to the opportunity to work in accordance with their scientific background and company needs. During 2022-2023 there will be no discrimination problems against workers. In addition, based on interviews with local communities (Cinta Makmur Village), it can be seen that so far there have been no acts of discrimination within the certification unit or its surroundings. The certification unit always provides equal opportunities to the surrounding community to work in the certification unit in accordance with the stipulated provisions and needs.

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

6.1.3

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

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

- LS (initial) performance appraisal document for the 2022 assessment period which provides information regarding the assessment criteria, assessment results and follow-up of the assessment results.
- Promotional document in the form of LS (initial) Promotional Decree Number UG/KPTS/MEP/03/VII/2023 issued on 31 July 2023. The worker is promoted from the position of harvest foreman to foreman I of Afdeling III.

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

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

6.1.4

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

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

6.1.5

The unit of certification has established a gender committee in each unit as an organization to manage complaints by women workers in the event of sexual harassment and violations of reproductive rights. The organizational structure of

the gender committee consists of a general chairman, general secretary, general treasurer, and representatives in each unit. It was further explained that the gender committee provides support to female employees, including protection and maintenance of women's health, maintenance of family life and welfare, protection from sexual harassment and violence, providing continuing education that gender equality exists in the unit of certification. Based on document verification, it is known that there are 10 members of the Gender Committee for the 2023 Period spread across each management unit (Estate and Mill). The unit of certification shows the work program of the Gender Committee for 2023 such as:

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

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

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

6.1.6

The Certification Unit does not discriminate against workers' rights, this is indicated by the payment of equal wages for workers in the same scope of work. The certification unit issued a decision on the payment of salaries for permanent employees and contract employees (PKWT) in 2023 based on Sumatera Utara Governor Decree No. 188.44/949/KPTS/2022 concerning Determination of province minimum wages in 2023 in the province of Sumatera Utara. The decree stipulates the district minimum wage (UMK) of Labuhanbatu is IDR 2.710.493.

The certification unit has also developed a salary structure and scale that applies to employees with more than 1 year of service. Based on Decree of the Board of Directors of PT Perkebunan Nusantara IV number 04.07/Kpts/37/VII/2023 regarding Basic Salary and Special Allowances for Group IA Employees until IVD 2023 issued on 20 July 2023. In the document explained that the wages of group IA in 2023 were IDR 2.710.493 which is valid from January 1, 2023.

The certification unit showed salary slip from 2 (two) harvesting workers number 4025571 and 4027440 that's same grade has same basic salary what distinguishes the income between the two is the status of family dependents and the results of their respective jobs and base on interview with harvest worker say the same thing, monthly income varies according to ability even though the level and basic wages are the same.

	Status: Comply	
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6.2

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

6.2.1

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

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

Contract and Wage Documentation

The wage reference used by the certification unit is Decree of Sumatera Utara Province No. 188.44/949/KPTS/2022 concerning minimum wages in Sumatera Utara Province dated 28 November 2022. In accordance with the decree, it is known that Sumatera Utara Province minimum wage is IDR 2.710.493. Furthermore, there is the determination of wages

by the unit of certification in accordance with decree of the directors of PT Perkebunan Nusantara IV decision number 04.07/Kpts/37/VII/2023 regarding basic salary and special allowances for class IA employees up to IVD in 2023.

As the decision letter, employees are divided into class IA - IID with a range of grade 1 - 14. For example, class IA has a wage of IDR. 2,710,493 while class IID has a wage of IDR. 3,964,905. The difference in wages is due to the implementation of the structure and scale of wages for each level of permanent employees. In addition, there is also a wage for contract workers, namely IDR 2.710.493. In addition, in 2022-2023 Collective Labour Agreement between Labor Union PT Perkebunan Nusantara IV also regulates wages. The types of employment arrangements are there in the company are contract workers and permanent employees, the type of contract worker is in peak crop harvest and upkeep work scope.

Contract workers and permanent employees are given full wages equal to minimum wage with social assistance benefits. Based on employee payroll, it is known that wage payments are equivalent for the same coverage of work. For example, it can be seen from the proof of payment of employee salaries for the period of July 2023 as follows:

- Contract worker:
Employee ID: 4025571
Basic wage: IDR 3,116,458
- Permanent employee
Employee ID: 4017342
Basic wage: IDR 3,519,188

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

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

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

6.2.2

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

- Temporary workers agreement with the initials S.B signed on August 1, 2022. The agreement is valid from 01 August 2022 to October 31, 2022.
- Temporary workers agreement SPD signed on 01 July 2023. The agreement is valid from 01 July 2023 to 31 September 2023.

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

6.2.3

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

The company showed overtime payment in September 2022 that has been in accordance with applicable laws for workers

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

The company has also shown paid leave letter for example annual leave application form for employees with the initials NGD who applies for 4 days of leave of the total remaining 44 days of leave entitlement. The application was submitted on 08 June 2023 and was approved by the Farm Personnel Assistant on 08 June 2023.

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

6.2.4

Company has provided housing facilities on Ajamu (Estate and Mill) and Meranti Paham Estate. For example, list of facilities in 2023 including houses, mosque, church, workers hall, football field, volley ball field, badminton field and school bus. Based on field observation to housing complex of Mill and Estates. The company shows a list of Facilities and Infrastructure at Ajamu Estate and Meranti Paham Estate for the 2023 period, which explains that the infrastructure is in good condition.

6.2.5

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

Based on interviews with estate and mill workers, labor unions and gender committees, it's known that workers have no difficulty in getting food sources because the workers can buy these needs to the markets around the company's area without any difficulties and the distances not too far about 15 minutes riding a motor cycle and the farthest is about 10 km.

6.2.6

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

- Sumatera Utara Province minimum wage in 2023 : IDR 2.710.493
- Allowance
 - Rice : IDR 238,800
 - House : IDR 499,885
 - Electricity & Water : IDR 124,971
 - Special Allowance : IDR 323,885

Apart from getting wages in the form of money, employees also get other benefits, such as housing facilities and their supports. In addition, health facilities and facilities for children have also been provided. So that the prevailing wage value is around IDR. 3,898,034 the calculation base on regular price in the area.

6.2.7

- Based on the results of interviews with harvest workers and harvest foremen in Afdeling I and III of Ajamu Estate, it is known that there are still harvest PKWT (contract) workers who have started since 2021. Based on a review of the employee list document, it is known that there were 93 harvest PKWT workers in July 2023.

- Based on the results of interviews with harvest workers in Afdeling II and IV Meranti Paham Estate, it is known that there are still harvesting PKWT workers who have started since 2021. Based on a review of the employee list document, it is known that there are 56 harvesting PKWT workers. However, the PKWT has not been registered with the Labuhanbatu Regency Employment Service. Furthermore, according to the document review, it is known that the PKWT harvest contract is made every 3 months with the latest contract being 01 July 2023 to 30 September 2023.

In accordance with Government Regulation no. 35 of 2021 in the PKWT section explains that

- PKWT cannot be held for work that is permanent and PKWT can be held based on a period of time (work that is estimated to be completed not too long ago, seasonal work, work related to new products or additional products that are still in trial or exploration).
- In the event that PKWT registration online is not yet available, the PKWT registration shall be carried out by the Entrepreneur in writing at the agency that administers government affairs in the district/city manpower sector, no later than 7 (seven) working days from the signing of the PKWT.

In conclusion, it is known that:

- The company has not been able to provide sufficient evidence that all permanent work is not carried out by Fixed Time Workers (PKWT).
- The company has not been able to show proof that it has recorded PKWT at Meranti Paham Plantation to the relevant agencies.

This becomes **NCR No. 2023.01 with minor raised to major category.**

6.2.7	Status: Nonconformity No. 2023.01 with minor raised to major category.
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6.3

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

6.3.1

The certification unit has a Social Policy which was passed in December 2011 and there is a point in it that states that the company gives freedom to all workers to associate in accordance with the applicable laws and regulations. Based on interview result with sample workers in estates and mill, it is known that they have been aware of freedom to associate in form of labour union in each unit.

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

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

6.3.2

- The company has a labor union based on documents establishing proof of registration of the labor union at the Labuhanbatu Regency Manpower Agency with Recording Proof Number 04/SP-BUN/AJA/VII/2021 dated July 22, 2021, and No. 32/SP-BUN/IX/2021 dated September 15, 2020.
- Interview results with representatives of labor union of Ajamu Unit and Meranti Paham Unit show that there were meetings with the company in the last 2 months regarding the preparation of the collective labor agreement 2024-2025 and the existence of cattle in the Meranti Paham Plantation. However, the minutes of the meeting could not be shown.

Thus, based on the explanation above, the company has not been able to show sufficient evidence that it has minutes of meetings between the certification unit and the labor union. This becomes **NCR No. 2023.02 with minor category.**

6.3.3

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

6.3.2	Status: Nonconformity No. 2023.02 with minor category.
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6.4
Children are not employed or exploited.
6.4.1

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

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

This policy has been socialized to all employees in each estate, mill, and local contractor on 06 March 2023. The certification unit can show documentation, attendance lists and socialization materials.

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

6.4.2

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

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

6.4.3

Based on document verification list of employee July 2023 in PT Perkebunan Nusantara IV (Ajamu estates and mill also Meranti Paham Estate) then also field observations revealed that in the last 1 (one) year there were no apprentices in the

certification unit's operational areas and there are no employees in the young worker category.

6.4.4

Based on interviews with the gender committee and workers in the field revealed that the workers had understood the rules regarding the prohibition of bringing children to work. The certification unit also showed the minutes of socialization on the prohibition of employing child labor, the prohibition of forced labor/slavery for employees and contractors on 06 March 2023.

Status: Comply

6.5

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

6.5.1 and 6.5.2

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

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

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

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

6.5.3

The certification unit shows the document for the list of new mothers in 2022-2023. From the list, it is known that from January 2022 to July 2023 there was no employee pregnant and gave birth. Even though there are no workers who are pregnant and giving birth so far, the company has identified the needs of young mothers so that if there are pregnant women and have just given birth, their needs have been accommodated. For examples the certification unit show identification of new mothers 2023 needs such as:

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

6.5.4

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

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

worker unions, hotlines and email provided by the certification unit and via the RSPO website. Based on interview result with gender committee and labour union representatives, as well as sample workers, there is no complaints has been submitted to company.

	Status: Comply	
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6.6	No forms of forced or trafficked labour are used.
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6.6.1
Based on interviews with operational staff revealed that all employees were those who passed the recruitment and selection process according to certification unit procedures and requirements. The certification unit post job vacancies then prospective workers come voluntarily to apply for jobs that are available for free and there is no holding of identity documents. Worker given a copy of their employment work agreement which has been co-signed with the management representative and is the same as the initial hiring agreement. Overtime is monitored by the certification unit and workers are given the freedom to choose overtime. The certification unit also does not force or make it difficult for employees to resign. There is no penalty for termination if they wish to terminate the contract early.

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

6.6.2
There aren't had migrant workers who work in the certification unit's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in certification unit regulations, collective labor agreements, and in work agreements. Based on the employee list, it is known that all employees are permanent and contract worker. For example, there is work contract No. MEP/S.Perj/14/VII/2023 for RAS (initial) for peak harvest work.

	Status: Comply	
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6.7	The unit of certification ensures that the working environment under its control is safe and without undue risk to health.
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6.7.1
The certification unit shows the document ratifying the OHS committee organizational structure in each management unit as below:

- Decree of the Head of the North Sumatra Province Manpower Office no 144/P2K3/DTK/2023 dated 12 July 2023 regarding the ratification of the OSH supervisory committee at **Ajamu Estate** with BS as secretary. The OHS Secretary has attended the Indonesian Ministry of Manpower Certification General OHS Expert training which was held on 23 August – 04 September 2021 which was organized by the OHS Training Services Company. The company shows Decree of the Minister of Manpower number 5/11046/AS.02.04/IX/2021 dated 30 September 2021 concerning Appointment of General OHS valid for 3 years and General OHS Authority Card with registration number 102365/PK3/AJ/12/2021/P0 30 September 2021 which is valid until 30 September 2024.
- Decree of the Head of the North Sumatra Province Manpower Office no 149/P2K3/DTK/2023 dated 12 July 2023 regarding the ratification of the OSH supervisory committee at **Ajamu POM** with YH as secretary. The OHS Secretary has attended the Indonesian Ministry of Manpower Certification General OHS Expert training which was held on 23 August – 04 September 2021 which was organized by the OHS Training Services Company. The company shows Decree of the Minister of Manpower number 5/4598/AS.01.03/III/2023 dated 28 March 2023 concerning Appointment of General OHS valid for 3 years and General OHS Authority Card with registration number 0343280323/Q-AK3U/12/III/2023 28 March 2023 which is valid until 28 March 2026.
- Decree of the Head of the North Sumatra Province Manpower Office no 148/P2K3/DTK/2023 dated 12 July 2023 regarding the ratification of the OSH supervisory committee at **Meranti Paham Estate** with PPS as secretary. The OHS Secretary has attended the Indonesian Ministry of Manpower Certification General OHS Expert training which was held on 23 August – 04 September 2021 which was organized by the OHS Training Services Company. The company shows Decree of the Minister of Manpower number 5/11044/AS.02.04/IX/2021 dated 30 September 2023 concerning Appointment of General OHS valid for 3 years and General OHS Authority Card with registration number

102363/PK3/AJ/12/2021/P0 30 September 2021 which is valid until 30 September 2024.

OHS committee routinely conducts monthly meetings on OHS issues in the workplace. The documentation of the meeting was recorded and stored well. Based on interviews to workers who are members of the P2K3 organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident analysis, report, firefighting simulation, checking of emergency response equipment, OHS sign board, safety patrol, etc. SH shown the minutes of the OHS Ajamu POM monthly meeting on June 12, 2023, with the subject of discussion of fire simulations, first aid and riots which were attended by 21 participants (photos and attendance attached).

Based on interview with Manpower Agency of Labuhanbatu Regency, known that the management unit has submitted the OHS report every 3 months. The guiding committee for occupational health and safety report covers the entire occupational health and safety activity within company's operation.

6.7.2

The certification unit already has emergency response procedures and work accidents supported by supporting facilities such as:

- The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS System Management.
- The company has an OHS Policy issued at Ajamu Estate on 10 June 2021 at PTPN IV which has been signed by SP Bun (worker union) and the Plantation Manager explaining in one of the points as follows: Allocating and budgeting for personnel/funds and other facilities to support the implementation of the K3 Management System (SMK3).
- OHS System Management Procedure for Handling Emergency Situations No. Kebun Aja Document-4.3.17 revision 00 effective date 2 February 2020 which aims to provide instructions on how to respond quickly and appropriately to emergencies so as to reduce the impact of losses incurred.

The company has routinely conducted socialization and emergency response simulations, for example as follows:

1. Monitoring of first aid kits is available, for example monitoring of first aid at the Afdeling 2 Office which was inspected on 10 August 2023 with 21 complete items.
2. Organizational Structure for Emergency Management Ajamu Estate Year 2023 with Sihol Silitonga as chairman in charge of: Core Fire Team, Fire Team, Rescue Team, First Aid Team, Logistics Team, Evacuation Team, Emergency Response Team and Security Team with 4-6 members.
3. Inventory of 30 fire extinguishers in August 2023 scattered throughout the Ajamu Estate operational area.
4. Already have 4 certified First Aid officers, for example on behalf of Ari Nurmawan with license number 080/P3K/DTK/SU/2022 dated 11 October 22 which is valid until 11 October 2023.
5. Already have 18 certified firefighters, for example certificate number SF.1158/BPPIKHL-Sum/KHL/PPI.4/3/2022 dated 31 March 2022 held by the Ministry of Environment and Forestry, Center for Climate Change and Forest and Land Fire Control for North Sumatra Region on 29 – 31 March 2022, etc.

Based on the results of field visits at Ajamu Mill, Ajamu Estate and Meranti Paham Estate, it is known that the company has provided first aid in the workplace in accordance with established procedures, for example first aid for maintenance foremen and first aid for harvest foremen.

The company is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of no effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of Severity Rate and Frequency Rate is reviewed regularly, and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety.

6.7.3

The company has a Plantation Management System Policy which was approved by the Main Director in January 2022,

which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents by implementing OHS management system. It has also been arranged for the provision of the necessary resources in the preparation, implementation and continuous improvement. The mechanism that regulates PPE is contained in the SE(Letter) Mill Manager number AJA/SE/Intern/05/V/2020 dated 02 May 2022 it is known that the HR Assistant assigns the Foreman to distribute PPE to employees, Sanctions for not using PPE while working, procedure for replacing PPE damage.

The company can show the minutes of the handover of PPE. Based on the results of interviews with workers at POM and Estate, it is known that workers have been equipped with PPE which is provided free of charge.

Based on field visits to the rinse house, PPE Storages in Ajamu Estate and Meranti Paham Estate as well as interviews with pesticide applicators at Block 10D Division I Ajamu Estate, it is known that the company has provided a rinse house and PPE storages for pesticide applicators.

6.7.4

The company already has a list of employees which also includes *BPJS Ketenagakerjaan* and *Kesehatan* participant numbers for all employees. Based on a review of the company's employee list documents for July 2023 and proof of payment for *BPJS Ketenagakerjaan* and *Kesehatan* for the same period, it is known that the company has registered and paid all of its employees in the *BPJS Ketenagakerjaan* and *Kesehatan* programs, which consist of Work Accident Insurance (*JKK*), Death Insurance (*JKM*), Old Age Security Insurance (*JHT*) and Pension Guarantee/Insurance (*JP*) via Bank Transfer with proof of payment.

Based on interview with workers and labour union representative known that so far there have been no issues related to the use of insurance (*BPJS Kesehatan* and *BPJS Ketenagakerjaan*).

6.7.5

Company can show work accident records using Lost Time Accident (LTA). Calculation of work accidents using LTA 2022, it is known:

- Ajamu POM: there are no work accidents that cause lost working days during 2022.
- Ajamu Estate: there are no work accidents that cause lost working days during 2022.
- Meranti Paham Estate: there are no work accidents that cause lost working days during 2022.

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

Status: Comply

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

7.1

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

7.1.1

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

Based on the review of EWS documents, it is known that EWS is conducted every month. If the EWS results show an attack of more than 5% then a census will be carried out. If the census results show an attack of more than 5%, chemical control will be carried out according to R&D recommendations. For example, IPM control in division 2 block 19P covering an area of 20 hectares has been carried out by global telling on July 10, 2023, with the results of the census that the

average caterpillar of *Clarnia Tertia* is 10/palm. Then chemical control was carried out on July 19-21, 2023, for a land area of 10 hectares by injecting 2.5 liters of Delta chemicals.

7.1.2

Based on the beneficial plant monitoring documents, it is known that the company has utilized beneficial plants as one of the implementations of integrated pest control, including *Turnera subulata*. The results of field visits in Ajamu Estate and Meranti Paham Estate known that company has planted beneficial plant (*Turnera subulata*) type is available which is planted on the side of the road and is in a well-maintained condition. Based on the owl cage monitoring documents, it is known that the company has used *Tyto alba* as a method of biological pest control. The results of field visits in Block 23C Division I Ajamu Estate, it is known that there is Barn owl box.

Based on the results of document studies and field visits, it is known that the species used by the company for pest control include *Turnera Subulata*, *Antigonon leptopus*, *Cassia Cobanensis* and *Tyto Alba*, all of which are not classified as invasive species according to the Minister of Environment and Forestry Decree number 94 of 2016.

7.1.3

Based on document reviews, field observations, and interviews with workers and stakeholders, it is known that the company does not use fire to control pests.

	Status: Comply	
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7.2

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

7.2.1

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

7.2.2; 7.2.3

Companies can show documents on the use of pesticides for the period 2021-2023 (last 3 years). The document describes trademarks, active ingredients, LD50, oral LD50, LC50 inhalation, percentage of active ingredient, total application material, total area of application and total active substance per hectare. For example, the use of the trademark "Metsulindo 20 WP" in Ajamu Estate for the period January – June 2022 informs:

- Trademark: Metsulindo 20 WP
- Active Ingredients: Methyl Metsulfuron
- LD50 orally: 5000 mg/kg
- 11. Total active ingredients: 0,01 liters per/Ha

The company shows the procedures/policies related to pesticide mitigation contained in the Memo document Number 04.0/KOL/eM-259/II/2022 dated 14 February 2022, which explains the prohibition on the use of pesticides with active paraquat ingredients. Based on field visit to the chemical/pesticide storage warehouse at the Central Estate Warehouse, it is known that there is no pesticide with the active ingredient paraquat. Based on the results of the study of pesticide use documents for the last 3 years (2021-2023) in Ajamu Estate and Meranti Paham, it is known that the company does not use pesticides with the active ingredient paraquat in accordance with company policies.

The company has minimized the use of pesticides with the EWS method, census and if the census results exceed the threshold, chemical control is carried out. Besides that, based on the results of a field visit in block 23C div 1 Ajamu Estate, company has *Turnera subulate* to control Caterpillar and *Tyto Alba* to control rats.

The company shows the use of pesticides from 2020 -2022, for example the use of the trademark "Metsulindo 20 WP" in 2021 is 1,031.60 liters, in 2022 is 1,442.25 liters and in 2023 (until June) is 1,368.94 liters. The increase in the use of Methyl Metsulfuron is due to the immature area of the planting year 2022 - 2023 where weed control is carried out in 4 rotations.

7.2.4

To avoid the emergence of resistance in target species are done such as the rotation of pesticide use. There is no Prophylactic usage of pesticide. Based on interview with management representative the economic threshold of 5% according to the procedure is being implemented. The company is currently optimizing the usage of Turnera and Antigonon to tackle caterpillar pest and *Tyto alba* to control rats.

