

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

**[ ✓ ] Surveillance**

Name of Management Organisation : **Dolok Ilir Palm Oil Mill PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III**

Plantation Name : **Dolok Ilir Estate & Laras Estate**

Location : **Village of Babolon, Sub District of Dolok Batunanggar, District of Simalungun, Province of Sumatera Utara, Indonesia**

Certificate Code : **MUTU-RSPO/075**

Date of Initial Registration : **29 September 2015**

Date of Certificate Issue : **22 March 2021**      Date of License Issue : **23 November 2023**

Date of Certificate Expiry : **28 September 2025**      Date of License Expiry : **28 September 2024**

Assessment	Assessment Date	PT. Mutuagung Lestari Tbk Auditor	Reviewed by	Approved by
ASA-1.3	31 July to 4 August 2023	Rindu Galih Rezza Rachmansyah (Lead Auditor), Fauzi Prima Sanusi, Kiki Fadli dan Ibnu Satria Prabudi	Moh Arif Yusni	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.3	16 November 2023

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Figure 1. Location Map of Dolok Ilir and Laras Estate

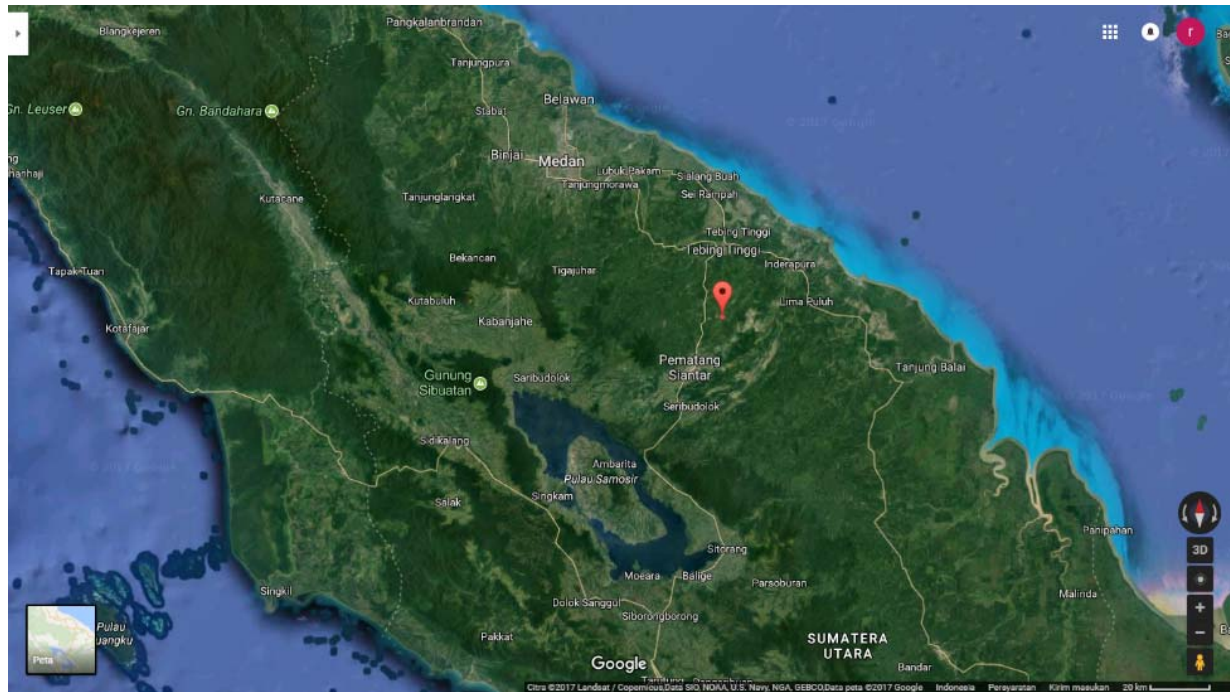


Figure 2. Operational Map of Dolok Ilir Estate

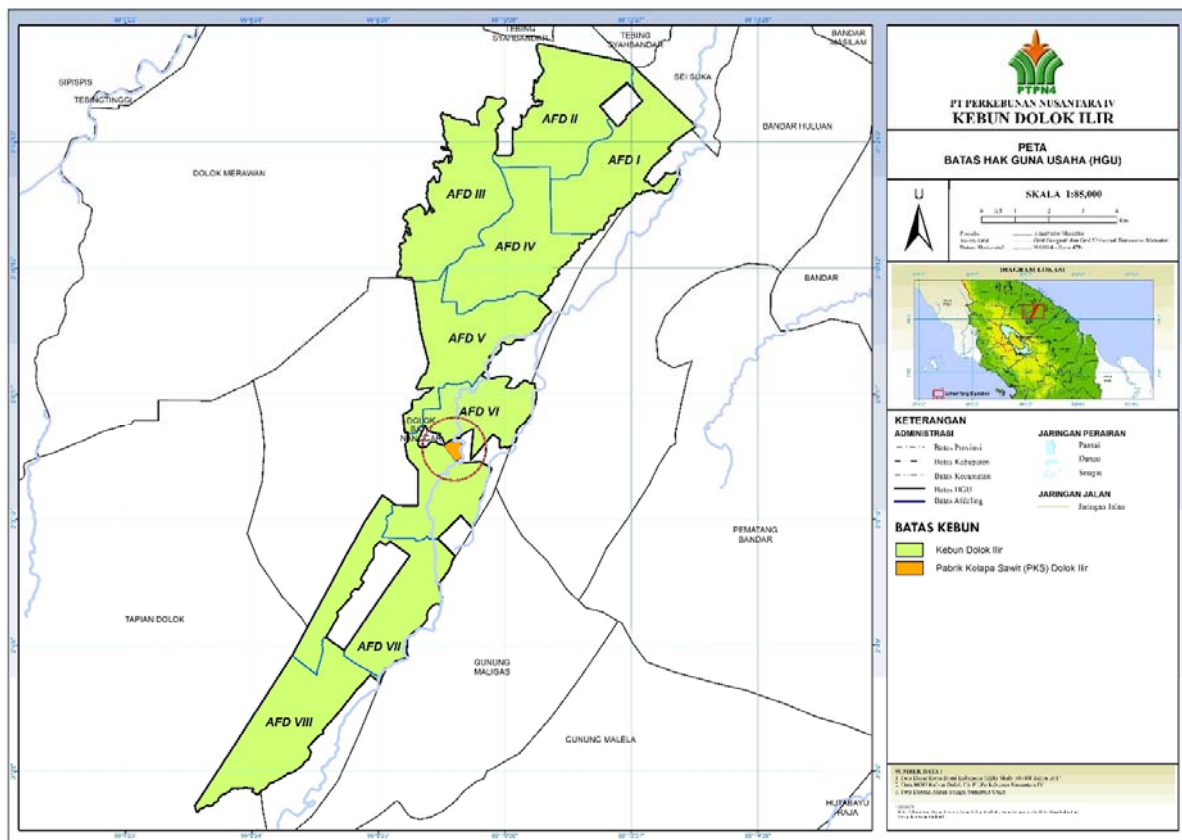
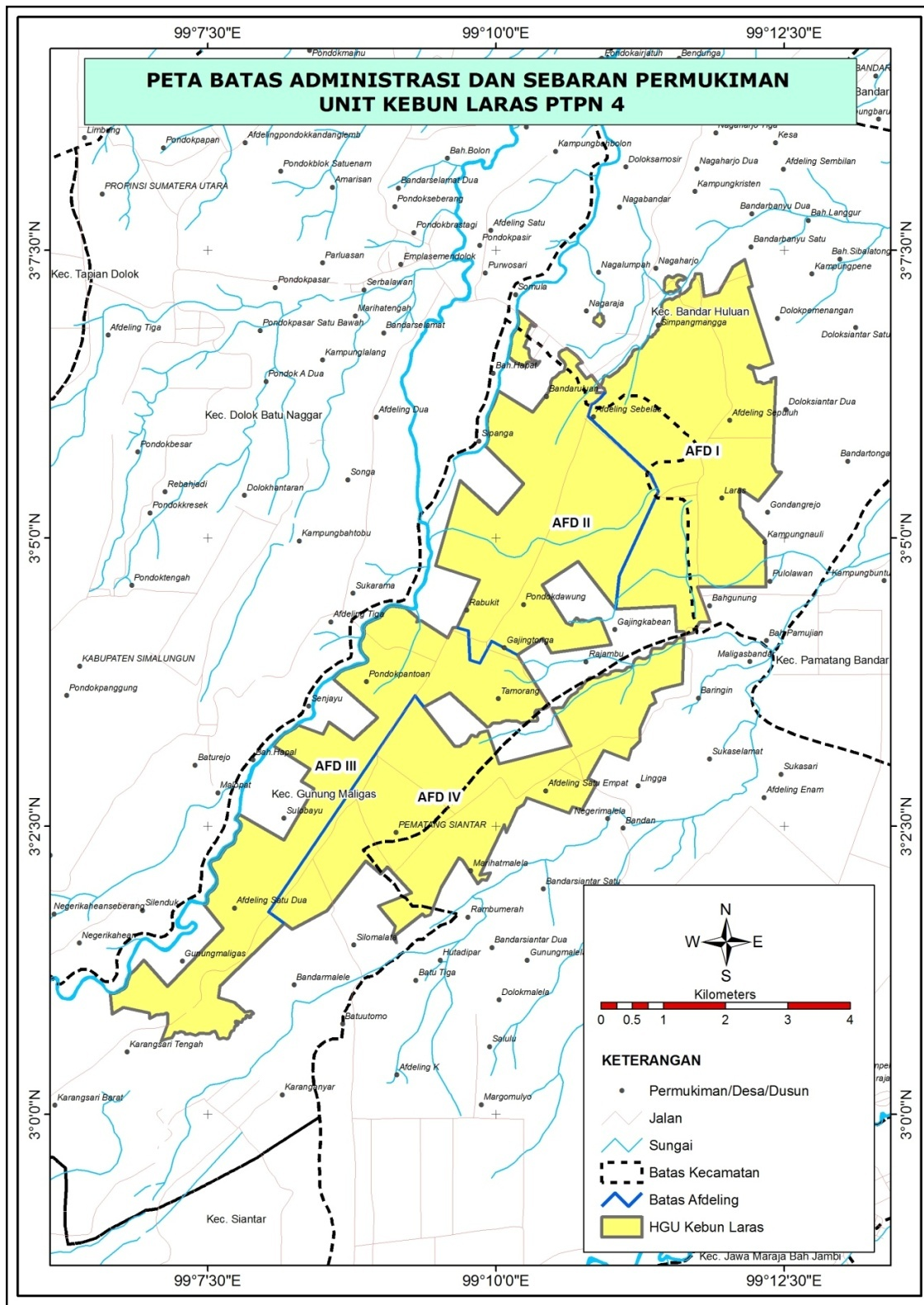


Figure 3. Operational Map of Laras Estate





## Abbreviations Used

AMDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental Impact Analysis)
ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> /Social Security Administrator
BPJN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
BUMDES	:	Badan Usaha Milik Desa (Village Owned Enterprises)
CCTV	:	Closed Circuit Television
CEC	:	Capacity Exchange Cation
CLA	:	Collective Labor Agreement
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i> /Environmental Evaluation Document
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Analysis
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gasses
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
IK	:	<i>Instruksi Kerja</i> /Work Instruction
ISPO	:	Indonesia Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
JWM	:	Jaya Wira Manggala
KAN	:	Komite Akreditasi Nasional (National Accreditation Committee)
LA	:	Land Application
MCU	:	Medical Check Up
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> /OHS Committee
PDIK	:	Pedoman Dasar dan Intruksi Kerja (Basic Guidelines and Work Instructions)
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	Peraturan Pemerintah (Government Regulation)
PPD	:	<i>Personil Pengendali Dokumen</i> (Document Control Officer)
PPE	:	Personal Protective Equipment
PT	:	<i>Perseroan Terbatas</i>
PTPN IV	:	PT Perkebunan Nusantara IV
RKL-RPL	:	<i>Rencana Kelola Lingkungan-Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, Endangered
SCCS	:	<i>Supply Chain Certification System</i>

SEIA	:	Social Environmental Impact Assessment
SIA	:	Social Impact Assessment
SMES	:	Small & Medium-Sized Enterprises
SMK3	:	<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja</i> (OHS System Management)
SOP	:	Standard Operational Procedure
SPI	:	Satuan Pengawas Internal (Internal Control Unit)
SPBUN	:	Serikat Pekerja Perkebunan (Plantation Workers' Union)
UP3	:	Unit Pengelola Pengaduan Pelanggaran (violation complaint management unit)
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant of Effluent Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used		
		<ul style="list-style-type: none"><li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governor on 12<sup>th</sup> November 2020.</li><li>• Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20<sup>th</sup> April 2020.</li></ul>	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	Dolok Ilir POM PT Perkebunan Nusantara IV	
1.2.2	Contact person	Pirgok Panggabean	
1.2.3	Organization address and site address	Head Office: Jln. Letjen Suprpto No.2 Medan 20151, Sumatera Utara, Indonesia	
1.2.4	Telephone	(62-61) 415 4666	
1.2.5	Fax	(62-61) 457 3117	
1.2.6	E-mail	<a href="mailto:perencanaan@ptpn4.co.id">perencanaan@ptpn4.co.id</a>	
1.2.7	Web page address	<a href="http://www.ptpn4.co.id">www.ptpn4.co.id</a>	
1.2.8	Management Representative who completed the application for certification	Pirgok Panggabean	
1.2.9	Registered as RSPO member	1-0030-06-000-00 13 December 2006	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One (1) unit of Palm Oil Mill (Dolok Ilir Mill), supplied by two (2) estates, i.e: Dolok Ilir Estate and Laras Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude (S)Longitude (E)
	Dolok Ilir	Babolon Village, Dolok Batunanggar Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 03° 07' 20"E 99° 09' 42"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude (S)Longitude (E)
	Dolok Ilir Estate	Babolon Village, Dolok Batunanggar Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 03° 07' 9.8"E 99° 09' 38.7"
	Laras Estate	Laras Village, Bandar Hulan Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 03° 06' 02"E 99° 11' 56"
1.5	Description of Area Statement		



1.5.1	Tenure			
	• State HGU		11,411.47 Ha	
	• Community		- Ha	
	Total		11,411.47 Ha	
1.5.2	Area Statement			
	Total area	11,411.47		Ha
	Mature area	6,655.00		Ha
	Immature area	4,021.00		Ha
	Hiaten Area	27.00		Ha
	Emplacement	129.88		Ha
	WWTP	4.71		Ha
	Golf Court	5.60		Ha
	Electrical Line	10.81		Ha
	Road Area	229.91		Ha
	Trench and Bridge	238.87		Ha
	HCV	59.10		Ha
	Canal	19.16		Ha
	Conservation area (Symbolic plant)	8.79		Ha
	Ex Mill area	1.64		Ha
*HCV area is 620.68 Ha and HCV included planted area is 882.32 Ha				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Dolok Ilir Estate (Ha)	Laras Estate (Ha)	TOTAL (Ha)
	2000	90.00	-	9.00
	2004	8.00	-	8.00
	2005	-	14.00	14.00
	2010	19.00	7.00	26.00
	2011	263.00	174.00	437.00
	2012	106.00	440.00	546.00
	2013	451.00	-	451.00
	2014	-	398.00	398.00
	2016	2,898.00	616.00	3,514.00
	2017	274.00	-	274.00
	2018	314.00	-	314.00
	2019	272.00	311.00	583.00
	Sub Total Mature	4,695.00	1,960.00	6,655.00
	2020	348.00	195.00	543.00
	2021	146.00	545.00	691.00
	2022	711.00	915.00	1,626.00
	2023	877.00	284.00	1,161.00
	Sub Total Immature	2,082.00	3,899.00	4,021.00
	TOTAL	6,777.00	3,899.00	10,676.00
1.6.2	New Planting area after January 2010		- Ha	
1.6.3	Planting Cycle		2 <sup>nd</sup> 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 (%)
	Dolok Ilir	60	242,288.94	52,760.46	22.26	8,979.56	3.79
	*Production data source from August 2022 to July 2023						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (ton/year)	Yield (ton/ha/ year)	Supplied to Mill	
						FFB (ton/year)	%
	Dolok Ilir Estate	7,348.81	4,695.00	115,162.83	24.53	85,686.82	74.40
	Laras Estate	4,062.66	1,960.00	57,199.44	29.18	40,288.73	70.44
	TOTAL	11,411.47	6,655.00	172,362.27	25.90	125,975.55	73.09
*Production data source from August 2022 to July 2023							
1.7.3	FFB description from other source						
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	number of smallholders	Production Area (Ha)	Supplied to Mill FFB (tones/year)		
	Tanah Itam Ulu Estate (RSPO Certified)	PTPN IV Group	-	-	16,901.43		
	Marjandi Estate (RSPO Certified)	PTPN IV Group	-	-	0.00		
	Pabatu Estate (RSPO Certified)	PTPN IV Group	-	-	544.05		
	Mayang Estate (RSPO Certified)	PTPN IV Group	-	-	866.80		
	Marihat Estate (RSPO Certified)	PTPN IV Group	-	-	870.93		
	Dolok Ilir Estate (Suspended/RSPO Non-Certified)	PTPN IV Group	-	-	28,203.49		
	Laras Estate (Suspended/RSPO Non-Certified)	PTPN IV Group	-	-	14,784.80		
	Marjandi Estate (Suspended/RSPO Non-Certified)	PTPN IV Group	-	-	283.03		
	Tanah Itam Ulu (Suspended/RSPO Non-Certified)	PTPN IV Group	-	-	4,538.73		
	Bukit Lima Estate (RSPO Non-Certified)	PTPN IV Group	-	-	387.97		
	Bah Birung Ulu Estate (RSPO Non-Certified)	PTPN IV Group	-	-	336.18		
	CV Rianalim (RSPO Non-Certified)	FFB Supplier	-	-	41,956.41		
	CV Sauhur Jaya (RSPO Non-Certified)	FFB Supplier	-	-	2,998.85		
	CV Hot Abadi Lestari (RSPO Non-Certified)	FFB Supplier	-	-	3,173.53		
	CV Harmoni Gemilang Lestari (RSPO Non-Certified)	FFB Supplier	-	-	467.19		
	TOTAL					97,130.18	
*Production data source from August 2022 to July 2023							

1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year of Actual Certified Production (MT)		
	FFB Processed		177,000.00		145,158.76		
	CPO Production		37,200.00		32,846.61		
	Palm Kernel (PK) Production		7,200.00		5,420.83		
1.8.2	Product selling						
	Type of selling product		Actual selling product for last year (MT)				
	CSPO sold under RSPO Scheme		6,499.30				
	CSPK sold under RSPO Scheme		4,796.65				
	CSPO sold under other scheme		-				
	CSPK sold under other scheme		-				
	CSPO sold as conventional		-				
	CSPK sold as conventional		-				
1.8.3	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)		
	Dolok Ilir Estate	7,348.81	4,695.00	117,000.00	24.92		
	Laras Estate	4,062.66	1,960.00	58,000.00	29.59		
	TOTAL	11,411.47	6,655.00	175,000.00	26.30		
	*Projected FFB production for 12 months of certificate						
1.8.4	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO		Palm Kernel	Supply Chain Module
				Out put (tones)	Extraction (%)	Out put (tones)	Extraction (%)
	Dolok Ilir Mill	60	175,000	35,000	20.00	7,000	4.00
					</		

Pulau Tiga (PTPN I)	2022	Pulau Tiga Estate	2022	Aceh Tamiang District, Aceh Province	September 2022 Certified
Tanjung Seumantoh (PTPN I)	2022	Lama Estate	2023	Aceh Timur District, Aceh Province	-
		Baru Estate	2023	Aceh Timur District, Aceh Province	-
		Tualang Sawit Estate	2024	Aceh Timur District, Aceh Province	-
		Julok Rayeuk Selatan Estate	2024	Aceh Timur District, Aceh Province	-
Cot Girek (PTPN I)	2022	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)	2022	Kwala Sawit Estate	2023	Langkat District, Sumatera Utara Province	-
		Air Tenang Estate	2023	Langkat District, Sumatera Utara Province	-
Sawit Seberang (PTPN II)	2022	Batang Serangan Estate	2023	Langkat District, Sumatera Utara Province	-
		Sawit Seberang Estate	2022	Langkat District, Sumatera Utara Province	Audit on December 2022
		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
		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	Labuhanbatu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
		Aek Nabara Utara Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
Rambutan (PTPN III)	2016	Tanah Raja Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Gunung Monaco Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Silau Dunia Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Sarang Ginting Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Sei Putih Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)

		Rambutan Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Bandar Betsy Estate	2022	Simalungun District, Sumatera Utara Province	-
Sei Daun (PTPN III)	2015	Sei Daun Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
		Bukit Tujuh Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhanbatu Selatan District, Sumatera Utara Province	Sept 14, 2016 (Certified)
Sei Silau (PTPN III)	2017	Sei Silau Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Pulau Mandi Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Ambalutu Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Hutapadang Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
Sei Mangkei (PTPN III)	2017	Dusun Hulu Estate	2017	Batubara District, Sumatera Utara Province	Oct 2017 (Certified)
		Bangun Estate	2017	Simalungun District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Para Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Pamela Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Sei Dadap Estate	2017	Asahan District, Sumatera Utara Province	Oct 2017 (Certified)
Sei Baruhur (PTPN III)	2018	Sei Baruhur Estate	2018	Labuhanbatu Selatan District, Sumatera Utara Province	April 2018 (Certified)
		Sei Kabara Estate	2018	Labuhanbatu Selatan District, Sumatera Utara Province	April 2018 (Certified)
Hapesong (PTPN III)	2020	Hapesong Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
		Batang Toru Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
Aek Nabara Selatan (PTPN III)	2014	Aek Nabara Selatan Estate	2014	Labuhanbatu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Rantau Prapat Estate	2014	Labuhanbatu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Merbau Selatan Estate	2014	Labuhanbatu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Membang Muda Estate	2014	Labuhanbatu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)

		Labuhan Haji Estate	2014	Labuhanbatu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Bandar Selamat Estate	2014	Asahan District, Sumatera Utara Province	May 23, 2014 (Certified)
Aek Torop (PTPN III)	2014	Aek Torop Estate	2014	Labuhanbatu Selatan District, Sumatera Utara Province	June 17, 2014 (Certified)
Aek Raso (PTPN III)	2014	Aek Raso Estate	2014	Labuhanbatu Selatan District, Sumatera Utara Province	June 30, 2014 (Certified)
Pabatu (PTPN IV)	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015
Dolok Ilir (PTPN IV)	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015
		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
Pulu Raja (PTPN IV)	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
Adolina (PTPN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
Bah Jambi (PTPN IV)	2018	Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birung Ulu	2022	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2 <sup>nd</sup> Stage Audit (30.0 Ha)
Dolok Sinumbah (PTPN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
			2022	Simalungun, Sumatera Utara	Out of scope Certification 2 <sup>nd</sup> 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	2022	Simalungun, Sumatera Utara	Preparation
Gunung Bayu (PTPN IV)	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan (PTPN IV)	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019



		Padang Matinggi	2019	Simalungun, Sumatera Utara	Certified on March 2019
Air Batu (PTPN IV)	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2022	Asahan, Sumatera Utara	Out of Scope certification 2 <sup>nd</sup> Stage Audit
Berangir (PTPN IV)	2018	Berangir	2018	Labuhanbatu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2022	Labuhanbatu Utara, Sumatera Utara	Out of scope Certification 2 <sup>nd</sup> Stage Audit (10.0 Ha)
Sawit Langkat (PTPN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2022	Langkat, Sumatera Utara	Out of scope Certification 2 <sup>nd</sup> Stage Audit (301.50 Ha)
Pasir Mandoge (PTPN IV)	2020	Pasir Mandoge	2020	Asahan, Sumatera Utara	Certified on October 2018
		Sei Kopas	2020	Asahan, Sumatera Utara	Certified on October 2018
		Tonduhan	2020	Simalungun, Sumatera Utara	Certified on October 2018
		Sei Kopas (HPK)	2023	Asahan, Sumatera Utara	-
Timur (PTPN IV)	2022	Timur	2023	Mandailing Natal, Sumatera Utara	-
		Balap	2024	Mandailing Natal, Sumatera Utara	-
Ajamu (PT PN IV)	2021	Ajamu	2019	Labuhanbatu Utara, Sumatera Utara	Certified on September 2019
		Meranti Paham	2019	Labuhanbatu Utara, Sumatera Utara	Certified on September 2019
		Panai Jaya	2024	Labuhanbatu Utara, Sumatera Utara	Preparation
Sosa (PTPN IV)	2022	Sosa	2022	Padang Lawas, Sumatera Utara	Certified on November 2019
PT Agro Sinergi Nusantara (PTPN IV)	2022	PT Agro Sinergi Nusantara	2022	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara (PTPN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
Tandun (PTPN V)	2016	Tandun Estate,	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified

		Sei Lindai Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Lindai 98 ha	2021	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian 866 ha	2023	Tapung Hulu District, Kampar District, Riau Province, Indonesia	-
Sei Rokan (PTPN V)	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau Province, Indonesia.	Certified
Sei Tapung (PTPN V)	2019	Sei Tapung	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
		Sei Siasam	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
		KUD Makarti Jaya	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 on November 2022
Tanah Putih (PTPN V)	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified
		Tanah Putih Plasma	2023	Rokan Hilir District, Riau Province, Indonesia	-
Lubuk Dalam (PTPN V)	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified
		Lubuk Dalam Plasma	2023	Siak District, Riau Province, Indonesia	-
Sei Buatan (PTPN V)	2022	Sei Buatan	2022	Siak District, Riau Province, Indonesia	July 2022 Certified
		Air Molek 1	2023	Siak District, Riau Province, Indonesia	-
		Air Molek II	2023	Siak District, Riau Province, Indonesia	-
		KUD Karya Dharma	2023	Siak District, Riau Province, Indonesia	-
		KUD Tunas Karya	2023	Siak District, Riau Province, Indonesia	-
Sei Galuh (PTPN V)	2023	Sei Galuh	2023	Kampar District, Riau Province, Indonesia	April 2022 Certified
		Sei Galuh Plasma	2023	Kampar District, Riau Province, Indonesia	-
Sei Pagar (PTPN V)	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	October 2020 (Certified)
		Sei Pagar Plasma	2023	Kampar District, Riau	-

				Province, Indonesia	
Sei Garo (PTPN V)	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified
		Sei Garo Plasma	2023	Kampar District, Riau Province, Indonesia	-
Terantam (PTPN V)	2019	Terantam	2019	Kampar District, Riau Province, Indonesia	Certified
		Terantam 2 (725.44 ha)	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	May 2022 Certified
Bunut (PTPN VI)	2022	Bunut	2022	Jambi Province	May 2022 Certified
Ophir (PTPN VI)	2022	Ophir	2022	Sumatra Barat Province	January 2023 Certified
		Pangkalan 50 Kota	2023	Sumatra Barat Province	-
Aur Gading (PTPN VI)	2023	Durian Luncuk	2023	Jambi Province	December 2022 Certified
Solok Selatan (PTPN VI)	2023	Solok Selatan	2023	Sumatra Barat Province	-
Tanjung Lebar (PTPN VI)	2022	Tanjung Lebar	2023	Jambi Province	-
		Bukit Cermin	2023	Jambi Province	-
Bekri (PTPN VII)	2022	Bekri	2022	Lampung Province	April 2022 Certified
		Rejosari	2022	Lampung Province	April 2022 Certified 2022
		Padang Ratu	2022	Lampung Province	April 2022 Certified
Betung (PTPN VII)	2022	Betung	2022	Lampung Province	Certified
		Bentayan	2026	Lampung Province	-
Talang Sawit (PTPN VII)	2023	Betung Krawo	2023	Musi Banyuasin District, Sumatera Selatan Province	Audited on December 2022
Sungai Lengi (PTPN VII)	2023	Sungai Lengi	2023	Muara Enim District, Sumatera Selatan Province	December 2022 Certified
Kertajaya (PTPN VIII)	2022	Kertajaya	2022	Lebak District, Banten Province	September 2022 Certified
		Cisalak Baru	2023	Lebak District, Banten Province	-
		Bojongdatar	2023	Lebak District, Banten Province	-
Cikasungka	2022	Cikasungka	2023	Bogor District, Jawa barat	-

1.10.2	(PTPN VIII)				Province	
			Sukamaju	2023	Sukabumi District, Jawa barat Province	-
	Gunung Meliau (PTPN XIII)	2022	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 (PTPN XIV)	2022	Luwu	2022	Luwu Timur, District, Sulawesi Tengah	December 2022 Certified
			Keera-Maroon	2024	Luwu Timur, District, Sulawesi Tengah	-
			Malili	2026	Luwu Timur, District, Sulawesi Tengah	-
			Asera	2025	Luwu Timur, District, Sulawesi Tengah	-
	Date Approval TBP on November 2022.					
	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	The company has no agreement with any associated smallholder					

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1.3</b>	<p>1. <b>Hasiholan Sihombing (Lead Auditor Witnessing)</b>. Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experience for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO in 2016, RSPO P&amp;C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2020, SA 8000 Awareness in 2018, Quality Management Systems (ISO 9001:2015) in 2016, Environmental Management Systems (ISO 14001:2015) in 2017, OHS General Expert in 2013, OHSAS 18001:2007 in 2017, ISO 19011:2018 in 2019, ISO 17021:2011 and ISO 17065:2012 in 2016. During this audit, he was witnessing Lead Auditor.</p> <p>2. <b>Rindu Galih Rezza Rachmansyah (Lead Auditor Witnessed)</b>. Bachelor of Agriculture, Department of Plant Pests and Diseases (Agrotechnology), Padjadjaran University. Has one year experience as a Field Expert in a private pesticide company and three years' experience in the field of Industrial Plantation Forest (HTI), Forest Rehabilitation and Reclamation in an Indonesian BUMN Company as an Assistant. Trainings attended include: Lead Auditor ISO 9001, ISO 14001, ISO 19011, ISO 17021 &amp; 17065, SA 8000, ISO 45001, ISPO, RSPO, RaCP and NPP awareness for RSPO and OHSAS 18001. Has conducted ISPO and RSPO Audit activities since 2017 in the aspects of Legality, Environment, Labor, K3, Best Management Practices (BMP) and Social. In this audit activity, verification was carried out for Legality and supply chain aspects.</p> <p>3. <b>Kiki Fadli (Auditor)</b>. Indonesian citizen, Bachelor of Agricultural Engineering, Agricultural Engineering Study Program. Has experience working in the Department of Sustainability in private and state-owned oil palm plantations. Has attended ISPO New Refreshment Lead Auditor training, RSPO Lead Auditor, General AK3, ISO 9001:2008, ISO 14001:2015, ISO 17021, ISO 17065, HCV, OHS management system and ISH Lead auditor training organized by RSPO. In this audit activity, an assessment of the employment aspect was carried out.</p> <p>4. <b>Fauzi Prima Sanusi (Auditor)</b>. Indonesian citizens. Bachelor of Forestry. Has work experience in the field of HSE, Environmental NGOs, attended training including Proper Training, General Health and Safety Expert, Biodiversity Study, HCV, Water and Air Monitoring Management, ISO 14001: 2004 Auditor, FSC Auditor, Sustainable Forest Management Auditor 2014, ISPO Auditor 2018, Forest and Land Fire Control Training 2014, has participated in audit activities for SFM Since 2016 FSC Audit 2017, ISPO Audit 2019. In this audit activity carried out verification in the fields of Environment, conservation and GHG.</p> <p>5. <b>Ibnu Satria Prabudi (Auditor Trainee)</b>. Indonesian citizens. Bachelor of Agriculture, Faculty of Agriculture, INSTIPER, Yogyakarta. RSPO Lead Auditor by the Indonesian Palm Oil Commission (2010) and has attended twice refreshment trainings (2017 and 2021), ISPO Auditor Training by the National Standardization Agency (2011) and has attended refreshment trainings (2021), ISO 9001: 2015 IRCA by PT TUV Rheinland Indonesia (2018), ISO 14001: 2004 by PT Bumi Hijau Cemerlang (2010), Green House Gass In House Training by the ISPO Commission, Involved in ISPO standard field testing (2011), OHS Expert Training by PT Safindo Raya (2016), RSPO Supply Chain Certification Training by CheckMark (2019) and has attended refreshment trainings (2022), Cleanliness Health Safety and Environment Sustainability (CHSE) Certification Auditor Training by Sucofindo (2020), ISO 45001 OH &amp; SMS Lead Auditor IRCA by PT TUV Rheinland Indonesia (2021), SNI ISO/IEC 17065:2012 by the National Standardization Agency (2022) and has participated in several activities audit related to the sustainable oil palm plantation certification system as an auditor and or Lead Auditor since 2010. In this audit activity carried out verification in the fields of BMP and OHS.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.3</b>	<p>Number of auditors: 3 auditors &amp; 1 auditor trainees</p> <p>Number of days for <b>ASA-1.3</b> at site: 5 days</p> <p>Number of working days for <b>ASA-1.3</b>: 15 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1.3</b>	The assessment was conducted by measuring the implementation of certification system and standard conducted by PTPN IV, Dolok Ilir POM based on:

- RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020
- RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020

The scope of certification of Dolok Ilir POM consist of one mill (Dolok Ilir POM) and two estates (Dolok Ilir Estate and Laras Estate).

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

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-1.3 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.4). Improvement of findings from ASA-1.2 were observed by auditors at this ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.3.

Number of units in this certification activity is 1 (one) Mill and 2 (two) estates. The auditor team used the  $(0.8\sqrt{y}) \times (z)$  formula to determine the units sampling to be focused on and also considered the issues raised by stakeholder, (y) is the number of estate and (z) multiplier defined by the risk assessment. The risk for this assessment is low due to the area is geographic locations, distance of estate, complexity of labor, landscape setting, presence of HCV, number of communities/ conflicts and legality. Based on this formula, the auditor team determined that the sampling locations are one palm oil mill (Dolok Ilir POM) and two estates (Dolok Ilir Estate and Laras Estate).

The opening meeting was held on 31 July 2023. As for the participants who attended the opening meeting included the Estate and Mill Managers, Support Team from Medan and other staff. Closing meeting was held on 4 August 2023 attended by the same participants as the opening meeting. Management Dolok Ilir POM – PTPN IV accept all the ASA-1.3 audit results.

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.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates through teleconference. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III.

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-1.3**

The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. At the sample locations for this assessment, direct visits and interviews with respondents by the auditor team were carried out:

**Dolok Ilir POM**

- **CPO Storage Tank.** Observation and interview related CPO storage tank capacity.
- **Kernel Bin.** Observation and interview related PK storage tank capacity.
- **Chemical warehouse.** Observation about storage condition and material that kept in the storage.
- **Central storage.** Observation about storage condition, PPE stock, emergency response and OHS implementation.
- **Hazardous waste temporary storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Fuel Warehouse.** Observation the warehouse condition.
- **Workshop.** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **Water Treatment Plant.** Observations and interviews related to water management, recording of water use, health checks, PPE, and waste management.
- **Laboratorium.** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **Simulasi Hydrant.** Observation of the condition of emergency response facilities and infrastructure.
- **Workshop.** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.
- **Boiler Station.** Observation of boiler work process according to SOP, implementation of OHS and environmental aspects
- **Sorting Station.** Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects
- **Sterilizer Station.** Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects
- **Engine Room Station.** Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects
- **Pressing Station.** Observation of the Pressing process according to SOPs, implementation of OHS and environmental aspects
- **Kernel Station.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Security Post.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Weighbridge Station.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Waste Water Treatment Plant (WWTP) Station.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Water Treatment Plant (WTP) Station.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Empty Bunch Area.** Observations related to solid waste management (empty bunch).
- **Water Intake Area.** Observations related to water utilization and management.
- **CPO Tank/Dispatch Area.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Kernel Storage.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.

**Dolok Ilir Estate**

- **Employee Housing Division VII and VIII.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.

- **Fertilizer warehouse Division VII and VIII.** Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used.
- **Division Office VII and VIII.** Observations employment facilities.
- **Landfill, Division VII and VIII.** Observations related to domestic waste management.
- **Chemical mixing area and Rinse room, Division VII and VIII.** Observation and interview related pesticide mixing area, PPE storage, safety aspect.
- **Fertilizer warehouse, Division VII and VIII.** Observation related to management of fertilizer material, MSDS, emergency response facilities and the types of fertilizer used.
- **HCV, Spring Division VIII Block 16 EN.** Observations and interviews with HCV officers regarding HCV conditions and management.
- **Replanting Area Blok 98A, Division V.** Observation related replanting mechanism
- **Harvesting, Block 20J, 20L and 00A, Division V.** Field observations and interviews related to aspects of BMP, OHS, and Labour.
- **Transport FFB, Blok 18K, Division VII.** Field observations and interviews related to aspects of BMP, OHS, and Labour.
- **HGU Pole No. 245, 246 & 247 at Block 16AE Division 2.** Observations related to the legality of company land boundaries.
- **HGU Pole No. 260 & 261 at Block 22K Division 3.** Observations related to the legality of company land boundaries.
- **HGU Pole No. 259 at Block 16BH Division 3.** Observations related to the legality of company land boundaries.
- **Housing Complex Division 2.** Observations and interview with resident related to worker welfare facilities and eligibility conditions.
- **Housing Complex Division 3.** Observations and interview with resident related to worker welfare facilities and eligibility conditions.
- **Landfill at Block 16C Division 2.** Observations related to domestic waste management.
- **Landfill at Block 22C Division 3.** Observations related to domestic waste management.
- **HCV Area for Public Cemetery at Block 22K Division 3.** Observations related to HCV management and monitoring.
- **HCV Area for Riparian of Pulo Asri River at Block 22K Division 3.** Observations related to HCV management and monitoring.
- **HCV Area for Indah Sari Waterfall at Block 22K Division 3.** Observations related to HCV management and monitoring.
- **HCV Area for Riparian of Water Flow at Block 99V Division 5.** Observations related to HCV management and monitoring.
- **Land Application (LA) of Mill Effluent at Block 22U Division 5.** Observations and interviews with workers related to the utilization, management and monitoring of palm oil mill effluent.

#### **Laras Estate**

- **Harvesting, Division III Block 16A and Division IV Block 14.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Selective Weeding, Division IV Block 14M.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Manual road repair, Division III Block 11J.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Replanting Area/Immature Area, Division III.** Observations of soil and water conservations
- **Transport FFB, Division III and IV.** Field observations and interviews related to aspects of BMP, OHS, and Labour.
- **Residential complexes in Afdeling I and II.** Observation of the condition of residential buildings and housing environmental conditions as well as domestic waste management,
- **Block 11 D afdeling I final landfill.** Observation of landfill conditions, types of waste disposed of and potential contamination

	<ul style="list-style-type: none"> <li>• <b>Temporary Storage of Hazardous and Toxic Wastes.</b> observation of storage conditions, availability of emergency response facilities, stored hazardous waste, labels and symbols of hazardous and toxic materials, interviews with officers of the temporary storage of toxic hazardous materials</li> <li>• <b>Land Fire Fighting Simulation.</b> Observation of the use of land fire extinguishers, the skills of land firefighters</li> <li>• <b>Final waste disposal site Block 23 F afdeling II.</b> observation of landfill conditions, types of waste disposed of and potential contamination</li> <li>• <b>Rinse House section I and II.</b> observing the condition of the rinse house, the availability of clean water, the place for storing PPE and the sprayer's work tools, the condition of the liquid waste container from the rinse house</li> <li>• <b>River Border Block 21 T Afdeling II.</b> Observation of the condition of the river border, the type of vegetation along the river, the availability of warning and prohibition boards.</li> <li>• <b>HGU Pole No. 145 &amp; 146 at Block 22AN Division 3.</b> Observations related to the legality of company land boundaries.</li> <li>• <b>HGU Pole No. 68 at Block 14M Division 4.</b> Observations related to the legality of company land boundaries.</li> <li>• <b>HGU Pole No. 69 at Block 16S Division 4.</b> Observations related to the legality of company land boundaries.</li> <li>• <b>Housing Complex Division 3.</b> Observations and interview with resident related to worker welfare facilities and eligibility conditions.</li> <li>• <b>Housing Complex Division 4.</b> Observations and interview with resident related to worker welfare facilities and eligibility conditions.</li> <li>• <b>Landfill at Block 23N Division 3.</b> Observations related to domestic waste management.</li> <li>• <b>Landfill at Block 14S Division 4.</b> Observations related to domestic waste management.</li> <li>• <b>HCV Area for Mentaling Water Springs at Block 16F Division 3.</b> Observations related to HCV management and monitoring.</li> <li>• <b>HCV Area for Riparian of Waringin River at Block 12R Division 4.</b> Observations related to HCV management and monitoring.</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.3</b>	<p>Summary of stakeholder consultation process for Dolok Ilir POM – PTPN IV</p> <ul style="list-style-type: none"> <li>• Public consultation with government agencies of Simalungun District (Agriculture Agency, Labor Agency, and Environmental Agency) on 1 August 2023.</li> <li>• Public consultation by interview with locals of the nearby village (Rabuhit, Serbalawan, Bah Gunung and Tumorang Village) and local contractor on 1 August 2023.</li> <li>• Consultation meeting and interview with Internal Stakeholder (labor union and gender committee) on 1 August 2023.</li> <li>• Consultation with NGO (WWF, Sawit Watch, Wahana Lingkungan Hidup Indonesia, dan AMAN) via email on 24 July 2023.</li> </ul> <p>Numbers of input from stakeholders were clarified by Dolok Ilir POM – PTPN IV</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	ASA-1.4 will conduct 8 – 12 months after this assessment

### 3.0 ASSESSMENT FINDINGS

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

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

During the assessment, there is four (4) Nonconformities were assigned against Major Compliance Indicator, four (4) Nonconformities were assigned against Minor Raised to Major Compliance Indikator, two (2) Nonconformities were assigned against Minor Compliance Indicator and three (3) opportunity for improvement were identified.

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

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The company shows the Decree of the Board of Directors of PTPN IV No 04.03/Kpts/02/II/2018 dated 5 February 2018 regarding the publication of PTPN IV company documents which regulates the types of company documents and authority over the publication of company documents,</p> <p>The company also shows procedures related to transparency mechanisms in providing information to stakeholders which are contained in the SPO document for the Retention Period of Requests for Information and Responses No. SPO 06 No. Revision 03 Effective Date 1 August 2017 which describes the mechanism for requesting information and responding</p> <p>The company also shows examples of documents that can be accessed by the public, including:</p> <ol style="list-style-type: none"> <li>1. Laras Estate Environmental Evaluation Document</li> <li>2. Revision of the Dolok Ilir Estate and POM Environmental Management and Monitoring Plan Document</li> <li>3. Permit to use Surface Air</li> <li>4. Liquid waste management permit</li> <li>5. 2009 Social Impact Assessment Report</li> <li>6. 2010 HCV Identification Report</li> </ol>	
<b>1.1.2</b>	<p>The company has provided information in Bahasa Indonesia to stakeholders, for example:</p> <ul style="list-style-type: none"> <li>• Mandatory Labor Reporting (Laras Estate) with reporting number 21184.20230103.0002 reporting date January 3, 2023.</li> <li>• Mandatory Labor Reporting (Dolok Ilir Estate) with reporting number 21155.20230524.0002 reporting date 24 May 2023.</li> <li>• Mandatory Labor Reporting (Dolok Ilir POM) with reporting number 21155.20230525.0001 reporting date May 25, 2023.</li> <li>• Evidence of registration of Fixed Period Working Agreement Dolok Ilir Estate to the Manpower and Transmigration Office of Simalungun Regency with No. DOI/X/93/VII/2023 on July 24, 2023.</li> <li>• Evidence of reporting the activities of the Dolok Ilir Bipartite Cooperation Institution for the second quarter of 2023 submitted to the Manpower and Transmigration Office of Simalungun District on June 27, 2023.</li> </ul>	

- Electronic receipt ID TTE 1690946833-8469, period 01 January – 30 June 2023, print time 02 August 2023, PTPN IV PKS Dolok Ilir, Report on Environmental Management and Monitoring Plans, with status Reported
- Electronic receipt ID TTE 1690946286-8469, period 01 January – 30 March 2023, print time 02 August 2023, an PTPN IV PKS Dolok Ilir, Report on Hazardous Waste Management with Report status
- 3. Electronic receipt ID TTE 1690948836-8469, period 01 March – 30 June 2023, print time 02 August 2023, an PTPN IV PKS Dolok Ilir, Report on Hazardous Waste Management with Report status
- Receipt for Delivery of Semester I Land Fire Reports, to the Governor of North Sumatra, Number P2301140037646, January 14, 2023
- Letter Number: PKS DOI/X/30A/VII/2023, Quarter II 2023 Liquid Waste Report, to the Simalungun Regency Environmental Service, received on July 14, 2023
- Receipt for sending Animal Monitoring Reports, to the Technical Implementation Unit of the Natural Resources Conservation Center, Number P2307120059594, July 12, 2023
- Report on OHS Committee Activities for the first quarter of 2023 dated 04 March 2023. The report was received on 10 April 2023 by UPT Labor Inspection Region III, Sumatra Utara Province through Letter of Introduction Number: PKS DOI/X/18/IV/2023.
- Report on OHS Committee Activities for the period and Quarter II of 2023 dated 10 July 2023. The report was received on 10 July 2023 by UPT Labor Inspection Region III, Sumatra Utara Province through Letter of Introduction Number: PKS DOI/X/80/VII/2023.
- Report on OHS Committee Activities for the first quarter of 2023 dated April 10, 2023. The report was received on April 12, 2023 by the UPT Labor Inspection Region III, Sumatra Utara Province through Cover Letter Number: P2K3 DOI/X/514/IV/2023.
- Report on OHS Committee Activities for the period and Quarter II of 2023 dated 10 July 2023. The report was received on 12 July 2023 by UPT Labor Inspection Region III, Sumatra Utara Province through Cover Letter Number: P2K3 DOI/X/88/VII/2023.
- Report on OHS Committee Activities for the first quarter of 2023 dated 05 April 2023. The report was received on 12 April 2023 by UPT Labor Inspection Region III, Sumatra Utara Province through Cover Letter Number: LAR/P2K3/IV/02/IV/2023.
- OHS Committee Activity Report for the second quarter of 2023 dated July 17, 2023. The report was received on April 12, 2023 by the UPT Labor Inspection Region III, Sumatra Utara Province through Cover Letter Number: LAR/P2K3/IV/03/VII/2023
- PTPN IV - Dolok Ilir HGU Utilization Report for 2023 which is carried out by sending reports via Post (Indonesian Post Office) with proof of delivery No. P2307220034821 on 22 July 2023 addressed to the National Land Agency of the Pematang Siantar City (Simalungun Regency does not have a National Land Agency so it is still headquartered in the Pematang Siantar City).

### 1.1.3

The company has a procedure for responding to requests for information from stakeholders detailed in 1.1.1. Regarding the recording of requests for information, the company includes the records in the Internal and External information recapitulation list with examples of evidence:

- Letter from the Simalungun District Government, Dolok Batu Nanggar District, Number 660.2/382/36.17/2022, October 10, 2023, regarding the request for Boiler Abu Assistance, responded to on October 17, 2022, with approval for boiler ash assistance
- Letter from the Bah Gunung Village Government, Number 140/6/22.02/XII/2022, December 12, 2022, regarding the application for a permit to cross a plantation road, responded to on December 17, 2022, with approval for the use of the road
- Letter from the Indonesian Palm Oil Institute, Number ---/3/--/ITSI/PTPN/BDP/II/2023, dated 22 February 2023, regarding the application for a final assignment research permit, responded to on 28 February 2023, via letter Number LAR/ X/47/II/2023, with the results of being given permission to carry out final project research activities

### 1.1.4

The company has a procedure for responding to requests for information to stakeholders detailed in 1.1.1, this procedure has been socialized to stakeholders with the example: Socialization of the Principles of Implementing a Plantation Management System on February 9, 2023, with material: providing information that is acceptable to stakeholders, maintaining flora and fauna fauna, human rights and underage workers policies, equal employment opportunity, Company Code of Conduct, violation reporting management system, attended by 24 participants from both employees and representatives of the villages of Serbelawan, Aman Sari, Dolok Tenera and other villages around the company area

### 1.1.5

The company shows a list of stakeholders updated on May 8, 2023, which informs the name of the agency, contact name, field of cooperation and contact number. among others: Plantation Workers' Unions, Religious Institutions, Cooperatives, Gender



Committees, Simalungun District Government Agencies, Village Heads, Security Service Vendors, Environmental Testing Laboratories, Dolok Batu Nanggar Sector Police, Serbelawan District Military Command, FFB and CPO Transport Contractors, FFB Suppliers, NGOs, Press

**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 an ethical behavior policy contained in the PTPN IV Code of Conduct document in accordance with the Decree of the Board of Commissioners and Directors of PTPN IV No. DK-08/KPTS/VII/2020 established on July 21, 2020. The Code of Conduct document also explains the commitment and attitude of business actors, obligations and rights of business actors, prohibitions for business actors, ethics with stakeholders, and compliance with violations.

The company has also socialized the policy to act ethically to workers, surrounding communities and contractors, for example:

- Dolok Ilir POM which was socialized on 6 February 2023 attended by 40 people.
- Community representatives (e.g. village head Serbelawan, village head Aman Sari, etc.) and contractors were socialized on 9 February 2023 attended by 24 people.

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

#### 1.2.2

The company has an employee recruitment mechanism listed in the PDIK for the Acceptance and Appointment of Class IA-IID Employees with No. 04.15.01A issued in June 2013 which explains the stages of employee recruitment starting from job vacancy information, prospective employee tests to employee acceptance and the costs in the recruitment process are borne entirely by the company.

Based on interviews with management representatives, the method of monitoring compliance with the code of ethics is carried out through internal audits conducted by the SPI of the Office of the Board of Directors. The Company also showed the results of internal audits by the SPI of the Office of the Board of Directors, for example those conducted on May 22-26, 2023 at Laras Estate with the result that no violations of ethical business practices were found. In addition, the Company also monitors through complaints submitted through the whistleblowing system and it was found that there were no complaints in the whistleblowing system during 2022.

Based on interviews with labor unions and contractors, it was conveyed that the code of conduct policy has been implemented by the company in all business operations and transactions including recruitment and employment contracts. The code of conduct (anti-corruption, anti-bribery, and anti-fraud) is included in every third party (contractor) and worker employment agreement letter.

**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

Companies can show some evidence of compliance with relevant regulations when the Surveillance-1.3 audit activities are carried out, including demonstrating compliance with relevant regulations in legal, environmental, worker welfare and other aspects. The following are some of the evidences that have been shown:

##### Legality Aspect

- Location Permit for PTPN IV – Dolok Ilir (Mill & Estate) and Laras Estate is not owned by the company based on the history of land grants since 1959. The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.
- PTPN IV – Dolok Ilir (Mill & Estate) has had a Plantation Business Permit (IUP) since 2014 in accordance with the Decree of Head of the Integrated Licensing and Investment Services Agency of Simalungun Regency No.188.45/503/1113/BPPT-P4/2014 dated 16 December 2014 for Palm Oil Plantation & Industry with the capacity of 60 tons of FFB/hour in mill and an operational



area of 7,348.81 Ha.