7.2.5

The certification unit does not use WHO class 1A and 1B pesticides or is included in the Stockholm convention ratified in Law No. 19 of 2009 and does not use paraquat. For example, the use of pesticides in Ajamu Estate and Meranti Paham Estate with the active ingredient Glyphosate (WHO class 3 = broad leaf weed).

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

7.2.6

The certification unit has conducted training for workers related to pesticides, for example Minutes of the Spraying and MSDS socialization training for Ajamu Estate on March 09, 2023, which was attended by 18 participants. The results of interviews with the spraying workers in Block 10D Division 1 Ajamu Estate known that the company has routinely provided training on spraying and MSDS for agrochemicals.

They can also explain that pesticides always applied in accordance with the product label, spraying techniques according to OHS procedures, and aspects that must be applied when spraying such as cleaning themselves in the rinse house and changing into clean clothes, cleaning PPE and work tools, as well as storing PPE and work tools. PPE is used according to the recommendations in each risk assessment.

7.2.7

Based on results of observation in housing area at Ajamu Estate and Meranti Paham Estate found that there were no traces of chemical packaging used as water reservoirs or other housing activities. In the storage area for hazardous waste in each estate, it is also known that pesticide storage areas are well managed and recorded according to their type and hazard, this result are in line with the documents review, in the form of waste manifests and log book.

Based on interviews with employees and the foreman of pesticide application, it is known that all pesticide packaging is collected at the designated storage area and then will be given to licensed waste parties and not be used for purposes other than pesticide application activities.

7.2.8

The company has SOP for Hazardous Waste Management No. 04.03/P/002 on 1st January 2021. It contains work instructions regarding hazardous waste management at point 7, including:

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

- Risk management
- Occupational Health and Safety

Based on the observation results to landfill nearby Ajamu POM employee housing and to landfill in Meranti Paham housing afdelling 2, there was no pesticide containers or packaging discarded to the pit. In addition, there was no reuse of pesticide containers as flowerpots nor as water storage in the employee housing in Ajamu and Meranti Paham. The interview results with housing residents and employees stated that the pesticide containers or chemical packaging waste were stored in the hazardous and toxic waste temporary storage in Ajamu and Meranti Paham. It will be handed over to the licenced hazardous waste transporter.

7.2.9

Based on the results of a document review and interview with spraying workers, it is known that the company does not apply the application of air spraying.

7.2.10

The CH has carried out health checks for pesticide workers. Based on field observations and interviews with spray workers in Block 10D Division I Ajamu Estate, it is known that workers have MCU. The company shows documents of routine health checks as follows:

- Cholinesterase special health check for 25 participants from Ajamu Estate workers conducted by PT Prima Medica Nusantara, Pabatu Hospital on August 8, 2022, with good results for 21 and 4 people with mild intoxication who were advised to work safely and comply with PPE.
- Cholinesterase special health check for 24 participants from Meranti Paham Estate workers conducted by PT Prima Medica Nusantara, Pabatu Hospital on August 8, 2022, with good results.

7.2.11

Based on the results of field visits on spraying activities and interviews with workers in Block 10D Division I Ajamu Estate and Divisi II Meranti Paham Estate it was found that there were no workers who were pregnant or breastfeeding. If there are identified workers in these conditions, their work will be transferred to jobs that are not related to chemicals.

Status: Comply

7.3

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

7.3.1

The company has procedure regarding waste management in these documents:

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

The company has temporary storage permit for Hazardous and Toxic waste in Ajamu Estate and Meranti Paham Estate:
Meranti Paham Estate

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

Ajamu Estate

Based on the decision of the Head of *Dinas Penanaman Modal Pelayanan Terpadu Satu Pintu* for Labuhanbatu Regency No. 503.660.30/135/DPMPSTP-BP2MNP/2021 on 17th February 2021 concerning Extension of hazardous waste storage permit to PT Perkebunan Nusantara IV Unit Ajamu in Perkebunan Ajamu Village, Panai Hulu District, Labuhanbatu

Regency, with a validity period of 5 years. The location coordinates at N 02° 21' 37,5" dan E 100° 02' 05,9". The types of waste that can be stored are; used chemical packaging, used oil, used oil filters, used batteries, contaminated waste, used cartridges, used lamps, medical waste, etc.

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

The company has an agreement with PT Veronica Tannaga as licensed hazardous waste transporter. PT Veronica Tannaga cooperates with a licensed management company in processing the waste, namely PT Non Ferindo Utama, PT Trigunapratama Abadi, and PT Prasadha Pamunah Limbah Industri.

The company has implemented hazardous waste management in accordance with its own procedures and Government Regulation Number 22 of 2021, among others by recording and documenting waste stored in the logbook and balance and submitted in festronic. The company submits the report to Environmental Agency of Labuhanbatu every 3 months, for examples:

- Meranti Paham Quarterly Hazardous Report I 2023 on 4th April 2023 with letter number MEP/X/32/IV/2023.
- Ajamu Quarterly Hazardous Report I 2023 on 4th April 2023 with letter number Aja/X/02/IV/2023.

7.3.2

The company has the following procedures:

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

Based on the observation result, the following was found:

- Scattered trash on Ajamu Estate block 18 N Afdeling 3 and block 09A in several spots.
- The company has landfill in Afdeling 1 Ajamu, but the trash is scattered nearby the landfill pit.
- Domestic waste was scattered in EBA.
- Scattered trash in several spot in employee housing Afdeling 2 and 4 Meranti Paham Estate.

The nonconformity in this indicator is categorized as minor, but it is recurred in ASA 4, therefore the status is minor raised to major.

Non-Conformance Description (NC minor raise to major NCR no 2023.03)

Based on the explanation, it can be concluded that the company has insufficient evidence for well managed waste implementation.

7.3.3

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

Based on the observation result, the following was found:

- There were domestic waste burning marks in Ajamu Estate employee housing Afdeling 3.
- There was a person burning domestic waste in Meranti Paham Estate Afdeling 2

The nonconformity in this indicator is categorized as minor, but it is recurred in ASA 4, therefore the status is minor raised to major.

Non-Conformance Description: NC minor raise to major NCR no 2023.04

Based on the explanation, it can be concluded that the company has insufficient evidence for waste management with zero burning policy implementation.

7.3.2 Status: NC minor raise to major NCR no 2023.03

7.3.3 Status: NC minor raise to major NCR no 2023.04

7.4
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.
7.4.1, 7.4.2, 7.4.3

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

- Soil analysis certificate number 2051/0.1/Sert/X/2020 dated 20 October 2020 from PPKS Laboratory for 9 Meranti Paham Estate soil samples with analysis parameters: Clay Fraction Sand dust, pH, C, N, P, K, Ca, Mg, Na, CEC, etc.
- Leaf analysis certificate number 2069/0.1/Sert/XI/2022 dated December 1, 2022, from PPKS Laboratory for 156 samples of Meranti Paham Estate and Ajamu Estate with analysis parameters: N, P, K Ca, Mg and B.
- Soil analysis certificate number 202050/0.1/Sert/X/2020 dated 20 October 2020 from PPKS Laboratory for 7 Ajamu Estate soil samples with analysis parameters: Clay Fraction Sand dust, pH, C, N, P, K, Ca, Mg, Na, CEC, etc.

CH shown the Fertilization Recommendations and Realization for the period January-December 2023, for example for 2023 fertilization recommendation for Meranti Paham Estate Division I block 07A with a Dolomite dose of 0.75 kg/palm. CH also has undertaken a nutrient recycling strategy for land and EFB applications. Based on document review and field visits, it is known that the company has applied EFB, solid and liquid waste.

7.4.4

CH has documented records of fertilization that has been carried out, for example:

- Realization of dolomite fertilization in 2023 for Division I Ajamu Estate up to June 2023 was 114,110.50 kg with an application area of 817 Ha.
- Realization of Dolomite fertilization for Division V Ajamu Estate up to June 2023 was 36,667.75 kg with an application area of 269 Ha.
- Realization of Dolomite fertilization for Division I Meranti Paham Estate up to June 2023 was 114,110.50 kg with an application area of 817 Ha.

Status: Comply

7.5
Practices minimise and control erosion and degradation of soils.
7.5.1

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

- PT PN IV (Ajamu Plantation & Mill Business Unit) Fragile Soil Map, with a scale of 1:25,000 which describes an area of fragile soil such as peat of 26.19 ha
- Soil Type Map, with a scale of 1:45,000 describes the types of soil on the primary map of Indonesia's earth (RBI scale of 1:50,000 in 2014, USDA soil classification data, and field survey in 2018). Tropaqueps, tropofluvents, protofibrils (organosol/peat) soil types were recorded covering an area of 2,884.64 ha, troporthents, dystropepts, and halibuts (regosol) covering an area of 723.77 ha and dystropepts and haplodults (latosol) covering an area of 1,384.98 Ha.

- The company can show the PT Perkebunan Nusantara IV Slope Class Map (Estate Ajamu and Meranti Paham) Scale 1: 75,000 made in December 2017 by PT. Indonesian Surveyor. Based on the map, it is known that the slope of the land in the operational areas of the two plantations is flat (0 - 2%) and very sloping (2 - 8%).

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

7.5.2

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

7.5.3

Based on the study of the area statement documents and field visits, it is known that there are no new plantings at Ajamu Estate and Meranti Paham Estate, but there are replanting.

	Status: Comply	
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7.6

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

7.6.1, 7.6.2, 7.6.3

Based on field observations and review of documents as well as interviews with management representatives it was found that there were no new plantings in the operational areas of Meranti Paham Estate and Ajamu Estate.

	Status: Comply	
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7.7

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

7.7.1

Based on field observations at all assessment locations during the audit, document review, and interviews with management representatives, it is known that there have been no new plantings on peatlands after 15 November 2018, both in existing development areas and no new development areas.

7.7.2

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

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

7.7.3; 7.7.4

To minimize subsidence of the peat, the company has periodically measured subsidence, groundwater level measurements, for example as follows:

- Measurement of subsidence in Block 09H Division I Meranti Paham Estate with a total subsidence during January - June 2023 of 1.95 cm
- The results of field visit to Block 19P Division V Meranti Paham Estate known that the company had measured the height of the water level in the peat using a piezometer.
- Based on document review of the distribution map of the locations of subsidence stakes, piezometers, water gates/stop bunds, water levels, it is known that the company has a total of 28 subsidence stakes, 33 piezometers and water gates.

Peatland subsidies have been attempted to be minimized by regulating water levels with regular monitoring using a piezometer and making dams with sandbags as a barrier and waster of water (with overflow). Based on the results of field visit at Block 131I Division V Meranti Paham Estate, it is known that the company has measured the groundwater level by installing a subsidence pole to maintain the groundwater level between 60 - 80 cm.

7.7.5

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

7.7.6

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

- Monitor the water level using a water level stick installed in the collection drain. There is a water barrier to ensure that the water level and water are maintained in the block.
- Based on document review of the distribution map of the locations of subsidence stakes, piezometers, water gates/stop bunds, water levels, it is known that the company has a total of 28 subsidence stakes, 33 piezometers and water gates.
- Based on the results of field visit at Block 131I Division V Meranti Paham Estate, it is known that the company has measured the groundwater level by installing a subsidence pole to maintain the groundwater level between 60 - 80 cm.
- Records of all water level monitoring are available. The results of the document review show that the company has periodically monitored the piezometer.
- Monitor the peat subsidence.
- Build dam/water barrier to maintain water availability during the dry season.
- Development of Nephrolepis in peat areas.

7.7.7

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

	Status: Comply	
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7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

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

There are some rivers located near to the company, namely Barumun Bilah, Kualuh, and Kubu River. The company has several management and maintenance programs for the water sources. It is listed in the RKL-RPL document, including:

- To create riparian buffer zone with a width of 100 meters and turning the area into HCV area
- To conduct regular monitoring at the riparian to prevent encroachment and illegal logging
- To conduct regular monitoring of surface water quality every semester
- To conduct regular monitoring of aquatic biota every semester
- To put warnings/prohibition signboards on riparian and other conservation areas
- To conduct socialization for villagers and other stakeholders nearby the river and riparian

Based on the observation result, it is known that the company's HGU area is not directly adjacent to the river, but there is a canal that flows towards the river from the company area. Signboards regarding protected animals were found in the main road to Meranti Paham and Ajamu Estate. There was also the marking boundary for chemical application (red crosses) on palm trees in the riparian, and no traces of chemical application were found.

Based on the interview result with resident in Ajamu POM housing, Ajamu Estate, and Meranti Paham Estate, it can be concluded that there was no problem with clean water availability. It was free of charge, with the criteria of being odourless, colourless, and tasteless. The nearby villagers also have access to clean water.

The company conducted water management by monitoring water quality standards on a regular basis. The water quality testing was held on 27 July 2023 by Sucofindo. Sample was taken from Sei Barumun River downstream and upstream.

Based on the testing result, it can be concluded that the company's operational activities do not cause negative impact to the environment.

7.8.2

The company reports surface water quality monitoring program in RKL-RPL matrix first semester 2023. It is managed and reported periodically. Surface water quality testing is conducted by KAN accredited laboratory. The standard for testing is based on Indonesia Government Regulation No. 22 of 2021 (Water Class II), all parameters are applicable with quality standards.

The company also shows documents related to river riparian management records as an effort to maintain water sources, including:

- To create riparian buffer zone with a width of 100 meters and turning the area into HCV area
- To conduct regular monitoring at the riparian to prevent encroachment and illegal logging
- To conduct regular monitoring of surface water quality every semester
- To conduct regular monitoring of aquatic biota every semester
- To put warnings/prohibition signboards on riparian and other conservation areas
- To conduct socialization for villagers and other stakeholders nearby the river and riparian

7.8.3

The company managed POME in WWTP with 10 ponds (total volume (52,800 m³). The company also has permit for Disposing Wastewater for PT Perkebunan Nusantara IV Ajamu Estate located in Perkebunan Ajamu Village, Panai Hulu District, Labuhanbatu Regency from *DPMPSTP* of Labuhanbatu Regency No. 503.660.31/492/DPMPSTP/2020 on 17th December 2020 and valid for 5 years. The permit mentioned that the company can dispose the POME after the treatment in certain coordinate of water body.

POME testing documents are shown from January to June 2023. The parameters result complies to the standards quality. For example, BOD on May 2023 is 89 mg/l with threshold 5000 mg/l and pH is 8.4 with threshold 6-9. All of waste water management and monitoring has been reported to related institutions regularly every 3 months and the quality testing still complies with KepmenLH number 5 2014.

Based on the observation results to WWTP, it is confirmed that there is no pollution to the environment such as leaks or flooding. Based on the interviews with WWTP officers, it is stated that the debit of POME is always recorded. The flowmeter used is functioning properly and there has never been a leak or flood in the WWTP area.

7.8.4

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

The water utilization documents and the payment receipt to relevant agency are shown from June 2022 to June 2023. For example, in June 2023, water utilization is 35.860 kg for 622.788-ton FFB processed. It can be concluded that the company utilized the water based on the permit.

Based on the interview and observation to the Water Treatment Plan (WTP), it can be confirmed that the company has flowmeter and still functioning properly. The officer responsible for WTP is having a comprehensive understanding on WTP function, as well as the technicality in recording flowmeter data.

Status: Comply

7.9

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

7.9.1

The company utilizes shells and fiber as boiler fuel to generate turbine power. It reduces the use of fossil fuels and optimizes the renewable energy. The confirmation record shown as follow:

2022	FFB Processed	Shell Used	Fiber Used	Kwh Turbine
January	9.519.850	1.332.779	675.301	179.994
February	11.291.700	1.580.838	797.173	225.470
March	10.450.820	1.463.115	706.057	229.620
April	8.706.200	1.218.868	556.958	201.960
May	13.268.150	1.857.541	986.349	296.382
June	13.252.040	1.855.286	858.173	298.152
July	11.331.590	1.586.423	828.812	262.360
August	11.207.600	1.569.064	699.918	244.049
September	12.915.500	1.808.170	842.498	293.110
Oktober	12.600.970	1.764.136	829.256	286.400
November	14.090.630	1.972.688	915.469	670.810
December	14.384.780	2.013.869	946.367	646.589
Total	143.019.830	20.022.777	9.642.331	3.834.896

Based on the data shown it can be concluded that the shell efficiency in January to December 2022 is 0,14 per ton FFB and fiber efficiency is 0,06 per ton FFB.

Based on this explanation, the company has increased the efficiency of using fossil fuels and optimizing the use of renewable energy.

Status: Comply

7.10

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

7.10.1

The company has an inventory of GHG in Identification of Pollution and Emission in 2023. Based on document analysis, the company has identified all source of GHG produced by its operational activity. Identification of significant sources of GHG emissions are identified and mitigation plans have been developed by the company covering mill and estates. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation, and machine maintenance, as well as periodic air quality tests. The company has reported the results of the GHG calculation to the public which was submitted to the RSPO GHG website.

Reduction of fossil fuels in the company has been conducted by using fiber and shells for fuel substitution. Based on the documents review for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it was found that accurate data has been entered into the RSPO GHG. Calculation of GHG and its monitoring has conducted

by sustainability department. GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emission for Ajamu POM and its supply base are listed as follows:

Summary of Net GHG Emissions

Product	tCO ₂ e / tProduct
CPO	5.75
PK	5.75
PKO	0.00
PKE	0.00

Description	Unit	Value
Oil palm planted on mineral soil	Ha	6200.98
Oil palm planted area on peat	Ha	6050.02
Total oil palm planted area	Ha	12251.00
Conservation area (Forested)	Ha	15.98
Conservation area (non-forested)	Ha	0.00
FFB Production per hectare	t/ha	17.46
OER	%	19.09
KER	%	3.27

This information is also included the oil palm planted on mineral soil and oil palm planted on peat in Panai Jaya Estate as the other FFB supplier (group estate).

Mill Emissions and Credits

Description	tCO ₂	tCO ₂ e/t FFB
Emission Sources		
POME	9392.56	0.04
Fuel Consumption	299.38	0.00
Grid Electricity Utilisation	0.00	0.00
Credits		
Export of Excess Electricity to Housing & Grid	0.00	0.00
Sale of PKS	0.00	0.00
Sale of EFB	0.00	0.00
Total	9691.95	0.05

Estate/Plantation field emissions and sinks

	Own		Group	3rd Party	
Description	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e/t FFB	Total
Emission Source					
Land Conversion	121166.48	9.89	0.00	0.00	121166.48

CO2 Emissions from Fertiliser	15472.53	1.26	0.00	0.00	15472.53
N2O Emissions from Peat	28698.68	2.34	0.00	0.00	28698.68
N2O Emissions from Fertiliser	5239.17	0.43	0.00	0.00	5239.17
Fuel Consumption	517.24	0.04	0.00	0.00	517.24
Peat Oxidation	209323.84	17.09	0.00	0.00	209323.84
Sinks					
Crop Sequestration	-114843.97	-9.37	0.00	0.00	-114843.97
Sequestration in Conservation Area	-3.85	-0.00	0.00	0.00	-3.85
Total	265570.12	21.68	0.00	0.00	265570.12

Palm Oil Mill Effluent

POME Produced	t/yr	118578
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0

7.10.2

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

7.10.3

The company has identified pollutions and emissions sources of Ajamu POM in 2023, such as CO₂ (boiler, generator, transportation), CH₄ (POME), hazardous waste (WTP and chemical storage), noise (machinery). The sources of pollution and emissions from estate are listed on the identification documents and management plans for pollution sources for 2023, such as emissions (CO₂, CO), noise, chemical waste, organic and inorganic waste, and infectious waste. Based on the monitoring result and also reported in RKL-RPL first semester 2023, all emissions are still complied with the regulation.

Plans to reduce or minimize significant pollutant have been implemented and monitored as explained in RKL-RPL first semester 2023. Fossil fuel reduction in Ajamu POM has been implemented by fiber and shell utilization for the boiler.

Status: Comply

7.11

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

7.11.1

The company has a plantation management system policy issued in January 2022 which states in point 15-point e, namely implementing zero burning during plantation development and actively supporting initiatives to prevent and monitor forest fires and haze. Based on the results of interviews with management representatives, it is known that replanting activities are carried out using the chipping and zero burning method. In addition, the results of a field visit to the immature area in Block 22K Division I Meranti Paham Estate found that there were no indications of burning.

7.11.2

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

- Periodic monitoring of fire-prone areas
- Carry out a land and forest fire patrol program in 2023 with evidence of patrol reporting
- Dissemination of fire prevention and control as well as the impact of fires on land owners and fire prevention
- Training and fire handling simulations that have been conducted at each estate.

Based on the results of interviews with workers' representatives, representatives of surrounding villages, the Environmental Service and Plantation Service of Labuhanbatu Regency, it is known that during 2022 - 2023 there were no cases of land fires in Ajamu Estate and Meranti Paham Estate.

7.11.3

The company has also involved stakeholders in locations adjacent to the company in efforts to prevent and control fires by socializing land fire control, for example:

- Socialization of prevention and control of land fires to all employees on December 30, 2022, which was attended by 31 participants.
- Socialization of prevention and control of land fires to stakeholders, trade unions and the surrounding community on 22 March 2023 which was attended by 89 participants.

Based on results of interviews with representatives of Cinta Makmur village and Meranti Paham village known that they had been involved in preventing and controlling fires in locations around the plantation.

	Status: Comply	
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7.12

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

7.12.1 & 7.12.8

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

7.12.2

The company has procedures for identification and maintenance of HCV area in SOP No. 08 on 2nd January 2018 revision.04.