- PTPN IV – Laras Estate has had a Plantation Business Permit (IUP) since 2012 in accordance with the Decree of Regent of Simalungun Regency No. 183.45/2767/K-PPT/2012 dated 08 August 2012 for Palm Oil Plantation an operational area of 4,062.66 Ha.
- PTPN IV – Dolok Ilir Estate has had a Land Title (HGU) for the operational area in accordance with HGU Certificate No. 01 of 2006 dated 11 September 2006 for an area of 7,348.81 Ha that has been valid until 31 December 2030.
- PTPN IV – Laras Estate has had a Land Title (HGU) for the operational area in accordance with HGU Certificate No. 06 of 2008 dated 18 September 2008 for an area of 4,062.66 Ha that has been valid until 21 September 2033. This certificate refers to Decree Letter from National Land Agency No. 48-HGU-BPN RI-2008 dated 07 August 2008.
- PT Perkebunan Nusantara IV already has a Business Identity as one of the requirements in carrying out business activities in Indonesia (according to Government Regulation No. 24 of 2018). This identity is proven by the existence of a Business Identification Number (NIB) issued by the Government of the Republic of Indonesia with No. 9120400152539 dated 23 January 2019 with 8 types of business that are permitted (including plantation activities and the palm oil industry).

#### **Employment Aspect:**

- Evidence of Recording of Specified Time Work Agreements by the Simalungun Regency Manpower Office through a reporting letter with No. DOI/X/93/VII/2023 on July 24, 2023 for 74 people which is in accordance with PP No. 35 of 2021.
- Mandatory Labor Reporting with reporting number 21155.20230525.0001 on May 25, 2023 which is in accordance with Permenaker No. 18 of 2017.
- The company has determined the minimum wage with basic salary components and fixed allowances so that a total of IDR 2,710,493 is obtained which is in accordance with the Decree of the Governor of North Sumatra No. 188.44/949/KPTS/2022 dated November 28, 2022.

#### **Environment Aspect :**

- Documents for the Revision of the Environmental Management Plan and Environmental Monitoring Plan based on the Letter of recommendation from the Simalungun Regency Environmental Agency number 213/LINGHUP-2010 dated 27 October 2010 for an operational area of 7,348.81 ha and an OPM with a capacity of 60 tons/hour. (Dlok Ilir POM and Dolok Ilir Estate).
- Environmental Evaluation Document (DELH) stipulated through the Decree of the Simalungun District Environmental Agency No. 188.45/759/linghup/year 2011 for PT Perkebunan Nusantara IV (Persero), Laras Estate with oil palm plantation activities with an environmental impact analysis study covering a plantation area of 4,062.66 ha, ratified on December 14, 2011. (Estate Laras)
- Approval of the Fulfillment of the Permit for Disposal of Wastewater by Application to the Land of PT Perkebunan Nusantara IV Dolok Ilir unit with Number 503/03/17.4/2021 from the Head of the One-Stop Investment and Licensing Service Office on January 29, 2021 with a validity period of 5 years.
- Approval of the fulfillment of commercial/operational license commitments (operational permit for the management of hazardous and toxic waste materials for producers) with number 503.26/00499/17.4/2021 for the PTPN IV Dolok Ilir unit from the Head of the One-Stop Investment and Licensing Service Office on May 3 2021 with a validity period of 5 years. (Dlok Ilir POM and Dolok Ilir Estate).
- The company has an Approval to Fulfill Commercial/Operational Permit commitments (Operational Permit for the Management of Hazardous and Toxic Waste for Producers) number 503/33/17.4/2020 from the Simalungun Regency One-Stop Investment and Integrated Services Service on September 10 2020 with, validity period of 5 years. (Laras Estate).
- Water Resources Exploitation Permit. PB-UMKU:91204001525390000006, PTPN IV Dolok Ilir, issued on 15 June 2023

#### **OHS & BMP Aspect**

- The unit already has an OHS Committee organizational structure. This is in accordance with minister of labor regulations No. 4/1987.
- The unit already has personnel with authority as OHS Experts. This is in accordance with minister of labor regulations No. 2/1992.
- The unit has provided Light Fire Extinguishers (APAR) at points identified as having a potential fire risk. This is in accordance with minister of labor regulations No. 4/1980.
- The unit has several licensed operators. This is in accordance with minister of labor regulations No. 8/2020
- The unit has a licensed first aid worker. This is in accordance with minister of labor regulations No. 2/1980 jo. Minister of Manpower No. 15/2008.
- The unit has conducted periodic and special inspections. This is in accordance with minister of labor regulations No. 2/1980 jo.

Minister of Manpower No. 3/1986.

- The unit has received ISPO certificate. This is in accordance with the Minister of Agriculture No. 38/2020
- The unit has carried out replanting activities using the non-burning method. This is in accordance with Law no. 22/2019.

### 2.1.2

Procedure of legal requirement which presented in document No04.01/KOL/P/034, dated 01 August 2018 mentioned that the guidelines include informing the person in charge of identifying and updating regulations as part of corporate legal and investor relations with a period of once a year. The procedure mentioned that in order to monitor and update of laws and/or regulations, the Legal Officer required to actively check and make coordination with Government Agencies or Institutions.

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

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

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

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

### 2.1.3

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

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

The company shows the document for monitoring the HGU stake which is carried out every six (6) months. The last HGU stake monitoring was carried out in June 2022 for Dolok Ilir Estate and Laras Estate. The report on the inspection and maintenance of the boundary markers has provided complete information regarding the number of stakes, condition of stakes, location of stakes, coordinates of stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. In the monitoring report, it is known that not all HGU stakes are available and in good condition. To follow up on this matter, the company has informed the Manager and the Legal Section for the budgeting. Currently, the process of submitting budgeting for repairs and installations is ongoing and a program has been prepared for this from July – December 2023.

Field observations to several HGU boundary markers in Dolok Ilir Estate (No. 245, 246, 247, 259, 260 & 261) and Laras Estate (No. 145, 146, 68 & 69), show that the poles sampled during the audit were available in the field and in well-maintained conditions. Verification using GPS indicates that the pole coordinate is in accordance with the provisions of the land title. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU.

**Status: Comply**

**2.2**
**All contractors providing operational service and supplying labour, and Fresh Fruit Bunch (FFB), comply with relevant legal requirements.**
**2.2.1-2.2.3**

The company showed a list of contractors for the 2023 period that also informs the name of the company, the object of work, the contract number, the contact person and the contact number, including 1 CPO transporter, 1 PK transporter, 1 Security Service, 1 EFB transport transporter and 2 FFB transporters and it can be shown that the cooperation contract has a separate clause regarding the fulfillment of relevant legal obligations, for example in the SPK with No. 04.05-Peng/S.Perj/01/II/2023 dated February 20, 2023 with CV Karya Mandiri for PK transport work.

In addition, the Work Agreement Letter also includes a separate clause prohibiting practices involving child labor, forced labor, and workers from human trafficking, which states that as a form of compliance with applicable laws and regulations, the parties are obliged to fulfill provisions such as not employing minors in accordance with labor regulations, not practicing forced labor, not employing workers from human trafficking and others.

**2.2.2**

The company shows a list of contracted third parties listed in the list of contractors for the period August 2022, such as 1 CPO transporter, 1 PK transporter, 1 Security Service and 1 FFB transporter and it can be shown that the cooperation contract has its own clause regarding the fulfillment of relevant legal obligations, for example in SPK No: 04.05/S.Perj/Pem/03/III/2022 dated March 1, 2022 with CV Pelita Jaya for the work of transporting CPO.

The results of interviews with 2 FFB transport workers and 1 TBS truck driver worker CV Karya Teknik in Afdeling VII Dolok Ilir Plantation and 1 FFB truck driver at Afdeling II Kebun Laras CV EWS Nusantara III, it was stated that the workers did not have a good work agreement with the contractor and had not registered in Social Security Agency on Employment.

The company shows the root of the problem, corrective action and corrective action, but needs to be reviewed regarding the root problem, corrective action and corrective action submitted because it has not answered the intended non-conformity and to be able to show evidence of corrective action and corrective action.

Based on the field visit on the ASA-1.3 assessment, it was found that during the FFB transportation activities at Laras Estate as well as loader operators, drivers and FFB loaders, kernel loaders at Dolok Ilir POM, it was found that they were third party workers and had not used PPE in carrying out work such as using helmet and boots.

Based on this, the discrepancy in this indicator has not been fulfilled and becomes **Minor Raised to Major with No. 2022.01**.

**2.2.2**
**Status:**
**Nonconformity with Minor Raised to Major with No. 2022.01**
**2.3**
**All FFB supplies from outside the unit of certification are from legal sources.**
**2.3.1**

The company has a list of Direct and Indirect FFB suppliers for the acceptance period for the past year (2022/2023). From the list it is known that there are 7 direct suppliers who send FFB to Dolok Ilir Mill originating from GAR Group. Sources of FFB suppliers include:

- Dolok Ilir Estate (Own Estate – RSPO Certified)
- Laras Estate (Own Estate – RSPO Certified)
- Tanah Itam Ulu Estate (PTPN IV Group – RSPO Non-Certified)
- Marjandi Estate (PTPN IV Group – RSPO Non-Certified)
- Pabatu Estate (PTPN IV Group – RSPO Non-Certified)
- Mayang Estate (PTPN IV Group – RSPO Non-Certified)
- Marihat Estate (PTPN IV Group – RSPO Non-Certified)

Based on the direct suppliers mentioned above, it is known that currently these suppliers are RSPO certified suppliers. Since all of the direct suppliers mentioned above have received RSPO certificates, it can be ensured that the geolocation information on the origin of FFB, land ownership status, along with other permits have been fulfilled (legality requirements, geolocation and land ownership

status are things that must be fulfilled in RSPO certification).

### 2.3.2

In the previous assessment, there was a discrepancy in this indicator with the following explanation:

#### Non-Conformity No. 2022.02

Based on the Dolok Ilir POM Processed FFB, it is known that there is another parties FFB supplier by the name of CV Riana Lim. The results of the public consultation and management explanation revealed that CV Riana Lim, apart from selling FFB from her own land, also collects FFB from other parties (agents). The unit of certification shows the FFB supplier data for the CV namely:

Agent	Adress	Coordinate
Sarjono	Bandar Tengah	N.'03°06.33.2' E.'099°13.40.0'
Bambang	Gajing Kahean	N.'03°03.84.4' E.'099°10.71.3'
Mujiman	Gajing Tengah	N.'03°03.83.5' E.'099°10.72.1'
Iwan	Gajing Tengah	N.'03°03.82.8' E.'099°10.71.8'

As explained by Director of CV Riana Lim, agents take FFB from other farmers from various sources. However, until surveillance-1.2 has been completed, it has not been shown that:

1. Source of FFB for each agent along with FFB origin and geolocation information
2. Proof of ownership status or rights/claims to land by planters/farmers

As specific guidance for this indicator states that if the certification unit has indirect FFB supplying smallholders, then for RSPO certified mills, the time requirement to fulfill the indicator is three years from 15 November 2018, i.e. 15 November 2021. For uncertified mills/mills which is in the process of the first year of certification, the time requirement for supply farmers to meet the requirements according to indicator 2.3.1 is three years from the date the mill is certified.

These requirements include:

- Information on the geolocation of the FFB origin;
- Proof of ownership status or rights/claims to land by planters/farmers;
- If relevant, a valid planting/operational/trading permit, or as part of a cooperative so that the buying and selling of FFB can be carried out.

When this audit activity was carried out, further verification of the above non-conformities had been carried out, where the company had determined the root of the problem, corrective and corrective actions for the non-conformities that emerged when the Surveillance-1.2 audit activity was carried out. During the Surveillance-1.3 audit activity, the company can show evidence related to the information requirements required for indirect FFB suppliers and collecting Center, agents or other intermediaries as follows:

- When the audit activity was carried out, the company had 4 indirect FFB suppliers, namely CV Rianalim, CV Sauhur Jaya, CV Hot Abadi Lestari and CV Harmoni Gemilang Lestari. Of the four suppliers, as of July 2023, only 2 suppliers remain, namely CV Rianalim and CV Sauhur Jaya, while the other company has no longer renewed the contract.
- The company was able to show CV Rianalim's FFB sources during audit activities, where the supplier had 28 farmers and CV Sauhur Jaya had 14 farmers who were its FFB sources.
- From the number of farmers, the company has taken their respective geolocation information, proof of land rights and legality documents from suppliers (business permits, legal entity approval and others). However, the results of the document review found that there was some incomplete information, namely the amount of area in the land rights was different from what was written in the farmers' register. For example, the list states that the total area of farmers with the initials RDM has 43.53 Ha of land, whereas the actual total area of land rights is 4.33 Ha.

Then, in accordance with determining the root of the problem, the corrective and corrective actions provided by the company have not been able to show other evidence. Based on this, this nonconformity is declared not yet fulfilled and, in this assessment, it causes a Minor Nonconformity in this Indicator to become a Major Nonconformity (**Minor raised to Major**).

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 for the Dolok Ilir unit (Mill and Estate) and Laras Estate, can be traced through the Long-Term Plan document for the period 2020 – 2024. This document has explained information related to long term economic indicators, including: FFB Production, OER, Production Cost, Price Of CPO/PK, replanting, CPO Production, PK Production, TM area, TBM, land clearing, occupation land, reserve area, road, drainage, housing and others.

An annual evaluation is available for each management unit in the Annual Report which contains information on production, improvement of results, date of expenditure, proportional estimates, original estimates and reasons for over / under spending. For example, the Latest evaluation Laras Estate has been done in September 2022.

#### 3.1.2

Based on document observations and management interviews, it known that the Dolok Ilir and Laras Estates have replanting plans for the period up to 2024. Replanting activities have been carried out by the Dolok Ilir and Laras Estates units since 2013. The planned replanting activities are planned to be completed will be carried out in 2024. The following is the plan for replanting Dolok Ilir Estate and Laras Estate for the 2020 – 2024 period.

##### A. Kebun Dolok Ilir

Plan and Actual Realization of Replanting (Years)										TOTAL	
2020		2021		2022		2023		2024			
P	A	P	A	P	A	P	A	P	A	P	A
376	376	149	149	752	752	701	65	99	-	1,441	1,342

##### B. Kebun Laras

Rencana & Realisasi Replanting (Tahun)										TOTAL	
2020		2021		2022		2023		2024			
P	A	P	A	P	A	P	A	P	A	P	A
195	195	545	545	915	915	284	69	663	-	2,602	1,724

P = Plan

A = Actual

The replanting activity plan is always evaluated after each replanting block is completed and at the end of the year it becomes one of the topics discussed in management review activities. One of the things discussed was: Realization of replanting, the obstacles encountered and solutions to the problems encountered

#### 3.1.3

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

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

#### Notes:

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



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

Status: Comply

### 3.2

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

#### 3.2.1

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

1. Evidence of follow-up on the results of external audit discrepancies (ISO, RSPO, ISPO, ISCC etc.) in the previous period
2. Evidence of follow-up on the results of internal audit discrepancies (ISO, RSPO, ISPO, ISCC etc.) in the previous period and this year's period
3. Evidence of a budget policy to improve the condition of employee housing facilities through the RKAP.

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

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

#### 3.2.2

The Dolok Ilir POM, Dolok Ilir Estate and Laras Estate, have inputted the RSPO Metric Template data for the period June 2022 – May 2023. All information on the RSPO Metric Template form has been verified by the auditor team by confirming the data and or information during document observation activities. interviews and field observations.

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

- Name of RSPO Member: PT Perkebunan Nusantara IV – Dolok Ilir Palm Oil Mill
- RSPO Membership Number: 1-0030-06-000-00 (PT. Perkebunan Nusantara III)
- Name of Certified Audit: Dolok Ilir Oil Mill and Supply Bases
- Name of Certification Body: PT Mutu Agung Lestari
- RSPO Palm Trace ID Number: RSPO\_PO1000002539
- Number of Mill: 1
- Number of Certified Estate: 2

From the results of the auditor's verification of the contents of the matrix template, it is known that all data in general are in accordance with their respective periods, such as the total amount of FFB, CPO, PK and others.

Status: Comply

### 3.3

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

#### 3.3.1

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

#### 3.3.2

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



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

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

### 3.3.3

Based on document observation, it known that the monitoring activities of the operational performance of the certification unit can be demonstrated and documented. Monitoring records and follow-up supervision observed for the 2023 period.

**Status: Comply**

### 3.4

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

#### 3.4.1

There were no changes to the social and environmental impact assessment from the previous audit (ASA 1.3). The company has conducted independent and participatory environmental and social impact assessments involving stakeholders listed in several documents, namely:

#### Environmental Aspect

##### Dolok Ilir POM and Dolok Ilir Estate

listed in the document Revised AMDAL Environmental Management Plan and Environmental Monitoring Plan for Oil Palm Plantations, Palm Oil Mills and Organic Fertilizer Factory for Dolok Ilir PT. Perkebunan Nusantara IV which has been approved by the environmental agency based on a recommendation letter from the Simalungun Regency Environment Agency number 213/LINGHUP-2010 dated October 27 2010 for an operational area of 7,348.81 ha and an OPM with a capacity of 60 tons/hour and an organic fertilizer factory in the Dolok Ilir Estate. In 2018 to 2022 the company has carried out replanting, so with this the company has carried out identification of the impact of replanting activities. The management and monitoring plan for the impact of replanting is as follows:

- Job opportunities for the community
- The impact of the mobilization of heavy equipment and material transport trucks which causes dust and noise.
- Changes in temperature due to uprooted oil palm stands
- Preventing landslides due to the construction of isolation ditches
- Horn beetle attack on residents' plantations adjacent to the replanting area.

##### Laras Estate

Environmental Evaluation Document (DELH) stipulated through SK BLH Simalungun Regency No. 188.45/759/linghup/2011 for PT Perkebunan Nusantara IV (Persero), Kebun Laras with oil palm plantation activities with an environmental impact analysis study covering a plantation area of 4,062.66 ha which was approved by the Simalungun Regency BLH on December 14, 2011. Environmental document life compiled by the North Sumatra Research Institute. In 2019 to 2022 the company has carried out replanting, so with this the company has carried out identification of the impact of replanting activities. The management and monitoring plan for the impact of replanting is as follows:

- Job opportunities for the community
- The impact of the mobilization of heavy equipment and material transport trucks which causes dust and noise.
- Changes in temperature due to uprooted oil palm stands

- Preventing landslides due to the construction of isolation ditches
- Horn beetle attack on residents' plantations adjacent to the replanting area.

### Social Aspect

The company has carried out a social impact assessment which is included in the social impact analysis report document which was prepared in collaboration with PT. Indonesian Surveyor, Indonesian Sustainable Palm Oil Foundation in 2009. The report is also equipped with recorded evidence during the implementation of activities. Recorded evidence in the form of photographic documentation from the Social Impact Assessment team from YASBI during interviews and Focus Group Discussions in villages around the plantations. The Social Impact Assessment covers socio-economic and cultural issues of the surrounding community, covering aspects of: Improving infrastructure such as roads and bridges and other facilities, Creating open and transparent mechanisms, Creating community development programs in a planned and directed manner according to needs. the needs of the local community Create a division Special assignments to build harmonious relationships and more in-depth mapping of PTPN IV Unit Dolok Ilir & Laras Estates stakeholders.

In this document, the social impact analysis has been completed with follow-up recommendations that need to be carried out by the company. The Social Impact Analysis is carried out by involving various parties, including: employees and the surrounding community (community representatives, community leaders and village government). There is documentary evidence of the Social Impact Assessment team from PT Surveyor Indonesia during interviews and Focus Group Discussions in villages around the plantations.

Based on document verification, it is known that social and environmental impact assessments have been carried out independently and participatively by involving affected stakeholders, including impact studies of the plasma smallholder scheme.

The results of field observations during the audit activities revealed that all of the company's operational activities had been included in the company's environmental documents.

Based on interviews with surrounding villages, it is known that the social impacts of the existence of companies such as partnerships with business actors to provident business opportunities for the community, CSR, job opportunities, etc. These social impacts have also been identified in the SIA Documents, Environmental Documents, and the company's social impact management plan.

Based on document verification, it is known that the scope of the social impact assessment has covered the entire village and has involved internal workers.

### 3.4.2

There are no changes to the social and environmental impact assessment documents from the previous audit (ASA 1.2), these documents are detailed in 3.4.1, and developments and updates have been carried out by the Company, including renewal of hazardous waste management permits detailed in 2.1.1, as well as the implementation of management and environmental monitoring once every 6 months in accordance with the Environmental Management Plan and Environmental Monitoring Plan documents.

The company demonstrated the SIA management plan for the 2023 period based on the results of a review conducted on 19 December 2022. In the process of preparing the review, it was carried out in a participatory manner through distributing questionnaires to the surrounding community (involving Village Heads, Community Leaders and Community representatives) and Employees, which was carried out on 22 November 2022

The SIA management plan includes:

1. Improving communication with stakeholders and village communities.
2. Opportunity to get a job
3. Opportunity to try and work
4. Scholarships for school children
5. Replanting activities
6. Outreach to the public regarding company policies.

The SIA management plan, which was prepared based on the results of consultations with stakeholders such as the surrounding community and employees, has covered all of the company's operational activities. This is evidenced by the SIA management plan which includes the social impact of the company's operations on affected stakeholders.

Based on interviews with the Head of Naga Jaya 1 Village, Head of Aman Sari Village, Village Head, Head of Dolok Ilir 1 Village, Head of Dolok Maimu Village, and Community Leaders of Gajing Jaya and Community Leaders of Bahung Huluan on 1 August 2023, and interviews with the gender committee and it is known that the social impacts of the existence of a company include the existence of community job opportunities, business opportunities, and the existence of social assistance to the village and other support provided by the company. This impact has been covered in the SIA study document, however, in the preparation of the Company's CSR it has not involved the community in a participatory manner, this is a non-compliance in 4.3.1

### **3.4.3**

The company has implemented an environmental and social management and monitoring plan, namely:

#### **Environmental Aspect**

The company has implemented an environmental management and monitoring plan for the 2nd semester of 2022. The environmental management and monitoring plan is in accordance with the environmental documents it has. The results of document verification for the implementation of the environmental management and monitoring plan for semester 2 of 2022 are in accordance with the directives from the environmental documents in their possession. In general, the results of environmental management and monitoring are in accordance with the provisions. The company has also conducted evaluations such as trend evaluation, critical level evaluation, and compliance evaluation.

Based on the results of interviews with the Head of Naga Jaya 1 Village, the Head of Aman Sari Village, the Village Head, the Head of Dolok Ilir 1 Village, the Head of Dolok Maimu Village, and Community Leaders of Gajing Jaya and Community Leaders of Bahung Huluan on 1 August 2023, information was obtained that there was no pollution company environment. In addition, the results of interviews with the Simalungun Regency Environmental Service also explained that the company had carried out environmental management and monitoring and reported the results of the implementation of environmental management and monitoring to the Environmental Service. liquid waste management permit and surface water utilization permit) if the license has expired.

The company has shown evidence of reporting environmental management and monitoring to government agencies, with detailed evidence in 1.1.2.

Based on document verification related to environmental management and monitoring, it can be seen that the company has conducted river water quality tests, monitoring well water and clean water, as well as air quality tests (air and ambient air emissions) on July 27, 2023, however, this report has not been prepared in full. Implementation of Environmental Management and Monitoring Semester II 2023, for this reason companies are encouraged to immediately prepare a complete Environmental Management and Monitoring Semester II 2023 Report and report it to Government Agencies

#### **Social Aspect**

The company has implemented social impact management for the 2022 period in accordance with the 2022-2023 SIA management plan, such as:

- Improve communication with stakeholders in the village to discuss participatory village development programs based on a scale of priorities from the perspective of villagers.
- Conduct socialization if there is a recruitment of workers to the villages around the plantation.
- Directing vendors/contractors to prioritize local workforce absorption.
- Outreach to the community around the plantation regarding the laws that apply in the company against the perpetrators of theft.
- Conducted noise testing in the factory area due to complaints from several people about the noise generated by the processing of POM Dolok Ilir.

The company has conducted a review of the AIS management plan which was carried out on December 19, 2022 which was carried out in a participatory manner through questionnaires to the surrounding community and employees. From the results of the review, there are recommendations for the AIS management plan, namely:

- Improving communication with stakeholders and village communities.
- Opportunity to get a job
- Opportunity to try and work
- Replanting activities
- Outreach to the public regarding company policies.