Ajamu Estate

The company has identification document for High Conservation Value area of PT Perkebunan Nusantara IV – Ajamu Estate. It is included in the administrative area of Labuhanbatu Regency, Sumatera Utara Province in Panai Hulu District and interacts with Perkebunan Ajamu Village, Ajamu Village, Cinta Makmur Village, Sei Sentosa Village and Teluk Sentosa Village. The HCV assessment began from the preparation stage, direct observation stage and the report stage. It was conducted from 23rd November to 17th December 2017 by Surveyor Indonesia. The HCV area identification was ± 5,732.09 ha. The HCV area is 0.42 ha of public cemetery. The report also contains a map of the Conservation Areas with scale of 1:75,000 including the HCV criteria and total area.

Meranti Paham Estate

The company has identification document for High Conservation Value Area of PT Perkebunan Nusantara IV Meranti Paham Estate. It was conducted from 21st December 2017 to 30th January 2018 by PT Koompasia Enviro Institute. Based on the identification results, the HCV is 16.37 ha of river riparian and a public cemetery. Based on verification result with areal statement in basic info, HCV area has been included in planted area and has been managed properly. The report also contains a map of the Conservation Areas with scale of 1:45,000 including the HCV criteria and total area.

7.12.3

Currently, indicator 7.12.3 is irrelevant in Indonesia.

7.12.4.

The company has maintained High Conservation Values area according to the plan. It is also reviewed periodically by management and involving relevant stakeholders. Some of the maintaining programs, including:

Ajamu Estate

- No replanting and disposal in the river border area
- Marking the boundary for chemicals usage with an (x) mark in the oil palm tree
- Availability of signs warning/prohibiting maintenance of areas using chemicals 50 meters to the right and left of the river bank
- Public Cemetery Maintenance Program
- Plant Maintenance, maintenance of waterways, condition of HCV signs
- Socialization of the existence of HCV 6 areas and maintaining cemeteries in blocks 00X and 06J and fencing of grave sites to protect or avoid damage.

The company reports HCV management program to relevant agency:

- Monitoring Report on Plant Management in Riparian Areas and Conservation Areas to BKSDA of Sumatera Utara Province on 5th June 2023.

Meranti Paham Estate

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

The observation result to the HCV 6 area in Meranti Paham Estate concluded that the company has managed the public cemetery properly. Based on the interview results with the sustainability staff, it is known that the monitoring of HCV 6 (cemetery) also stated in the HCV monitoring report. The company has reports on HCV and RTE species of Meranti Paham Estate for the first semester 2023 which was reported to BKSDA of North Sumatera Province on 5th June 2023 based on letter number MEP/BBKSDASU/X/SPS.23/VI/2023.

7.12.5

Based on the HCV identification result, field observation, and interviews with stakeholders, it is known that there is no HCV area that overlap with the rights of local communities.

7.12.6

The company has the list of RTE Species in PT Perkebunan Nusantara IV (Ajamu and Meranti Paham Estate).

In 2023 based on the Conservation Area Management report, with the following results:

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

The dominant types of flora and natural vegetation are still found. In the wildlife group, there is no local key species with large populations.

The company has socialized RTE Species as well as HCV areas to employees and communities nearby the estate. It is shown by the minutes of meetings, documentation of the events, and the list of attendances, including:

- Internal and external socialization on 29th December 2022 in Meranti Paham Estate. The participants were *SPBUN*, village representatives, and estate assistant with total of 17 participants.
- Internal and external socialization on 10th January 2023 in Ajamu Estate. The participants were *SPBUN*, village representatives, estate assistant and unit manager.

The observation result also shows the indirect socialization by installing signboards in the Mill and Office areas regarding RTE Species in the company area. Boards prohibiting hunting around the conservation area and conducting routine monitoring every month to ensure that there are no violations of these regulations.

The interview results with the harvesting staff in Block 109 K Division II Meranti Paham Estate and in Block 10D Division III Ajamu Estate stated that there has been no incident with any RTE species in the area for the last two years. They also aware of the company's commitment to conserve RTE species as well as the prohibition to hunt and harm them.

The company has a report of flora and fauna which is submitted to the institution in charge of conservation and protection of wild plants and animals. The report is contained in the HCV Management and Flora and Fauna Identification report which was sent to the BKSDA North Sumatera Utara Province on 5th June 2023.

7.12.7

The company has continuous improvement program to improve the HCV management plan, some of the programs are:

- To create notes or documentation on management and monitoring activities.
- To repair the signboard.
- To conduct socialization and direct monitoring of replanting activities in HCV area.

The result of HCV monitoring in 2023 is conducted in accordance with the master plan and annual planning. It is also evaluated by management and involving relevant stakeholders.

	Status: Comply	
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3.2 Conformity Checklist of Certificate and Trademark Use

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

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	PT Perkebunan Nusantara III has carried out self-assessment (i.e internal audit) against uncertified management units dated on 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 to 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.

	<p>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, 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>PTPN II</p> <ul style="list-style-type: none"> • 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. • 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. • 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. <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>PTPN III</p> <p>Based on document verification sighted that all uncertified unit has conducted LUCA and submitted to the RSPO:</p> <ul style="list-style-type: none"> - KRBTN dated 20 August 2021, there are raw non compliant land clearance with area 489.83 Ha. - KBDY dated 20 August 2021, there are raw non compliant land clearance with area 116.20 Ha. (Not available LUCA review) - KKINO dated 18 August 2021, there are raw non compliant land clearance with area 477.85 Ha. - KJLRS dated 18 August 2021, there are raw non compliant land clearance with area 3,823.91 Ha. <p>The KBDBY and KRBTN has conducted HCV-HCS assessment by CV Greenera dated 19 to 23 October 2021. While the KNINO and KJLRS have been</p>
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	<p>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 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"> 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. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>PTPN IV</p> <p>Timur Estate and Batang Laping Estate has conducted HCV assessment by PT Koompasia Environment Institute in 2018.</p> <p>PTPN V</p> <p>Based on document review, there was no evidence that the company (PTPN V) has changed any primary forest and/or HCV area into palm oil plantation since November 2005 except Part of Sei Berlian estate (Sei Berlian-2) within forest areas based on Ministry of Forest decree No.SK.878/Menhut-II/2014 jo SK.903/MENLHK/SETJEN/PLA.2/12/2016). The organization has got Land Use Right (HGU) from government before the regulation above was issued so that the organization still coordinating with government about case it.</p> <p>PTPN VI</p>
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		<p>Uncertified management units has conducted HCV assessment such as :</p> <p>During audit, other the uncertified management units has not been carried out HCV assessment such as Unit of Ophir business (Ophir POM & estate), Unit of Pangkalan 50 Kota business (Pangkalan 50 Kota estate), Unit of Solok Selatan business (Solok Selatan POM & estate), Bukit Cermin Estate, PT Bukit Kausar & PT MAJI but PTPN VI have budget & the allocation activity plan year 2020 for HCV assessment in Unit of 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</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 Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>There are also letter for SEVP Operation from Head of Planning & Sustainability with number: ND-312/06.08/XI/2021 dated 25 November 2021 about RSPO certification preparation in awareness criteria 7.12 RSPO P&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 st 2010 must comply with the RSPO New Plantings Procedure.	<p>PTPN III</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to</p>

	<p>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"> Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>PTPN V</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate & POM), Unit of Durian Luncuk Business (Aur Gading POM & Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p>
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		<p>Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>PTPN VII Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after No-vember 2005. However the HCV identification document was not available. The HCV assessment will conducted by consultant (Bentayan Estate: 2026; Sungai Lengi Estate: 2022; Senabing Estate: 2025 and Talopino Estate: 2024). Senabing Estate was conducted Conversion from year of 2005 to 2010 with area 408 Ha. The LUCA assessment will be conducted by Consultant in the year of 2025.</p>
2.1.4	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&C 2018).	<p>PTPN I 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>PTPTN II 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>PTPN III 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,</p>

		<p>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"> 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. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <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>KRBTN</p> <p>There are several area in Afdeling VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p> <p>PTPN IV</p> <p>There is no labour issue/dispute found during partial certification audit.</p> <p>PTPN V</p> <p>There was land conflict between PT PN V with community in Senama Nenek village, located in Sei</p>
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	<p>Kencana Estate and Terantam Estate for approximately $\pm 2,800$ Ha (± 550 Ha under Terantam Estate and $\pm 2,250$ Ha under Sei Kencana Estate). During this initial audit, this area has been released in accordance with a court decision.</p> <p>PTPN VI</p> <p>PT Perkebunan Nusantara VI have SOP of implementing FPIC, SOP of communication and consultation with community, SOP of handling land conflict including procedure of calculation and compensation.</p> <p>The record and document of land compensation on behalf PT Bukit Kautsar has provided by auditee as example photograph of hand over land compensation payment, land compensation letter date on 21 October 2009, letter date on 21 October 2009 from head of village, statement letter date on 21 October 2009 that land owners has agreed land to acquired, measure note date on 21 October 2009, receipt note of land compensation payment, ID card and land owner letter from head of village. Whereas, PT MAJI and Unit of Bukit Cermin Business has provided sample of land compensation i.e payment receipt, photograph of land compensation activity, copy ID card, agreement of payment, statement letter of hand over and legal land.</p> <p>Community who lose access and land right for plantation areas has given the opportunity to benefit (direct and indirect) from plantation development as sample in form of scheme smallholder areas, as employee, as contractor (transportation, supplier for daily food, etc), as FFB supplier, etc.</p> <p>Refer to case tracker or status of complaints under PT Perkebunan Nusantara VI period of February 2011 to during audit that any 1 cases and it has closed based complaint panel decision (since year 2019). Further details on this case are available here: http://www.rspo.org/members/complaints/status-of-complaints/view/26. Unit of Bukit Cermin Business has provided some evidences relate of land compensation record and document from dispute/conflict areas.</p> <p>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>
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		<p>PTPTN VII</p> <ul style="list-style-type: none"> Any evidence regarding land conflicts resolution in PTPN VII with surrounding communities were available. 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. Observation. <p>PTPTN VIII</p> <ul style="list-style-type: none"> 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. <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>PTPN XIV</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>PTPN I</p> <p>There is no negative issues regarding labor disputes.</p> <p>PTPTN II</p> <p>There is no negative issues regarding labor disputes</p> <p>PTPN III</p> <p>Based on self assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute issues, since last year period until the partial audit conducted on October 2022.</p> <p>PTPN IV</p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN V</p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN VI</p> <p>There is a mechanism of resolving grievance and</p>

		<p>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.</p> <p>SP-Bun (labour union) have vital position because based on SOP of internal communication and handling employee complaint that employee's grievance & complaint can be informing to labour union (SP-BUN) and organization will try to resolve complaints at the labour union level and any mechanism solving grievance and compliance from employee on collective labor agreement (PKB)</p> <p>PTPTN VII There is no negative issues regarding labor disputes on.</p> <p>PTPTN VIII There is no negative issues regarding labor disputes</p> <p>PTPN XIV 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>PTPN I Evaluation on contractors and/or third parties regarding regulation compliance is not available.</p> <p>PTPTN II Identification, installation and maintenance of BPN boundary poles for Limau Mukur, Melati, Bandar Klippa and Tandem Estate are not available.</p>

	<p>PTPN III</p> <p>KRBTN</p> <p>Letter from Sumatera Utara Governor with number 520.33/145/DISPMPPTSP/5/1.5/1/2018 dated 25 January 2018 about Revision of commodity from rubber to oil palm plantation in Rambutan Estate. Revision from Rubber: 2,253.35 Ha & Oil Palm 546.41 Ha to Rubber: 1,156.95 Ha and Oil Pal 5,158.33 Ha.</p> <p>There are several HGU certificate with HGU number 1 year of 1996 in Sei Bamban Village (569.32 Ha), Sei Priok Village (780.45 Ha), Paya Bagas Village (4,373.78 Ha); and also Sei Simujur Village (1) number 18 year of 2009 with area 793.15 Ha.</p> <p>KBDBY</p> <p><i>Surat Pendaftaran Usaha Perkebunan</i> with number HK.350/530/Dj.Bun.5/VII/2001 Bandar Betsy Estate with area 5,348.90 Ha with commodity rubber. Therefore conversion license from rubber to oil palm with number 503.35/271/17.42018 dated 12 February 2018 with area 116.2 Ha.</p> <p>HGU on process, the latest process are <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>KJLRS</p> <p>IUP on process due to revision of AMDAL document. However there are HGU number 03 year of 1994 with area 2,318.87 Ha.</p> <p>KKINO</p> <p>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"> 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. There is a land conflict (Batang Toru Estate) not yet resolved. <p>PTPN IV</p> <p>Some estates didn't have HGU (land title), e.i.</p>
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	<p>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"> 1. Some uncertified management units (Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, Bukit Cermin Estate, Pinang Tinggi POM, & PT Bukit Kautsar) have Plantation Business Permit (Izin Usaha Perkebunan) so they has complied with Minister of Agriculture Regulation no.98/permentan/OT.140/9/2013 article 8 or 10 or 13. 2. Some uncertified management units (Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, , Bukit Cermin Estate, PT MAJI & PT Bukit Kautsar) have land use right (Hak Guna Usaha) so they has complied with law no.5 year 1960 article 28. One of land use right owned by Durian Luncuk estate still renewal process and one of Bukit Kautsar areas still in-process to get land use right. 3. Some uncertified management unit (II Solok Selatan POM, Tanjung, Pinang Tinggi Estate & POM, & PT Bukit Kautsar) have environment document so they has complied with Minister of Environment Regulation no.05 Year 2012 jo Minister of Environment & Forestry Regulation no.P.38/MENLHK/SETJEN/KUM.1/7/2019 or Minister of Environment Regulation no.13 Year 2010 or Minister of Environment Regulation no.14 Year 2010. 4. Solok Selatan POM have land application permit so they has complied Minister of Environment Decree no.29 year 2003. 5. PT Bukit Kautsar have permit of release for forest areas from government too (Minister of Forestry Decree no.69/Kpts-II/1997 & no.443/Kpts-II/1999 and letter from Head of
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		<p>Forestry Agency in Jambi Province no. S.6.802/Dishut/BIPH.1.2/XII/2015). PT Mendahara Agro Jaya Industri have permit of release for forest areas from government too (Minister of Forestry Decree no.954/Kpts-II/1999).</p> <p>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/I/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"> • Bentayan and Senabing Estate is currently ongoing to obtain HGU Certificate • 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.
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		<ul style="list-style-type: none"> Program of maintenance of BPN boundary poles in Bentayan and Senabing Estate is not available. <p>PTPN VIII 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 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</p>
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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 3

NCR No.	: 2022.01	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: 18 August 2023
Standard Ref. & Requirement	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.		
Evidence observed (filled by auditor): Regulation of the Minister of Agriculture number 05/Permentan/KB.410/1/2018 concerning Opening and/or Processing of Plantation Land without burning, it is known that reporting to the Governor/Regent (Agriculture Service) is in accordance with the authority with the report form referring to Formats 6, 7, and 8 attachment 1 Regulation of the Minister of Agriculture number 05/Permentan/KB.410/1/2018. The form contains a report on the planning for opening and/or processing of plantation land, a report on the implementation of clearing and/or processing of plantation land, and a report on preparedness for land fire control systems, facilities and infrastructure. The company has a Plantation Management System Policy which was approved by the Director in January 2022, which includes compliance with applicable laws and regulations and other requirements to be implemented in the implementation of business activities. Based on document review revealed that: <ul style="list-style-type: none">Meranti Paham Estate submits a fire management report for semester 1 of 2022 only to DLH of Labuhanbatu Regency.The report format reported to the Labuhanbatu Agriculture Service contains monitoring of fires in plantation areas per Afdeling, which are not in accordance with attachment 1 of Minister of Agriculture Regulation number 05/Permentan/KB.410/1/2018.			
Non-Conformance Description (filled by auditor): Based on the observed evidence, it is known that: <ol style="list-style-type: none">Not all company units have submitted fire management reports to the District Agriculture Office according to Minister of Agriculture Regulation 5 of 2018.Reports on fire management that have been reported to the Labuhanbatu District Agriculture Office are not in accordance with Appendix I of the Minister of Agriculture 5 of 2018.			
Root Cause Analysis (filled by organization audited): Lack of understanding of units in the latest report format according to Minister of Agriculture Regulation Number 5 of 2018.			
Correction (filled by organization audited): Submit reports according to formats 6,7 and 8 of the Minister of Agriculture Regulation number 5 of 2018			
Corrective Action (filled by organization audited): Coordinate with the local Agriculture Service to update the fire reporting format according to Minister of Agriculture Number 5 of 2018.			
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification 09 January 2023 The company shows evidence of improvement in the form of: <ul style="list-style-type: none">The root cause analysis is acceptable for non-conformity number 2 but has not been shown for non-conformance number 1.			

- Correction is acceptable. The company has shown proof of delivery of the 2nd semester of 2022 Land Fire Prevention and Management Report to the Labuhan Batu District Agriculture Office on January 2, 2023. The report provides information including a description of the location, potential fire hazards, planning and preparation for dealing with fires, evacuation routes, fire extinguisher facilities, organization/team of fire prevention, coaching and training. However, it has not been shown in format 8 of the Minister of Agriculture 5 of 2018 such as and is not limited to IUP, plantation area fire control operations (early warning, early detection, fire suppression, and post-fire handling), etc.
- Corrective action has been accepted, please show the recorded evidence. Please show the corrective action again after the repair. Root cause analysis.

Based on the notes in the root cause analysis and corrective action, as well as evidence that has not been shown, the non-conformities are declared unfulfilled.

18 August 2023

The company has shown prevention implementation documents, which are included in the Meranti Paham Estate Fire Management Monitoring Report document, for the second semester of 2022 and first semester of 2023 with brief implementation results related to daily fire monitoring for each subdivision in Meranti Paham Estate. The company shows reporting documents on the implementation of fire prevention and control which has been in according to Minister of Agriculture Regulation 5 of 2018, for example as follows:

- Meranti Paham fire prevention and control report for Semester II 2022 which was reported on March 8, 2023 to the Labuhanbatu District Agriculture Agency
- Meranti Paham fire prevention and control report for Semester I 2023 which was reported on July 20, 2023 to the Labuhanbatu District Agriculture Agency

Based on the notes in the root cause analysis and corrective action, as well as evidence that has not been shown, the non-conformity is declared fulfilled.

Follow up on next audit (filled by auditor):

18 August 2023

The company has shown prevention implementation documents, which are included in the Meranti Paham Estate Fire Management Monitoring Report document, for the second semester of 2022 and first semester of 2023 with brief implementation results related to daily fire monitoring for each subdivision in Meranti Paham Estate. The company shows reporting documents on the implementation of fire prevention and control which has been in according to Minister of Agriculture Regulation 5 of 2018, for example as follows:

- Meranti Paham fire prevention and control report for Semester II 2022 which was reported on March 8, 2023 to the Labuhanbatu District Agriculture Agency
- Meranti Paham fire prevention and control report for Semester I 2023 which was reported on July 20, 2023 to the Labuhanbatu District Agriculture Agency

Based on the notes in the root cause analysis and corrective action, as well as evidence that has not been shown, the non-conformity is declared fulfilled.

Verified by : **Sentot Adi Subandono/Erika Lucitawati**

NCR No.	: 2022.02	Issued by	: Leonada / Erika Lucitawati
Date Issued	: October 15, 2022	Time Limit	: 16 November 2023
NC Grade	: Minor raised to Major	Date of Closing	: 16 November 2023
Standard Ref. & Requirement	: 2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting		

	applicable legal requirements, and this can be demonstrated by the third party.
Evidence observed (filled by auditor): <ul style="list-style-type: none"> The company shows a list of contracted third parties listed in the contractor list for the period October 2022, such as 1 CPO transporter, 1 PK transporter, 1 Whell Loader Rental, 3 Procurement of Goods/Services, 1 Security Service, 2 Nursery Maintenance Services, 4 Plant Maintenance Services and 4 FFB transporters and it can be shown that the cooperation contract has its own clause regarding the fulfilment of relevant legal obligations, for example in SPK No: 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 dated 11 March 2022 with PT Bravo Anak Kolong for the work of transporting FFB. Then, from the results of interviews with CV Mentari Bersinar's contractors, it was conveyed that their workers did not yet have a work agreement with the contractor. Based on the results of the document review, the company can show proof of BPJS Employment registration from CV Munawaroh Kurnia Jaya, PT Sowsof Dahra Jaya, CV Mentari Bersinar, PT Dafa Indrayus Perkasa. However, proof of BPJS Health registration has not been shown yet. Meanwhile, the remaining third parties who have cooperative ties with the company have not been able to prove compliance with the relevant legal compliance clause. 	
Non-Conformance Description (filled by auditor): Based on this evidence, the company has not been able to show evidence that third parties who have cooperative ties have fulfilled the relevant legal obligations as stated in the contract clauses including but not limited to such as fulfilment of the minimum wage, BPJS Health/Employment membership and the working relationship of employees with employers.	
Root Cause Analysis (filled by organization audited): There is no PIC responsible for monitoring the legal aspects of fulfilling relevant legal obligations by third parties	
Correction (filled by organization audited): Demonstrate relevant legal obligations of third parties including minimum wages, BPJS Ketenagakerjaan membership and work contracts between employees and employers (third parties)	
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Establish a PIC who is responsible for monitoring the Legal Aspects of the fulfilment of relevant legal obligations by third parties Evaluate the fulfilment of relevant legal aspects/legal obligations by third parties 	
Assessor Evaluation and Conclusion (filled by auditor): In terms of implementation of the fulfilment of relevant legal obligations in surveillance 4, the company shows the following documents from the third party concerned.	
PT Bravo Anak Kolong <ul style="list-style-type: none"> Work agreement between PT Perkebunan Nusantara IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 for FFB transportation work which is valid from 11 March 2022 to 11 March 2025. Proof of transfer of BPJS <i>Ketenagakerjaan</i> costs to PT Bravo Anak Kolong in January 2023 paid on January 26, 2023 along with a list of workers registered with BPJS <i>Ketenagakerjaan</i> in January 2023 of 10 workers. However, the company has not been able to show proof of the implementation of the fulfilment of relevant legal obligations in the employment aspect such as a list of workers working at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employment relationship between employees and employers and proof of the provision of BPJS <i>Ketenagakerjaan</i> and Health on an ongoing basis. regularly to workers working at PT Perkebunan Nusantara IV. 	
CV Munawaroh Kurnia <ul style="list-style-type: none"> Work agreement between PT Perkebunan Nusantara IV and CV Munawaroh Kurnia Jaya No. 04.04/SPKP/Pemeliharaan Tanaman Menghasilkan/325/III/2023 for maintenance of mature plants which is valid from 02 March 2023 to 29 August 2023. However, the company has not been able to show proof of implementation of the fulfilment of relevant legal 	

obligations in the employment aspect such as a list of workers working at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employment relationship between employees and employers and proof of the provision of BPJS Employment and Health to workforce working at PT Perkebunan Nusantara IV.