- Conflict with breeders

Based on the results of interviews with the Head of Naga Jaya 1 Village, the Head of Aman Sari Village, the Village Head, the Head of Dolok Ilir 1 Village, the Head of Dolok Maimu Village, and Community Leaders of Gajing Jaya and Community Leaders of Bahung Huluan on 1 August 2023, issues were obtained social, namely as follows:

- Information on job vacancies, the public feels they are not informed if there are job vacancies at the company. This has been done by the company by conducting socialization, but this issue is still developing and the company is still managing it and it has been included in the management plan as a result of the review carried out.
- The company, in terms of livestock problems, provides a middle way in the form of cultivating odot grass in areas bordering the village, for example in Gajing Jaya Village, the grass can be used by community members as animal feed, and the community is given access to to harvest grass in the oil palm plantation area in certain blocks provided that it does not damage the palm trees. And the community understands the prohibition on grazing livestock in young plantation areas because it will damage the oil palm plantations that will be planted
- Increasing social assistance to the community
- Road repairs, the company is very responsive in responding to requests for road assistance by the village, there are no obstacles in carrying out road repairs
- Educational Assistance, the company provides access to education for kindergarten age.
- The hope of the village head mentioned above is for the utilization of liquid waste to flow into the river to trigger the proliferation of worms as feed ingredients for fish farming
- It is the hope of the village heads that the company actively involves the village in preparing the CSR program

Based on the issues above, the auditor confirmed with the Company's representative, and explained that the latest issues would be reviewed at the end of 2023, regarding the problem of waste utilization. waste into water bodies, very risky for complaints from NGOs. While community participation activities related to CSR programs have not been carried out in a participatory manner, evidence of their implementation has not yet been shown so that they become non-conformances in 4.3.1. The auditor also confirmed the use of liquid waste flowing into the water body to the Simalungun Regency Environmental Service, stating that according to a permit it could be implemented if a change in the permit for the utilization of wastewater from the utilization of liquid waste for land applications became a permit for disposing of waste water into water bodies, but this it is necessary to carry out an in-depth study of public perceptions to ensure that there is no potential for environmental conflict with parties who disagree.

Based on the information above, the Company has made efforts to recapitulate developing issues in a social impact review report and make efforts to communicate with stakeholders as a mitigation measure for developing issues.

<b>Status: Comply</b>
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### 3.5

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

##### 3.5.1-3.5.2

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

- PDIK for Recruitment and Appointment of Employees of Class IA-IID No 04.15.01A issued in June 2013.
- PDIK for Performance Appraisal of Class IA-IVD Employees No 04.15.04 issued in June 2013.
- PDIK Issuance of Retirement Decree for Employees of Class IA-IVD No 04.15.12 issued in June 2013.
- Collective Labor Agreement for the period 2022 - 2023 in CHAPTER II in article 12 regarding recruitment, in article 13 regarding appointment, in article 14 regarding class and career path, in article 15 regarding class increase, in article 16 regarding promotion, in article 17 regarding demotion and in article 18 regarding mutation.

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

##### Employee Promotion and Assessment

The company showed employee appraisals for the period 2022, for example for Dolok Ilir POM listed in letter No. 04.07/Kpts/R/52/VII/2023 dated July 20, 2023 with the following appraisals:

- Employee with initials PP, position of processing foreman, promoted from ID/6 to IIA/0 with a "good" rating.
- Employee with initials P, position of Stew Operator, promoted from IC/7 to ID/0 with a "good" rating.

## Retirement

The company showed documents of retirement provisions, such as those shown for Laras Estate in the letter of application for retirement benefits to the Head of Human Resources with No. LAR/04.07/eM-131/VI/2023 for an employee with the initials NS, which stipulates the honorable dismissal of the employee on July 1, 2023 because he has reached the retirement age limit and provides old-age benefits in accordance with the provisions.

## Training

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

The results of interviews with trade union representatives, it was conveyed that employment procedures have been implemented by the company in accordance with applicable regulations and personnel can also explain the mechanism regarding termination of employment, retirement or promotion. Based on these interviews, it is known that there is no discrimination against workers. The company has also provided employee rights in accordance with company regulations and applicable regulations.

Status: Comply

## 3.6

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

#### 3.6.1

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

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

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

1. Documents of Risk Identification of Dolok Ilir Palm Oil Mill, Dolok Ilir Estate and Laras Estate can be shown. All documents are prepared and determined in January 2023.
2. Based on field observations, it is known that there are several OHS problem conditions that have not been identified. For example: Hazardous conditions in employee housing (storage of work tools, harvesting, selling fuel oil, etc.).
3. Based on observations of the Work Accident Recapitulation document for the 2023 period, it is known that there have been several work accidents up to the July 2023 period. For example:
  - a. Work Accident Rate at the Dolok Ilir Estate: 3 cases (1 case while working and 2 cases outside working hours)
  - b. Work Accident Rate in Laras Estate: 5 cases (all occurred while working).

Based on the audit evidence above, the company has not been able to show sufficient evidence that it has reviewed the Risk Analysis Document as an initial action to mitigate potential OHS risks in the field including:

- a. Identification of potential hazards in housing areas and outreach to interested parties
- b. Reviewing / revising / re-identifying the Risk Analysis Document after a Work Accident.

Against this issued the auditor team raised **NCR No. 2023.01 with Major Category**

#### 3.6.2

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

- Monthly Meeting



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

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

Based on field observations it is known that the workers who were sampled for interviews can explain unsafe conditions and unsafe actions which are the main factors causing work accidents in the field.

Regarding the results of the 2022 periodic health checks at the Dolok Ilir POM where there are indications of exposure to work-related diseases, the unit can show evidence of follow-up in the form of results of follow-up examinations carried out by the hospital. Laras on July 13, 2023.

3.6.1	<b>Status:</b> <b>Nonconformity with Major Category with No. 2023.01</b>
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### 3.7

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

#### 3.7.1-3.7.2

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

- OHS and environmental basics
- First aid training
- Hazardous and toxic materials and toxic waste training
- Agronomy training
- Operator training
- RSPO-ISPO & SCCS training
- Emergency response training

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

- Socialization of hazardous and toxic waste management that was carried out on October 12, 2022 which was attended by 21 workers.
- Socialization of the principles of plantation management system implementation to contractors and community representatives which was conducted on February 6, 2023 which was attended by 24 people.
- Socialization of the basics of OSH which was carried out on June 13, 2023, attended by 8 people.

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

#### 3.7.3

Company provided an understanding of SCCS to weighbridge operators, sorting, sustainability, security, and laboratory on 20 May



2023. The materials discussed included the definition of RSPO SCCS, new standards for RSPO SCCS, principles for compliance with RSPO SCCS. Based on interviews with weighbridge operators and security, it is known that they understand the supply chain process.

**Status: Comply**

### 3.8

#### Supply Chain Requirements for Mills

##### 3.8.1 & 3.8.2

The Mill (Dolok Ilir POM) implements the MB Module, which is received both FFB from certified and uncertified sources. Verification of Mass Balance record, the Mill has been recorded well the FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

##### 3.8.3

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

Products	Last Year Projected (11 January – 28 September 2023)	Actual (August 2022 – July 2023)	Next Period Projected
FFB Certified Estates (MT)	177,000	145,158.76	175,000.00
CSPO (MT)	37,200	32,846.61	35,000.00
CSPK (MT)	7,200	5,420.83	7,000.00

Based on the table above, the company has shown the previous license projections and the actual realization of FFB, CSPO and CSPK production in that period. The table has also been projected regarding the need for license quotas for the next 12 months.

##### 3.8.4

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

- Name of RSPO Member: PT Perkebunan Nusantara IV – Dolok Ilir Palm Oil Mill
- RSPO Membership Number: 1-0030-06-000-00 (PT. Perkebunan Nusantara III)
- Name of Certified Audit: Dolok Ilir Oil Mill and Supply Bases
- Name of Certification Body: PT Mutu Agung Lestari
- RSPO Palm Trace ID Number: RSPO\_PO1000002539
- Number of Mill: 1
- Number of Certified Estate: 2
- Type of Business: Oil Mill

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

##### 3.8.5

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

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

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

Based on interviews in Dolok Ilir POM note that the weighbridge operators understand the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out, for instance on 20 May 2023. Based on field observation, obtained information that key persons for SSCS implementation (such as weighbridge operators, manager, and assistant) understood the supply chain implementation. FFB from certified and uncertified sources were received and verified by the software program to classified and separate RSPO certified and uncertified source.

### 3.8.6

The Procedure to conduct annual internal audit including supply chain refers to Procedure No. 21 dated 2 January 2018. In the SOP mentioned that internal audit is done annually. Internal audit of SCCS describe the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. Unit of certification has conducted internal audit for RSPO standard, including supply chain conducted by Strategic Planning and Sustainability Division from Head Office Medan.

Internal audit of RSPO SCCS conducted on 17-22 July 2023 (The audit is carried out simultaneously with the RSPO P&C internal audit). All of SCCS indicators has been assessed and complied. Management Review of RSPO SCCS implementation will be conducted in second semester of 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

### 3.8.7

The mill has verified and documented the volumes of certified FFBs received (company used the IP Module). Certified FFB received period of 12 months before audit which is August 2022 – July 2023:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Aug-22	21,511.54	3,756.95	25,268.49
Sep-22	17,468.46	3,997.06	21,465.52
Oct-22	8,705.97	13,068.46	21,774.43
Nov-22	-	24,337.59	24,337.59
Dec-22	-	24,304.27	24,304.27
Jan-23	6,359.51	5,209.75	11,569.26
Feb-23	10,528.32	3,628.64	14,156.96
Mar-23	11,916.99	4,427.04	16,344.03
Apr-23	14,600.33	1,876.85	16,477.18
May-23	17,840.92	3,881.32	21,722.24
Jun-23	19,953.12	4,406.06	24,359.18
Jul-23	16,273.60	4,236.19	20,509.79

Total	<b>145,158.76</b>	<b>97,130.18</b>	<b>242,288.94</b>
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Estimated certified product recorded in the last assessment report. Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected (11 January – 28 September 2023)	Actual (August 2022 – July 2023)	Next Period Projected
FFB Certified Estates (MT)	177,000	145,158.76	175,000.00
CSPO (MT)	37,200	32,846.61	35,000.00
CSPK (MT)	7,200	5,420.83	7,000.00

Based on the table above, the company has shown the previous license projections and the actual realization of FFB, CSPO and CSPK production in that period. The table has also been projected regarding the need for license quotas for the next 12 months.

### 3.8.8

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

The mill has product information provided in such as document of contract agreement, delivery order, delivery ticket, report of loading, weighbridge ticket and other invoices for CSPO/CSPK. Documents verification and interview during an audit it was known the claimed RSPO product of (CSPO & CSPK), the supplying mill has been ensuring that the following minimum information for RSPO certified products is made available and traced, its evidenced with several supporting documents as follows delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, unique identification number, certificate number, sender's name, and address of the seller, for example:

- Shipping announcement with transaction id TR-c9bcef4d-e4d1 volume of CSPO 500 MT, the module of SCCS MB, dated 16 February 2023, the mill can present evidence of delivery of CSPO from Dolok Ilir POM to PT Musim Mas - Belawan (Contract No. 0286/HOLDING/CPO-L/NIV/VIII/2022) which was carried out on 02-16 February 2023 with CPO Transporter is PT CV Pelita Jaya.
- For the CSPK will be explained bellow.

### Non-Conformity No. 2023.01

The Company can show Shipping Announcement documents for CSPK with Transaction ID No. TR-0da8c235-2a98 and No. TR-634dd4e2-8080 where the transaction was addressed to PT Perkebunan Nusantara IV – Pabatu Palm Kernel Processing Factory. From the Shipping Announcement document, the company cannot show that shipping notes, shipping documents and so on are in accordance with the shipping announcement.

The company has not been able to prove that every sale and outgoing product of certified products has supporting documents such as delivery notes, shipping documents and so on.

### 3.8.9, 3.8.10 & 3.8.11

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

- Agreement with CPO Transporter of CV Pelita Jaya No. 04.05/S.Perj/Pem/01/III/2023 dated 13 March 2023, valid thru 31 December 2023.
- Agreement with PK Transporter of CV Karya Mandiri No. 04.05/S.Perj/Pem/01/III/2023 dated 13 March 2023, valid thru 31 December 2023.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the

contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Dolok Ilir POM, as well as the willingness to observe by Certification Body and the company internal audit in order to verify the compliance.

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

### 3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. To the auditors the company can show all the required documents covering all aspects of this RSPO Supply Chain Certification Standard requirements such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document review known that the mill still kept document according to the procedure.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 12 months before audit (August 2022 – July 2023):

#### CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
Opening stock	3,659.68	-	<b>3,659.68</b>
August 2022 – July 2023	32,846.61	19,913.85	<b>52,760.46</b>
<b>Total</b>	<b>36,506.29</b>	<b>19,913.85</b>	<b>56,420.46</b>

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme (ISCC)	Non-Certified	
August 2022 – July 2023	<b>6,499.30</b>	-	<b>48,617.75</b>	<b>55,117.75</b>

The total CSPO sold as non-certified, the company has removed stock during the last 12 months of the license period, namely from January 2023 – July 2023 where the total CSPO that has been allocated to credit from stock is 18,625 MT (this is in accordance with the actual sales of CSPO products with non-certified during that period).

#### CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
Opening stock	1,977.46	736.70	<b>2,714.16</b>
August 2022 – July 2023	5,420.83	3,558.73	<b>8,979.56</b>
<b>Total</b>	<b>7,398.29</b>	<b>4,295.42</b>	<b>11,693.71</b>

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
August 2022 – July 2023	4,796.65	-	5,069.68	9,866.33

### 3.8.13 & 3.8.14

The conversion rate of production of CPO (OER) and PK (KER) were based on actual daily, monthly and yearly production. The extraction rate follows the actual data for a 12-month period for August 2022 until July 2023 i.e OER 22.26% and KER 3.79%. Periodically update of extraction is actual extraction.

### 3.8.15

The procedure of supply chain MB module has been set the mechanism to ensure the separation uncertified FFB and certified FFB. The Mill only has one line of processing, and since previous assessment until the audit only implement MB module. In the transporter agreements has been set the obligation to keep the MB certified products. One of the mechanisms, in the vehicle is mounted on a seal that can only be opened at the buyer's location.

### 3.8.16

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

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

- Shipping announcement with transaction id TR-c9bcef4d-e4d1 volume of CSPO 500 MT, the module of SCCS MB, dated 16 February 2023, the mill can present evidence of delivery of CSPO from Dolok Ilir POM to PT Musim Mas - Belawan (Contract No. 0286/HOLDING/CPO-L/NIV/VIII/2022) which was carried out on 02-16 February 2023 with CPO Transporter is PT CV Pelita Jaya.
- For the CSPK will be explained bellow.

### Non-Conformity No. 2023.01

The Company can show Shipping Announcement documents for CSPO with Transaction ID No. TR-c9bcef4d-e4d1 and CSPK with No. TR-0da8c235-2a98, where in the Shipping Announcement information there are several things to note, namely:

- CSPK with Transaction ID No. TR-0da8c235-2a98**  
In this document there is information that the Shipping Date/BL Date is 11 January 2023 and this document was created on 27 February 2023. However, the Bill of Date listed in the Transaction Record from Palm Trace data states that the actual date is 14 November 2022, while on that date the company is in the Suspend Certificate stage (14 October – 29 December 2022). And supporting documents/supporting information related to the actual delivery cannot yet be shown.
- CSPK with Transaction ID No. TR-c9bcef4d-e4d1**  
In this document there is information that the Shipping Date/BL Date is 11 January 2023 and this document was created on February 16 2023. However, in the actual CSPO delivery data it is 9 September 2022 and the Shipping Announcement has been made more than 3 months since actual delivery.

The company has not proven that all transactions carried out have been informed in the RSPO IT facility in the form of Delivery Announcements in accordance with the time schedule (no more than three months from delivery) and equipped with supporting data.

### 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

<b>PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS</b>	
<b>4.1</b>	<b>The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.</b>
<b>4.1.1 &amp; 4.1.2</b>	<p>A human rights policy document that defines basic human rights, including reproductive rights, privacy rights, women's rights and children's rights. Issued on 02 January 2015. The policy describes respecting human rights and respecting race, nation, culture, religion and without forced labor, ensuring that all employees receive fair remuneration, fair management and opportunities to develop careers. The company has socialized this policy to all workers and contractor on each unit.</p> <p>The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and mill. This is evidenced by document study on complaints and grievance document (internal and external) that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit. This policy has been socialized to surrounding community in 06 February 2023, for examples socialization of all company policies, code of ethics, communication procedures and complaint handling.</p> <p>Based on the results of interviews with community representatives, it is known that so far from 2022 until now (August 2023) there has never been any intimidation/act of violence committed by the certification unit against workers, communities, contractors, or other parties who cooperate with the company. If there is a problem, usually the unit of certification will negotiate in a good manner and without resorting to violence. This is in line with the results of interviews with representatives of the workers union and gender committee who stated that there had never been any incidents or issues related to human rights violations that occurred in the certification unit operational areas.</p> <p>Based on the explanation above, during the past year there were no issues / incidents of human rights violations that occurred in the vicinity or the operational area of the certification unit so that there were no acts of intimidation / violence carried out by the certification unit including contracted services such as security services that were contracted and others.</p>
	<b>Status: Comply</b>
<b>4.2</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</b>
<b>4.2.1</b>	<p>The company shows the joint regulation of the board of commissioners and directors of PTPN IV No DK-60/PER/XI/2013 and No 04.03/PER/13/XI/2013 regarding the whistleblowing system which explains the mechanism for submitting and handling reports, for example as follows :</p> <ul style="list-style-type: none"> <li>• The company provides a channel for reporting violations in writing or via email via <a href="mailto:complaint@ptpn4.co.id">complaint@ptpn4.co.id</a> or through the electronic room portal managed by the violation complaint management unit.</li> <li>• Each reporter will receive a receipt for reporting that includes the reporting registration number.</li> <li>• Upon the report received, for the next process it will be reported to the Board of Directors, Board of Commissioners.</li> <li>• In conducting verification, if needed, the violation complaint management unit can communicate with the complainant.</li> <li>• The violation complaint management unit verifies the report and decides whether or not further investigation is needed on the report within 30 days and can be extended for 14 working days.</li> <li>• If, based on the results of the verification, there is an indication of a report, the violation complaint management unit will not follow up on the report, if there is an indication of a violation, proceed to investigation.</li> <li>• Protection against whistleblowers is contained in article X in the document.</li> </ul> <p>In addition, there is also an SOP for internal communication and handling of employee complaints with No SPO 19 revision 2 with an effective date of January 2 2015. If the problem cannot be resolved at the unit level, it will be continued at the board of directors level and subsequently in accordance with the agreement of the parties, including the legal or other settlements.</p>
<b>4.2.2</b>	<p>The company has SPO Communication and Consultation with the community Number 03 Dated January 2, 2017, Revision No. 4 In point 5.1 it is explained that Communication and consultation with people who cannot read and write is carried out by the PIC by</p>



conveying and introducing the problem to be resolved which can be in the form of pictures, stories, videos, dialogues and case examples.

Based on interviews with village community representatives (Aman Sari Village and Dolok Ilir 1), it can be concluded that personnel are aware of the company's complaints and grievance mechanism. In addition, for affected parties who cannot read and write, the company conducts oral explanations or through visual methods in the form of pictures/flow flow of complaints and grievance mechanisms.

#### 4.2.3

Based on interviews with representatives of village communities (Aman Sari Village and Dolok Ilir 1), it was conveyed that if there is a grievance then the company will inform the parties of the progress of handling the grievance, including the agreed time frame, and the results are available and communicated to relevant stakeholders. From the recapitulation of incoming and outgoing letters of the unit, for example Dolok Ilir POM and Estate, it is known that during the period 2022-2023 there were no incoming letters in the form of complaints from stakeholders.

#### 4.2.4

The company shows the SOP for internal communication and employee grievance handling with No. 19 revision 3 dated November 6, 2018 which explains that the complainant (employee) can submit complaints in writing or verbally through the labor union (SP-Bun) as a third party that bridges conflict resolution. If no agreement is reached with the company, then legal action will be taken in accordance with applicable law.

Based on interviews with representatives of village communities (Aman Sari and Dolok Ilir 1 villages), it can be concluded that personnel are aware of the company's complaints and grievance mechanism. In addition, based on the grievance documents and interviews, there were no complaints in the last 2 years.

**Status: Comply**

### 4.3

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

#### 4.3.1

##### **Non-Conformity No. 2023.03**

During the previous assessment activity (Surveillance-1.2) there was an OFI (Opportunity for Improvement) note from the auditor team regarding the involvement of stakeholders in the preparation of community development (CSR) programs, where later the program would not only be in the form of social assistance but could also be in the form of partnerships or community empowerment. When the audit activity takes place, the company can show several pieces of evidence to ensure that the previous year's records have been realized positively, where several pieces of evidence are shown, namely:

- The 2023 CSR program for Dolok Ilir is the construction of the An Nur Mosque Phase 2 which is planned for November 2023. There is only 1 type of CSR program planned.
- The 2023 CSR program for Laras is the construction of Jalan Rabat Nagori Gajing Jaya which is planned for August 2023. There is only 1 type of CSR program planned.
- Evidence from a questionnaire given to community leaders and villages around the company in 2022 as a basis for determining the CSR program in 2023, but in the questionnaire, there is no information regarding what CSR is expected/needed from the surrounding community.
- Based on the results of interviews with villages and local communities (community leaders), it is known that the company never involves the community in making CSR programs every year and only provides questionnaires to be filled in, whereas in it there is no section or information that can be conveyed regarding the required CSR. At the moment.
- The company also has Basic Guidelines and Work Instructions for Distribution of Funds for Partnership Programs, Environmental Development and Corporate Social Responsibility, document No. 04.PKBL/04.PKBL/SUB/P/002 June 2013 revision 1 dated 1 August 2018. These guidelines include explaining Partnership, CSR and Environmental Development Work Programs along with the procedures for submitting and preparing them. However, the company has not yet informatively and actually implemented it.

The company has not been able to prove that the contributions made to the surrounding community have been based on the results of consultations with local communities and have been well documented.

**Status: Comply**

**4.4**

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

**4.4.1**

Evidence of ownership of PTPN IV Dolok Ilir Unit for area covers about 11,411.47 ha is presented through document of Business Permit and Land Titles, as follows:

- Location Permit for PTPN IV – Dolok Ilir (Mill & Estate) and Laras Estate is not owned by the company based on the history of land grants since 1959. The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.
- PTPN IV – Dolok Ilir (Mill & Estate) has had a Plantation Business Permit (IUP) since 2014 in accordance with the Decree of Head of the Integrated Licensing and Investment Services Agency of Simalungun Regency No.188.45/503/1113/BPPT-P4/2014 dated 16 December 2014 for Palm Oil Plantation & Industry with the capacity of 60 tons of FFB/hour in mill and an operational area of 7,348.81 Ha.
- PTPN IV – Laras Estate has had a Plantation Business Permit (IUP) since 2012 in accordance with the Decree of Regent of Simalungun Regency No. 183.45/2767/K-PPT/2012 dated 08 August 2012 for Palm Oil Plantation an operational area of 4,062.66 Ha.
- PTPN IV – Dolok Ilir Estate has had a Land Title (HGU) for the operational area in accordance with HGU Certificate No. 01 of 2006 dated 11 September 2006 for an area of 7,348.81 Ha that has been valid until 31 December 2030.
- PTPN IV – Laras Estate has had a Land Title (HGU) for the operational area in accordance with HGU Certificate No. 06 of 2008 dated 18 September 2008 for an area of 4,062.66 Ha that has been valid until 21 September 2033. This certificate refers to Decree Letter from National Land Agency No. 48-HGU-BPN RI-2008 dated 07 August 2008.
- PT Perkebunan Nusantara IV already has a Business Identity as one of the requirements in carrying out business activities in Indonesia (according to Government Regulation No. 24 of 2018). This identity is proven by the existence of a Business Identification Number (NIB) issued by the Government of the Republic of Indonesia with No. 9120400152539 dated 23 January 2019 with 8 types of business that are permitted (including plantation activities and the palm oil industry).

**4.4.2**

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibre) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. From the past year until now there is no land acquisition.

**4.4.3**

Unit of certification shows Operational map with scale 1:25,000. The map has clearly informed coordinate line, legal boundary, as well as location of conservation area, occupation area, rivers distribution, mill, building and infrastructures, etc.

**4.4.4 & 4.4.6**

The operational areas of PTPN IV Dolok Ilir were comes from concession rights that previously owned by Handless Vereeniging Amsterdam (HVA) which taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

**4.4.5**

There is no land acquisition process due the operational areas of PTPN IV Dolok Ilir were comes from concession rights that previously owned by Handless Vereeniging Amsterdam (HVA) which taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

<b>Status: Comply</b>
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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**

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam

(HVA) which managed *Agave* (or pineapple fibers) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959.

Based on legal document verification village representative known that no new planting and area expansion by unit management. Furthermore, there is no customary right within estate operational areas.

**Status: Comply**

#### 4.6

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

##### 4.6.1, 4.6.2, 4.6.3 & 4.6.4

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

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibres) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. So that compensation payment process is not applicable. Related to land disputes/occupation with several smallholder groups, it has involving government institutions and community representatives through FPIC approach, as verified in Indicator 4.4.5.

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

**Status: Comply**

#### 4.7

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

##### 4.7.1, 4.7.2 & 4.7.3

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

The history of Laras Estate and Dolok Ilir Estate areas comes from concession rights owned by Handless Vereeniging Amsterdam (HVA) which managed *Agave* (or pineapple fibres) that was taken over and nationalized by the Indonesian Government in 1959. This matter is mentioned in Government Regulation No. 19 in 1959. So that compensation payment process is not applicable. Related to land disputes/occupation with several smallholder groups, it has involving government institutions and community representatives through FPIC approach, as verified in Indicator 4.4.5.

**Status: Comply**

#### 4.8

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

##### 4.8.1, 4.8.2, 4.8.3 & 4.8.4

When ASA-1.2 was implemented, there were no issues of land disputes in the company's operational areas. The same thing was obtained from the results of public consultations with representatives Village and consultation with BPN.

**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**

Based on interviews with management representatives and document review, it is known that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. In addition to obtaining FFB from the nucleus plantations, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely FFB Contractors CV Rianalim and CV Sauhur Jaya

In terms of the FFB price for contractors, FFB is the price set by the company. in setting the price of FFB the company considers market prices, CPO prices, transportation costs, and processing prices, based on the Regulation of the Board of Directors of PT Perkebunan Nusantara IV Number 04.01/PER/02/VIII/2020 concerning Guidelines for Purchasing Fresh Fruit Bunches (FFB) PT Perkebunan Palm Oil Nusantara IV, August 10, 2020

Based on the results of interviews with CV Rianalim and CV Sauhur Jaya, it is known that the FFB price is the price set by the company taking into account the market price and CPO price. Information regarding the price of FFB will be conveyed by the company every day from 17.00 WIB – 20.00 WIB, via WhatsApp message.

**5.1.3**

Based on interviews with management representatives and document review, it is known that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. In addition to obtaining FFB from the nucleus plantations, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely FFB Contractors CV Rianalim and CV Sauhur Jaya

In terms of the FFB price for contractors, FFB is the price set by the company. in determining the price of FFB, the company considers market prices, CPO prices, transportation costs, and processing prices. If there is a change in the price of FFB, the company will inform the price change to the FFB contractor by telephone and whatsapp message. To determine the premium value, until now there has been no determination of the premium value by the company

**5.1.4**

Based on interviews with management representatives and document review, it is known that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. In addition to obtaining FFB from the nucleus plantations, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely FFB Contractors CV Rianalim and CV Sauhur Jaya

**5.1.5**

The company can show the FFB sale and purchase cooperation agreement as follows

- CV Rianalim, namely the Letter of Agreement Number PKS DOI/CV.RIA/SP-TBS/02/VII/2023 between PT Perkebunan Nusantara IV – PKS Dolok Ilir and CV Rianalim, the object of the Agreement for Sale and Purchase of Oil Palm Fresh Fruit Bunches (FFB), on July 18, 2023 with a validity period until December 31, 2023. The agreement contains requirements for the quality of FFB and loose fruit, price fixing by the company and payment system. The agreement has been agreed by each party.
- CV Sauhur Jaya, namely the Letter of Agreement Number PKS DOI/CV.Sauhur Jaya/SP-TBS/02/VII/2023 between PT Perkebunan Nusantara IV – PKS Dolok Ilir and CV Rianalim, the object of the Agreement for Sale and Purchase of Coconut Fresh Fruit Bunches (TBS) Palm, on July 18, 2023 with a validity period until December 31, 2023. The agreement contains FFB and loose leaf quality requirements, price fixing by the company and payment system. The agreement has been agreed by each party

Based on the results of document verification, it is known that the cooperation agreement is carried out in a transparent manner, has a time period, a pricing and payment system and has been agreed upon by both parties.

Based on the results of interviews with CV Rianalim and CV Sauhur Jaya, it is known that the cooperation agreement has been agreed upon by each party and is still valid today. In addition, there have been no complaints from CV Rianalim and CV Sauhur Jaya regarding the cooperation agreement and the implementation of the cooperation so far.

**5.1.6**

Companies can show proof of FFB payment to FFB Suppliers, namely CV Rianalim for the period 21-31 March 2023 and CV Sauhur Jaya for the period 21-26 March 2023. The results of document verification show that the payment is in accordance with the amount of FFB sent and payment is made via bank transfer Mandiri on April 5, 2023. The payment details shown also include details of the amount of FFB sent and the total price paid by the company.

Based on the results of an interview with CV Rianalim, it was found that the payment for FFB by the company was made on time according to the cooperation agreement. Payment has also been in accordance with the amount of FFB sent and so far there have been no complaints related to FFB payments made by the company.

**5.1.7**

The company shows the weighted documents for 2022 as follows:

- Certificate of Test Results Number: 510.3/0933/ML.PS/IV/2022, electronic bridge scales with a capacity of 40 tons, type GST 9600, serial number 967456, April 18, 2022, valid until April 2023
- 2. Certificate of Test Results Number: 510.3/0934/ML.PS/IV/2022, electronic bridge scales with a capacity of 50 tons, type GST 9600, serial number 967343, April 18, 2022, valid until April 2023

**5.1.8. 5.1.9**

Based on interviews with management representatives and document review, it is known that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. In addition to obtaining FFB from the nucleus plantations, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely FFB Contractors CV, Rianalim and CV Sauhur Jaya.

<b>Status: Comply</b>
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**5.2**

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

**5.2.1**

Based on interviews with management representatives and document review, it is known that PT. Perkebunan Nusantara IV does not have a plasma plantation scheme. In addition to obtaining FFB from the nucleus plantations, the company also received FFB from other PTPN IV units and also received FFB from third parties, namely FFB Contractors CV, Rianalim and CV Sauhur Jaya

**5.2.2**

The company explained that the POM gets a supply of FFB from the nucleus plantation, in order to maximize the processing capacity of the POM, the company opens opportunities to receive fruit from third parties (middlemen). According to the results of the verification of the FFB purchase contract document, information was obtained that the FFB suppliers were CV Riana Lim and CV Sauhur Jaya, in the contract the company and the supplier agreed that in the supply of FFB it was required: FFB sent to the PKS must have a clear origin and not come from illegal land, documenting copies of proof of land ownership from smallholders, agreeing on implementation of aspects of ISPO and RSPO standards.

In addition, the Company also seeks to carry out socialization activities to increase understanding to third parties of the application of the RSPO standard as evidenced in the Document Socialization of the Principles of Implementing Plantation Management Systems on 09 February 2023, with the material: providing information that can be accepted by stakeholders, maintenance of flora and fauna, policies Human rights and underage workers, equal employment opportunity, Company Code of Conduct, violation reporting management system, RSPO and ISPO Certification System, attended by 24 participants from both employees and representatives of Serbelawan Village, Aman Sari, Dolok Tenera and other villages around the Company area and representatives contractor.

In addition to the above, the Company also carries out CSR activities in the form of social assistance to villages around the Company with activities in the form of road repairs, support in the education sector, social food assistance, access as research sites for educational institutions and internship opportunities for high school students.

**5.2.3**

On February 09, 2023, the company has socialized sustainable palm oil standards to FFB Suppliers by Palm Oil Mills, the material presented includes identifying, mapping the location of smallholder plantations that sell FFB to collectors and encouraging oil palm plantations to have legality.



<b>5.2.4 and 5.2.5</b> No change from previous audit (ASA 1.2) No smallholder scheme in company. So this indicator is NA (Not Applicable). The company only receives FFB from collectors, does not receive FFB from independent smallholders/schemes.
<b>Status: Comply</b>
<b>PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS</b>
<b>6.1</b> <b>Any form of discrimination is prohibited.</b>
<b>6.1.1-6.1.2</b> The company showed the PTPN IV plantation management system policy issued on January 25, 2022 by the Director which among others explains in point 13 that provides equal opportunities for all people to get jobs and positions without distinguishing ethnicity, religion, race and gender.  The company also periodically conducts socialization of the company's management system policy as shown in the documentation of the socialization of the company's management system policy conducted on February 6, 2023 which was attended by 40 people from the workers, contractors and community representatives.  Based on verification of labor documents and interviews with worker representatives, it is known that workers come from various tribes such as Java, Batak, Nias and others. It was also conveyed that there was no indication of discrimination against workers and no recruitment fees were charged to workers. The company has also provided equal opportunities for the surrounding community to obtain employment.  Based on interviews with trade unions and the gender committee, it was stated that there was no discrimination and that all workers had equal opportunities, for example in terms of promotion and that there were also no migrant workers.  <b>6.1.3</b> The company showed records of the implementation of labor procedures, for example in the appraisal of employees for the period 2022, for example for Dolok Ilir POM listed in letter No. 04.07/Kpts/R/52/VII/2023 on July 20, 2023 with the following assessment: <ul style="list-style-type: none"> <li>Employee with initials PP, position of processing foreman, promoted from ID/6 to IIA/0 with a "good" rating.</li> <li>Employee with initials P, position of Stew Operator, promoted from class IC/7 to ID/0 with a rating of "good".</li> </ul> Based on this, the company has carried out promotions based on the skills, abilities and quality of workers.  <b>6.1.4</b> Based on the results of the document review, interviews with workers and interviews with the management of the gender committee in each unit, it is known that there is no treatment for pregnancy testing which is a discriminatory measure in employee recruitment.  <b>6.1.5</b> The company has a gender committee in each unit, which is shown as follows: <ul style="list-style-type: none"> <li>The Management Structure of the Laras Estate Gender Committee for the 2023-2024 period which was ratified on June 21, 2023 Board of Patrons, Chair, Deputy Chair I, Deputy Chair II, secretaries, Education Sector, Socio-Cultural Sector and Economic Sector and members.</li> <li>The Dolok Ilir Gender Committee Management Structure for the 2023-2024 period which was ratified on January 3, 2023 Board of Patrons, Chair, Deputy Chair I, Deputy Chair II, secretary, Education Sector, Socio-Cultural Sector and Economic Sector and members.</li> </ul> Based on the results of interviews with representatives of the Gender Committee, it is known that there were no incidents of sexual harassment or domestic violence. The gender committee also conducts outreach to workers on a regular basis, for example during morning briefings. From the results of interviews with workers' representatives, it can be concluded that workers already know the complaint mechanism or complaints related to domestic violence or harassment.  The gender committee also has work programs, for example: <ul style="list-style-type: none"> <li>Monitoring and dissemination of acts of sexual harassment</li> </ul>



- Increasing the faith and piety of employees
- Socialization of gender committees and grievance mechanisms
- Outreach related to human rights
- Monitoring the number of pregnant, giving birth and breastfeeding women

The company also shows the realization of the program, for example monitoring and dissemination of acts of sexual harassment which took place on 6 June 2023 which was attended by 11 people. The company also shows documents of women employees who are pregnant, giving birth and breastfeeding for the 2023 period. Based on these documents, it is known that until June 2023 there were no women workers who were pregnant, giving birth and breastfeeding.

#### 6.1.6

The company shows proof of payment for workers with the same coverage, for example employees with NIK 4002860 (Assistant Boiler Operator with group ID/07) and employees with NIK 4002945 (Assistant Boiler Operator with group ID/07), where both are employees in the boiler section those who get the same wage value, for example for the June 2023 period, namely:

- Basic salary of IDR 2,120,290
- Fixed allowance of IDR 530,072

**Status: Comply**

### 6.2

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

#### 6.2.1

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

The company also shows a list of the number of workers for June 2023, namely Dolok Ilir POM with 106 people, Dolok Ilir Estate with 426 people and Laras Estate with 298 people. In addition, referring to a complaint addressed to PTPN IV on the RSPO complaint portal (<https://askrspo.force.com/Complaint/s/case/5000o00002PZMO7AAP/detail>) it was stated that there was a violation of wages, holiday allowances and bonuses for daily workers freelancing, but based on document verification and interviews with workers, it is known that the Dolok Ilir and Laras Units do not have workers with casual daily worker status and for daily allowances and bonuses have been given to employees for the 2023 period.

In addition, the company also shows a work agreement for a certain time, for example agreement No. DOI/S.Perj/216/VII/2023 dated 1 July 2023 for harvest work. The agreement has explained several working conditions, rights and obligations of workers and others. For example worker responsibilities, wages, leave, social security and others. The agreement has been signed by both parties.

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

#### 6.2.2

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

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

The company also shows a work agreement for a certain time, for example agreement No. DOI/S.Perj/216/VII/2023 dated 1 July 2023 for harvest work. The agreement has explained several working conditions, rights and obligations of workers and others. For example worker responsibilities, wages, leave, social security and others. The agreement has been signed by both parties.

Referring to a complaint addressed to PTPN IV on the RSPO complaint portal (<https://askrspo.force.com/Complaint/s/case/5000o00002PYscZAAT/detail>) it was stated that there was a violation of the work agreement, wages and overtime for Fixed Period Working Agreement workers, but based on verification documents and interviews with workers, it is known that the company has made a work agreement for Fixed Period Working Agreement and has paid wages and overtime/premiums in accordance with regulations. For example, shown to personnel with the initials AS who received a basic salary in the June 2023 period of IDR 2,800,790 and a harvest premium of IDR 6,222,774.

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

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

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

The company also shows overtime payments, for example for Dolok Ilir POM where the company uses the premium calculation for overtime payments. For the June 2023 period that is in compliance with laws and regulations, for example workers with the initials BYH as machine room operators who include a month's overtime amount of 86 hours (no overtime hours exceeding 4 hours a day and 18 hours a week) with compensation of IDR 2,781,483, however, the company made the payment by calculating the processing premium of IDR 2,903,120 which is higher than the overtime calculation. In the pay slip document it is known that the nominal wage premium if the worker is in accordance with the calculation.

The company also demonstrates the implementation of paid leave, for example as shown by the provision of 1 day annual leave for personnel with the initials PN as system document clerk at Dolok Ilir POM. The leave letter was submitted on May 12, 2023 and was approved by the POM manager.

### 6.2.3

The company shows a collective labor agreement for the period 2022 – 2023 which stipulates detailed wages (article 33), working conditions (article 12), regular working hours (article 20), deductions (article 41), overtime (article 21), sick leave (article 29), right to leave (articles 25-26), maternity leave (article 27), reasons for dismissal (article 70), notice period before dismissal (article 74), etc.

There is evidence of legal compliance, for example the overtime wages paid by the company to Dolok Ilir POM employees, the company uses a processed premium system with detailed calculations, namely: (FFB processed - Wholesale Basis) x Premium Rates x (Achievement of Yield of Oil + Core) x (Loss Value Oil + Core) x Oil Quality Value x Core Quality Value, so you get the basic premium. Furthermore, the basic premium will be multiplied by the points of the employee's position.

For example, in the June 2023 period for workers with the initials BYH as machine room operators who include a month's overtime amount of 86 hours (no overtime hours that exceed 4 hours a day and 18 hours a week) with compensation of IDR 2,781,483, but the company makes payments by calculating processing premium of IDR 2,903,120 which is higher than the overtime calculation. In the pay slip document, it is known that the nominal wage premium if the worker is in accordance with the calculation.

In addition, the company shows documents regarding pension provisions, for example those shown for Laras Estate in the application letter for applying for pension benefits to the Head of HR Section with No. LAR/04.07/eM-131/VI/2023 for employees with the initials NS which determines the honourable discharge of employees on July 1, 2023 because they have reached the retirement age limit and provide old age benefits according to the stipulations.

### 6.2.4

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

- Houses (dwellings): Staff houses and employee houses

- Educational Facilities: Kindergarten, Elementary, Middle School, Madrasah Aliyah, Madrasah Tsanawiyah
- Clean water facilities: water and bathrooms
- Health facilities: Laras Hospital
- Places of worship: mosques and churches
- Sports facilities: volleyball court, football field, badminton hall, table tennis court, mini golf course, tennis court

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

#### 6.2.5

Based on the results of interviews with workers and workers representatives (labor unions and gender committees) as well as field observations regarding access to basic needs, it is known that workers access to proper, sufficient, and affordable food is very easy to obtain because the location of the work unit and housing is close to the centre of the crowd so it is easy to find traders, shops and vegetable sellers to fulfill their daily basic needs.

#### 6.2.6

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

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

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

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

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

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

Total : IDR 5,635,287,-

#### 6.2.7

The company also shows a list of the number of workers for June 2023, namely Dolok Ilir POM with 106 people, Dolok Ilir Estate with 426 people and Laras Estate with 298 people. Based on the list of employees, it is known that there are 74 employees with Fixed Period Working Agreement status at Dolok Ilir Estate.

The company also shows approval for the appointment of Fixed Period Working Agreement workers to become permanent worker as stated in the Letter of the Director of Plantation Holding HR No. DSDM/N.IV/1730/2023 on 12 June 2023. Based on this, the company has the opportunity to follow up and follow up regarding the appointment of Fixed Period Working Agreement workers to become permanent worker in accordance with the letter from the HR Director of Plantation Holdings. (OFI)

**Status: Comply**

**6.3**

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

**6.3.1, 6.3.2 and 6.3.3**

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

The company already has a workers' union, for example as shown in the ratification letter from the Simalungun Regency Manpower Office No 560/108/23.4/2020 concerning the management composition of the Dolok Ilir SPBUN for the 2019-2024 period which was issued on March 16, 2020 with details of the management, namely :

- Chairman and Vice chairman I – III
- Secretary and Deputy Secretary I – IV
- Treasurer and Deputy treasurer I – III
- Workers' protection and welfare division
- Education and training division
- Organizational division
- Business development division
- Women's empowerment section
- Inter-agency and public relations section

The company also shows the realization of the workers' union program, for example the meeting for the implementation of collective holidays and leave on June 24, 2023 which was attended by 16 people. Based on the results of interviews with workers and trade union representatives, it is known that the company has facilitated the formation of trade unions and has not interfered with the formation or activities of registered organizations/trade unions, or other representatives who are freely chosen for all workers, including migrant workers and contract workers.

<b>Status: Comply</b>	
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**6.4**

**Children are not employed or exploited.**

**6.4.1, 6.4.2 and 6.4.4**

The company demonstrated PTPN IV's plantation management system policy which was issued on January 25 2022 by the Director which among other things explained in point 9 namely the commitment not to use underage children in accordance with laws and regulations and workers who are the result of human trafficking. Based on the verification of the employee list for the September 2022 period, it was found that there were no workers under 18 years of age. In addition, management system policies are socialized periodically to employees and stakeholders, for example the socialization which was held on 6 February 2023 with 40 participants.

Based on the results of interviews with the contractor, it was conveyed that there is a clause in the cooperation agreement which states the prohibition of using underage children. The company also shows a contract with a third party, for example a cooperation contract with a PK transporter with No 04.05-Peng/S.Perj/01/II/2023 which states in article 8 point 15 that the contractor is obliged to comply with all provisions of laws and regulations. applicable laws, including not employing minors.

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

**6.4.3**

Based on the document review, it is known that there are students who carry out field work practices, for example as indicated by the approval letter for apprentice students at Laras Estate as many as 6 students listed in letter No. LAR/X/115/VII/2023 dated 11 July 2023 who conducted practicals from 1 August – 31 October 2023. Based on interviews with management representatives, it was conveyed that students who carried out field work practices more often carried out administrative data collection activities. Apart from that, students are informed in advance about areas/activities that have the potential to be high risk and in their field reviews, students

are accompanied by company staff or employees.		
	<b>Status: Comply</b>	
<b>6.5</b>		
<b>There is no harassment or abuse in the workplace, and reproductive rights are protected.</b>		
<b>6.5.1 and 6.5.1</b>		
<p>The company demonstrated PTPN IV's plantation management system policy which was issued on January 25, 2022 by the Director which among other things explained in point 11 namely preventing sexual harassment and various forms of violence against women workers and protecting the reproductive rights of women workers. In addition, management system policies are socialized periodically to employees and stakeholders, for example the socialization which was held on 6 February 2023 with 40 participants and also communicated during the morning assembly.</p> <p>The results of interviews with harvest, maintenance and Mill workers revealed that the company had provided socialization regarding policies on preventing sexual harassment and violence as well as protecting reproductive rights. The company also has a gender committee to address issues or problems of sexual harassment and violence.</p> <p>The results of interviews with representatives of the committee and workers stated that there were no cases of violence or sexual harassment in the last 2 years. In addition, from the results of the interviews it is known that the company has granted permission/paternity leave, menstruation leave and breastfeeding permission for female workers.</p>		
<b>6.5.3</b>		
<p>The company also shows documents of women employees who are pregnant, giving birth and breastfeeding for the 2023 period. Based on these documents, it is known that until June 2023 there were no women workers who were pregnant, giving birth and breastfeeding.</p> <p>Based on the results of interviews with representatives of the gender committee from the plantations and factories, it is known that the majority of working women are already in their old age, so that no one is pregnant or has just given birth. However, the gender committee representative explained that if a female employee had just given birth or was about to give birth, they would be given permission for 45 days pre-delivery and 45 days after delivery, giving permission to breastfeed according to the baby's needs by being allowed to leave work that was known by the foreman and direct supervisor.</p>		
<b>6.5.4</b>		
<p>The company shows joint regulations of the board of commissioners and directors of PTPN IV No DK-60/PER/XI/2013 and No 04.03/PER/13/XI/2013 concerning the whistleblowing system which explains the mechanism for submitting and handling reports, for example as follows :</p> <ul style="list-style-type: none"> <li>• The company provides a written or e-mail channel for reporting violations through <a href="mailto:complaint@ptpn4.co.id">complaint@ptpn4.co.id</a> or through an electronic room portal managed by the Whistleblowing Management Unit (UP3).</li> <li>• Each reporter will receive proof of receipt of the report which includes the reporting registration number.</li> <li>• On the reports received, for the next process they will be reported to the Board of Directors, Board of Commissioners.</li> <li>• In carrying out verification, if needed UP3 can communicate with the reporter.</li> <li>• UP3 verifies the report and decides whether or not further investigation is necessary on the report within 30 days and can be extended for 14 working days.</li> <li>• If based on the verification results indicate indications of a report then UP3 will not follow up on the report, if there is an indication of a violation then proceed to investigation.</li> <li>• Protection for whistleblowers is contained in article X which explains that if requested, the company guarantees the confidentiality of the identity of the reporter and the disclosure of disgrace or incident (whistleblower).</li> </ul> <p>The company has also socialized the whistleblowing system to all employees as well as internal and external stakeholders, for example what was done on 7 March 2023 which was attended by 19 people.</p> <p>Based on the verification of complaint documents, there were no reports of sexual harassment and violence. Interviews with the gender and workers' committees also conveyed that there were no complaints regarding sexual harassment and violence and that personnel could submit a complaint mechanism. Complaints regarding sexual harassment can be submitted to the gender committee.</p>		



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

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

**6.6.2**

The company shows proof of registration of Fixed Period Working Agreement Dolok Ilir Estate to the Office of Manpower and Transmigration of Simalungun Regency with No. DOI/X/93/VII/2023 on July 24 2023 which reported that there were 74 workers with Fixed Period Working Agreement status who were employed as harvesters.

The company also shows a work agreement for a certain time, for example agreement No. DOI/S.Perj/216/VII/2023 dated 1 July 2023 for harvest work. The agreement has been signed by both parties and explains, among other things, the following:

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

The proof of the implementation of the work agreement is contained in the worker's pay slip, for example Fixed Period Working Agreement workers on behalf of the initials AS whose basic wage is IDR 2,800,790 or has exceeded the provincial minimum wage and Social Security Agency registration as evidenced by the details of benefits and deductions for Social Security Agency.

**Status: Comply**
**6.7**
**The unit of certification ensures that the working environment under its control is safe and without undue risk to health.**
**6.7.1**

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

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

**6.7.2**

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

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

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

- Muhammad Joni (No. 17-7/P3K/DTK/2021)
- Citra Sukma Surya (No. 52-7/P3K/DTK/2021)
- Building Norms (No. 44-7/P3K/DTK/2021)
- Pipin Nur Efendi (No. 71-7/P3K/DTK/2021)
- Poniman (No. 74-7/P3K/DTK/2021)



- Ilham Arafat (No. 73-7/P3K/DTK/2021)

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

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

### 6.7.3

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

Based on document observations and interviews with management, it is known that for 2023 PPE distribution has been carried out to all workers in the field. The PPE distribution for the 2023 period will be carried out in May 2023 (Dolok Ilir Estate), April 2023 (Dolok Ilir POM) and March 2023 (Laras Estate)

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

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

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

The company has also provided sanitation facilities for the pesticide applicators. Sanitation facilities have been provided for each departmental office.

### 6.7.4

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

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

The company also shows proof of payment for Social Security Agency on Employment for the June 2023 period which has been paid on June 26 2023 and Social Security Agency on Health for the June 2023 period which has been paid on June 21 2023 with the following details:

- Dolok Ilir Estate with payment of 426 people.
- Laras Estate with payment of 298 people.
- Dolok Ilir POM with payment of 106 people.

### 6.7.5

The organization has recorded any occupational injuries on document no. FM-3.1601/11-03, revision no. 01. The record was using Lost Time Accident (LTA) metric.