PT Jaya Wira Manggala

- Proof of payment from PT Perkebunan Nusantara IV to PT Jaya Wira Manggala for the period May 2023 which was paid on 26 May 2023.
- Evidence of PT Jaya Wira Manggala BPJS *Kesehatan* payment for the month of May 2023 which was paid on May 10, 2023.
- Proof of payment for PT Jaya Wira Manggala BPJS *Ketenagakerjaan* for the month of April 2023 which was paid on April 26, 2023.
- Documents List of Names of Security Members of PT Jaya Wira Manggala in Ajamu Unit of 42 employees.
- Document the PT Jaya Wira Manggala Security Shift Schedule every month, for example August 2023 at the Ajamu Unit with 6 working days per week and 1 day off.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in terms of employment such as agreement with PT PN IV, proof of payment of wages to workers and proof of employee relations with employers who work at PT Perkebunan Nusantara IV.

PT Sowsof Dahra Jaya

- Evidence of PT Sowsof Dahra Jaya Employment BPJS payment for July 2023, which was paid on July 11, 2023 along with a list of workers registered at BPJS *Ketenagakerjaan* for July 2023 of 10 workers.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in terms of employment such as SPK with PT PN IV, proof of payment of wages to workers and proof of employee relations with employers who work at PT Perkebunan Nusantara IV.

The company has not been able to show sufficient evidence that third parties who have cooperation ties have fulfilled the relevant legal obligations as stated in the contract clauses including but not limited to such as fulfilment of the availability of cooperation contracts, minimum wages, BPJS *Ketenagakerjaan/Kesehatan* membership and evidence of employee employment relationships with employer. Thus, this nonconformity changed its status to **Minor raised to Major**.

03 October 2023

The company shows evidence of improvement as follows:

PT Jaya Wira Manggala

- Agreement PTPN IV with PT Jaya Wira Manggala No. 04.04/S.Per/01/II/2023 concerning security management services which is valid from 01 February 2023 to 31 October 2023.
- Agreement *PKWT* No. 0221/PKWT/JWM-MDN/II/2023 a.n. Muhadi which is valid from 01 February 2023 to 31 October 2023
- Salary Payment Slip a.n. Muhadi in July 2023 with a salary of Rp. 8,372,049 which includes *BPJS* Employment and Health deductions.

CV Munawaroh Kurnia

- List of names of workers who work at PTPN IV Ajamu Estate, totaling 8 workers.
- Agreement *PKWT* No. 01/PT.MKJ/PKUWT/II/2023 for 8 workers (for example Aida Fitri) which is valid from 12 February 2022 and ends on 11 January 2023 where the agreement has now expired. (Note to companies: please send documents with clear, uncropped images)
- Salary details for July 2023 for 8 workers (for example, Aida Fitri) with a salary of Rp. 2,974,800 which includes BPJS Employment and Health deductions.
- The company has also not shown proof of BPJS Employment and Health payments by CV Munawaroh Kurnia.

PT Sowsof Dahra Jaya

- Agreement *PKWT* No. 01/PT.MKJ/PKUWT/II/2023 a.n. Abdul Jihad which has been in effect since 12 February 2022 and ends on 11 January 2023 where the agreement has now expired. (Note to companies: please send

documents with clear, uncropped images)

- Salary Details for July 2023 a.n. Abdul Jihad with a salary of Rp. 2,974,800 which includes BPJS Employment and Health deductions.
- The company has also not shown proof of a valid SPK with PT PN IV.

PT Bravo Anak Kolong

- The company has not shown a list of workers who work at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employee's employment relationship with the employer and proof of provision of BPJS Employment and Health.

Apart from that, there are still auditor notes in the corrective action column that the company needs to answer. Based on the explanation above, the nonconformity is declared not yet fulfilled.

23 October 2023

The company shows the following documents:

- Proof of BPJS Employment CV Dafa payment for October 2023 for 10 workers.
- Proof of BPJS Employment CV Munawaroh payment for October 2022 for 8 workers.
- PT Bravo Anak Kolong Salary Details for July 2023 a.n. Anggih Pranata with a salary of Rp. 3,152,028 which includes BPJS Employment and Health deductions.
- List of PT Bravo Anak Kolong workers as many as 10 workers in January 2023.
- Agreement No. 01PT BARAK/PKUWT/II/2023 dated 2 January 2023 contains the employee's employment relationship with PT Bravo Anak Kolong which is valid until 31 January 2023.

Based on the explanation above, the nonconformity is declared not yet fulfilled.

30 October 2023

The company has presented the following documents:

- Evaluation Document of Work Requirements carried out by Ajamu Estate Unit Vendors for the 2023 period for CV Mentari Bersinar, PT Sowsof Dahra Jaya, PT Jaya Wira Manggala, CV Murawaroh Kurnia Jaya, and PT Bravo Anak Kolong. The document includes the contractor's evaluation of compliance with OHS regulations, legality, employment, etc.
- Document List of Vendors Working in the Ajamu Estate Unit in 2023, including CV Mentari Bersinar, PT Sowsof Dahra Jaya, PT Jaya Manggala, CV Murawaroh Kurnia Jaya, and PT Bravo Anak Kolong.
- Evaluation Document of Work Requirements carried out by the Meranti Paham Estate Unit Vendor for the 2023 period for PT Dafa Indrayus Perkasa, PT Sowsof Dahra Jaya, and CV Murawaroh Kurnia Jaya. The document includes the contractor's evaluation of compliance with OHS regulations, legality, employment, etc.

Then, the company shows documents related to each contractor as follows:

CV Munawaroh Kurnia

- Contract between PTPN IV and CV Munawaroh Kurnia Jaya No. 04.04/SPKP/Maintenance of Producing Plants/325/III/2023 dated 02 March 2023 which is valid until 29 August 2023.
- SPK PKWT No. 01/PT.MKJ/PKUWT/II/2023 for 8 workers (for example Aida Fitri) which is valid from 12 February 2022 and ends on 31 January 2023 where the agreement has now expired.
- The company has also not shown proof of BPJS Employment and Health payments by CV Munawaroh Kurnia.

PT Sowsof Dahra Jaya

- Letter of Agreement between PTPN IV and PT Sowsof Dahra Jaya No. 04.04/SPKP/PELEM.TM/1246/X/2023 dated 09 October 2023 for work on plant maintenance services producing chemicals and fertilizing needs for the fourth quarter of 2023.
- Agreement PKWT No. 01/PT.MKJ/PKUWT/II/2023 a.n. Abdul Jihad which is valid from 12 February 2022 and ends on 31 January 2023 where the agreement has now expired. (Note to companies: please send documents with clear, uncropped images)

- Salary Details for July 2023 a.n. Abdul Jihad with a salary of Rp. 2,974,800 which includes *BPJS* Employment and Health deductions.

PT Bravo Anak Kolong

- Letter of Agreement between PTPN IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-LOAD-UNLOAD-TBS/228/III/2022 dated 11 March 2022 and valid until 11 March 2025.
- Proof of *BPJS* Employment payments for January 2023 to 10 workers at PT Bravo Anak Kolong.
- List of names of workers working at PTPN IV PT Bravo Anak Kolong totaling 10 people.
- PT Bravo Anak Kolong Salary Details for July 2023 a.n. Anggih Pranata with a salary of Rp. 3,152,028 which includes *BPJS* Employment and Health deductions.
- Agreement *PKWT* No. 01/PT BARAK/PKUWT/II/2023 a.n. Anggih Pranata which is valid from 12 February 2022 and ends on 31 January 2023 where the agreement has now expired.

Based on the explanation above, the company still needs to show evidence of improvement in the points that have been highlighted in yellow. Apart from that, there are still auditor notes in the corrective action column that the company needs to answer. Based on the explanation above, the nonconformity is declared not yet fulfilled.

01 November 2023

- Agreement *PKWT* PT Bravo Anak Kolong No. 01/PT BARAK/PKUWT/III/2023 a.n. Anggih Pranata which is valid from 11 March 2023 and ends on 11 March 2024.
- Agreement *PKWT* CV Munawaroh Kurnia Jaya No. 01/PT.MKJ/PKUWT/III/2023 for a.n. Aida Fitri which is valid from 11 March 2023 and ends on 02 March 2024.
- Agreement *PKWT* PT Sowsof Dahra Jaya Jaya No. 01/PT.SDJ/PKUWT/X/2023 for a.n. Abdul jihad which is valid from 02 March 2023 and ends on 02 March 2024.

Apart from that, there are still auditor notes in the corrective action column that the company needs to answer. Based on the explanation above, the nonconformity is declared not yet fulfilled.

02 November 2023

The company shows documents related to the mechanism for evaluating relevant legal compliance by third parties in the Decree No. 04.03/SE/04/VII/2023 issued by Director on 23 August 2023. Based on the explanation above, the nonconformity is declared to have been fulfilled.

Follow up on next audit (filled by auditor):

In terms of implementation of the fulfilment of relevant legal obligations in surveillance 4, the company shows the following documents from the third party concerned.

PT Bravo Anak Kolong

- Work agreement between PT Perkebunan Nusantara IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/227/III/2022 for FFB transportation work which is valid from 11 March 2022 to 11 March 2025.
- Proof of transfer of *BPJS Ketenagakerjaan* costs to PT Bravo Anak Kolong in January 2023 paid on January 26, 2023 along with a list of workers registered with *BPJS Ketenagakerjaan* in January 2023 of 10 workers.
- However, the company has not been able to show proof of the implementation of the fulfilment of relevant legal obligations in the employment aspect such as a list of workers working at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employment relationship between employees and employers and proof of the provision of *BPJS Ketenagakerjaan* and Health on an ongoing basis. regularly to workers working at PT Perkebunan Nusantara IV.

CV Munawaroh Kurnia

- Work agreement between PT Perkebunan Nusantara IV and CV Munawaroh Kurnia Jaya No. 04.04/SPKP/Pemeliharaan Tanaman Menghasilkan/325/III/2023 for maintenance of mature plants which is valid from 02 March 2023 to 29 August 2023.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in the employment aspect such as a list of workers working at PT Perkebunan Nusantara IV, proof

of payment of wages to workers, proof of the employment relationship between employees and employers and proof of the provision of BPJS Employment and Health to workforce working at PT Perkebunan Nusantara IV.

PT Jaya Wira Manggala

- Proof of payment from PT Perkebunan Nusantara IV to PT Jaya Wira Manggala for the period May 2023 which was paid on 26 May 2023.
- Evidence of PT Jaya Wira Manggala BPJS *Kesehatan* payment for the month of May 2023 which was paid on May 10, 2023.
- Proof of payment for PT Jaya Wira Manggala BPJS *Ketenagakerjaan* for the month of April 2023 which was paid on April 26, 2023.
- Documents List of Names of Security Members of PT Jaya Wira Manggala in Ajamu Unit of 42 employees.
- Document the PT Jaya Wira Manggala Security Shift Schedule every month, for example August 2023 at the Ajamu Unit with 6 working days per week and 1 day off.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in terms of employment such as agreement with PT PN IV, proof of payment of wages to workers and proof of employee relations with employers who work at PT Perkebunan Nusantara IV.

PT Sowsof Dahra Jaya

- Evidence of PT Sowsof Dahra Jaya Employment BPJS payment for July 2023, which was paid on July 11, 2023 along with a list of workers registered at BPJS *Ketenagakerjaan* for July 2023 of 10 workers.
- However, the company has not been able to show proof of implementation of the fulfilment of relevant legal obligations in terms of employment such as SPK with PT PN IV, proof of payment of wages to workers and proof of employee relations with employers who work at PT Perkebunan Nusantara IV.

The company has not been able to show sufficient evidence that third parties who have cooperation ties have fulfilled the relevant legal obligations as stated in the contract clauses including but not limited to such as fulfilment of the availability of cooperation contracts, minimum wages, BPJS *Ketenagakerjaan/Kesehatan* membership and evidence of employee employment relationships with employer. Thus, this nonconformity changed its status to **Minor raised to Major**.

03 October 2023

The company shows evidence of improvement as follows:

PT Jaya Wira Manggala

- Agreement PTPN IV with PT Jaya Wira Manggala No. 04.04/S.Per/01/II/2023 concerning security management services which is valid from 01 February 2023 to 31 October 2023.
- Agreement *PKWT* No. 0221/PKWT/JWM-MDN/II/2023 a.n. Muhadi which is valid from 01 February 2023 to 31 October 2023
- Salary Payment Slip a.n. Muhadi in July 2023 with a salary of Rp. 8,372,049 which includes *BPJS* Employment and Health deductions.

CV Munawaroh Kurnia

- List of names of workers who work at PTPN IV Ajamu Estate, totaling 8 workers.
- Agreement *PKWT* No. 01/PT.MKJ/PKUWT/II/2023 for 8 workers (for example Aida Fitri) which is valid from 12 February 2022 and ends on 11 January 2023 where the agreement has now expired. (Note to companies: please send documents with clear, uncropped images)
- Salary details for July 2023 for 8 workers (for example, Aida Fitri) with a salary of Rp. 2,974,800 which includes BPJS Employment and Health deductions.
- The company has also not shown proof of BPJS Employment and Health payments by CV Munawaroh Kurnia.

PT Sowsof Dahra Jaya

- Agreement *PKWT* No. 01/PT.MKJ/PKUWT/II/2023 a.n. Abdul Jihad which has been in effect since 12 February 2022 and ends on 11 January 2023 where the agreement has now expired. (Note to companies: please send documents with clear, uncropped images)

- Salary Details for July 2023 a.n. Abdul Jihad with a salary of Rp. 2,974,800 which includes BPJS Employment and Health deductions.
- The company has also not shown proof of a valid SPK with PT PN IV.

PT Bravo Anak Kolong

- The company has not shown a list of workers who work at PT Perkebunan Nusantara IV, proof of payment of wages to workers, proof of the employee's employment relationship with the employer and proof of provision of BPJS Employment and Health.

Apart from that, there are still auditor notes in the corrective action column that the company needs to answer. Based on the explanation above, the nonconformity is declared not yet fulfilled.

23 October 2023

The company shows the following documents:

- Proof of BPJS Employment CV Dafa payment for October 2023 for 10 workers.
- Proof of BPJS Employment CV Munawaroh payment for October 2022 for 8 workers.
- PT Bravo Anak Kolong Salary Details for July 2023 a.n. Anggih Pranata with a salary of Rp. 3,152,028 which includes BPJS Employment and Health deductions.
- List of PT Bravo Anak Kolong workers as many as 10 workers in January 2023.
- Agreement No. 01PT BARAK/PKUWT/II/2023 dated 2 January 2023 contains the employee's employment relationship with PT Bravo Anak Kolong which is valid until 31 January 2023.

Based on the explanation above, the nonconformity is declared not yet fulfilled.

30 October 2023

The company has presented the following documents:

- Evaluation Document of Work Requirements carried out by Ajamu Estate Unit Vendors for the 2023 period for CV Mentari Bersinar, PT Sowsof Dahra Jaya, PT Jaya Wira Manggala, CV Murawaroh Kurnia Jaya, and PT Bravo Anak Kolong. The document includes the contractor's evaluation of compliance with OHS regulations, legality, employment, etc.
- Document List of Vendors Working in the Ajamu Estate Unit in 2023, including CV Mentari Bersinar, PT Sowsof Dahra Jaya, PT Jaya Manggala, CV Murawaroh Kurnia Jaya, and PT Bravo Anak Kolong.
- Evaluation Document of Work Requirements carried out by the Meranti Paham Estate Unit Vendor for the 2023 period for PT Dafa Indrayus Perkasa, PT Sowsof Dahra Jaya, and CV Murawaroh Kurnia Jaya. The document includes the contractor's evaluation of compliance with OHS regulations, legality, employment, etc.

Then, the company shows documents related to each contractor as follows:

CV Munawaroh Kurnia

- Contract between PTPN IV and CV Munawaroh Kurnia Jaya No. 04.04/SPKP/Maintenance of Producing Plants/325/III/2023 dated 02 March 2023 which is valid until 29 August 2023.
- SPK PKWT No. 01/PT.MKJ/PKUWT/II/2023 for 8 workers (for example Aida Fitri) which is valid from 12 February 2022 and ends on 31 January 2023 where the agreement has now expired.
- The company has also not shown proof of BPJS Employment and Health payments by CV Munawaroh Kurnia.

PT Sowsof Dahra Jaya

- Letter of Agreement between PTPN IV and PT Sowsof Dahra Jaya No. 04.04/SPKP/PELEM.TM/1246/X/2023 dated 09 October 2023 for work on plant maintenance services producing chemicals and fertilizing needs for the fourth quarter of 2023.
- Agreement PKWT No. 01/PT.MKJ/PKUWT/II/2023 a.n. Abdul Jihad which is valid from 12 February 2022 and ends on 31 January 2023 where the agreement has now expired. (Note to companies: please send documents with clear, uncropped images)
- Salary Details for July 2023 a.n. Abdul Jihad with a salary of Rp. 2,974,800 which includes BPJS Employment

and Health deductions.

PT Bravo Anak Kolong

- Letter of Agreement between PTPN IV and PT Bravo Anak Kolong No. 04.04/SPKP/ANGKUT-LOAD-UNLOAD-TBS/228/III/2022 dated 11 March 2022 and valid until 11 March 2025.
- Proof of *BPJS* Employment payments for January 2023 to 10 workers at PT Bravo Anak Kolong.
- List of names of workers working at PTPN IV PT Bravo Anak Kolong totaling 10 people.
- PT Bravo Anak Kolong Salary Details for July 2023 a.n. Anggih Pranata with a salary of Rp. 3,152,028 which includes *BPJS* Employment and Health deductions.
- Agreement *PKWT* No. 01/PT BARAK/PKUWT/II/2023 a.n. Anggih Pranata which is valid from 12 February 2022 and ends on 31 January 2023 where the agreement has now expired.

Based on the explanation above, the company still needs to show evidence of improvement in the points that have been highlighted in yellow. Apart from that, there are still auditor notes in the corrective action column that the company needs to answer. Based on the explanation above, the nonconformity is declared not yet fulfilled.

01 November 2023

- Agreement *PKWT* PT Bravo Anak Kolong No. 01/PT BARAK/PKUWT/III/2023 a.n. Anggih Pranata which is valid from 11 March 2023 and ends on 11 March 2024.
- Agreement *PKWT* CV Munawaroh Kurnia Jaya No. 01/PT.MKJ/PKUWT/III/2023 for a.n. Aida Fitri which is valid from 11 March 2023 and ends on 02 March 2024.
- Agreement *PKWT* PT Sowsof Dahra Jaya No. 01/PT.SDJ/PKUWT/X/2023 for a.n. Abdul jihad which is valid from 02 March 2023 and ends on 02 March 2024.

Apart from that, there are still auditor notes in the corrective action column that the company needs to answer. Based on the explanation above, the nonconformity is declared not yet fulfilled.

16 November 2023

The company shows documents related to the mechanism for evaluating relevant legal compliance by third parties in the Decree No. 04.03/SE/04/VII/2023 issued by Director on 23 August 2023. Based on the explanation above, the nonconformity is declared to have been fulfilled.

Verified by : **Leonada / Erika Lucitawati**

NCR No.	:	2022.03	Issued by	:	Hasiholan Sihombing / Alfiany Sukmawati
Date Issued	:	15 October 2022	Time Limit	:	13 January 2023
NC Grade	:	Major	Date of Closing	:	13 January 2023
Standard Ref. & Requirement	:	3.4.3 The social and environmental management and monitoring plan is implemented, reviewed, and updated regularly in participatory way			
Evidence observed (filled by auditor): The certification unit has carried out Monitoring and Management of Social Impacts in 2022 by managing 3 (three) impact parameters, including; public facilities and social facilities, job opportunities, and business opportunities. For the Ajamu Unit, this was carried out on January 10, 2022, while for the Meranti Paham unit, it was carried out on August 18, 2022. Social Impact monitoring and management plan done periodically every year. However, there is no evidence yet that the social management and monitoring plan was carried out in a participatory manner since July 2021.					
Non-Conformance Description (filled by auditor): The certification unit has not shown evidence that the social management and monitoring plan is carried out in a					

participatory manner.