**Status: Comply**

PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT	
<b>7.1</b> <b>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</b>	
<b>7.1.1</b> <p>The company has a program and implementation of Integrated Pest Management (IPM) for 2022 and 2023. The PHT plan includes: identification of pests and diseases, blocks, plans for using chemicals, area of coverage, etc. The company has a procedure regarding the Integrated Pest Management (IPM) plan which is documented in the Oil Palm OPT Procedure Number 05.11 dated 01 August 2017. Activities in the procedure include: Identification of OPT and Threshold Limits (section 3.1.4), and Control Techniques (mechanical, biological, chemistry).</p> <p>Based on document observations, it is known that there are records of pest occurrence and control in the document: Recapitulation of global telling and monitoring of pests and diseases. Based on these documents, it is known that there are no pests and diseases that exceed the control threshold. However, specifically for Ganoderma disease, the level of attack is close to the economic control threshold, so the unit carries out control by means of bundling plants indicated to be attacked by Ganoderma disease.</p> <p>Based on verification documents and interviews with management, there were no signs of using fire for pest control and also no rat infestation.</p> <p>Training for those involved in IPM implementation has been demonstrated as stated in the document: Pest and Disease Control Training on 6 – 7 March 2023 with 39 participants. This training was conducted for the Dolok Ilir Estate and Laras Estate Units.</p>	
<b>7.1.2</b> <p>Based on document observations, it is known that there are invasive species in the operational work area of the unit (Dolok Ilir Estate and Laras Estate) based on Minister of Environment regulations No. 94 of 2016. The invasive types include: Turnera subulata, Turnera ulmifolia, Euphorbia heterophylla, Cassia tora and Elephantopus scaber. For the types of Euphorbia heterophylla and Elephantopus scaber, the unit has controlled their spread mechanically (hand picking) to be localized as ornamental plants and plants that can be used as medicines. As for Turnera subulate and Turnera ulmifolia units are used as biological pest control by planting at certain points (main road block)</p>	
<b>7.1.3</b> <p>Based on document and field observations as well as interviews with management, it known that there is no indication that the unit of certification is carrying out pest and disease control measures by burning (using fire). This is because the unit of certification in managing plant pests and diseases begins with the application of early warning systems, biological, mechanical control and the last alternative is to use chemicals according to the type of target.</p>	
	<b>Status: Comply</b>
<b>7.2</b> <b>Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.</b>	
<p>The certification unit (Dolok Ilir Estate and Laras Estate) already has procedures regarding the Integrated Pest Management (IPM) plan which are documented in the Oil Palm OPT Procedure Number 05.11 dated 01 August 2017. The procedure describes the Identification of Pests and Thresholds (3.1 .4), and measurement techniques (mechanics, biology, chemistry). Control using chemicals is carried out in the last alternative by considering the type of chemical and the target pest. Considering this, the unit of certification (Dolok Ilir Estate and Laras Estate) in determining the use of chemicals as pest and disease controllers takes into account WHO recommendations regarding the Classification of Pesticide Hazards (2009) and applicable laws and regulations</p>	
<b>7.2.2</b> <p>The unit of certification shows records of the use of pesticides carried out in Dolok Ilir Estate and Laras Estate, for example:</p>	

## Dolok Ilir Estate

DAFTAR PENGGUNAAN PESTISIDA UNIT KEBUN DOLOK ILIR PERIODE TAHUN 2022 - 2023										
No.	Trade Mark	Active Ingredient	Type	Registration	Target	Usage		Unit	LD <sub>50</sub>	WHO
						2022 (Jan-Dec)	2023 (Jan-Jul)			
1.	Phosthene 97 WG	Acephate	Insektisida	01010120124498	Pengendalian hama ulat api ( <i>Setothosea asigna</i> )	3,887	1,619	Kg	1 g/l	-
2.	Roundup	Isopropil Amina Glifosat	Herbisida	01030120145067	Pengendalian gulma berdaun lebar dan sempit	398	194	Ltr	540 g/l	III
3.	Starane 480 EC	Fluroxypyr meptyl ester	Herbisida	01030120083155	Pengendalian gulma berdaun lebar	356	185	Ltr	290 g/l	III
4.	Decis 25EC	Deltamethrin	Insektisida	010101197938	Pengendalian hama ulat api ( <i>Setothosea asigna</i> )	479	157	Ltr	25 g/l	II
5.	Capture 50 EC	Sipermetrin	Insektisida	01010120031874	Pengendalian hama ulat api ( <i>Setothosea asigna</i> ) dan kumbang tanduk ( <i>Oryctes rhinoceros</i> )	1,872	545	Ltr	100 g/l	II
6.	Amcothene 75 SP	Acephate	Insektisida	01010119921006	Pengendalian hama ulat api ( <i>Setothosea asigna</i> )	98	28	Kg	0.4 g/l	II

## Laras Estate

DAFTAR PENGGUNAAN PESTISIDA UNIT KEBUN LARAS PERIODE TAHUN 2022 - 2023										
No.	Trade Mark	Active Ingredient	Type	Registration	Target	Usage		Unit	LD <sub>50</sub>	WHO
						2022 (Jan-Dec)	2023 (Jan-Jul)			
1.	Phosthene 97 WG	Acephate	Insektisida	01010120124498	Pengendalian hama ulat api ( <i>Setothosea asigna</i> )	2,641	851	Kg	1 g/l	-
2.	Roundup	Isopropil Amina Glifosat	Herbisida	01030120145067	Pengendalian gulma berdaun lebar dan sempit	182	59	Ltr	540 g/l	III
3.	Starane 480 EC	Fluroxypyr meptyl ester	Herbisida	01030120083155	Pengendalian gulma berdaun lebar	238	112	Ltr	290 g/l	III
4.	Decis 25EC	Deltamethrin	Insektisida	010101197938	Pengendalian hama ulat api ( <i>Setothosea asigna</i> )	269	114	Ltr	25 g/l	II
5.	Capture 50 EC	Sipermetrin	Insektisida	01010120031874	Pengendalian hama ulat api ( <i>Setothosea asigna</i> ) dan kumbang tanduk ( <i>Oryctes rhinoceros</i> )	972	315	Ltr	100 g/l	II

### 7.2.3

Based on observations of pesticide use documents at Dolok Ilir Estate and Laras Estate for the 2021, 2022 and 2023 periods (until July 2023) it is known that the use of pesticides has relatively decreased.

### 7.2.4

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

### 7.2.5

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

### 7.2.6

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

Then furthermore, the unit of certification can show proof of the 2023 pesticide management training which was conducted on 6 – 7 March 2023 with 39 participants. This training was conducted for the Dolok Ilir Estate and Laras Estate Units

### 7.2.7

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

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

#### 7.2.8

Based on field observations at the Chemical Warehouses in the Dolok Ilir Estate and Laras Estate central warehouses, as well as interviews with warehouse staff at each Plantation and Factory, it is known that containers of used pesticides will be stored in temporary shelters for Hazardous and Toxic waste which are built taking into account the OHS and the environment. The water used for rinsing will be reused as mixing water for chemical activities.

Based on the results of field visits to the employee housing areas of Afdeling I and II Laras Estate, as well as Afdeling VII and VIII Dolok Ilir Estate, no traces of pesticide packaging were found that were reused, for example as water reservoirs or flower pots or trash cans.

#### 7.2.9

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

#### 7.2.10

The certification unit has conducted a special medical examination (cholinesterase) for pesticide operators and is carried out annually at Laras Hospital on August 11, 2022. The results of the health check are informed to workers and all pesticide operators are fit to work (normal results). In addition, based on interviews with pesticide workers, it is known that they have never had a work accident caused by chemicals such as irritants.

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

#### 7.2.11

Based on document observations, it known that there are female workers in maintenance activities (related to chemicals). The Dolok Ilir Estate Unit has 13 female workers and the Laras Estate unit has 2 female workers who are related to chemicals.

Regarding this matter, the certification unit has carried out several things to monitor the provisions based on the Circular Letter above, including:

1. Monitor pregnancy every month
2. Conduct outreach to workers (carried out every morning call).

<b>Status: Comply</b>	
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### 7.3

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

#### 7.3.1

The company has not submitted the comprehensive evidence requested by the auditor in the ASA-1.2 audit for the fulfillment of 2022.07 discrepancies, namely the company has not been able to show evidence of improvement in the form of implementing waste/garbage management supervision, implementing mutual cooperation/once a week on Fridays and appointing a PIC domestic waste carrier for all work units (Laras and Dolok Ilir), thus this indicator becomes Raise to Major

#### 7.3.2

In the results of the previous audit (ASA1.2) there is information

"Based on the results of field observations at the Empty Bunch Area (EBA) of Dolok Ilir POM, it is known that there is still a pool of leachate in the piles of EFB. In addition, piles of EFB have filled the trenches to drain leachate into the WWTP ponds. Based on this evidence, non-compliance with this indicator is declared as Not Fulfilling and Raised to Major ". Based on the results of an interview with the PKS Manager and a field visit on August 1, 2023 Audit ASA-1.3) in the empty stacking area, the company explained and demonstrated that repairs to the drainage system and EBA stacking floor had been carried out, and there was no leachate flow that stagnated in the ditch towards WWTP and there are no EBA piles covering the ditches.

Based on interviews with chemical warehouse officers at the Laras Estate Central Warehouse and Dolok Ilir Estate, officers were able to explain the hazardous waste management system, in the form of recording waste production and storage locations at the Temporary Storage for Hazardous and Toxic Wastes. In interviews with the assistant department and clerks in afdeling I and II Laras Estate, the person concerned was able to explain the mechanism for managing domestic waste, the schedule for transporting domestic waste and indicating the location of TPSA in Block 23 F afdeling II, and it can be seen that there is no waste disposal of used hazardous and toxic materials at the landfill site

Based on the results of field visits to the huts and landfills for Afdeling 1-4 Kebun Laras, there is no issue of burning waste and improper disposal of domestic waste or hazardous waste.

### 7.3.3

Based on the results of visits to workers' housing and landfills for Afdeling I-IV Kebun Laras and Afdeling III-VIII Kebun Dolok Ilir, no garbage disposal was found around settlements and indications of waste destruction by open burning at the two sites of the field visit

**Status: Comply**

## 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 and 7.4.2

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

1. Basic guidelines and work instructions for fertilization management with the number: Business unit A.10 which came into effect on February 24, 2020. In the IK it explains about maintaining soil fertility by providing fertilizer into the soil as a substitute for nutrients that have been taken by plants both with organic fertilizers as well as single and compound inorganic fertilizers.
2. SPO on Leaf and Soil Sample Analysis with number: 05.4. This procedure explains that soil analysis is carried out every 3-5 years or once a year if needed, while leaf analysis is carried out once a year and on young plants, if necessary, leaf samples can be taken twice a year with the consideration that changes in nutrients in young plant leaves are very important. change quickly.

The company has shown the fertilizer recommendation for 2023 which is based on the results of soil analysis (on February 13, 2018) and leaf analysis (on September 1, 2021) by PPKS with soil parameters %Fraction (Sand, Dust, Clay); pH (H<sub>2</sub>O, KCl); C; N; C/N; P; K; Ca; Na; Mg; JKB; CEC; KB; Al-dd and the leaf parameter is N; P; K; Ca; Mg; B.

### 7.4.3

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

### 7.4.4

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

**Status: Comply**

## 7.5

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

### 7.5.1

The unit of certification has shown maps that identify the distribution of soil types in Kebun Dolok Ilir and Kebun Laras with a scale of 1:25,000. Based on the map, there is some information about the Dolok Ilir and Laras plantation areas as follows:

1. Slopes
  - Flat to Sloping (2-8%) with an area of 92% of the total area of Dolok Ilir and Laras
  - Wavy (9-15%) with an area of 8% of the total area of Dolok Ilir and Laras.
  - There is no land with steep slopes.
2. Type of Soil



The entire operational area of the certification unit is classified as mineral soil (Typic Hapludult, Fluventic Dystropept, Typic Dystropept and Typic Dystropept).

### 7.5.2 and 7.5.3

Based on the area statement verification, known that there are no new/extensive planting activities in the company but only replanting activities. According to the results of the field visit in the replanting area in block 98A Division V (Dolok Ilir Estate), known that the company's undulating/sloped areas has made terracing to prevent erosion.

Status: Comply

### 7.6

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

#### 7.6.1

The unit of certification has shown maps that identify the distribution of soil types in Kebun Dolok Ilir and Kebun Laras with a scale of 1:25,000. Based on the map, there is some information about the Dolok Ilir and Laras plantation areas as follows:

#### 1. Slopes

- Flat to Sloping (2-8%) with an area of 92% of the total area of Dolok Ilir and Laras
- Wavy (9-15%) with an area of 8% of the total area of Dolok Ilir and Laras.
- There is no land with steep slopes.

#### 2. Type of Soil

The entire operational area of the certification unit is classified as mineral soil (Typic Hapludult, Fluventic Dystropept, Typic Dystropept and Typic Dystropept).

Based on the area statement verification, known that there are no new/extensive planting activities in the company but only replanting activities. In additions, based on the results of the field visit in the replanting area in block 98AS Division III Laras Estate, it is known that the company has made terracing on the sloped area to prevent erosion. In addition, the company has also planted *Leguminose cover crops* (LCC) and used exs chipping of palm oil plants as mulch to covering the soils.

### 7.6.2 and 7.6.3

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

Status: Comply

### 7.7

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

#### 7.7.1 – 7.7.7

Based on the results of the soil survey, it is known that there are no peat soil types in the managed area of PTPV IV Dolok Ilir and Laras Estate.

Status: Comply

### 7.8

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

#### 7.8.1

The company has implemented a water management plan contained in the RKL-RPL and HCV Identification documents, with management forms consisting of:

- Do not apply chemicals in riverbank areas
- Not disposing of liquid waste into rivers but reusing it on plantation land. Before being used, liquid waste is first managed at the WWTP so that its quality meets the standards set by the government.
- Utilizing water for factory processing in accordance with the standards set by the company.
- Conduct River water quality testing every 6 months
- Marking the boundaries of the river border area and installing no-spray warnings



Based on field observations through the Bah Apal riverbank area in Block 21T, Laras Estate, it can be seen that the company has managed the riverbank by installing signboards as HCV areas and painting palm trees as spray boundary markers. In addition, there are no traces of chemical application.

The company shows the results of surface water quality monitoring carried out by the KAN Accredited Testing Laboratory LP-389-IDN, with reference to the PPRI quality standard No 22 of 2021 Appendix VI, with 39 parameters tested.

The results of observations and interviews with workers note that the company has also provided access to clean water to workers by providing drilled wells and clean water supply from PKS for hygienic water for drinking and water for daily needs.

### 7.8.2

The wet flow in the company area is in the form of a river and the company is carrying out protection measures. This is evidenced by the results of field observations in the river border area.

Pulo Asri in Block 22K afdeling 3 Estate Dolok Ilir and the Bah Apal River Block 22T afdeling II Estate Laras is known that the riverbank is protected by the company. Some of the activities carried out by the company are by putting up red signs as limits for chemical applications and planting mahogany and waru plants. In addition, there are no traces of chemical application on the border of the tributary. There is also an effort to plant trees on the banks of the Bah Apal River.

### 7.8.3

Based on the results of interviews with company representatives, it was explained that the liquid waste is managed in an WWTP pond and the quality of the wastewater is tested every month before being distributed to the application area.

The company shows examples of evidence of the results of wastewater quality tests carried out by an environmental testing laboratory that has received KAN accreditation (LP-1284-IDN), with reference to the Regulation of the Minister of Environment and Forestry of the Republic of Indonesia Number 5 of 2021, April - June 2023 Period,

Based on the verification results of the test results report above, it is known that 10 parameters were tested, with overall results there were no parameters with test result values exceeding the quality standards stipulated in the Regulation of the Minister of Environment and Forestry of the Republic of Indonesia Number 5 of 2021.

Based on the results of interviews with the Environmental Service regarding the management of liquid waste at the WWTP, there were no issues related to environmental pollution. The results of interviews with the community from the villages around the company also stated that there was no pollution from the liquid waste produced by the company.

In the management and utilization of liquid waste, the Company shows the document Approval for Fulfilling the Commitment of Permit for Disposal of Wastewater by Application to the Land of PT Perkebunan Nusantara IV, Dlok Ilir unit with Number 503/03/17.4/2021 from the Head of the Investment and One-Stop Integrated Licensing Services Office on the 29th January 2021 with a validity period of 5 years.

Based on the results of field observations in the Land Application Block 2000 an Estate Dolok Ilir area, it is known that the location of the liquid waste application on the land corresponds to the location stated on the Land Application Permit, apart from that there is no indication of overflowing of the liquid waste flowing, however the condition.

### 7.8.4

Companies can show the results of recapitulation of water use for the period January – June 2023, FFB processed 106,425,500 kg with water used for processing FFB of 127,735 m3, average water use for processing FFB every month is 21,289 m3. The data shows that the company uses surface water not exceeding the quota set by the company, namely 487,348 m3/year or 24,367 m3/month.

The company can also show proof of surface water levy payment for the April 2023 period to the Regional Tax and Retribution Management Agency of the Pematang Siantar Regional Revenue Management Unit on May 8, 2023 via Bank Mandiri Transfer and the payment is in accordance with the surface water tax bill based on the Revenue Agency's Regional Tax Assessment Letter Pematang Siantar area no 000336, dated 06 May 2023.

<b>Status: Comply</b>
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**7.9**
**Efficiency of fossil fuel use and the use of renewable energy is optimized.**
**7.9.1**

The plan to increase efficiency in the use of fossil fuels and to optimize the use of renewable energy by companies is to use shells and fiber as a substitute for fossil fuels.

The use of shells and fiber is used to fuel turbine generator boilers. Which is used to generate electricity. The use of energy generated from the turbine is monitored every day.

Dolok Ilir POM Shows information on the use of shell fuel and fiber as follows:

a. Period January – June 2023 :

- Shell : FFB by 106,425,500 kg, production : 7,205,170 kg, utilization : 7,110,120 kg, excess : 95,050 kg
- Fiber : FFB by 106,425,500 kg, production : 148,996 kg, utilization : 148,996 kg

b. • Period January – December 2022 :

- Shell : FFB by 231,091,020 kg, production : 14,760,580 kg, utilization : 13,917,460 kg, excess : 843,120 kg
- Fiber : FFB by 231,091,020 kg, production : 323,527 kg, utilization : 323,527 kg

**Status: Comply**

**7.10**
**Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimize GHG emissions.**
**7.10.1**

The company also has conducted GHG emission calculations period 2022 use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

Summary of Net GHG Emissions

Emissions per product	tCO2e/tProduct
CPO	2,73
PK	2,73

Production	t/yr
FFB processed	231,355.37
CPO produced	48393,62
PK produced	8828,69

Extraction	%
OER	20.92
KER	3.82

Land use	Ha
Planted area on mineral	37204.04
Planted on peat	0
Total area planted	37204.04
Conservation Area (Forested)	0
Conservation Area (Non-Forested)	793.11
FFB Production per hectare	6.22

Summary of field emission and Sinks

Summary of field Emission and Sink			Summary of field Emission and Sink			
Description	Own crop		Group		3rd	Total
Emissions Sources	tCO2e	tCO2e/ FFB	tCO2e	tCO2e/ tFFB	tCO2e	
Land conversion	103595.96	0.62	252551.32	12.81	0	356147.28

CO2 emissions from fertilizer	8110.36	0.62	57736.32	2.93	0	65847.32
NO2 emissions from peat	0	0.05	0	0	0	0
N2O from Fertilizer	5516.84	0	36778.32	1.87	0	42295.16
Fuel consumption	163.02	0.03	2479.38	0.13	0	2642.40
Peat oxidation	0	0	0	0	0	0
Sinks						
Crop sequestration	-93430.05	-8.91	-239385.17	-12.14	0	-332815.22
Sequestration in Conservation area	0	0	0	0	0	0
<b>Total</b>	<b>23956.13</b>	<b>2.28</b>	<b>110160.81</b>	<b>5.59</b>	<b>3578.77</b>	<b>137695.71</b>

**Summary Oil Mill Emissions and Credits**

<b>Remarks</b>	<b>tCO2e</b>	<b>tCO2e/t FFB</b>
Emissions sources		
POME	18304.72	0.08
Fuel consumption	146.19	0
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>18450.91</b>	<b>0.08</b>

**Palm Oil Mill Effluent (POME) Treatment**

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

**POME Divert to Anaerobic Digestion**

Divert to anaerobic pond (%)	100
Divert to methane capture (flaring) (%)	0
Divert to methane capture (electricity generation) (%)	0

**7.10.2**

PTPN IV Dolok Ilir did not open new land after January 1, 2015. Based on interviews with management and document review, it is known that the operational area of the Dolok Ilir business unit is land that has been managed as plantation land (Cocoa, Rubber and Oil Palm) since the Dutch Colonial government and became a national company since 1959. Activities that were carried out during this audit were replanting activities

**7.10.3**

The company shows an emission and pollution reduction program for the 2023 period which informs the types of emissions/pollution, producers, identification, reduction programs, for example: periodic maintenance & inspection of generators and vehicles, application of EFB as fertilizer, inspection of fertilizer packaging & housekeeping programs, road watering programs,

Other efforts made by the company include:

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

The company also shows documents of ambient air and air emission test results as follows:

1. Air Emissions

Conducted by an accredited environmental testing laboratory of KAN LP-389-IDN, July 27 2023, for generators, tests were carried out on generator 1, with reference to Minister of Environment and Forestry Regulation No. 11 of 2021, while for boilers tests were carried out on boiler 1 and boiler 2 with reference to Regulation of the Minister of Environment no 7 of 2007 attachment I.

2. Ambient Air

Conducted by an accredited KAN LP-389-IDN environmental testing laboratory, July 27 2023, reference to Government Regulation of the Republic of Indonesia No. 22 of 2021 attachment VII, with location: processing room, Bandar Selamat Village Housing, Emplacement Employee Housing.

3. Noise

Conducted by an environmental testing laboratory accredited by KAN LP-389-IDN, July 27 2023, referring to the Decree of the Minister of Environment No. 48 of 1996.

4. Smell

Conducted by an environmental testing laboratory accredited by KAN LP-389-IDN, July 27 2023, referring to the Decree of the Minister of Environment No. 50 of 1996.

Based on the results of the verification of the test results mentioned above, there are no parameters with test results that exceed the specified quality standard values.

**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 includes point 15 point e, namely implementing zero burning during plantation development and actively supporting initiatives to prevent and control forest fires and haze. The company has also socialized it to employees, stakeholders and community representatives, for example on 10 February 2022 at the Dolok Ilir Office.

In line with this, the field visit also found the implementation of replanting without burning, for example in Blocks 23 F and 21 T Afdeling II of the Laras estate, land preparation activities for replanting were carried out mechanically.

**7.11.2**

The company demonstrated PTPN IV's plantation management system policy which was issued on January 25 2022 by the Director which among other things explained in point 15 point e namely implementing zero burning during plantation development and actively supporting initiatives to prevent and monitor forest fires and haze. The company also has an emergency response structure coordinated by a fire chief who oversees the core fire team, fire team and security team.

In the ASA 1.2 audit, this indicator has become an OFI, namely:

The company shows a list of facilities and infrastructure for prevention and control of land fires, for example at Dolok Ilir Estate Afdeling 1 such as 1 ax, 2 shovels, etc. as well as plans for additional facilities and infrastructure such as building 4 fire towers by 2027. Furthermore, the company has the opportunity to inventory and complete the facilities and infrastructure for prevention and control of land fires in accordance with Minister of Agriculture 5 of 2018. (OFI)

In the company's ASA-1.3 audit activities it shows:

1. Monitoring of the Dolok Ilir Estate Fire Unit for the December 2022 period, available 1 unit of pressurized engine, 1 unit of hose, 1 unit of suction hose, 1 nozzle, 18 shovels, 12 hoes, 1 drone, 5 hoes, pole hooks 8, axes 16, fruit, water tanks 2 units
2. Field visits at the Central Office of Kebun Dolok Ilir and Kebun Laras, a fire extinguisher was tested with the results:
  - At Dolok Ilir plantation, the fire engine cannot be used, while for Kebun Laras it is functioning properly
  - In the Laras estate, it cannot be shown the availability of fire extinguishers other than a fire extinguisher and its accessories and a water tank unit
  - The results of interviews with officers in Afdeling I found that there was no land fire extinguishing equipment other than Fire Extinguisher
3. Long-Term Program for Procurement of Equipment for fire facilities and infrastructure, the Dolok Ilir Plantation Unit and the Laras

Estate Unit, December 12, 2022, signed by the Plantation Personnel Assistant.

4. Laras Estate Emergency Response Simulation Activity on June 6 2023, which was attended by 51 participants, with simulation material: use of land fire extinguishing equipment, use of Fire Extinguisher and fire control in the POM area

Based on the above evidence, the company has not been able to demonstrate a risk analysis of fire-prone areas, the Long-Term Program for Procurement of Equipment for fire extinguishing facilities and infrastructure at the Dolok Ilir and Laras Estate units has been submitted to management and approved and has not been shown to provide a budget for fulfilling land fire extinguishing infrastructure, thus an indicator this becomes the 2023.05 non-conformity

### 7.11.3

The company demonstrated the Kebun Laras Emergency Response Simulation Activity on June 6 2023, which was attended by 51 participants, with simulation material: use of land fire extinguishing equipment, use of fire extinguishers and fire control in the POM area, involving workers, employees and stakeholders (representatives of the Nearest Village) as observer.

**Status: Comply**

### 7.12

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

#### 7.12.1

The PTPN IV (Dolok Ilir Unit) oil palm plantation area is land that has been managed as plantation land (Cocoa, Rubber and Oil Palm) since the Dutch Colonial government and became a National company since 1959. Based on document verification of the year of oil palm planting, it shows that the planting was after November 2005 is the replanting activity of the previous rotation of oil palm plantations. The youngest age at the time of the ASA 1.3 audit activity is the year 2023

In accordance with the Email of the RSPO Secretariat (Dillon Sarim) dated 21 July 2017 CH stated that PTPN IV (Dolok Ilir Unit and Laras Unit) has sent it to continue the certification process "This unit has been disclosed as zero non-compliant land clearance. It may proceed with the RSPO Certification Process".

#### 7.12.2

PTPN IV (Unit Dolok Ilir) oil palm plantation area is land that has been managed as plantation land (cocoa, rubber and oil palm) since the Dutch colonial government and became a national company since 1959. is the replanting activity of the previous rotation of oil palm plantations. The youngest crop in the previous rotation was the 1990 crop so the company's HCV assessment is still valid.

#### **Dolok Ilir Estate**

The company identified HCV in 2010 in collaboration with Indonesian Surveyors and the Indonesian Sustainable Palm Oil Foundation using the Guide to Identification of High Conservation Value Areas in Indonesia published by the Indonesian Consortium for the Revised HCV toolkit in June 2008. Based on the document, 16 species of protected animals were identified based on appendix II of CITES and no protected flora. The total area identified as HCV area is 51.45 ha (HCV 1, 4 and 6).

#### **Laras Estate**

An assessment of the identification of HCV areas for barrel plantations was carried out in 2011 by PT Surveyor Indonesia by an assessment team consisting of Kunkun jaya gurmaya (biodiversity expert), Ir Riswan (an expert on environmental services and landscape RSPO approved assessor), Henry Marpaung, Yusuf, Masrizal, Teguh Zaelani. The total area identified as HCV area is 200.52 ha (HCV 1, 4, 5 and 6).

Based on the document review, it is known that the company is not required to conduct an HCS study because there is no new land development after November 2018.

#### 7.12.3

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

#### 7.12.4

The company already has an HCV management and monitoring plan for the 2023 period. The HCV management and monitoring plan

for the 2023 period are:

- Conduct socialization regarding the importance of forest areas to employees and the community
- Making boundaries between HCV areas and plantation areas
- Inventory of the type and number of trees that have been planted
- Posting signs prohibiting hunting
- Carry out monitoring and maintenance of HCV areas
- Monitoring of HCV 6 (Graveyards) area.

The integrated management plan has been developed in consultation with relevant stakeholders and includes both directly managed areas and broader and relevant landscape level considerations. This is evidenced by the company's HCV management plan which was developed by involving stakeholders such as the surrounding village community and employees. Management activities planned by the company also cover areas that are managed directly and take into account the wider landscape such as maintaining the existence of HCVs (Sungai Bah Bolon and Bah Apal), anticipating land fires in the company area and in the area around the company, increasing employee and community knowledge by conducting HCV outreach

#### 7.12.5

Based on the results of public consultations with Based on interviews with the Head of Naga Jaya 1 Village, Head of Aman Sari Village, Head of Dolok Ilir 1 Village, Head of Dolok Maimu Village, and Community Leaders of Gajing Jaya and Community Leaders of Bahung Hulan on 1 August 2023, there were no negative issues as well as complaints related to HCV management in the company's operational areas. One of the HCVs is used and utilized by the community as a public bath, namely in the Sweembad Naga Soppa Afdeling II Estate Laras Spring, where the community is involved in the management.

#### 7.12.6

The company carries out socialization efforts to the community and workers in the company regarding the existence of endangered plants and animals, which are carried out simultaneously with the socialization of HCV areas, for example Minutes of Socialization of HCV Management and Monitoring, Laras Plantation Unit, April 29 2023, Attached Document attendance list of Afdeling III Laras HCV Socialization Activities attended by 30 participants from employees on April 9 2023

Based on the results of interviews with harvest and spray officials at Laras Estate and Dolok Ilir Estate, it is known that the company prohibits workers from raising protected animals and plants and is prohibited from catching, hunting and killing animals as well as destroying HCV areas.

#### 7.12.7

This indicator in the ASA-1.2 audit activity has become a non-conformity in 2022.08, and is still in open status until the ASA-1.3 activity.

The Auditor conducted the Verification on August 3, 2023

Based on the evidence submitted, the company has not responded to the auditor's notes and questions ASA-1.2 and has included evidence of implementation in the field as submitted by the auditee (HCV outreach to the community, inventory of types and number of trees planted, marking of HCV area boundaries) in the correction and corrective action column NCR 2022.08. Based on this, the discrepancy in this indicator is stated to have not been fulfilled, so that it becomes Minor raised to Major.

#### 7.12.8

There was no change in the information on the results of the audit from the previous audit activity (ASA-1.2). The company did not clear any new land after November 2018. The Dolok Ilir unit area is land that has been managed as plantation land (Cocoa, Rubber and Oil Palm) since the Colonial government The Netherlands and has been a national company since 1959. Based on document verification for the year of oil palm planting, it shows that the planting after November 2005 was a replanting activity from the previous rotation of oil palm plantations. In addition, there is an email from the RSPO secretariat (Dilon Sarim) on 21 July 2017 stating that this unit has been disclosed as zero non-compliant clearance. It may proceed with the RSPO Certification Process.

**Status: Comply**



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

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-1.4</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA-1.4</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA-1.4</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-1.4</b>	The company didn't use trademark on the product.	√
	<b>Status: Comply</b>	

### 3.3 Summary of RSPO Partial Certification.

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

PT Perkebunan Nusantara III Time Bound Plan (TBP) is explained in point 1.10. PT Perkebunan Nusantara (PTPN) III has informed the TBP progress, MUTU has considered that PTPN IV is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PTPN IV on November 2022.

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

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	PT Perkebunan Nusantara III has carried out self-assessment (i.e internal audit) against uncertified management units dated on 1 December 2020 by PT Perkebunan Nusantara III, PT Perkebunan Nusantara III has submitted some self-assessment reports year 2021 on behalf PTPN III, PTPN V, PTPN VI, and PTPN VIII. It has support- ed evidence of the self-assessment against each requirement such as self-assessment reports
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>PTPN III</b></p> <p>Based on document verification sighted that all uncertified unit has conducted LUCA and submitted to the RSPO:</p> <ul style="list-style-type: none"> <li>- KRBTN dated 20 August 2021, there are raw non-compliant land clearance with area 489.83 Ha.</li> <li>- KBDY dated 20 August 2021, there are raw non-compliant land clearance with area 116.20 Ha.</li> <li>- KKINO dated 18 August 2021, there are raw non-compliant land clearance with area 477.85 Ha.</li> <li>- KJLRS dated 18 August 2021, there are raw non-compliant land clearance with area 3,823.91 Ha.</li> </ul> <p>The KBDBY and KRBTN has conducted HCV-HCS assessment by CV Greenera dated 19 to 23 October 2021. While the KNINO and KJLRS will be assessed on June 2022 by ALS- HCV. The company to be consider to realization this plan on June 2022.</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to oil palm at Batang</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PT PN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion area, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> <li>Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018.</li> <li>Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</li> </ol> <p><b>PTPN V</b></p> <p>Based on document review, there was no evidence that the company (PTPN V) has changed any primary forest and/or HCV area into palm oil plantation since November 2005 except Part of Sei Berlian estate (Sei Berlian-2) within forest areas based on Ministry of Forest decree No.SK.878/Menhut-II/2014 jo SK.903/MENLHK/SETJEN/PLA.2/12/2016). The organization has got Land Use Right (HGU) from government before the regulation above was issued so that the organization still coordinating with government about case it. Whereas, Sei Buatan estate, Tanjung Medan estate and Sei Galuh estate still in-process review of disclosure liability by RSPO secretari-at so they has not been ensured that no replacement to any identified as HCV areas or required to maintain or enhance HCVs. All planted areas after November 2005 are from re- planting process without NPP replacement. This company is considered old company under State Owned (Ministry of BUMN).</p> <p><b>PTPN VI</b></p> <p>Uncertified management units has conducted HCV assessment such as :</p> <ul style="list-style-type: none"> <li>Unit of Batanghari Business (Batanghari Estate), Unit of Bunut business (Bunut Estate &amp; POM), Unit of Tanjung Lebar business (Tanjung Lebar Estate</li> </ul>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>&amp; POM) &amp; Unit of Durian Luncuk (Aur Gading POM &amp; Durian Luncuk Estate) : Date on 1 January to 11 November 2018 by Samsul Ulum (license : ALS15013US) as lead assessor and some assessor members i.e R.Sukasmiyanto, Moh.Yasin, Bahrin, Pemi Aprilis, Devis Rachman, Ihwan Rafina, Roland Sinulingga and Endra Gunawan on behalf PT Fodec Khatulistiwa. It has carried out public consultation dated on 20 February 2018 (initial public consultation) &amp; 4 June 2018 (public consultation for the result of HCV assessment). There are some evidences that public consultations has involved stakeholders. Current condition that HCV assessment report has been satisfactory category on 23 March 2021.</p> <ul style="list-style-type: none"> <li>During audit, other the uncertified management units has not been carried out HCV assessment such as Unit of Ophir business (Ophir POM &amp; estate), Unit of Pangkalan 50 Kota business (Pangkalan 50 Kota estate), Unit of Solok Selatan business (Solok Selatan POM &amp; estate), Bukit Cermin Estate, PT Bukit Kausar &amp; PT MAJI but PTPN VI have budget &amp; the allocation activity plan year 2020 for HCV assessment in Unit of Ophir business, Unit of Pangkalan 50 Kota business and Unit of Solok Selatan business. Allocation Activity Plan year 2020 is postpone because any reduction operational cost in pandemic covid-19. PTPN VI have action plan and estimating cost for HCV assessment include of the review by HCV RN, HCS, LUCA &amp; SIA. Bunut estate &amp; POM, Batang Hari estate and Tanjung Lebar estate have estimate for finalization of HCV RN and LUCA document in year 2021. Whereas, the remain of uncertified management unit is Triwulan I and IV year 2022. Before HCV assessment will doing by RSPO ALS assessor and has review by HCV-RN so uncertified management units has carried out assessment of protected areas refer to Indonesian regulation by internal assessor.</li> </ul> <p>Batanghari Business Unit (Batanghari Estate) &amp; Bunut Business Unit (Bunut Estate &amp; POM) has submitted disclosure liability, LUCA &amp; shp file to RSPO and RSPO has responded email from auditee on 29 January 2020 where RSPO is requesting some clarifications and auditee has not been submitted email to RSPO for some clarifications which needed. It is still waiting finalization of LUCA document.</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate &amp; POM), Unit of Durian Luncuk Business (Aur Gading POM &amp; Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate &amp; POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar &amp; PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form &amp; LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35<sup>th</sup> BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 &amp; 8 (compensation concept note &amp; compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p><b>2<sup>nd</sup> partial audit was conducted on 24-25 November 2021</b></p> <p>The Tanjung Lebar Business Unit postponed to February 2022, due to single membership consolidation and approval process by RSPO Secretariat and the Disclosure &amp; Liability of Tanjug Lebar is still pending. While the Disclosure &amp; Liability of Batang Hari Business Unit has approved by RSPO secretariat with Zero Liability dated 20 June 2020; the audit planned on 22 December 2021. Therefore the Disclosure &amp; Liability of Bunut Business Unit is still on process, the latest email from Indrawan Suryadi (RSPO Secretariat) dated 23 November 2021. For the Bunut</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Business Unit certification plan is on schedule (December 2021).</p> <p>There are also letter for SEVP Operation from Head of Planning &amp; Sustainability with number: ND-312/06.08/XI/2021 dated 25 November 2021 about RSPO certification preparation in Bunut &amp; Batang Hari Business units and also awareness criteria 7.12 RSPO P&amp;C and Risk Analysis for six business units (Ophir, PLK, Solsel, BKC, B. Kausar, and MAI) by Consultant Inovasi Sejahtera Berkelanjutan.</p> <p><b>PTPN VII</b> Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after November 2005. However the HCV identification document was not available. The HCV assessment will conducted by consultant (Bentayan Estate: 2026; Sungai Lengi Estate: 2022; Senabing Estate: 2025 and Talopino Estate: 2024).</p> <p>Senabing Estate was conducted Conversion from year of 2005 to 2010 with area 408 Ha. The LUCA assessment will be conducted by Consultant in the year of 2025.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>PTPN III</b> PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PT PN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion area, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <p>c. Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018.</p>



Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>d. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</p> <p><b>PTPN V</b>  Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate &amp; POM), Unit of Durian Luncuk Business (Aur Gading POM &amp; Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate &amp; POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar &amp; PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form &amp; LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35<sup>th</sup> BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 &amp; 8 (compensation concept note &amp; compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p><b>PTPN VII</b>  Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after November 2005. However the HCV identification document was not available. The HCV assessment will conducted by</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		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.
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p><b>PTPN III</b> KRBTN There are several area in Afdeling VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p> <p><b>PTPN V</b> There was land conflict between PT PN V with community in Senama Nenek village, located in Sei Kencana Estate and Terantam Estate for approximately <math>\pm 2,800</math> Ha (<math>\pm 550</math> Ha under Terantam Estate and <math>\pm 2,250</math> Ha under Sei Kencana Estate). During this initial audit, this area has been released in accordance with a court decision.</p> <p><b>PTPN VI</b> PT Perkebunan Nusantara VI have SOP of implementing FPIC, SOP of communication and consultation with community, SOP of handling land conflict including procedure of calculation and compensation.</p> <p>Land compensation process has done a few time ago for some areas in uncertified management units (Unit of Bunut Business, Unit of Tanjung Lebar Business, Unit of Batanghari Business, Unit of Durian Luncuk Business, Unit of Ophir Business). The record and document of land compensation on behalf PT Bukit Kautsar has provided by auditee as example photograph of hand over land compensation payment, land compensation letter date on 21 October 2009, letter date on 21 October 2009 from head of village, statement letter date on 21 October 2009 that land owners has agreed land to acquired, measure note date on 21 October 2009, receipt note of land compensation payment, ID card and land owner letter from head of village. Whereas, PT MAJI and Unit of Bukit Cermin Business has provided sample of land compensation i.e payment receipt, photograph of land compensation activity, copy ID card, agreement of payment, statement letter of hand over and legal land.</p> <p>Community who lose access and land right for plantation areas has given the opportunity to benefit (direct and indirect) from plantation development as sample in form of scheme smallholder areas, as employee, as contractor</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>(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: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/26">http://www.rspo.org/members/complaints/status-of-complaints/view/26</a>. Unit of Bukit Cermin Business has provided some evidences relate of land compensation record and document from dispute/conflict areas.</p> <p><b>2<sup>nd</sup> partial audit was conducted on 24-25 November 2021</b></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 January to October 2021.</p> <p><b>PTPN VII</b></p> <p>The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>PTPN III</b></p> <p>Based on self-assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute issues, since last year period until the partial audit conducted on 8-9 November 2021.</p> <p><b>PTPN V</b></p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p><b>PTPN VI</b></p> <p>There is a mechanism of resolving grievance and compliant from employee and industrial action. It has covered in the collective labour agreement between PT Perkebunan Nusantara VI and SP- BUN PTPN VI (labour union) period of 2020 to 2021 (article 76 – sub section XIV) and SOP of internal communication and handling employee complaint. Scope of collective labour agreement is all company employees and as a normative reference for subsidiaries.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Collective labour agreement has signed by both parties and any evidence of registration about collective labour agreement from Ministry of Man Power has been shown by auditee.</p> <p>Based on self-assessment against uncertified management units, there is no identified labor disputes ongoing at subsidiary companies of PT Perkebunan Nusantara VI. Based on website date on 3 October 2017 that any labour dispute between Mr M.Dasuky Hajar Nasution and PT MAJI. Based on communication with representative of PTPN VI that it has followed up both parties. SP-Bun (labour union) have vital position because based on SOP of internal communication and handling employee complaint that employee's grievance &amp; complaint can be informing to labour union (SP-BUN) and organization will try to resolve complaints at the labour union level and any mechanism solving grievance and compliance from employee on collective labor agreement (PKB)</p> <p><b>2<sup>nd</sup> partial audit was conducted on 24-25 November 2021</b></p> <p>The renewable of collective labor agreement period of 2022-2023 is still on process, that the final meeting in Yellow Hotel will be conducted on 25 to 26 November 2021.</p> <p><b>PTPN VII</b></p> <p>There are no labour dispute during internal audit assessment, the company will be follow up the regulation of PP 50 of 2012, PP 38 of 2011, PP 101 of 2014, and Permenaker 19 of 2012.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>PTPN III</b> <b>KRBTN</b></p> <p>Letter from Sumatera Utara Governor with number 520.33/145/DISPMPPTSP/5/I.5/I/2018 dated 25 January 2018 about Revision of commodity from rubber to oil palm plantation in Rambutan Estate. Revision from Rubber: 2,253.35 Ha &amp; Oil Palm 546.41 Ha to Rubber: 1,156.95 Ha and Oil Pal 5,158.33 Ha.</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>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p><b>KBDBY</b>  <i>Surat Pendaftaran Usaha Perkebunan</i> with number HK.350/530/Dj.Bun.5/VII/2001 Bandar Betsy Estate with area 5,348.90 Ha with commodity rubber. Therefore conversion license from rubber to oil palm with number 503.35/271/17.42018 dated 12 February 2018 with area 116.2 Ha.</p> <p>HGU on process, the latest process are Nota Dinas number 419/ND-300.HP.03.01/VII/2021 from KANWIL BPN Sumatera Utara Province dated 1 July 2021 about Renewal of HGU Bandar Betsy with area 5,348.90 Ha dated 2 July 2021.</p> <p><b>KJLRS</b>  IUP on process due to revision of AMDAL document. However there are HGU number 03 year of 1994 with area 2,318.87 Ha.</p> <p><b>KKINO</b>  IUP on process due to revision of AMDAL document. However there are HGU number 122 year of 1999 with area 4,632.60 Ha.  Based on Self-assessment there are some conditions not yet compliance with RSPO criteria 2.1 such as:</p> <ol style="list-style-type: none"> <li>1. HGU on process (Sei Simujur-2, KRBTN): There are letter from Senior Executive Vice President PTPN III dated 22 September 2020 with number BUMU/X/44/2020 to the BPN of Asahan District for Cadastral process. During the audit, the progress of this matter still opened.</li> <li>2. There is a land conflict (Batang Toru Estate) not yet resolved.</li> </ol> <p><b>PTPN V</b>  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><b>PTPN VI</b>  Uncertified management units has complied with applicable legal requirement which supported by some evidences such as :</p> <ol style="list-style-type: none"> <li>1. Some uncertified management units (Ophir Estate &amp; POM, Solok Selatan Estate &amp; POM, Pangkalan 50 Kota Estate, Ba- tanghari Estate, Bunut Estate &amp; POM, Tanjung Lebar Estate &amp; POM, Bukit Cermin Estate, Pinang Tinggi POM, Aur Gading POM, Durian Luncuk</li> </ol>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>Estate &amp; PT Bukit Kautsar) have Plantation Business Permit (Izin Usaha Perkebunan) so they has complied with Minister of Agriculture Regulation no.98/permentan/OT.140/9/2013 article 8 or 10 or 13.</p> <p>2. Some uncertified management units (Ophir Estate &amp; POM, Solok Selatan Estate &amp; POM, Pangkalan 50 Kota Estate, Batanghari Estate, Bunut Estate &amp; POM, Tanjung Lebar Estate &amp; POM, Bukit Cermin Estate, Aur Gading POM, Durian Luncuk Estate, PT MAJI &amp; PT Bukit Kautsar) have land use right (Hak Guna Usaha) so they has complied with law no.5 year 1960 article 28. One of land use right owned by Durian Luncuk es- tate still renewal process and one of Bukit Kautsar areas still in-process to get land use right.</p> <p>3. Some uncertified management unit (Sei Bahar II Bunut POM, Solok Selatan POM, Tanjung Lebar Estate &amp; POM, Pinang Tinggi Estate &amp; POM, Bunut Estate, Batanghari Estate, Durian Luncuk Estate &amp; PT Bukit Kautsar) have environment document so they has complied with Minister of Environment Reg- ulation no.05 Year 2012 jo Minister of Environment &amp; Forestry Regulation no.P.38/MENLHK/SETJEN/KUM.1/7/2019 or Min- ister of Environment Regulation no.13 Year 2010 or Minister of Environment Regulation no.14 Year 2010.</p> <p>4. Bunut POM and Tanjung Lebar Estate &amp; POM have storage temporary for hazardous &amp; toxic materials waste and their permit so they has complied with Minister of Environment Regulation no.30 year 2009 article 5.</p> <p>5. Bunut POM and Solok Selatan POM have land application permit so they has complied Minister of Environment Decree no.29 year 2003.</p> <p>6. Unit of Tanjung Lebar Business, Unit of Bunut Business, Unit of Batanghari Business and Unit of Durian Luncuk Business have permit of release for forest areas from government (Minister of Forestry Decree no.260/KPTS-VII/1988 and no.418/KPTS-II/1990). Whereas, PT Bukit Kautsar have permit of release for forest areas from government too (Minister of Forestry Decree no.69/Kpts-II/1997 &amp; no.443/Kpts-II/1999 and letter from Head of Forestry Agency in Jambi Province no. S.6.802/Dishut/BIPH.1.2/XII/2015). PT Mendahara Agro Jaya Industri have permit of release for forest areas from gov- ernment too (Minister of Forestry Decree no.954/Kpts- II/1999).</p> <p>7. Plantation Business Permit (Izin Usaha Perkebunan) on be- half 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>



Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>8. Environment Document on behalf Ophir Estate &amp; POM (letter no.213/II/DAR-3/1999), Solok Selatan Estate (head of Solok Selatan District decree No.660/152/KLH-2011), Pangkalan 50 Kota Estate (head of capital investment and integration service decree no.007/IL/DPMPTSP-LK/II/2020), Aur Gading POM &amp; Durian Luncuk estate (Governor of Jambi Province decree No.171/Kep.Gub/BLHD/2009), Bukit Cermin Estate (approved by No.100.A year 2011 on 3 October 2011) and PT MAJI (approved by No.76 year 2007 on 23 March 2007) was available.</p> <p>A documented system relate of law requirements and mechanism to ensuring compliance with legal compliance and a system to tracking changes to the law and regulation has covered in procedure of updating law and regulation and evaluation of compliance. All uncertified management units has provided the list of relevant law and regulation and the status of compliance because the mechanism to ensuring compliance with legal compliance has been implemented.</p> <p>Auditee has provided a legal land, map of legal land and a procedure of boundary monitoring where boundary monitoring shall be conducting every month and reporting in report of boundary monitoring result. Uncertified management units has provided the report of boundary monitoring result such as Unit of Tanjung Lebar business, Unit of Batanghari business, Unit of Solok Selatan business, Unit of Pangkalan 50 Kota business, Unit of Ophir business, PT MAJI, Unit of Durian Luncuk business, Unit of Bunut business, Unit of Bukit Cermin business and PT Bukit Kautsar.</p> <p><b>PTPN VII</b></p> <p>The company will be follow up the regulation of PP 50 of 2012, PP 38 of 2011, PP 101 of 2014, and Permenaker 19 of 2012. The Senabing Estate has not been able the land use historical for the area 2,355.72 Ha. Currently also the Senabing Estate not obtained HGU from the related Agency. There are land conflict resolution in Senabing Estate (Lahat District), the land dispute was started on 14 August 1986. It has resolved dated 9 June 2011 by Minute of Land Measurement number SENA/BA382/2001 in Tanjung Makmur Village for area 1.25 Ha.</p>

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

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

NCR No.	:	2022.01	Issued by	:	Kiki Fadli
Date Issued	:	7 October 2022	Time Limit	:	02 November 2023
NC Grade	:	Minor raised to Major	Date of Closing	:	13 October 2023
Standard Ref. & Requirement	:	2.2.2 All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.			
Evidence observed (filled by auditor) :					
<ul style="list-style-type: none"><li>The company shows a list of contracted third parties listed in the contractor list for the period August 2022, such as 1 CPO transporter, 1 PK transporter, 1 Security Service and 1 FFB transporter and it can be shown that the cooperation contract has its own clause regarding the fulfilment of relevant legal obligations.</li><li>The results of interviews with 2 FFB transport workers and 1 TBS truck driver worker CV Karya Teknik at Division VII Dolok Ilir Plantation and 1 FFB truck driver worker at Division II Laras Estate CV EWS Nusantara III, it was conveyed that the workers did not have a work agreement either with the contractor and not registered with Social Insurance Administration Body Employment.</li><li>It has not been shown that a third party who has a cooperative relationship with the company can prove the fulfillment of this clause</li></ul>					
Non-Conformance Description (filled by auditor):					
The company has not been able to show sufficient evidence that the third party that has a cooperative bond has fulfilled the relevant legal obligations as stated in the contract clauses including but not limited to the fulfillment of the minimum wage, Social Health/Employment Insurance Administration Body participation and employee employment relations.					
Root Cause Analysis (filled by organization audited):					
Lack of oversight of relevant legal obligations to third parties					
Addition					
The contractor does not yet understand the legal compliance that must be carried out and an evaluation of the vendor's legal compliance has not been carried out					
Correction (filled by organization audited):					
Indicates a list of compliance with relevant legal obligations by third parties					
Addition					
<ul style="list-style-type: none"><li>Document Proof of vendor legal compliance and Evaluation of Vendor Legal Compliance</li><li>Conduct outreach to contractors</li></ul>					
Corrective Action (filled by organization audited):					
Set a special PIC that monitors compliance with relevant legal obligations of third parties					
Addition					
Create outreach programs to contractors on a regular basis					
Assessor Evaluation and Conclusion (filled by auditor):					
Auditor Verification dated August 4, 2023					
The company shows the root of the problem, corrective action and corrective action, but needs to be reviewed regarding the root problem, corrective action and corrective action submitted because it has not answered the intended non-conformity and to be able to show evidence of corrective action and corrective action.					

Based on the field visit on the ASA-1.3 assessment, it was found that during the FFB transportation activities at Laras Estate as well as loader operators, drivers and FFB loaders, kernel loaders at Dolok Ilir POM, it was found that they were third party workers and had not used PPE in carrying out work such as using helmet and boots.

Based on this, the discrepancy in this indicator has not been fulfilled and becomes **Minor Raised to Major**.

**Auditor verification dated 13 Oktober 2023**

The company shows proof of improvement in the form of:

- Socialization of compliance with vendor compliance regulations on October 3 2023, attended by representatives from PT Pelita Jaya and CV Karya Mandiri
- The company shows evaluation and evidence of providing regulations, for example at Kebun Laras with the FFB transportation company (PT KPBN) which has shown the handover of APD in the form of helmets, shoes, glasses and gloves for 6 workers. Apart from that, for POM areas with heavy equipment contractors (CV Karya Mandiri) who have shown SPK between CV Karya Mandiri and loader operator workers, wages above are from UMK, payment proof BPJS.
- The socialization and evaluation program contains regulations for contractors once a year.