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

Lack of understanding of officers who manage SIA in a comprehensive manner which covers all aspects of the social impact analysis report document and issues that are actually developing around the plantation.

Correction *(filled by organization audited):*

Conduct dialogue directly with the community and/or community representatives on company policies and accommodate the results of the discussion into the Social Impact Monitoring and Management Report so that it is properly managed and documented and measurable.

Corrective Action *(filled by organization audited):*

Appoint a special PIC who manages the SIA report so that issues that develop in the community can be properly accommodated and monitoring and evaluation of the follow-up of the managed Social Impact Monitoring and Management Report can be measured and traced properly.

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

Auditor Verification (30 December 2022)

The company has shown the 2022 Stakeholder Questionnaire Resume Document for Ajamu and Meranti Paham Units which contains identification of social and environmental impacts including expectations, perceptions of plantations, public facilities, social facilities, and employment and business opportunities from 36 affected parties, such as representatives of Ajamu Plantation Village, Teluk Sentosa Village, Cinta Makmur Village, Meranti Paham Village, Bagan Bilah Village, as well as company worker representatives. However, there are still auditors' responses that need to be answered in the root cause analysis, correction, and corrective action columns.

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

Auditor Verification (09 January 2023)

The company has shown repair documents, in the form of:

- Decree on the appointment of 3 PICs for the Management and Monitoring of Social Impacts of the Meranti Paham Business Unit and their job descriptions, based on the Meranti Paham Business Unit Manager Decree No. MEP/MU/Kpts/13/VII/2022 dated 02 July 2022
- Questionnaire of Attitudes, Perceptions, and Expectations of Stakeholders Around PT Perkebunan Nusantara IV – Kebun Meranti Paham for representative examples; Head of Meranti Paham Village, Head of Selat Beting Village, Head of Ajamu Plantation Village, and Head of Sei Tampang Village.

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

- In corrective actions, please show related photo or video evidence as participatory evidence to related parties
- For corrective actions, please show a report on the results of the discussions that have been carried out.
- In the corrective action, how to improve the lack of understanding of the staff managing the SIA?
- Regarding preventive actions, please review related corrective actions referring to the root of the problem.

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

Auditor Verification (13 January 2023)

The company has provided the following proof of improvement:

- Social Impact Monitoring Plan Matrix in 2022 of PT Perkebunan Nusantara IV Ajamu Estate, which describes parameters, sources of impact, monitoring objectives, monitoring methods, monitoring locations, monitoring time and frequency, and monitoring implementation.
- List of educational absences and internal training in the management and monitoring of social impacts at Ajamu Estate which was conducted on 12 December 2022 for 4 PICs.
- Evidence of joint deliberations in the form of attendance and photos attended by 45 stakeholder representatives, for example; gender committee, contractors, Head of Bagan Bilah Village, *Majelis Taklim dan Syiar Islam*, and *Persatuan Umat Kristen* which was held on 17 October 2022.

- Summary of Stakeholder Questionnaire of PT Perkebunan Nusantara IV Ajamu Estate Business Unit consisting of 36 respondents for a representative sample; Head of Meranti Paham Village, Head of Selat Beting Village, Head of Ajamu Plantation Village, and Head of Sei Tampang Village.
- Evidence of internal education and training in the management and monitoring of social impacts at Meranti Paham Estate, which was carried out on January 5, 2023, to 3 PICs.
- Plans and Realization of the SIA Work Program for 2023 Meranti Paham Plantation Unit.

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

Follow up on next audit (filled by auditor):

Auditor verification on 18 August 2023

Based on the document review (from RKL RPL and SIA monitoring and evaluation program), field observation, and interview with representative of Cinta Makmur Village, it can be concluded that the requirements in this indicator is still complied. The company has carried out Monitoring and Management of Social Impacts in 2023 by managing 3 (three) impact parameters, including public facilities and social facilities, job opportunities, and business opportunities. The SIA evaluation has not been done because the SIA program has not been conducted by the time this surveillance audit is held. However, the company can show the program progress. For example, from the meeting with relevant stakeholders it was decided to have a road maintenance in Bagan Bilah Village. The company provides the information on the agreement letter with third party for the construction and the schedule for the road maintenance.

Verified by : **Hasiholan Sihombing / Alfiany Sukmawati**

NCR No.	: 2022.04	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	3.6.1 All operational activities risks assessed to identify the H&S issues. Mitigation plans and procedures are documented and implemented.		
Evidence observed (filled by auditor): The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS Management System. The company has HIRAC Documents for plantations which were approved on September 2022 and HIRAC Documents for factories which were approved on 20 August 2022 which were prepared by the Risk Management Team and approved by the Estate/Factory Manager. In the HIRAC document, the company has not identified the hazards and risks of several activities (but not limited to) as follows: Estate 1. Transport FFB to collecting point using modified bicycles and motorcycles 2. Transportation of FFB using a locomotive 3. House rinse 4. Replanting 5. Nurseries 6. Monitoring and inspection of pole subsidence			

7. Monitoring and inspection of monitoring wells
8. The well in the housing
9. HCV monitoring
10. Monitoring Tower fire
11. Owl monitoring

Factory

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

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

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

Correction (filled by organization audited):

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

Corrective Action (filled by organization audited):

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

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification 02 January 2023

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

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

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

Auditor Verification January 10, 2023

The company shows evidence of improvement in the form of:

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

<ul style="list-style-type: none"> ➤ Monitoring pole subsidence, PJ has been replaced by Foreman I and Plant Assistant. - HIRAC POM form, updated January 5, 2023, as follows: <ul style="list-style-type: none"> ➤ The risk level of WWTP installation management activities, there is still a risk of serious injury and death with a moderate risk level. Risk control carried out is only the use of PPE, there are no other plans. Please identify again. ➤ The risk level of the empty stove operation is in accordance with the risks, such as the risk of serious injury and death with a high-risk level. ➤ Risk control for unsafe action activities in wheel loader operations carrying passengers has shown control in this regard, but there is still a risk of serious injury and death with a moderate risk level. Risk control carried out is only the use of PPE and SE Manager, there are no other plans. Please re-identify and show the intended SE Manager along with the socialization. ➤ The level of risk of sorting area activities is in accordance with the risks. ➤ Not yet shown HIRAC wells in POM housing and estates. - Corrective action has been accepted. <p>Based on the verification above, the non-compliance is declared as unfulfilled.</p> <p>Auditor Verification January 13, 2023</p> <ul style="list-style-type: none"> • Revised Root Cause Analysis (12 January 2023): Lack of Management monitoring in updating the risk assessment compiled in the HIRARC document because there is no PIC appointed to carry out the HIRAC evaluation Root cause analysis has been acceptable. • The company shows evidence of correction improvement, as follows: <ul style="list-style-type: none"> - Ajamu POM contained in the Risk Management OHS SYSTEM MANAGEMENT Procedure with code PKS AJA-4.2.1 revision 2 applies February 20, 2020. This procedure regulates HIRAC reviews at least once a year, or if abnormalities are found in its application. - HIRAC Ajamu Estate and PKS Estate related to residential wells update October 18, 2022 accompanied by a photo of an acceptable ban on playing in the well area. - Dissemination of HIRAC Ajamu Estate to Executive Employees of Afdeling 1-5 on 07 November 2022. - Documentation of the installation of warnings against playing in the well area in MEP Afdeling 1, 5 and 6. - Documentation of limited area warnings at WWTP Ajamu POM. - HIRAC Ajamu POM, update January 5, 2023, with the following details: <ul style="list-style-type: none"> ✓ Loading ramp - Sorting, risk identification is in accordance with the risk level identification. ✓ unsafe action on wheel loader operations, risk is in accordance with risk control. The socialization of the Wheel Loader operating policy was shown at POM Ajamu on 04 December 2022, which was attended by operators, foremen and related staff. The socialization contained, among other things, the prohibition on giving rides to other people when heavy equipment is in operation. ✓ Activities in WWTP, risk identification is in accordance with the risk level identification. Risk control by using procedures and using appropriate PPE, implementing procedures, outreach, and warnings. ✓ MEP Estate Manager Decision regarding PIC Review HIRAC MEP Estate December 1, 2022. <p>Corrective action has been accepted.</p> <p>Based on this, the discrepancy is declared to have been fulfilled and its application will be observed again in the next audit.</p> <p><i>Follow up on next audit (filled by auditor):</i></p>			
<table style="width: 100%; border: none;"> <tr> <td style="border: none; width: 30%;">Verified by</td> <td style="border: none; width: 10%;">:</td> <td style="border: none; width: 60%;">Sentot Adi Subandono</td> </tr> </table>	Verified by	:	Sentot Adi Subandono
Verified by	:	Sentot Adi Subandono	

NCR No.	:	2022.05	Issued by	:	Sentot Adi Subandono
Date Issued	:	October 15, 2022	Time Limit	:	13 January 2023

NC Grade	: Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	: 3.6.2 The effectiveness of the H&S plan to address health and safety risks to people is monitored.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none">Government Regulation number 50 of 2012 concerning the Implementation of OHS System Management in article 10, among other things, explains that companies in implementing OSH plans are supported by competent and certified human resources and have Operator License OHS/appointment from the authorities.The Company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing K3 in all aspects of work in order to prevent and reduce accidents and <i>PAK</i> (disease caused by the impact of work) by implementing OHS System Management.The company has an OHS Policy that was established on January 7, 2021 by the Plantation Manager and SP Bun (Worker Union). In general, explaining that the Company will comply with all forms of laws and government regulations regarding OSH.			
1. Boiler Operator			
<ul style="list-style-type: none">Based on field observations and document review, it is known that the company operates 1 boiler with an installed capacity of 20 tons/hour. It is also known from the results of field observations from the digital record that the pressure generated is \pm 17 tons/hour.The company shows a Class II Boiler License Operator with the initials Shd, but the results of a review of employee data for the period 12 October 2022 show that Shd's position is Kernel Operator Helper. Based on field observations and document review it is also known that the workers in the Boiler area are JS, Rmt, MA, Mkl, and Skd who have not shown their OHS License Boiler Operator.Labor Minister Regulation No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity of >10 ton/h <20 T/h requires 1 class I operator for each shift.			
2. Electricity OHS Expert			
<ul style="list-style-type: none">Based on field observations and document review, it is known that the company has 1 turbine with a power of 800 KVA and a generator with a power of 565 KVA.Labor Minister Regulation No. 12 of 2015 in Article 7 it is explained that for companies that have power plants of more than 200 kVA are required to have OHS Experts in the field of Electricity.The results of the review of the Ajamu Mill Operators License Competency Recap document, there was no AK3 for Electricity.			
3. OHS Fire Expert			
<ul style="list-style-type: none">Based on interviews with management representatives informed that the company already has a Class D role officer, but has not been able to show evidence of OHS certificates and licenses owned.Based on review of the Ajamu Mill Operators License Competency Recap document found that there were no OHS fire Expert or Class D Fire Officers.Letter of the Minister of Manpower number 13 of 2015 concerning Improvement of Guidance and Supervision of Occupational Safety and Health in the field of fire prevention in the workplace regulates the establishment of fire prevention units which include role officers, response teams, coordinators, and OHS fire Expert prevention.			
4. Periodic Health Examination (MCU) for Workers			
<ul style="list-style-type: none">Based on document review and interviews with workers, it is known that health checks are only carried out for workers with high risk, and have not been carried out for all workers. For example, the 2021 Ajamu Mill worker health check was carried out for 46 workers. While 2022 cannot be shown by the company.Based on review Ajamu Mill employee data for the period of 12 October 2022 found that there were 136 employees, which means that not all workers have had periodic health checks.			

<ul style="list-style-type: none"> Regulation of the Minister of Manpower number 2 of 1980 concerning health checks for workers in the implementation of work safety regulates, among other things, periodic health checks and special checks for workers. <p>Non-Conformance Description <i>(filled by auditor):</i> Based on the observed evidence, it is known that the company has not complied with its Plantation Management System Policy and OHS Policy as well as specific OHS-related regulations, not limited to:</p> <ol style="list-style-type: none"> The company has not been able to show OHS licenses as follows: <ul style="list-style-type: none"> Boiler Operator in accordance with Labor Minister Regulation No. 01 of 1988. Electricity OHS Expert in accordance with Labor Minister Regulation No. 12 of 2015. Role officers, response teams, coordinators, and OHS Expert for fire prevention in accordance with the Circular of the Minister of Manpower number 13 of 2015 Health checks for workers according to the Minister of Manpower Regulation No. 2 in 1980.
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ul style="list-style-type: none"> There is no PIC who monitors the need for licenses and license extensions for OHS Operators, OHS expert of electricians, and firefighters and OHS EXPERT Class A fires There is no periodic health check procedure for all workers.
<p>Correction <i>(filled by organization audited):</i></p> <ul style="list-style-type: none"> Indicate a valid steam aircraft operator license. Shows letter of extension of OHS coordinator for class B fires and OHS electrical technician from PJK3 who works with the company. Demonstrate revision of Health check procedures related to Health checks for all workers. Perform Health checks for all estate and factory workers.
<p>Corrective Action <i>(filled by organization audited):</i></p> <ul style="list-style-type: none"> Establish a PIC who monitors license requirements and license activation for OHS aspects. Carry out monitoring of PIC performance and completeness of OHS Operator and machine licenses in the company, as well as regular health checks for all employees through Internal Audit.
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor Verification 02 January 2023</p> <ul style="list-style-type: none"> Root cause analysis "Identification of personal licenses/certifications has not been carried out in accordance with applicable regulations" □ Not yet shown a PIC who monitors the need for OHS aspect licenses (1), understanding regarding OHS licenses (2), emergency responders and OHS EXPERT fires (3). There is no root cause analysis related to the implementation of health checks for workers (4). Correction, by showing valid steam and OHS EXPERT Electricity operator licenses, as well as OHS EXPERT fire extension letters, but corrections have not been shown for workers' health checks according to the results of audit observations. Please formulate a corrective action after identifying the root cause analysis Back. corrective action is an improvement plan based on root cause analysis, so that the non-conformity does not recur. The company shows evidence of improvement, as follows: <ul style="list-style-type: none"> Recapitulation of Ajamu POM SIO Competency Certification, approved by the Unit Manager on December 26, 2022, which informed that there were 2 class 1 steam aircraft operators with active SIO, 2 class 2 Boiler operators with active SIO, 1 hoisting crane operator with active SIO, 2 operators Production aircraft with an active SIO, and 1 SIO OHS Electrician whose validity period has expired. OHS Class 1 Boiler Operator License with the initials Stn (PTPN IV) which is valid until 30 April 2024. Class 1 Boiler Operator OHS license with the initials MAI (PTPN IV PKS Ajamu) which is valid until June 18, 2025. OHS Class 2 Boiler Operator License with the initials Mkl (PTPN IV) which is valid until June 9, 2027. K3 Class 2 Steam Aircraft Operator License with the initials MAm (PTPN IV) which is valid until 09 June 2027. K3 Electrical Technician license with the initials Kcr (PTPN IV) which is valid until November 21, 2022, which has expired.

- PKS Ajamu Manager's statement letter dated November 14 2022 regarding employees with the initials Nmd and AE as employees of PTPN IV Ajamu, as well as a statement letter for each worker as a completeness of the application file for class B fire management SKP extension. Not yet shown a statement letter from PJK3 regarding the extension process PKS Ajamu employees as class B firefighters.
- HR memo to all Plantation and PKS Managers dated 30 November 2022 regarding the 2022 Health inspection schedule for handlers of pesticides, toxic chemicals, and employees aged ≥40 years. It is planned for the Ajamu unit on December 19-20 2022, namely 32 Ajamu workers, 75 MEP workers, and 26 Ajamu POM workers. The results of the health check have not been shown.

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

Auditor Verification January 10, 2023

The company shows additional evidence of improvement:

- There has been no change Root cause analysis, please identify Again Root cause analysis according to verification 02 January 2023.
Revision of the root of the problem: there is no officer related to OHS effectiveness inspection
- Proof of correction, as follows:
 - Statement of PJK3 PT EMCOTAMA dated 21 December 2022 which explains the process of extending the OHS License for the Class B Fire Management Unit Coordinator, namely 2 people from POM Ajamu with the initials AE and Nmd, and 1 person from Kebun Ajamu with the initials Gnw, an extension at the Ministry of Manpower of the Republic of Indonesia.
 - Statement of PJK3 PT EMCOTAMA dated December 21, 2022 which explains the process of extending the Electrician's OHS License with the initials Kcr, an extension at the Indonesian Ministry of Manpower.
 - MCC Manager Memo dated 24 December 2022 regarding the implementation of the x-ray plan for 26 POM workers at Prodia 19 – 20 December 2022. Periodic health checks for all workers, both plantation and PKS, as well as the results of the planned health checks have not been shown.
 - Please formulate a corrective action after identifying the root cause analysis Back. corrective action is an improvement plan based on root cause analysis, so that the non-conformity does not recur.
 - Make SK PIC officers monitoring the effectiveness of OHS
 - Monitoring the effectiveness of monthly OHS

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

Auditor Verification January 13, 2023

- Revised Root Cause Analysis (13 January 2023)
 - There is no PIC who monitors the need for licenses and license extensions for OHS Operators, OHS EXPERT electricians, and firefighters and OHS EXPERT Class A fires
 - There is no periodic health check procedure for all workers.
 Root cause analysis has been acceptable
- The company shows evidence of correction improvement, as follows:
- Results of periodic inspections of employees implementing the Ajamu estate by PT Prima Medica Nusantara Unit Pabatu Hospital on 28 November 2022 for 284 implementing employees, with all healthy results. The 2022 employee inspection program is shown, 2023 realization of 51 people signed by the Ajamu Estate Manager on January 13, 2023.
- Results of periodic inspections of employees implementing the MEP estate by PT Prima Medica Nusantara Unit Pabatu Hospital on 07 December 2022 for 460 implementing employees, with all healthy results. However, from the employee data for October 2022, it is known that the number of workers at MEP Estate is 529. It has been shown by the Explanation of the MEP Estate Manager on 13 January 2023 that since October 48 workers retired, 21 people retired early.
- Results of periodic inspections of employees implementing the Ajamu estate and factory by PT Prima Medica Nusantara Unit Pabatu Hospital on 28 November 2022 for 136 implementing employees, with all healthy results. POM employee data as of October 2022 totalled 114, so it was concluded that all workers had undergone periodic health checks.

- Minutes of OHS license socialization dated 6 January 2022 to the POM Manager, Machinist Head of Personnel/Administrative Assistant, Engineering, QA, Processing, and employees who have licenses regarding the OHS license, license period, and license monitoring PIC.
- Decision of the POM Manager dated January 5, 2023 regarding the PIC of the License Monitor/SIOOHS at Ajamu POM.
- Dissemination of understanding of OHS licenses, OHS EXPERT Electricity, OHS EXPERT fires, and emergency conditions at PKS on January 6, 2023.
- PT Emcotama's PJK3 certificate dated 21 December 2022 regarding the extension of the Class B Fire Management Coordinator, as many as 2 PKS employees with the initials AE and Nmd, and 1 estate employee with the initials Gnw.
- The OHS SYSTEM MANAGEMENT procedure with code Kebun Aja – 4.3.15 concerning Handling Accidents and Health Checks revision 1, effective 13 February 2023 states that Health checks are carried out by taking an inventory of health check needs for all workers and special Health checks for workers according to the provisions, submitting work plans, and carrying out health checks
- The OHS SYSTEM MANAGEMENT procedure with code Meranti Paham Estates – 4.3.15 concerning Handling Accidents and Health Checks revision 1, effective 13 February 2023 states that Health checks are carried out by taking an inventory of health check needs for all workers and special Health checks for workers according to regulations, submitting work plans, and implementation of health checks
- The OHS SYSTEM MANAGEMENT procedure with code PKS Ajamu – 4.3.15 concerning Accident Handling and Health Examination revision 1, effective 13 February 2023 states that Health checks are carried out by taking an inventory of health check needs for all workers and special Health checks for workers according to regulations, submitting work plans, and carrying out health checks
- OHS training program in 2023, one of which is a class A fire training plan in March 2023.
- Corrective action has been accepted.

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

Follow up on next audit (filled by auditor):

Based on document review as well as field observations in warehouses and harvesting activities, known that the company has completed OHS instructions such as banners for gathering points, evacuation routes, and OHS warnings in order to controlling risks and potential hazards for all employees, for example, warning about PPE mandatory areas at each station according to the identification of risks and potential hazards.

Verified by : **Sentot Adi Subandono**

<i>NCR No.</i>	: 2022.06	<i>Issued by</i>	: Hasiholan Sihombing / Alfiany Sukmawati
<i>Date Issued</i>	: 15 October 2022	<i>Time Limit</i>	: ASA-4
<i>NC Grade</i>	: Minor	<i>Date of Closing</i>	: 18 Agustus 2023
<i>Standard Ref. & Requirement</i>	: 4.3.1 Contributions to community development that are based on the result of consultation with local community are demonstrated.		
Evidence observed (filled by auditor): The unit of certification has contributed to community development through proposals submitted by the community and its CSR programs in 2022. For example, there are documentations of the construction of the Dusun 1 Selat Beting canal and road repair of the Meranti Paham village, and many more.			
Non-Conformance Description (filled by auditor):			

However, the certification unit has not been able to show evidence that the CSR program was prepared based on the results of consultations with local communities.	
Root Cause Analysis <i>(filled by organization audited):</i> Lack of management understanding in conducting CSR in participatory approach with relevant stakeholders.	
Correction <i>(filled by organization audited):</i> Provide the CSR implementation and evaluation report.	
Corrective Action <i>(filled by organization audited):</i> Conduct socialization to relevant stakeholders in participatory approach for CSR.	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> -	
Follow up on next audit <i>(filled by auditor):</i>	
Verification on ASA 4 18th August 2023: The company provides the attendance list for the CSR planning in 2023. It was held in Panai Hulu District Office on 10 July 2023. The participants in the event were representative of PTPN IV and nearby villages. The company can also show the CSR planning program and progress. Based on that information, it can be concluded that this NC is stated closed.	
Verified by	: Afiffuddin/Dinda Febrima Napitupulu

NCR No.	: 2022.07	Issued by	: Leonada
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Major (Recurring)	Date of Closing	: 3 December 2022
Standard Ref. & Requirement	6.2.2 Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed, including work done by family members.		
Evidence observed (filled by auditor): <ul style="list-style-type: none">Based on interviews with representatives of the Meranti Paham Workers' Union, information was obtained that there were workers who were assisted by family members who were not employees of the company.Based on field visits during harvesting activities, it was found that 1 person in Afdeling I of the Ajamu Estate was helping with the harvest and 1 person in Afdeling I and 1 person in Afdeling V of the Meranti Paham Estate who was helping with picking loose fruit. Based on direct interviews, it is known that the three people are not company employees and one of the work support personnel is not yet 18 years old. In this case the company also has not been able to show evidence that the three people have a working relationship with the company.Law of the Republic of Indonesia No. 13 of 2003 in article 50 and Government Regulation of the Republic of Indonesia No. 35 of 2021 in article 2 paragraph 1 states that employment relations occur because of an employment agreement between employers and workers/labourers.			
Non-Conformance Description (filled by auditor): Based on this evidence, there are still people who work in a corporate environment without having a work relationship in the form of a work agreement. This is not in accordance with Law No. 13 of 2003 and Government Regulation no. 35 years 2021.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">Lack of understanding of the Unit of Certification (Ajamu and Meranti Paham) regarding the prohibition on the use of illegal labor or the Family Cup in FFB harvesting work.Field supervisors were not consistent in following up on personnel changes and new personnel changes, so we made a policy prohibiting the use of new family cups by local units			

- Field implementing supervisors allow workers to bring family members to work locations.

Correction *(filled by organization audited):*

- Socialization and reading of the pledge for the Prohibition of the Use of Illegal Labor and the obligation to use PPE in Ajamu (PKS and Estates) and Meranti Paham Estate.
- Socialization will also be carried out to workers' families and socialization will be carried out to field supervisors by managers, assistants and field foremen.
- For understanding Meranti Paham Estate, there will be a thorough outreach to all departments.
- Letters of Reprimand to Harvest Employees found working assisted by family members who are not employees to 5 (five) harvest employees.
- Letter of Reprimand to the Harvest Foreman allowing workers to bring family members to work locations on October 13, 2022.
- Monitoring the Use of Personal Protective Equipment (PPE) and the Prohibition of Use of Illegal Working on October 15, 2022 at Ajamu Estate and Meranti Paham Estate.
- Decree of the Ajamu Plantation Manager No. AJA/M/Kpts/22/X/2022 concerning Appointment of Family Cap Monitoring Officers to Head of Assistances, DSS and Foreman Afdeling I – V.
- Head of Assistances supervises regularly and randomly every week to monitor illegal workers.

Corrective Action *(filled by organization audited):*

- Create a Program Plan for Monitoring Illegal Labor and Use of Personal Protective Equipment (PPE)
- Monitoring harvesters regarding the use of illegal harvester labor to work in the field by the Harvest Foreman and report monitoring results to the assistant head and manager for evaluation
- Making commitments by management regarding the prohibition of illegal workers and continuing to monitor illegal workers who are evaluated by top management.
- Giving warning letters to workers and PIC leaders in the field if illegal labor is used

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification on October 18, 2022

The company shows evidence of improvement in the form of:

1. Document of Ajamu Estate Manager Circular Letter No AJA/SE/Intern/80/X/2022 concerning Prohibition of Use of Illegal Labor and the obligation to use PPE dated October 14, 2022.
2. Integrity Fact Document of Meranti Understand Plantation regarding Prohibition of Use of Illegal Labor and the obligation to use PPE dated October 14, 2022.
3. PKS Manager Integrity Fact Document regarding Prohibition of Use of Illegal Labor and the obligation to use PPE dated October 14, 2022.
4. Program Plan for Monitoring Illegal Labor and Use of Personal Protective Equipment (PPE) October 2022 – September 2023.
5. Video outreach and reading of the pledge to Prohibit the Use of Illegal Labor and the obligation to use PPE in Ajamu (Mill and Estates) and Meranti Paham Estate.
6. Monitoring the Use of Personal Protective Equipment (PPE) and the Prohibition of Utilization of Illegal Working on 15 October 2022 at Ajamu Estate and Meranti Paham Estate.

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

Verification on October 26, 2022

The company shows evidence of improvement in the form of:

1. Decree of the Ajamu Plantation Manager No. AJA/M/Kpts/22/X/2022 concerning Appointment of Family Cap Monitoring Officers.
2. Minutes of Socialization of the Prohibition of Illegal Working in Afdeling I, II, III, IV and V of Kebun Ajamu on October 20, 2022.
3. Letter of Reprimand to Harvest Employees who bring family members to work locations on October 13, 2022 at Ajamu Estate.
4. Minutes of Socialization of the Prohibition of Family Cups and the Use of Lower Labor in Afdeling V of Meranti Paham Estate on October 17, 2022.

5. Letter of Reprimand to Harvest Employees found working assisted by family members who are not employees to 5 (five) harvest employees on October 13, 2022 at Meranti Paham Estate.
6. Letter of Reprimand to the Harvest Foreman who allows workers to bring family members to work locations on October 13, 2022.

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

Verification date December 3, 2022

The company shows evidence of improvement in the form of:

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

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

Major Verification December 21, 2022

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

Follow up on next audit (filled by auditor):

Verification on ASA-4:

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

- Temporary workers agreement with the initials S.B signed on August 1, 2022. The agreement is valid from 01 August 2022 to October 31, 2022.
- Temporary workers agreement SPD signed on 01 July 2023. The agreement is valid from 01 July 2023 to 31 September 2023.

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

Verified by : **Leonada**

NCR No. : **2022.08** **Issued by** : **Leonada**

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

Verification on December 29, 2022

The company shows evidence of improvement in the form of:

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

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

Verification on 09 January 2023

The company shows evidence of improvement in the form of:

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

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

Verification on January 13, 2023

The company shows evidence of improvement in the form of:

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

3. Meranti Paham Estate Employee House Improvement Program Afdeling I, II, III and Emplacement in 2023.
4. Minutes of Dissemination of Internal Communications and Handling of Employee Complaints at Meranti Paham Estate Afdeling I to VI on November 10, 2022.

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

Follow up on next audit (filled by auditor):

Verification on ASA-4:

Company has provided housing facilities on Ajamu (Estate and Mill) and Meranti Paham Estate. For example, list of facilities in 2023 including houses, mosque, church, workers hall, football field, volley ball field, badminton field and school bus. Based on field observation to housing complex of Mill and Estates. The company shows a list of Facilities and Infrastructure at Ajamu Estate and Meranti Paham Estate for the 2023 period, which explains that the infrastructure is in good condition.

Verified by : **Leonada**

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

Assessor Evaluation and Conclusion (filled by auditor):
Verification date January 13, 2023

The company shows evidence of improvement in the form of Matrix of Work Program Plan for Sub Personnel and PO of the HR Section.

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

Follow up on next audit (filled by auditor):

- Based on the results of interviews with harvest workers and harvest foremen in Afdeling I and III of Ajamu Estate, it is known that there are still harvest PKWT (contract) workers who have started since 2021. Based on a review of the employee list document, it is known that there were 93 harvest PKWT workers in July 2023.
- Based on the results of interviews with harvest workers in Afdeling II and IV Meranti Paham Estate, it is known that there are still harvesting PKWT workers who have started since 2021. Based on a review of the employee list document, it is known that there are 56 harvesting PKWT workers. However, the PKWT has not been registered with the Labuhanbatu Regency Employment Service. Furthermore, according to the document review, it is known that the PKWT harvest contract is made every 3 months with the latest contract being 01 July 2023 to 30 September 2023.

In accordance with Government Regulation no. 35 of 2021 in the PKWT section explains that

- PKWT cannot be held for work that is permanent and PKWT can be held based on a period of time (work that is estimated to be completed not too long ago, seasonal work, work related to new products or additional products that are still in trial or exploration).
- In the event that PKWT registration online is not yet available, the PKWT registration shall be carried out by the Entrepreneur in writing at the agency that administers government affairs in the district/city manpower sector, no later than 7 (seven) working days from the signing of the PKWT.

In conclusion, it is known that:

- The company has not been able to provide sufficient evidence that all permanent work is not carried out by Fixed Time Workers (PKWT).
- The company has not been able to show proof that it has recorded PKWT at Meranti Paham Plantation to the relevant agencies.

This becomes **NCR No. 2023.01 with minor raised to major category.**

Verified by : **Leonada**

NCR No.	:	2022.10	Issued by	:	Leonada
Date Issued	:	October 15, 2022	Time Limit	:	13 January 2023
NC Grade	:	Minor raised to Major	Date of Closing	:	13 January 2023
Standard Ref. & Requirement	:	6.5.4 A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">SOP for Internal Communication and Handling of Employee Complaints Document No. SPO. 19 revision 03 effective date November 6 2018 procedure section 5.3 concerning Mechanisms for handling employee complaints at Plantations and Factories explained that "Employee complaints are submitted orally or in writing to the direct supervisor (foreman, assistant and/or head assistant) or submitted to HR assistant, general and security. All employee complaints must be submitted to the manager to be known and responded to immediately.					

- Based on interviews with housing residents at Ajamu Mill, Afdeling IV Ajamu Estate and Afdeling I, IV and V Meranti Paham Estate there were complaints regarding housing facilities but until the audit was carried out there was no response from the company.
- Based on the recording of employee complaints by Meranti Paham and Ajamu in the document "Report on Monitoring Complaints and Complaints of Workers" for the period January - September 2022, it is known that there were no complaints from employees.

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

The company has not been able to show evidence that complaints have been documented, implemented and communicated according to the procedures it has.

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

Lack of outreach to workers regarding internal communication mechanisms and handling employee complaints, because not all workers get clear information regarding internal communication mechanisms and handling employee complaints and have not been documented in a measurable manner because there are still many workers who do not understand the procedures for internal communication mechanisms and handling employee complaints.

Correction *(filled by organization audited):*

Carry out outreach in collaboration with SPBUN (worker union) regarding internal communication mechanisms & handling employee complaints so that 2-way communication runs effectively and Demonstrate Bipartite LKS with SPBUN confirming internal communication mechanisms and handling employee complaints as well as samples of employee complaint monitoring forms

Corrective Action *(filled by organization audited):*

- Shows Bipartite LKS with SPBUN confirming internal communication mechanisms and handling employee complaints
- Overall monitoring of employee complaints

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification date December 29, 2022

The company shows evidence of improvement in the form of:

1. List of Recapitulation of Internal Complaints (Employees) PTPN IV Ajamu Plantation Unit 2022.
2. Letter from the Assistant Head of Plants to the Manager of the Ajamu Estate Unit No. Afd IV/Aja/002/IX/2022 dated October 13, 2022, regarding the Rehabilitation of Employee Houses.
3. Letter from Plant Assistant Afdeling IV to Ajamu Plantation Unit Manager No. Afd IV/Aja/001/IX/2022 dated October 13, 2022, regarding the construction of bathing, washing, and toilet.
4. Letter from Assistant Afdeling V to the Meranti Paham Plantation Unit Manager dated October 20, 2022 regarding Employee Home Improvement (G-2).
5. Letter from Assistant Afdeling VI to Meranti Paham Plantation Unit Manager No. Afd.VI/MU/05/10/2022 dated October 20, 2022 regarding Application for Repair of Home Ceiling.

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

Verification date January 9, 2023

The company shows evidence of improvement in the form of:

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

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

Verification date January 13, 2023

The company shows evidence of improvement in the form of:

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

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

Follow up on next audit (filled by auditor):

Verification on ASA-4:

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

The procedure has assuring anonymous and protection to whistleblower. Complaints can be submitted through recording in the logbook that has been provided, directly to the foreman, through the suggestion box, through the gender committee, worker unions, hotlines and email provided by the certification unit and via the RSPO website. Based on interview result with gender committee and labour union representatives, as well as sample workers, there is no complaints has been submitted to company.

Verified by : **Leonada**

NCR No.	: 2022.11	Issued by	: Sentot Adi Subandono
Date Issued	: October 15, 2022	Time Limit	: 13 January 2023
NC Grade	: Minor raised to Major	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none">Manpower Agency regulation No. 15 of 2008 concerning first aid, among other things, regulates the contents of first aid kits, the need for first aid kits compared to the number of workers, and the number of first aid kits based on distance.The company has a Plantation Management System Policy which was approved by the Main Director in January 2022, which regulates, among other things, prioritizing OSH in all aspects of work in order to prevent and reduce accidents and PAK (disease caused by the impact of work) by implementing OHS System Management.The company has an OHS Policy issued at Ajamu Estate on 10 June 2021 at PTPN IV which has been signed by SP Bun (worker union) and the Plantation Manager explaining in one of the points as follows: Allocating and budgeting for personnel/funds and other facilities to support the implementation of the K3 Management System (SMK3).OHS System Management Procedure for Handling Emergency Situations No. Kebun Aja Document-4.3.17 revision 00 effective date 2 February 2020 which aims to provide instructions on how to respond quickly and appropriately to emergencies so as to reduce the impact of losses incurred.Statement letter from the polyclinic doctor on January 2, 2021 explaining that the recommendation for the contents of the first aid kit in a building refers to Labor Minister Regulation regulation No. 15 of 2008 and for the provision of activities in the field is 11 items (Betadine, 70% alcohol, scissors, plaster, pins, distilled water, bandages, gauze, cotton, tweezers and eye drops). Also informed was a letter from the Polibun regarding the contents of the first aid kit in engineering and processing work referring to Labor Minister Regulation number 15 of 2008, totaling 21 items.Based on field observations at Mill, it is known that:			

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

Non-Conformance Description (filled by auditor):

Based on the observed evidence, it is known that:

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

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

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

Correction *(filled by organization audited):*

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

Corrective Action *(filled by organization audited):*

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

Assessor Evaluation and Conclusion *(filled by auditor):*
Verifikasi Auditor 02 Januari 2023

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

- d. p.s. Document handing over the contents of the first aid kit/first aid bag MEP Estate Foreman, in accordance with Permenakertrans number 15 of 2008 on October 26, 2022 to Head of Afdeling 1, Head of Afdeling 2, Head of Afdeling 3, Head of Afdeling 4, Head of Afdeling 5, Head of Afdeling 6, Head of Staff Engineering, Warehouse Clerk, Nursery Clerk, and Secretary Manager.
- e. Minutes of outreach in Afdeling 5 MEP estates regarding the use of types of first aid drugs, contents of First Aid Bags and Kits on November 10, 2022, which was attended by Askep, Assistants, Harvest Foreman, Maintenance Foreman, and nurses.
- f. Minutes of socialization in Afdeling 1 of MEP Estate Nurseries regarding the use of types of first aid drugs, contents of First Aid Bags and Kits on 17 November 2022, which was attended by Krani, Foreman and workers.
- g. Minutes of socialization in Afdeling 1 of the MEP Estate regarding the use of first aid, contents of First Aid Bags and Kits on November 4, 2022, which was attended by Assistants, Harvest Foremen, Harvesters, and nurses.
- h. Photo of the contents of the first aid kit at the PKS Ajamu B3 Warehouse and follow-up photos, which have not been shown a description so that the information referred to is not clear.
- i. Eye shower and body shower repair documents at the Ajamu B3 PKS Warehouse accompanied by documentation photos.
- j. Minutes of OSH policy socialization to local residents looking for grass in the WWTP area and dismantling FFB nets in the sorting area on 07 November 2022.
- k. First aid handover documents to WWTP workers, November 26, 2022.
- l. Documentation of visitor line photos, gathering points, and evacuation routes, which will be observed again in the next audit.

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

Audit Verification January 10, 2023

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

- Carry out regular monitoring of the performance of the PIC evaluator on OHS aspects in the company through Internal Audit.
- Based on the verification above, the non-compliance is declared not fulfilled

Auditor Verification January 13, 2023

- Root problem analysis, as follows:
The company revised the root cause analysis "The inspection and investigation team did not understand the procedures for handling emergency response and work accidents so that they did not work effectively in the certification unit", while in the previous audit "There has not been an evaluation of the monitoring results of OHS inspections that have been carried out by officers" and "There is no specific PIC who is responsible for evaluating the results of OHS inspection monitoring that has been carried out by officers".
- The previous audit also showed evidence of improvement such as documents for emergency response facilities for the B3 Warehouse such as first aid kits, fire extinguishers, lights and other emergency response facilities. Based on the root cause analysis and evidence of improvement from the previous audit, to identify "The Inspection and Investigation Team lack understanding regarding emergency response and work accident handling procedures so that they do not work effectively in the unit of certification" to be inappropriate. Please identify Back Root cause analysis of non-conformity.

Revision Root January 13, 2023

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

Root cause analysis is acceptable

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

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

the next audit.	
<i>Follow up on next audit (filled by auditor):</i>	
The certification unit already has emergency response procedures and work accidents supported by supporting facilities and the company has routinely conducted socialization and emergency response simulations,	
Verified by	: Sentot Adi Subandono

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

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

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

Correction *(filled by organization audited):*

- Evidence of replacement of PPE for Ajamu Estate employees including: 1 PKWT harvester afdeling I and 2 maintenance employees in afdeling V
- Evidence of replacement of PPE for meranti understand employees including: 1 harvester in afdeling I, 1 Maintenance worker in afdeling V and 2 harvesters in afdeling V
- Evidence of Change of PPE for Ajamu Mill employees
- Information dissemination to employees regarding the mechanism and replacement of PPE

Corrective Action *(filled by organization audited):*

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

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

Root cause analysis:

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

Auditor Verification 19 October 2022

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

Auditees Response:

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

Auditor Verification 30 October 2022

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

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

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

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

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

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

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

Revision 01 December 2022

Root cause analysis:

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

Auditor: already accepted.

Correction**Auditor Verification 19 October 2022**

1. Please show all proof of correction for MILL Ajamu
Auditee's response: Will send proof of handover of PPE for MILL Ajamu employees.
2. It has not shown the procurement of PPE for all workers
Auditee's response: Management will thoroughly monitor the use of PPE and evaluate by top management whether the PPE is replaced because it is damaged or the PPE is not used and a warning letter is given

Corrective action**Auditor Verification 19 October 2022**

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

Auditees Response:

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

Auditor Verification 30 October 2022

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

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

Verification Auditor 01 December 2022

Several things are of concern for corrective action

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

Revision 22 December 2022

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

Auditor Verification December 22, 2022:

Has been accepted.

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

Ajamu Mill

The company shows evidence of improvement:

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

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

Ajamu Estates

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

Meranti Paham Estate

- Integrity Fact dated 14 October 2022 signed by the Manager, Assistant Chief, and 8 Assistants, as well as 332 Afdeling I, III, IV, V, VI workers, and plantation office workers. The document contains commitments including applying the principles and criteria of the RSPO and other plantation management systems, providing PPE for workers, ensuring PPE is used when working, implementing government regulations and procedures related to PPE, and being prepared to accept company sanctions for violations of commitments. Note: MILL Employee

Data as of October submitted to the Auditor 529 workers. Which means not all employees show commitment regarding this matter.

- Auditee's response: Integrity facts will be provided for all employees
- Video of imparting the facts of integrity to Afdeling I, II, III, IV, V, VI, and plantation office workers but it is still found in the videos, participants in Afdeling I, II, III, IV, and V who wear boots instead of safety boots according to the company's PPE matrix, which means they are still using inappropriate PPE.
- Auditee's Response: Will be adjusted to the revised HIRAC
- Minutes and documentation of delivery of PPE safety shoes on 18 October 2022 to 2 Afdeling V workers.
- Minutes of delivery of boots on 18 October 2022 to 1 harvester Afdeling I.
- Planned Program for Monitoring Illegal Labor and Use of PPE for the period October 2022 – September 2023 which contains, among other things, making integrity facts, socializing the use of PPE to all employees, determining the PIC for monitoring the use of PPE, monitoring PPE during the work process, evaluating top management regarding the use of PPE, and giving rewards and punishments.

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

Conclusion:

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

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

Mill Ajamu

- MILL Ajamu Manager Circular number MILL-AJA/SE/002/X/2022 dated 17 October 2022 regarding PPE replacement, which among other things regulates:
 - Mandatory use of PPE
 - Sanctions for repatriation and considered absent for employees who do not use PPE.
 - If PPE is damaged while working, then a request for replacement of PPE is submitted, by submitting an application letter signed by the Assistant and showing physical evidence of PPE that has been damaged.
 - PPE safety boots/safety shoes will be replaced with boots

Auditor's Note:

1. When PPE is damaged while working, what is the treatment for the employee? □ the mechanism for replacing PPE is still in the form of a request and presentation of proof of damage. Do workers stop working until appropriate PPE is provided or some other mechanism? Please explain

Auditee's Response: Mechanism If you don't wear PPE, workers can't work

2. The basis for replacing safety boots/safety shoes with boots has not been shown. Please show the analysis.

HIRAC and Occupational Accident Reports

Proof of replacement of PPE safety boot for 2 dump truck drivers and boiler operators.

Estates

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

Auditee Response: Will be improved regarding the manager's PPE policy

Conclusion:

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

Root cause analysis

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

Auditee: Immediate Responses under Highlight Auditor Questions

Conclusion 01 December 2022

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

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

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

Auditor Verification December 13, 2022

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

1. Decree of the Head of the Planning and Sustainability Section number 04.03/Kabag/Kpts/30/XI/2022 dated 01 November 2022, regarding officers supervising PPE procurement.
2. Evaluation of PPE procurement vendors a.n PT IKN, semester 2 of 2022, with the statement that all evaluation parameters have been fulfilled.
3. Manager Letter number: MEP/SE/32A/XI/2022 Plantation dated November 1, 2022 concerning PPE Replacement Mechanism & 5% replacement stock. The obligation to use PPE has been regulated, sanctions for not using PPE, a 5% PPE stock, and a mechanism for replacing PPE if it is damaged. The attached list of PPE Receipts for MEP plantations to Afdeling 1, Afdeling 2, Afdeling 3, Afdeling 4, Afdeling 5, and Afdeling 6 is shown. In the document, it shows handover from the Administration Assistant and received by the Farm Personnel Assistant.
4. Manager Letter number: MILL-AJA/SE/003/XI/2022 dated 04 November 2022 concerning PPE Replacement & 5% replacement stock. The obligation to use PPE has been regulated, sanctions for not using PPE, a 5% PPE stock, and a mechanism for replacing PPE if it is damaged. Attachments to the PPE Receipt List for Shift 2 Processing, engineering, non-MILL, Shift 1 Processing, and Quality Assurance are shown. The document shows the handover from the TU and Personnel Assistants, received by the respective Assistants at MILL.
5. Manager Letter number: Plantation AJA/SE/23A/XI/2022 dated 01 November 2022 concerning PPE Replacement Mechanism & 5% replacement stock. The obligation to use PPE has been regulated, sanctions for not using PPE, a 5% PPE stock, and a mechanism for replacing PPE if it is damaged.
6. HIRAC Harvest and Maintenance of Ajamu and MEP which were ratified on 17 October 2022 and 22 November 2022, discussed the use of 2 types of shoes in the estate, namely safety boots and boots.
7. Evidence of handing over of MILL Ajamu workers in the form of yellow helmet caps, safety boots, gloves, safety goggles, ear plugs, ash masks, safety goggles, rubber breastplates, laboratory coats, safety shoes. The distribution of PPE according to the work, as follows:
 - 5 Warehouse officers and because of system documents.
 - 56 workers in MILL.
 - 23 Quality Assurance workers.

- 40 Engineering workers.
- 8. Evidence of handing over of MEP Plantation workers in the form of safety boots, T-shirt gloves, chemical masks, ash masks, neutral goggles, helmets, egrek gloves, ax gloves, chemist clothes, aprons, rubber gloves. The distribution of PPE according to the work, as follows:
 - 65 workers Afdeling 1.
 - 59 Afdeling 2 workers.
 - 63 Afdeling 3 workers.
 - 42 workers Afdeling 4.
 - 56 Afdeling 5 workers.
 - 52 Afdeling 6 workers.
 - 18 Engineering workers.
 - Stock PPE Boots: 18 pcs.
- 9. Proof of handing over of Ajamu Plantation workers in the form of safety boots, blue helmets, face helmets, chemical masks, rubber gloves, t-shirt gloves, plastic aprons, ear plugs, ash masks, first aid waist bags, safety goggles, egrek gloves, sarongs axes, raincoats, and chemist work clothes. The distribution of PPE according to the work, as follows:
 - 65 Afdeling 1 workers, and stock of 6 rubber gloves, 6 aprons, and 6 chemist suits.
 - 54 Afdeling 2 workers.
 - 49 Afdeling 3 workers.
 - 57 Afdeling 4 workers.
 - 58 Afdeling 5 workers.
 - 19 HR Afdeling workers, Stock for guests (8 safety boots, 3 safety shoes, and 1 white helmet), and stock (14 safety boots, 6 gray masks, 111 shirt gloves, 4 aprons, 59 egrek gloves, and 59 sarongs ax).
 - 33 Engineering workers.
 - 9 staff.
 - Stock PPE Boots: 14 pcs.

Conclusion December 13, 2022:

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

Major onsite verification

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

- Evidence of inventorying/monitoring the condition of workers' PPE and handing over of damaged PPE, for example that was carried out on 14 October 2022 in Afdeling I of Ajamu Estate in the form of giving 45 pairs of boots to harvesters and maintenance.
- Mechanism for procurement of PPE and 5% stock, for example as stated in SE with No. KebunAja/SE/23A/XI/2022 which was published on November 1, 2022 explains that the company ensures that workers wear PPE and provide stock of 5% of the number of employees.
- Appointment of PIC for monitoring the use of PPE, which will be carried out by the assistant of each department.
- Field visits to Afdeling III of Ajamu Estate and Afdeling II of Meranti Paham Estate and Ajamu MILL, it was found that the implementation of the use of PPE for workers (Harvesting, Boiler Operators, Boiling) has been implemented in accordance with HIRAC.

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

Follow up on next audit (filled by auditor):

Based on the results of this assessment, it is known that workers use PPE that is in accordance with the PPE matrix and is provided free of charge by the company.

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

NCR No.	: 2022.13	Issued by	: Hasiholan Sihombing / Alfiany Sukmawati
Date Issued	: 15 October 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: 13 January 2023
Standard Ref. & Requirement	: 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		
Evidence observed (filled by auditor): The certification unit has the following procedures: <ul style="list-style-type: none">SOP for Hazardous Waste Management No. SPO 21 Revision 02 dated 02 January 2022. The procedure states in point 5.3.b that "All hazardous waste and used packaging for hazardous waste may not be used for other purposes and must be submitted directly to a licensed hazardous waste stoarge (maximum in a 1 week)."The company has procedures related to waste management in the Basic Guidelines Work Instructions for PT Perkebunan Nusantara IV No. 04.03/P/003 Revision 00 which is effective from 1 February 2022 where in point 7.4.3.14 stated "Employees regularly bring their domestic waste to the Final Waste Disposasal Area (landfill area) that has been provided."			
Based on the results of the field visit, the following was found: <ul style="list-style-type: none">Domestic waste piled up open area around mill employee housing, Ajamu Estate Afdeling IV and V employee housing, and Meranti Paham Estate employee housing Afdeling I and V-VI.Domestic waste scattered along the ditches in mill employee housing, Ajamu Estate employee housing Afdeling IV and V, and Meranti Paham Estate employee housing Afdeling I and V-VI.3 units of former oil drums used as water reservoirs in mill employee housing.Drums of ex-paint used as water containers and rice storage in the Ajamu Estate employee housing Afdeling IV and V, and Meranti Paham Estate housing afdeling I, V and VI.3 ex sacks of NPK type fertilizer in the Ajamu Estate employee housing afdeling V.Inner sacks of ex fertilizer in blocks 19I and 13 AH Afdeling V and behind the housing area Afdeling V-VI Meranti Paham Estate.There are used oil containers at the security post and oil storage area, also used paint containers at the Ajamu POM material warehouse.			
Non-Conformance Description (filled by auditor): Based on the evidence obtained, it was concluded that there was still waste disposal that was not in accordance with the procedures that were owned.			
Root Cause Analysis (filled by organization audited): There is no officer who specifically monitors the handling of domestic waste and B3 waste in residential areas			
Correction (filled by organization audited): <ul style="list-style-type: none">Removing all domestic waste and ex hazardous and toxic waste during the auditAppoint a PIC who is responsible for monitoring waste transportation			
Corrective Action (filled by organization audited): Create a schedule for transporting waste to landfill that has been provided by the company			
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification (30 December 2022) The company has attached evidence of improvement in the form of: <ol style="list-style-type: none">Minutes of socialization of the ban on burning waste to workers (work environment) and the community (residential environment) which was carried out on November 12, 2022 at Ajamu POM.Minutes of withdrawal of B3 waste (3 used oil drums) and transferred to hazardous and toxic waste temporary storage on 12 November 2022.Minutes of the implementation of mutual cooperation cleaning of ditches and domestic waste at Ajamu POM housing on November 12, 2022Decree of Plantation Manager of PTPN IV Ajamu Business Unit No. AJA/MU/Kpts/08/XII/2022 which is set on 01			

- December 2022. The document contains the appointment of a cleaning officer to collect waste from temporary storage and bring it to landfill for Afdeling I – V.
5. Minutes of the implementation of the hazardous and toxic waste transportation, which was carried out on 25 November 2022 at Afdeling V
 6. Minutes Socialization of understanding of handling agrochemical and chemical waste to workers (work environment) along with the community (housing environment) and Ajamu Business Unit stakeholders, which was conducted on 05 November 2022 to external stakeholders (community, worker union, DSS staff), 12 November 2022 at Afdeling V, 10 November 2022 at Afdeling IV, 09 November 2022 at Afdeling III, 08 November 2022 at Afdeling II, and 07 November 2022 at Afdeling I.
 7. Minutes of socialization of hazardous and toxic waste management and chemicals of the Meranti Paham Business Unit, which were carried out on November 15, 2022, November 21 at Afdeling V, and November 21, 2022 at Afdeling I,
 8. Minutes of quoting the inner fertilizer behind the Afdeling V-VI housing area, and storing it at hazardous and toxic waste temporary storage Meranti Paham Business Unit.
 9. Root cause analysis, correction and corrective action. However, there are still a number of auditor responses that need to be completed by the company as well as supporting documents as actions taken to correct non-conformances.

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

Auditor Verification (09 January 2023)

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

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

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

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

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

Auditor Verification (13 January 2023)

The company has provided the following proof of improvement:

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

Based on the verification results, evidence of improvement has been accepted. Thus the nonconformity is declared

fulfilled with the Notes and will be further verified at the next surveillance.	
<i>Follow up on next audit (filled by auditor):</i>	
The nonconformity in this indicator is categorized as minor, but it is recurred in ASA 4, therefore the status is minor raised to major. Further explanation is mentioned in NC minor raise to major NCR no 2023.03 .	
Verified by	: Hasiholan Sihombing / Alfiany Sukmawati

NCR No.	: 2022.14	Issued by	: Hasiholan Sihombing / Alfiany Sukmawati
Date Issued	: 15 October 2022	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: January 13, 2023
Standard Ref. & Requirement	: 7.3.3 The unit of certification does not use open fire for waste disposal.		
Evidence observed (filled by auditor): The certification unit has procedures related to waste management in the Basic Guidelines for PT Perkebunan Nusantara IV, Work Instructions No. 04.03/P/003 rev 00 which is effective from 1 February 2022 where in Point 7.4.3.15 it is stated "Regarding with the Zero Burning policy, it is prohibited to burn domestic waste in any form without the company's permission."			
Based on the results of the field visit, the following facts were found:			
<ul style="list-style-type: none">• There is a warning regarding the prohibition of burning in residential areas for mill employees.• There are several points for burning household waste behind residential houses for mill employees.• There are several points of incineration of household waste in housing for employees of Ajamu Estate divisions IV and V.• There are several household waste incineration points in housing for employees of Meranti Paham Estate Afdeling I.• Results of interviews with management, landfill area is in the process of being relocated.			
Then, based on the results of interviews with 3 residents of housing for mill employees, 2 residents of Ajamu Estate Afdeling IV, 3 residents of Afdeling V, residents do not deliver garbage to landfill area due to the far distance, so household waste is burned to avoid accumulation of garbage and it is stacked in front of the house.			
Non-Conformance Description (filled by auditor): From the description of the evidence above, it can be concluded that there is still open burning for waste destruction and it is not in accordance with the procedures that are owned.			
Root Cause Analysis (filled by organization audited): There is no official who specifically monitors the handling of domestic waste in residential areas			
Correction (filled by organization audited): Carry out socialization on the prohibition of burning waste to workers and their families in the plantation area.			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">• Appoint a PIC who is responsible for monitoring waste transportation• Create a schedule for transporting waste to landfill that has been provided by the company			
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification (30 December 2022) The company has attached evidence of improvement in the form of:			
<ol style="list-style-type: none">1. Monitoring Evaluation of Domestic Waste Management Afdeling I to V Ajamu Estate Emplacement in November 2022.2. Routine Schedule for Maintaining the Cleanliness of the Housing Environment and Transportation of Organic			

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

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

Auditor Verification (09 January 2023)

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

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

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

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

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

Auditor Verification (13 January 2023)

The company has provided the following proof of improvement:

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

sacks and used oil drums) to licensed hazardous and toxic waste temporary storage which was carried out according to schedule at the Meranti Paham Unit.	
Based on the verification results, evidence of improvement has been accepted. Thus the nonconformity is declared fulfilled with the Notes and will be further verified at the next surveillance.	
<i>Follow up on next audit (filled by auditor):</i>	
The nonconformity in this indicator is categorized as minor, but it is recurred in ASA 4, therefore the status is minor raised to major. Further explanation is mentioned in NC minor raise to major NCR no 2023.04 .	
Verified by	: Hasiholan Sihombing / Alfiany Sukmawati

NCR No.	: 2022.15	Issued by	: Hasiholan Sihombing
Date Issued	: 15 October 2022	Time Limit	: 13 January 2023
NC Grade	: Major	Date of Closing	: 3 January 2023
Standard Ref. & Requirement	Certification System 5.5.3 Requirements for uncertified management units: a. No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12. Any new plantings since 1 January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB. b. Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8. c. Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2. d. Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1.		
Evidence observed <i>(filled by auditor):</i> Unit of certification has shown documents related to the Time Bound Plan for all units that have not been RSPO certified on November 22, 2021. The document informs the condition of the units that have not been certified, such as: <ul style="list-style-type: none">• HCV assessment process and progress.• Information on new land clearing. However, this document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), issues of land conflict (criteria 4.4,4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation (criterion 7.12). Non-Conformance Description <i>(filled by auditor):</i> Unit of certification has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents.			
Root Cause Analysis <i>(filled by organization audited):</i> The revision of the timebound plan is coordinated directly by Holding Perkebunan Nusantara. So that the time bound plan used is based on what has been approved by the RSPO			
Correction <i>(filled by organization audited):</i>			

Revise the updated timebound plan and send it to Holding Perkebunan Nusantara	
<i>Corrective Action (filled by organization audited):</i> Coordinate with Nusantara Plantation Holding for revision of the timebound plan.	
<i>Assessor Evaluation and Conclusion (filled by auditor):</i> Auditor Verification on 20 December 2022 Based on PTPN Holding's time bound plan, it is known that there are around 74 units that are not yet RSPO certified. Then the company has shown a self-assessment carried out by the internal auditor team from PTPN Holding. Until the major verification was carried out, there were around 35 units that had carried out self-assessments. In some of the self-assessment results, there are also plans for unit certification to be carried out over 2023, for example the Air Molek Estate Unit - PTPN V (2025) and the Bentayan Unit - PTPN VII (2027), this is due to the fact that it is still in the progress of obtaining/issuing HGU. In this regard, this discrepancy has been fulfilled and for other PTPN self-assessment units along with submission of timebound plans to the RSPO for the assessment plan carried out above 2023 will be observed again in the next assessment.	
<i>Follow up on next audit (filled by auditor):</i>	
Verified by	Hasiholan Sihombing

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 4

NCR No.	:	2023.01	Issued by	:	Erika Lucitawati								
Date Issued	:	18 August 2023	Time Limit	:	16 November 2023								
NC Grade	:	Minor raised to Major	Date of Closing	:	23 October 2023								
Standard Ref. & Requirement	:	6.2.7 Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.											
Root Cause Analysis <i>(filled by organization audited):</i> The authority to appoint harvest workers because harvest work is permanent rests with PT Perkebunan Nusantara III (Persero), the results of coordination can be approved for the appointment of <i>PKWT</i> harvesters to become Permanent harvesters in stages from 2023 to 2025													
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Coordinate with the HR Department (PTPN IV Management) regarding the recruitment selection schedule for <i>PKWT</i> harvest workers to become PT permanent workers. Perkebunan Nusantara IV Shows the timeline for the recruitment selection schedule for <i>PKWT</i> harvesters to become permanent harvesters Approval document for 2023 <i>PKWT</i> recruitment fees													
Corrective Action <i>(filled by organization audited):</i> Management Commitment Document will not re-recruit <i>PKWT</i> harvesters and select <i>PKWT</i> harvesters who are still working at this time to be appointed as permanent harvesters in stages from 2023 to 2025													
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 03 October 2023 The company has determined root cause analysis, corrections and corrective actions, as well as showing proof of improvement in the form of documents as follows: <ul style="list-style-type: none"> Declaration of Joint Commitment with the Management of PTPN IV Ajamu Estate and Meranti Paham Estate which states in point 1, namely the commitment to carry out the appointment of <i>PKWT</i> in stages in 2023-2025. However, this is contradictory to the second point which states that there will be no appointment of <i>PKWT</i> workers during the 2023-2025 period. This declaration was made by the Ajamu Estate Manager, but there is no information yet on when the declaration was made. Letter No. AJA/04.07/eM-113/IX/2023 regarding the Follow-up to the RSPO Audit regarding <i>PKWT</i> Workers dated 09 September 2023 from the Ajamu Estate Manager to the Head of the HR Department which contains a notification to the Head of the HR Department regarding the finding of nonconformity in the results of the external audit that there are <i>PKWT</i> harvest workers at Ajamu Estate. Letter No. AJA/04.07/1254/IX/2023 regarding the Appointment of <i>PKWT</i> Workers to become <i>PKWTT</i> Workers on 25 September 2023 from the Manager of Ajamu Plantation which contains 93 <i>PKWT</i> harvest workers to be appointed as permanent worker. The attachment to the letter also provides information about the proposed 2023 permanent worker Ajamu Estate Recruitment Schedule with the stages of collecting selection files, field tests, psychological tests, and announcement of selection results starting from the 3rd week of October 2023 until 1st week of December 2023. However, Ajamu Estate has not yet shown a schedule for the appointment of 93 <i>PKWT</i> harvest workers. Letter No. MEP/04.07/.../IX/2023 regarding the Appointment of <i>PKWT</i> Workers to become permanent worker on September 25 2023 from the Manager of the Meranti Paham Estate which contains 56 <i>PKWT</i> harvest workers to be appointed as permanent worker. The attachment to the letter also informs the proposed 2023 permanent worker Meranti Paham Estate Recruitment Schedule with the stages of collecting selection files, field tests, psychological tests, and announcement of selection results starting from the 3rd week of October 2023 until 1st week of December 2023. Letter No. MEP/04.07/42/IX/2023 regarding the Proposal for the Appointment of <i>PKWT</i> to permanent worker on 29 September 2023 from the Manager of Meranti Paham Estate contains the timeline for the appointment of <i>PKWT</i> to permanent worker, namely: <table border="1" data-bbox="272 1898 1390 1932"> <thead> <tr> <th>No</th> <th>Schedule of Selection & Appointment</th> <th>Amount of Appointment</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>						No	Schedule of Selection & Appointment	Amount of Appointment	Description				
No	Schedule of Selection & Appointment	Amount of Appointment	Description										

1	October 2023	10 persons	Quarter IV 2023
2	January 2024	18 persons	Quarter I 2024
3	April 2024	15 persons	Quarter II 2024
4	July 2024	13 persons	Quarter III 204

- Planned Schedule for Appointing PKWT Employees to permanent worker made by Personnel Assistant for Meranti Paham Estate on 29 September 2023 which contains the planned stages and times for appointing PKWT employees to permanent worker from October 2023-July 2024

Based on the explanation above, this nonconformity is declared not yet fulfilled.

17 October 2023

The company shows the following documents:

- Memo No. 04.07/KOL/eM-2698/IX/2023 regarding the implementation of employee recruitment for harvester positions on September 14 2023 from the HR Department of PTPN IV which contains a quota for permanent employee recruitment for harvester positions in 2023 totaling 604 people throughout PTPN IV.
- Declaration of Joint Commitment with PTPN IV Management made on 25 September 2023 at Ajamu Estate and Meranti Paham Estate which stated in point 1, namely the commitment to carry out the appointment of PKWT in stages in 2023-2025. However, this is contradictory to the second point which states that there will be no appointment of PKWT workers during the 2023-2025 period.
- Apart from that, Ajamu Estate has not yet shown a schedule for the appointment of 93 PKWT harvest workers.

Based on the explanation above, this nonconformity is declared not yet fulfilled.

19 October 2023

The company showed the Declaration of Joint Commitment with PTPN IV Management which was made on 25 September 2023 at Ajamu Estate and Meranti Paham Estate which stated in point 1, namely the commitment to carry out the appointment of PKWT in stages in 2023-2025. However, Ajamu Estate has not yet shown a schedule for appointing 93 PKWT harvest workers. Based on this, this nonconformity is declared not yet fulfilled.

23 October 2023

The company shows the document Letter No. AJA/04.07/07/X/2023 dated 18 October 2023 concerning Revision of the Letter of Appointment of Workers with PKWT to become workers with permanent worker which contains a schedule for the appointment of PKWT to become permanent worker starting from October 2023 as many as 15 people, January 2024 as many as 25 people, April 2024 as many as 30 people, and in July 2024 there will be 23 people. The letter was signed by the Ajamu Estate Manager. Based on this, this nonconformity is declared to have been fulfilled.

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

The authority to appoint harvest workers because harvest work is permanent rests with PT Perkebunan Nusantara III (Persero), the results of coordination can be approved for the appointment of *PKWT* harvesters to become Permanent harvesters in stages from 2023 to 2025

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

Verified by Erika Lucitawati

NCR No.	: 2023.02	Issued by	: Erika Lucitawati
Date Issued	: 18 August 2023	Time Limit	: RC
NC Grade	: Minor	Date of Closing	: 17 October 2023
Standard Ref. & Requirement	: 6.3.2 Minutes of meetings between the unit of certification with trade unions or worker		

	representatives who are freely elected, are documented in the national languages and available upon request.
Evidence observed <i>(filled by auditor):</i> <ul style="list-style-type: none"> The company has a labor union based on documents establishing proof of registration of the labor union at the Labuhanbatu Regency Manpower Agency with Recording Proof Number 04/SP-BUN/AJA/VII/2021 dated July 22, 2021 and No. 32/SP-BUN/IX/2021 dated September 15, 2020. Interview results with representatives of labor union of Ajamu Unit and Meranti Paham Unit show that there were meetings with the company in the last 2 months regarding the preparation of the collective labor agreement 2024-2025 and the existence of cattle in the Meranti Paham Plantation. However, the minutes of the meeting could not be shown. 	
Non-Conformance Description <i>(filled by auditor):</i> Based on the explanation above, the company has not been able to show sufficient evidence that it has minutes of meetings between the certification unit and the labor union.	
Root Cause Analysis <i>(filled by organization audited):</i> Lack of Management supervision of the latest meeting archives (minutes and attendance list) between Management and the Labor Union because it has not been routinely scheduled	
Correction <i>(filled by organization audited):</i> Show recorded documents of meetings between Management and SPBUN Meranti Paham & Ajamu.	
Corrective Action <i>(filled by organization audited):</i> Show management meeting schedule with SPBUN periodically	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 03 October 2023 The company has determined root cause analysis, corrections and corrective actions, as well as showing proof of improvement in the form of documents as follows: <ul style="list-style-type: none"> OHS Committee Work Program for 2023 Ajamu Estate dated 02 July 2023 which contains a schedule for company management meetings with SPBUN which are planned for July, October and December 2023. Minutes of the SPBUN meeting with the Ajamu Estate regarding the preparation of the 2024-2025 PKB on 8 July 2023 which was attended by 15 participants including representatives of the management of Ajamu Estate and SPBUN. <p>Based on the verification results of the evidence of improvement shown, there are still auditor notes in the correction and corrective action columns that need to be answered by the company. Thus, this nonconformity is declared not yet fulfilled.</p>	
17 October 2023 The company shows the documents <ul style="list-style-type: none"> Minutes dated 12 August 2023 regarding proposed changes to the 2024-2025 Collective Labour Agreement improvements, procurement of ambulances, and matters considered important. Based on the attendance list, the participants who attended the meeting were SPBUN administrators (chairman, secretary and treasurer) and representatives of company management. OHS Committee Work Program for 2023 Meranti Paham Estate dated 26 June 2023 which contains a schedule of company management meetings with SPBUN planned for July, October and December 2023. <p>Based on the explanation above, this nonconformity is declared to have been fulfilled.</p>	
Follow up on next audit <i>(filled by auditor):</i>	
Verified by	Erika Lucitawati

NCR No.	:	2023.03	Issued by	:	Affuddin/Dinda Febrima Napitupulu
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Date Issued	: 18 th August 2023	Time Limit	: 16 th November 2023
NC Grade	: Minor raise to Major	Date of Closing	: 16 November 2023
Standard Ref. & Requirement	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		
Evidence observed (filled by auditor):			
The certification unit has the following procedures: <ul style="list-style-type: none">The company has procedures related to waste management in the Basic Guidelines Work Instructions for PT Perkebunan Nusantara IV No. 04.03/P/003 Revision 00 which is effective from 1 February 2022 where in point 7.4.3.14 stated "Employees regularly bring their domestic waste to the Final Waste Disposal Area (landfill area) that has been provided."			
Based on the observation result, the following was found: <ul style="list-style-type: none">Scattered trash on Ajamu Estate block 18 N Afdeling 3 and block 09A in several spots.The company has landfill in Afdeling 1 Ajamu, but the trash is scattered nearby the landfill pit.Domestic waste was scattered in EBA.Scattered trash in several spot in employee housing Afdeling 2 and 4 Meranti Paham Estate.			
Non-Conformance Description:			
Based on the explanation, it can be concluded that the company has insufficient evidence for well managed waste implementation.			
Root Cause Analysis (filled by organization audited):			
<ul style="list-style-type: none">Lack of management supervision regarding domestic waste management according to procedures.Lack of discipline among workers and their families in managing domestic waste according to procedures.			
Correction (filled by organization audited):			
<ul style="list-style-type: none">Cleaning all domestic waste from the landfill area.Conduct socialization and evaluation to all employees and their families, reminder not to dispose domestic waste in other places but in the provided landfill.Provide guidance by warnings and briefing to workers who are still burning domestic waste in housing areas.			
Corrective Action (filled by organization audited):			
<ul style="list-style-type: none">To select the PIC for transporting domestic waste in Afdeling.Shows the routine schedule for periodically transporting domestic waste to landfill, supervised by the Assistant Plant Head			
Assessor Evaluation and Conclusion (filled by auditor):			
Auditor Response (03 October 2023)			
The company has established root cause analysis, corrections and corrective actions, as well as showing evidence of improvement such as: <ul style="list-style-type: none">Ajamu POM and Ajamu Estate: results of monitoring domestic waste management, evaluation of monitoring domestic waste management, routine schedule for domestic waste transportation, cleaning of domestic waste in the EBA area, Decree number AJA/Kpts/13/IX/2023 regarding PIC for domestic waste management in housing afdeling as well as their duties and responsibilities.			

- Meranti Paham Estate: results of monitoring domestic waste management. However, the results of the evaluation of socialization and the determination of a special PIC responsible for domestic waste management have not yet been demonstrated.

Based on this explanation, the NC in this indicator is declared **not complied**.

Auditor Response (11 October 2023)

The company has established root cause analysis, corrections and corrective actions, as well as showing evidence of improvement in the form of:

- Ajamu POM and Ajamu Estate: results of monitoring domestic waste management, evaluation of monitoring domestic waste management, routine schedule for domestic waste transportation, cleaning of domestic waste in the EBA area, Decree number AJA/Kpts/13/IX/2023 regarding PIC for domestic waste management in housing afdeling as well as their duties and responsibilities.
- Meranti Paham Estate: results of monitoring of domestic waste management, evaluation of monitoring of domestic waste management, and Decree number Mep/MU/Kpts/IX 2023 regarding the determination of hazardous and toxic waste management PIC. The decree specifically states the duties and responsibilities of the PIC for managing hazardous and toxic waste. However, there is no information regarding responsibility for domestic waste management.

Based on this explanation, the NC in this indicator is declared **not complied**.

Auditor Response (16 November 2023)

The company has established root cause analysis, corrections and corrective actions, as well as showing evidence of improvement in the form of:

- Ajamu POM and Ajamu Estate: results of monitoring domestic waste management, evaluation of monitoring domestic waste management, routine schedule for domestic waste transportation, cleaning of domestic waste in the EBA area, Decree number AJA/Kpts/13/IX/2023 regarding PIC for domestic waste management in housing afdeling as well as their duties and responsibilities.
- Meranti Paham Estate: results of monitoring domestic waste management, evaluation of monitoring domestic waste management, and Decree Mep/Kpts/14/IX/2023 regarding the determination of PIC for domestic waste management.

Based on this explanation, the NC in this indicator is declared **comply**.

Follow up on next audit (filled by auditor):

Verified by	Afiffuddin/Dinda Febrima Napitupulu
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NCR No.	:	2023.04	Issued by	:	Afiffuddin/Dinda Febrima Napitupulu
Date Issued	:	18 Agustus 2023	Time Limit	:	17 November 2023
NC Grade	:	Minor raise to Major	Date of Closing	:	18 October 2023
Standard Ref. & Requirement	:	7.3.3 The unit of certification does not use open fire for waste disposal.			
Evidence observed <i>(filled by auditor)</i> :					

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

Based on the observation result, the following was found:

- There were domestic waste burning marks in Ajamu Estate employee housing Afdeling 3.
- There was a person burning domestic waste in Meranti Paham Estate Afdeling 2

Non-Conformance Description:

Based on the explanation, it can be concluded that the company has insufficient evidence for waste management with zero burning policy implementation.

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

- Lack of management supervision regarding domestic waste management according to procedures.
- Lack of discipline among workers and their families in managing domestic waste according to procedures.

Correction *(filled by organization audited):*

- Cleaning all domestic waste from the landfill area.
- Conduct socialization and evaluation to all employees and their families, reminder not to dispose domestic waste in other places but in the provided landfill.
- Provide guidance by warnings and briefing to workers who are still burning domestic waste in housing areas.

Corrective Action *(filled by organization audited):*

- To select the PIC for transporting domestic waste in Afdeling.
- Shows the routine schedule for periodically transporting domestic waste to landfill, supervised by the Assistant Plant Head

Assessor Evaluation and Conclusion *(filled by auditor):*
Auditor Response (03 October 2023)

The company has established root cause analysis, corrections and corrective actions, as well as showing evidence of improvement such as:

- Ajamu POM and Ajamu Estate: minutes of socialization of no waste burning, results of monitoring of domestic waste management, evaluation of monitoring of domestic waste management, routine schedule for transporting domestic waste, Decree number AJA/Kpts/13/IX/2023 regarding PIC for domestic waste management in subdivision housing and their duties and responsibilities.
- Meranti Paham Estate: minutes of socialization of no waste burning and monitoring results of domestic waste management. However, the results of the evaluation of socialization and the determination of the PIC responsible for domestic waste management have not yet been demonstrated.

Based on this explanation, the NC in this indicator is declared not complied.

Auditor Response (11 October 2023)

The company has established root cause analysis, corrections and corrective actions, as well as showing evidence of improvement in the form of:

- Ajamu POM and Ajamu Estate: minutes of socialization of no waste burning, results of monitoring of domestic waste management, evaluation of monitoring of domestic waste management, routine schedule for transporting

domestic waste, Decree number AJA/Kpts/13/IX/2023 regarding PIC for domestic waste management in subdivision housing and their duties and responsibilities.

- Meranti Paham Estate: results of monitoring of domestic waste management, evaluation of monitoring of domestic waste management, and Decree number Mep/MU/Kpts/IX 2023 regarding the determination of hazardous and toxic waste management PIC. The decree specifically states the duties and responsibilities of the PIC for managing hazardous and toxic waste. However, there is no information regarding responsibility for domestic waste management.

Based on this explanation, the NC in this indicator is declared not complied.

Auditor Response (18 October 2023)

The company has established root cause analysis, corrections and corrective actions, as well as showing evidence of improvement in the form of:

- Ajamu POM and Ajamu Estate: minutes of socialization of no waste burning, results of monitoring of domestic waste management, evaluation of monitoring of domestic waste management, routine schedule for transporting domestic waste, Decree number AJA/Kpts/13/IX/2023 regarding PIC for domestic waste management in subdivision housing and their duties and responsibilities.
- Meranti Paham Estate: results of monitoring domestic waste management, evaluation of monitoring domestic waste management, and Decree Mep/Kpts/14/IX/2023 regarding the determination of PIC for domestic waste management.

Based on this explanation, the NC in this indicator is declared comply.

Follow up on next audit (filled by auditor):

Verified by

Afiffuddin/Dinda Febrima Napitupulu

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
-	-	-

3.4.4. Noteworthy Positive Components

No	Description
1	Commitment to implement continuous improvement in the company.
2	Competent human resources.
3	Proper data presentation.
4	Obtain ISPO certificate.

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
Environmental Agency Labuhanbatu Regency Agency Secretary 15th August 2023 <ul style="list-style-type: none"> The company has regularly reported the RKL/RPL, hazardous waste monitoring program, dan POME testing result. The company has a valid permit to dispose POME to water body. All testing parameters for RKL/RPL is comply to standard. Good communication between the environmental agency and the company. 	<p>There is no negative issue that needs further verification.</p>
Cinta Makmur Village & Teluk Sentosa Village 15 August 2023 <ul style="list-style-type: none"> Communication between the village and the company is not a problem and the company always responds to requests from the village. Socialization on the prohibition of burning has been carried out for land clearing activities. There are no issues regarding environmental pollution for the past 1 year. The company routinely provides assistance to villages in the form of CSR or direct assistance. The company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting of certain animals around the plantation area. The company absorbs workers from the village. There are no land tenure problems and conflicts between the company and the surrounding community. 	<p>There is no negative issue that needs further verification.</p>
Industrial Relations Mediator for Labuhanbatu Regency Labor Service 15 August 2023 <ul style="list-style-type: none"> No cases Active trade unions Contract worker harvesting is not permitted 	<p>Contract worker become non conformity</p>
Forestry and Plantation Agency Plantation Market Analyst 15th August 2023 <ul style="list-style-type: none"> The company has regularly reported the LPUP. The company has proper fire protection facility and there is 	<p>There is no negative issue that needs further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>no fire incident for the last five years.</p> <ul style="list-style-type: none"> • The plantation assessment is still valid. • The agency concerns on the company commitment to collaborate with nearby community. 	
<p>Labuhanbatu Regency Land Office</p> <ul style="list-style-type: none"> • The company has routinely reported the use of its HGU land. • There are no land disputes and reports of potential land disputes received by the Agency. • There are no additions or subtractions to the company's HGU. 	<p>There were no issues from the Labuhanbatu Regency Land Office. The information provided has been verified in the report.</p>
<p>FFB Transporter and Supplier: PT Bravo Anak Kolong Director 15th August 2023</p> <ul style="list-style-type: none"> • The collaboration began in 2019. • The PPE is provided to workers by PTPN IV. • The workers have health and working insurance. 	<p>There is no negative issue that needs further verification.</p>
<p>Gender Committee Head of Gender Committee Ajamu POM Head of Gender Committee Ajamu Estate Head of Gender Committee Meranti Paham Estate 15th August 2023</p> <ul style="list-style-type: none"> • All committee organizers are women. • One of the Gender Committee programs such as conducting vaccination for kids. The program collaborated with health unit. • No discrimination issue for the last 5 years. • No pregnant workers at the moment. 	<p>There is no negative issue that needs further verification.</p>
<p>Labor Union (SPBUN) Head of SPBUN Ajamu POM & Estate Head of SPBUN Meranti Paham Estate 15th August 2023</p> <ul style="list-style-type: none"> • The registration to Labor Agency was done in 2019 for Ajamu Unit, meanwhile for Meranti Paham Estate it is still on progress. • No complaint regarding employment. • Internal meeting is held once a month. • The last meeting between Ajamu SPBUN with management was on June 2023 regarding the additional clause in PKB (working agreement). 	<p>There is no negative issue that needs further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> The last meeting between Meranti Paham SPBUN with management was on June 2023 regarding the cow in the estate. 	
<p>PT Wahana Adidaya Pertiwi (CPO & PKO transporter) CV Karya Mandiri (PKO transporter) 15 August 2023</p> <ul style="list-style-type: none"> No problems in payment Must use PPE because it is stated in the agreement Provided outreach regarding RSPO & ISPO Providing 11 CPO transportation units Fulfillment of regulatory obligations such as BPJS registration, worker age and wages above the minimum wage In the clause of the work agreement, we have agreed that we are willing to be audited at any time by the certification body appointed by the first party, there will be no forced labor or child labor and compliance with relevant regulations. 	<p>There is no negative issue that needs further verification.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perkebunan Nusantara V Management Representative <i>A.</i></p>  <p><u>Pirgok Panggabean</u> Thursday, 16 November 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Thursday, 16 November 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Gender Committee Ajamu POM	Labuhanbatu Regency	-	Direct interview	15 th August 2023	✓	
2.	Gender Committee Ajamu Estate	Labuhanbatu Regency	-	Direct interview	15 th August 2023	✓	
3.	Gender Committee Meranti Paham Estate	Labuhanbatu Regency		Direct interview	15 th August 2023	✓	
4.	SPBUN Ajamu	Labuhanbatu Regency	-	Direct interview	15 th August 2023	✓	
5.	Cinta Makmur Village Teluk Sentosa Village	Labuhanbatu Regency	-	Via phone	15 th August 2023	✓	
6.	SPBUN Meranti Paham	Labuhanbatu Regency	-	Direct interview	15 th August 2023	✓	
7.	Environmental Agency Labuhanbatu	Labuhanbatu Regency	-	Via phone	15 th August 2023	✓	
8.	Forestry and Plantation Agency	Labuhanbatu Regency	-	Via phone	15 th August 2023	✓	
9.	Industrial Relations Mediator for Labuhanbatu Regency Labor Service	Labuhanbatu Regency	-	Via phone	15 th August 2023	✓	
10	FFB transporter and supplier	Labuhanbatu Regency	-	Via phone	15 th August 2023	✓	
11	PT Wahana Adidaya Pertiwi (CPO & PKO transporter)	Sumatra Utara Province	-	Via phone	15 th August 2023	✓	
12	CV Karya Mandiri (PKO transporter)	Sumatra Utara Province	-	Via phone	15 th August 2023	✓	
13	Labuhanbatu Regency Land Office	Labuhanbatu Regency	-	Via phone	16 th August 2023	✓	
14	PKS Ajamu: <ul style="list-style-type: none"> • 2 workshop workers • 2 material storage workers • 1 WTP worker • 2 WWTP workers • 1 chemical storage worker • 1 housing resident 	Labuhanbatu Regency	-	Direct interview	15 th August 2023	✓	

15	Meranti Paham Estate: <ul style="list-style-type: none"> • 2 chemical storage workers • 2 fertilizer worker • 1 Temporary Hazardous Waste Storage Worker 	Labuhanbatu Regency	-	Direct interview	16 th August 2023	✓	
16	Ajamu Estate Workers <ul style="list-style-type: none"> • 1 clinic officers • 2 warehouse officers 	Labuhanbatu Regency	-	Direct interview	15 th August 2023	✓	
17	WWF	Indonesia	wwf-indonesia@wwf.or.id	Via Email	8 August 2023		✓
18	WALHI	Indonesia	informasi@walhi.or.id	Via Email	8 August 2023		✓
19	AMAN	Indonesia	rumahaman@aman.or.id	Via Email	8 August 2023		✓
20	Sawit Watch	Indonesia	info@sawitwatch.or.id	Via Email	8 August 2023		✓

Appendix 2. Assessment Program

DATE	14 – 19 August 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 14 August 2023		
06:00 – 08:20 08:30 – 16:30	<ul style="list-style-type: none"> Jakarta → Medan (Batik Air ID-6886) Medan → Ajamu Palm Oil Mill – PT Perkebunan Nusantara IV 	All Auditor
16:30 – 17:00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	All Auditor
Tuesday, 15 August 2023		
08:00 – 12:00	Public Consultation: <ul style="list-style-type: none"> Public consultation with stakeholder to relevant agency in Labuhanbatu Regency by phone Public consultation with affected communities around the plantation and previous land owners. (direct interview) Interviews with Gender Committees, Trade Unions, Local contractors, Employee cooperatives, third party suppliers (direct interview or by phone) Field Observation to Ajamu Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental Aspects, Conservation, Waste Management, Waste, LA and worker facilities (housing, schools, religious facilities) Observation of warehouses for chemicals, fertilizers, hazardous waste warehouses, workshops, fire control facilities 	AFF & DNA BEN ELU
12:00 – 14:00	Break	All Auditor
14:00 – 16:30	Field observation to Ajamu Palm Oil Mill <ul style="list-style-type: none"> Supply Chain Flow (Receiving FFB, Weighing FFB), CPO tanks, Despatch CPO, Grading Station Observation of the processing, Workshop, Fire Control Simulation and mechanism of employment aspects Observation of Chemical Storage, PPE Storage, Hazardous Waste Storage, Mill Waste Management / WWTP, WTP, monitoring wells, mill housing 	AFF BEN ELU/ DNA
16:30 – 17:00	Presentation of Daily Progress	All Auditor
Wednesday, 16 August 2023		

DATE	14 – 19 August 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08:00 – 12:00	Field Observation to Meranti Paham Estate Aspect to be verified : <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Environmental Aspects, Conservation, Waste Management, Waste, LA and worker facilities (housing, schools, religious facilities) • Observation of warehouses for chemicals, fertilizers, hazardous waste warehouses, workshops, fire control facilities 	AFF BEN ELU DNA
12:00 – 14:00	Break	All Auditor
14:00 – 16:30	<ul style="list-style-type: none"> • Document review and completing audit checklist • Verification of stakeholder consultation result and field visit 	All Auditor
16:30 – 17:00	Presentation of Daily Progress	All Auditor
Thursday, 17 August 2023		
08:00 – 12:00	<ul style="list-style-type: none"> • Document review and completing audit checklist • Verification of stakeholder consultation result and field visit 	All Auditor
12:00 – 14:00	Break	All Auditor
14:00 – 16:30	<ul style="list-style-type: none"> • Document review and completing audit checklist • Verification of stakeholder consultation result and field visit 	All Auditor
16:30 – 17:00	Presentation of Daily Progress	All Auditor
Friday, 18 August 2023		
08:00 – 12:00	<ul style="list-style-type: none"> • Document review and completing audit checklist • Verification of stakeholder consultation result and field visit 	All Auditor
12:00 – 14:00	Break	All Auditor
14:00 – 16:00	Internal Meeting Auditor Team	All Auditor
16:00 – 17:00	Closing Meeting <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, TimeLine of CAR's, Conclusion) • Comments, Responses and Questions 	All Auditor
22:30 – 03:44	Rantau Prapat → Medan (by Train)	All Auditor
Saturday, 19 August 2023		
07:45 – 10:05	Medan → Jakarta (Super Air Jet IU-945)	All Auditor