Based on this, the discrepancy in this indicator **has been fulfilled** and **will be observed** in the next assessment.

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

Based on the evaluation of ASA-1.3, the discrepancy in this indicator has not been fulfilled and becomes Minor Raised to Major.

**Verified by**
**Kiki Fadli**

<b>NCR No.</b>	<b>: 2022.02</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 7 October 2022</b>	<b>Time Limit</b>	<b>: 02 November 2023</b>
<b>NC Grade</b>	<b>: Minor raised to Major</b>	<b>Date of Closing</b>	<b>: 01 November 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>2.3.2</b> <b>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in indicator 2.3.1.</b>		

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

Based on the FFB data from Dolok Ilir Mill, it is known that there is an independent FFB supplier with the name CV Riana Lim. The results of public consultations and management explanations revealed that CV Riana Lim, in addition to selling FFB from his own land, also collects FFB from other parties (agents). The certification unit shows the FFB supplier data for the CV, namely:

<b>AGENT NAME</b>	<b>ADDRESS</b>	<b>COORDINATE POINT</b>
Sarjono	Bandar Tongah	N.'03"06.33.2' E.'099"13.40.0'
Bambang	Gajing Kahean	N.'03"03.84.4' E.'099"10.71.3'
Mujiman	Gajing Tongah	N.'03"03.83.5' E.'099"10.72.1'
Iwan	Gajing Tongaj	N.'03"03.82.8' E.'099"10.71.8'

As explained by the Director of CV Riana Lim, agents take FFB from other farmers from various sources. However, until Surveillance 1.2 has been completed, it cannot be shown:

1. Source of FFB for each agent along with location of origin of FFB and geolocation information.

**2. Evidence of status of ownership or rights/claims to land by the planters/farmers.**

As specific guidelines for this indicator state that if the unit of certification has indirect FFB supplying smallholders, then for RSPO-certified PKS, the time requirement to fulfill the indicator is three years from 15 November 2018, which is 15 November 2021. For PKS that have not been certified/Mill who are in the process of their first year of certification, the time requirement for supplying smallholders to fulfill the requirements according to indicator 2.3.1 is three years since the PKS is certified. The requirements in question include:

1. Information regarding the geolocation of the origin of FFB;
2. Evidence of status of ownership or rights/claims to land by the planters/farmers;
3. Where relevant, a valid planting/operational/trade license, or as part of a cooperative so that buying and selling of FFB can be carried out

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

The company has not been able to show sufficient evidence that all FFB obtained indirectly from collection centers (collectors), agents or other intermediaries have the information according to the requirements

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

- Lack of understanding of evidence management that all FFB must be able to trace the origin of the fruit, including the legal aspects of the fruit supplier.
- In the previous period of 2022, the company did not have a PIC to monitor this matter, and before this audit activity took place, the company had shown this, but it turned out that the PIC's understanding regarding the identification of FFB supply sources had not been evaluated, and there was no PIC to monitor the suitability of the data provided by the PIC.

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

- Shows the origin of the FFB, accompanied by the land ownership status of the land by the farmer or planter.
- Updated Document on Identification of FFB Supplies as well as Location and Extent
- Training for PIC about regarding the retrieval of FFB supply data for POM

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

- Determine a PIC that monitors the origin of third-party FFB and a PIC that evaluates it..
- Evaluation of training in filling out data on all FFB supplies can be found in the PIC Training document

**Assessor Evaluation and Conclusion** *(filled by auditor):*
**Auditor Verification dated August 4, 2023**

The company has determined the root cause, corrective and corrective actions for discrepancies that arise during the Surveillance-1.2 audit activity. During the Surveillance-1.3 audit, the company can show evidence related to the information requirements required for indirect FFB suppliers and collecting centers, agents or other intermediaries as follows:

- When the audit was conducted, the company had 4 indirect FFB suppliers, namely CV Rianalim, CV Sauhur Jaya, Hot Abadi Lestari and CV Harmoni Gemilang Lestari. Of the four suppliers as of July 2023, only 2 remained, namely CV Rianalim and CV Sauhur Jaya, while the other two had not been renewed by the company.
- The company was able to show CV Rianalim's FFB sources during the audit, where the supplier had 28 farmers and CV Sauhur Jaya had 14 farmers as sources of FFB.
- From the number of farmers mentioned above, the company has taken their respective geolocation information, evidence of land rights and legality documents from the supplier (business permits, legal entity approval and others). However, the results of the document review found that there was some incomplete information, namely the total area in the land rights is different from that written in the list of farmers. For example, the list states that the total area of the farmer's land with the initials RDM has a land area of 43.53 Ha, while the actual total area under land rights is 4.33 Ha.

Then in accordance with the determination of the root of the problem, the corrective and corrective actions provided by the company have not been able to show other evidence. Based on this, this discrepancy is declared to have not been met and in this assessment it causes a Minor Non-Conformity on this Indicator to become a Major Non-Conformity (**Minor raised to Major**).

**Auditor Verification 01 November 2023**

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

- The PIC determination document that carries out identification and monitoring activities of indirect FFB suppliers is the delivery crane, production crane, weighing crane, and QA crane. Meanwhile, the PIC appointed to carry out identification and monitoring results evaluation activities is the QA Assistant and Processing Assistant.
- In-depth training activities related to work procedures, mechanisms, and evaluation of inventory activities, as well as identification and monitoring of FFB suppliers, will be provided to all PICs on August 21, 2023. Then the company re-evaluated the PIC's understanding of the related training from the training previously carried out on September 22, 2023, the results of which were that, on average, all PICs understood the training given on August 21, 2023, well.
- The company was able to show CV Rianalim's FFB sources during audit activities, where the supplier had 28 farmers and CV Sauhur Jaya had 14 farmers who were its FFB sources. From this data, it has been clearly described and identified that the number of land rights owned is in accordance with each of the rights shown. So that the total of these rights is in accordance with the respective certificates.
- Monitoring and evaluation activities of monitoring results carried out by each appointed PIC during August and September 2023 Where all evaluation activities and changes from farmers and other suppliers who supply FFB to these indirect suppliers

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

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

Based on the evaluation of ASA-1.3, the discrepancy in this indicator has not been fulfilled and becomes Minor Raised to Major.

<b>Verified by</b>	<b>Rindu Galih Rezza Rachmansyah</b>
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<b>NCR No.</b>	<b>: 2022.03</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 7 October 2022</b>	<b>Time Limit</b>	<b>: Next Surveillance (Rekomendasi 90 Hari)</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 18 January 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>3.2.2</b> <b>As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.</b>		
<b>Evidence observed</b> <i>(filled by auditor):</i> -			
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> The unit of certification has not been able to show the annual report submitted to the RSPO secretariat through the certification body during the annual audit, using the RSPO metric template format.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> Lack of understanding of filling in data using the RSPO metric template format.			
<b>Correction</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"> <li>• Fill in the annual report data using the RSPO metric template format.</li> <li>• Conduct socialization on filling in metric template data to employees</li> </ul>			
<b>Corrective Action</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"> <li>• Coordinate with related Sections for data input using the RSPO metric template format before the certification audit is carried out in the following year for the accuracy and accuracy of the data presented</li> <li>• Define PIC monitoring inputting metric templates</li> </ul>			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>  <b>Verification date January 16, 2023</b> The company has sent the PKS DOI Rev 002 metric template, however, the information listed is inaccurate, such as: <ul style="list-style-type: none"> <li>• The Mill name written is Dolok Sinumbah</li> <li>• The Palm Trace ID number written does not belong to PKS Dolok Ilir</li> <li>• The HCV area is not suitable</li> <li>• The area of production area and certified area is not appropriate</li> </ul> <b>Auditors' Conclusion:</b> The non-conformity is declared not fulfilled. In order to ensure that the root cause analysis, correction, and corrective action as well as proof of improvement are sent  <b>Verification date January 16, 2023</b> The company has sent the appropriate PKS DOI metric template.  Based on this, the discrepancy on this indicator has been fulfilled.			
<b>Follow up on Next Audit</b> <i>(filled by auditor):</i>			
<b>Verified by</b>	<b>Haikal Ramadhan Kharismansyah</b>		



NCR No.	: 2022.04	Issued by	: Rahmat Abdiansyah
Date Issued	: 7 October 2022	Time Limit	: 05 Januari 2023
NC Grade	: Major	Date of Closing	: 20 Desember 2022
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):			
<ul style="list-style-type: none"><li>The company has conducted a social impact assessment which is stated in the social impact analysis report document which was prepared in collaboration with PT. Surveyor Indonesia, Indonesian Sustainable Palm Oil Foundation in 2009. The document describes the positive and negative impacts of plantation operations and recommendations for the management of social impacts that will be carried out by the company.</li><li>The company has implemented social impact management for the period of 2021 in accordance with the SIA management plan for 2020-2021 such as:<ul style="list-style-type: none"><li>1. Improve communication with stakeholders in the village to discuss participatory village development programs based on priorities from the villagers' point of view.</li><li>2. Conducting socialization if there is an acceptance of labor to the villages around the plantation.</li><li>3. Directing vendors/contractors to prioritize local workforce absorption.</li><li>4. Socialization to the community around the plantation regarding the law applicable in the company against the perpetrators of theft.</li><li>5. Conduct noise testing in the factory area due to complaints from several people about the noise generated by the processing of Dolok Ilir POM.</li></ul></li><li>The company has reviewed the SIA management plan which was carried out on March 3, 2022 which was carried out in a participatory manner through questionnaires to the surrounding community and employees. From the results of the review, there are recommendations for the SIA management plan, namely:<ul style="list-style-type: none"><li>1. Improve communication with stakeholders with village communities.</li><li>2. Opportunity to get a job.</li><li>3. Opportunity to try and work</li><li>4. Scholarships for schoolchildren</li><li>5. replanting activities</li><li>6. Dissemination to the public regarding company policies.</li><li>7. Conflict with farmers</li></ul></li><li>Based on the results of interviews with representatives of the surrounding community in the Serbelawan sub-district and the results of field observations, the following social issues were obtained:<ul style="list-style-type: none"><li>1. Information on job vacancies, people feel less informed if there are job vacancies in the company. This has been done by the company by conducting socialization, but this issue is still developing and the company is still managing it and has been listed in the management plan as a result of the review conducted.</li><li>2. The results of field observations in the Dolok Ilir PKS area are known that the WWTP Pond Flow Meter is not available. The results of interviews with company representatives revealed that the WWTP Pool Flow Meter was lost because it was stolen. This has been done by the company by conducting socialization, but this issue is no longer listed in the management plan of the review results and this issue is still developing. In addition, the results of the monitoring of the theft issue have not been shown by the company.</li><li>3. The results of field observations at the Dolok Ilir Estate and Laras Estate which are adjacent to the villages, it is known that many piles of domestic waste are dumped by the community in the company area. The issue related to domestic waste has not been included in the SIA management plan as a result of the review.</li><li>4. The results of field observations at the Laras Estate show that there are rock excavation activities in the company area bordering the Bah Apal river carried out by the community which have the potential to cause harm and damage to the river border area. This issue has not been included in the company's AIS management plan.</li></ul></li></ul>			

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

1. Based on this evidence, the Company has not been able to show evidence that the SIA management plan that has been implemented can mitigate developing social issues and the reviewed SIA management plan has not covered all developing social issues.

**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):*

- Demonstrate that the SIA program has been implemented, monitored and updated
- Conducting dialogue directly with the community and/or community representatives regarding company policies and accommodating the results of discussions into the SIA report and managing it so that it is well managed and documented and measurable.

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

Establish a special PIC who manages the SIA report so that issues developing in the community can be properly accommodated and monitoring and evaluation of the follow-up of the managed SIA can be measured and traced properly.

**Assessor Evaluation and Conclusion** *(filled by auditor):*
**Auditor Verification November 10, 2022**

The company has sent proof of improvement in the form of:

- SIA outreach activities to the public on 25 October 2022.
- Dissemination of waste disposal to village communities directly adjacent to the company on 19 October 2022.
- Root cause analysis, correction, and corrective action. However, there are still notes and auditor questions.

Based on this evidence, the discrepancies in this indicator unfulfilled.

**Auditor Verification December 6, 2022**

The company has sent proof of improvement in the form of:

- SIA socialization document which was conducted on 25 October 2022. This document contains discussion regarding developing social issues such as theft, garbage disposal, recruitment of workers, etc. However, there are still questions/auditor notes related to this matter as explained in the correction column.
- Root cause, Correction, and Corrective action. However, there are still questions/auditor notes related to corrective actions and corrections carried out by the company.

Based on this evidence, the discrepancies in this indicator unfulfilled.

**Major verification on December 20, 2022**

- The company has shown the management and monitoring plan documents carried out by the company to follow up on the results of discussions related to waste disposal by the community in the 2022 period.
- The company already has a management plan related to theft which has been included in the SIA monitoring with a management plan providing socialization related to securing PTPN IV assets and activities, collecting data on areas prone to theft in the plantation company area and so on.
- The company already has a discussion document regarding rock excavation in the company area which is determined to be in the management of the SIA with a management plan to give a warning to quarrying parties whose work is illegal and provide socialization of the impact if the excavation activity widens.
- Based on a field visit to the company's area which is directly adjacent to the surrounding village, it is known that there is still scattered garbage. Based on interviews with the company, socialization will be conveyed to the village in accordance with the management plan and monitoring of social impacts on an ongoing basis. Socialization has been carried out, for example, on October 19, 2022.

Based on the results of interviews with the PIC assigned to monitor the management of social impacts and verified documentary evidence, the discrepancies have been declared **fulfilled** and will be observed in the next assessment.

Follow up on Next Audit (filled by auditor):
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Verified by
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Rahmat Abdiansyah/ Ririn Sipayung
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NCR No.	: 2022.05	Issued by	: Kiki Fadli
Date Issued	: 7 October 2022	Time Limit	: 05 Januari 2023
NC Grade	: Major (Recurring)	Date of Closing	: 20 Desember 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.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"><li>Based on field visits during harvesting activities, it was found that 1 person in Division VII of Dolok Ilir Estate and 1 person in Division III of Laras Estate was helping to collect loose fruit and FFB from harvesters. From the results of interviews with these people, it is known that they get wages from the job of picking loose fruit and FFB, but it is also conveyed that the personnel are not employees of the company and do not have a cooperation agreement with the company and one of the personnel is not yet 18 years old.</li><li>The company shows a circular letter with No DOI/SE/06/III/2022 on March 23, 2022 regarding the prohibition on replacing work and bringing family, in point 4 explains that it is prohibited for all employees to replace/transfer/bring family to do work that is part of their job. responsibility to others for any reason.</li><li>Law of the Republic of Indonesia No. 13 of 2003 concerning Manpower in Article 50 states that the employment relationship occurs due to the existence of a work agreement between the entrepreneur and the worker/labourer.</li><li>Indonesian Government Regulation No. 35 of 2021 concerning fixed period working agreement, outsourcing, working time and rest time, and termination of employment, states that:<ul style="list-style-type: none"><li>Article 2 paragraph 1 states that the employment relationship occurs because of a work agreement between the entrepreneur and the worker/labourer.</li><li>Article 2 paragraph 4 states that the work agreement is made for a certain time or for an indefinite time.</li></ul></li><li>Corrections were made by showing the minutes of the socialization of the ban on family cup and a letter of reprimand to the harvester with the initials P. However, it is not yet certain, this error did occur only to the worker. Besides that, no plans have been shown to ensure that something similar doesn't happen again in the future</li></ul>			
Non-Conformance Description (filled by auditor): <p>The company has not been able to show enough evidence that the provisions regarding the prohibition of changing jobs and bringing families to help with work have been consistently implemented</p>			
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"><li>Lack of supervision in the field related to workers who are not employees carrying out work activities in the plantation environment.</li><li>Lack of understanding to all workers including worker supervisors (harvest foreman, 1st foreman and assistant) regarding the prohibition of workers bringing their families to help with work is prohibited both according to company regulations and legal provisions in force in the Republic of Indonesia.</li><li>There is no clear mechanism for supervising work activities in the field</li><li>Oversight of the foreman who is less effective and lack of understanding and supervision from the Assistant Head Leadership Employee regarding the prohibition of workers bringing their families</li></ol>			
Correction (filled by organization audited): <ol style="list-style-type: none"><li>Appoint a PIC to carry out field monitoring related to workers who give their work to other people and carry a family cup at work.</li><li>Carry out outreach to all workers regarding the prohibition of using illegal labor</li><li>All harvest workers at harvest time, who are monitored by the harvest foreman every working day do not bring their families.</li></ol>			

4. Conduct socialization on the prohibition of workers bringing their families to the Assistant Head so that they can carry out supervision and supervision regarding harvest workers.

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

7. Monitor and evaluate every day to ensure harvest workers comply with regulations
8. Supervision of harvest workers
9. Sanctions for violations according to the CLA and the Civil Service Regulations
10. 4. Plan for monitoring harvest workers in 2023 with direct supervision from the Assistant Head

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

**Verification November 9, 2022**

The company provided evidence in the form of a decision letter from the manager of Laras Estate and Dolok Ilir Estate to appoint a PIC (assistant and foreman) in monitoring non-employee people participating in work activities.

However, the company still needs to provide an explanation of the auditor team's response, including:

- At the root of the problem, why is there a lack of oversight of non-employees who carry out work activities, while there is supervisory departments such as the harvest foreman, foreman 1 and assistants? (can be reviewed again related to the root of the problem in question)
- Regarding corrective action, from the proof of improvement that was sent, the designated PIC was the previous field supervisor, how can you ensure that the family cup issue will not happen again? (can be reviewed regarding the intended corrective action)
- Regarding preventive measures, was there a previous evaluation, why did the employee not heed the Unit Manager's Circular regarding the prohibition on changing jobs and bringing a family cup? (can be reviewed again related to the intended preventive measures)

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

**Verification date December 5, 2022**

The company has reviewed the root of the problem, corrective actions and corrective actions and has input from the previous NCR, but there are still a number of auditor questions and evidence that has not been sent, including the following:

- In the root of the problem column □ Apart from the circular letter, is there a mechanism in place to monitor employees so they don't bring in people who are not working status (family cup)?
- In the column for corrective actions in number 2, please correct the narration and request for corrections to be added referring to the root of problem number 2.
- In the corrective action column, please show evidence of the implementation of the monitoring and evaluation

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

- Based on field visits to harvesting activities and interviews with 4 harvesters in Block 16K Division 2 Laras Estate, it is known that harvesters work alone without the help of others. The harvesters are also aware of the prohibition against bringing family members/support workers to help with work in the field.
- Based on field visits to harvesting activities and interviews with 4 harvesters in Block 16BR Division 4 and 3 harvesters in Block 16BG Division 3 Dolok Ilir Estate, it is known that harvesters work alone without the help of others. The harvesters are also aware of the prohibition against bringing family members/support workers to help with work in the field.
- The company shows circular no. DOI/SE/49/XII/2022 dated 15 December 2022 regarding the Prohibition of Hiring Workers Who Do Not Have Work Ties/Harvest Assistance (Family Cup). The circular contains a prohibition against not carrying out family cups, imposing sanctions on employees who do family cups, and monitoring and evaluating compliance with vendor/service provider regulations.
- Socialization of the Prohibition of Hiring Workers who do not have work ties which was carried out on December 15, 2022 was conveyed to the Foreman I Division, Harvest Foreman, Maintenance Foreman, Assistant for Plantation Personnel, Plant Clerk and attended by 29 participants at the Dolok Ilir Estate.

- Socialization of the Prohibition of Hiring Workers who do not have work ties which was carried out on December 15, 2022 was conveyed to the Foreman I Division, Harvest Foreman, Maintenance Foreman, Assistant for Plantation Personnel, Plant Clerk and attended by 31 participants at Laras Estate.
- The company shows the plan for the Illegal Labor monitoring program at Laras Estate unit made by the Plantation Personnel Assistant. The programs that have been made include making an integrity pact related to the policy on the prohibition of illegal workers, outreach to employees, determining the PIC to monitor illegal workers, and monitoring the status of workers in the field.
- The company shows documents monitoring the use of auxiliary labor at the Dolok Ilir Plantation for all Division. For example the Prohibition on the Use of Illegal Working Division VIII for the November 2022 period. Based on this monitoring, it is known that there is no use of illegal labor in the plantations.
- Circular No. DOI/SE/Intern/47/XI/2022 dated 26 November 2022 concerning the Prohibition of the Use of Illegal Labor and the Obligation of PPE.
- The company shows documents monitoring the use of auxiliary labor in Laras Estate for all departments. For example the Prohibition on the Use of Illegal Working Division I for the November 2022 period. Based on this monitoring, it is known that there is no use of illegal labor in the plantations.
- Circular No. LAR/SE/Intern/.../XI/2022 dated 26 November 2022 concerning the Prohibition of the Use of Illegal Labor and the Obligation of PPE.
- The company shows the CLA which contains sanctions if employees violate their duties and work which results in losses to the company.

**Verification Date Desember 28, 2022**

- The company provides additional root cause analysis and corrective action.
- The company showed a plan for the monitoring program for harvest workers for the Dolok Ilir and Laras units for 2023 which was made by the plantation personnel assistant. This monitoring will be carried out by the Assistant Head of the Dolok Ilir and Laras Plantation Services.
- Re-socialization of the ban on the use of auxiliary labor which was carried out on 27 December 2022 at the Dolok Ilir and Laras Units which was also attended by the assistant head of the crop service.

In this regard, nonconformity have been met and will be observed again in the next assessment.

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

**Verified by**

**Asystasya Aishah Silalahi**



NCR No.	: 2022.06	Issued by	: Kiki Fadli
Date Issued	: 7 October 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 03 August 2023
Standard Ref. & Requirement	6.2.7 Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"><li>Based on the list of employees for the period of September 2022, it is known that there are 176 harvest workers with permanent employee status and 53 others with fixed period working agreement status.</li><li>The company shows the statement area of Dolok Ilir Estate with a mature area of 5,924 Ha. If it is simulated for the need for harvest labor with the provisions of a 6-day harvest plot and a permanent work target of 3 hectares, then the number of harvesters needed is 329 people, so that from the September 2022 period of harvesting workers as many as 229 people (permanent worker and fixed period working agreement) there is still a difference in the number harvest labor of 100 people.</li><li>Based on interviews with harvest workers, for example, 2 harvest workers (with the initials RK and N) in Division VI and 1 harvest worker (with initials RWN) in Division VII Dolok Ilir Estate, it was stated that the workers are employees with fixed period working agreement status with the longest working period. starting from 2019. The company also shows the results of employee assessments for the period July 1, 2021 to November 19, 2021 with a recommendation for an extended fixed period working agreement.</li><li>Indonesian Government Regulation No. 35 of 2021 concerning fixed period working agreement, outsourcing, working time and rest time, and termination of employment in article 4 paragraph 2 states that fixed period working agreement cannot be held for permanent work.</li><li>Decree of the Central Executive Board of GAPKI 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 job.</li></ul>			
Non-Conformance Description (filled by auditor): <p>The company has not been able to show sufficient evidence that all the main work has been carried out by permanent workers.</p>			
Root Cause Analysis (filled by organization audited): <p>The authority to appoint harvest workers because harvesting work is permanent in PT. Nusantara Plantation III (Persero)</p>			
Correction (filled by organization audited): <ul style="list-style-type: none"><li>Identify all types of work performed by permanent employees</li><li>PT. Perkebunan Nusantara IV has written to PT. Perkebunan Nusantara III (Persero) regarding the appointment of Fixed Period Working Agreement harvest workers</li><li>Coordinate with the HR Section (PTPN IV Management) regarding the proposal to appoint Fixed Period Working Agreement harvest workers to become permanent workers of PT. Nusantara Plantation IV</li></ul>			
Corrective Action (filled by organization audited): <p>Shows the Time Plan for the plan to appoint Fixed Period Working Agreement harvest workers to become permanent workers according to the coordination results of PTPN IV and PTPN III (Persero) with a gradual mechanism in 2023</p>			
Assessor Evaluation and Conclusion (filled by auditor): <p>Verify November 9, 2022</p> <p>Please review the root of the problem, corrective actions and preventive actions for this indicator discrepancy and also send proof of improvements.</p> <p>Based on this, the discrepancy in this indicator is declared not fulfilled</p>			

Verification date January 16, 2022

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

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

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

#### **Verification date 3 August 2023**

The company also shows approval for the appointment of Fixed Period Working Agreement workers to become permanent worker as stated in the Letter of the Director of Plantation Holding HR No. DSDM/N.IV/1730/2023 on 12 June 2023.

Based on this, the discrepancies in this indicator have been fulfilled and become an OFI for companies to follow up and follow up regarding the appointment of Fixed Period Working Agreement workers to become permanent worker in accordance with the letter from the HR Director of Plantation Holding.

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

The company shows approval for the appointment of Fixed Period Working Agreement workers to become permanent worker listed in the Letter of the Director of Plantation Holding HR No. DSDM/N.IV/1730/2023 on 12 June 2023. And this became OFI at 1.3 rating, so that the company has the opportunity to follow up and follow up regarding the appointment of Fixed Period Working Agreement workers to permanent worker in accordance with the letter from the HR Director of Plantation Holdings.

**Verified by**

**Kiki Fadli**

<b>NCR No.</b>	<b>: 2022.07</b>	<b>Issued by</b>	<b>: Rahmat Abdiansyah</b>
<b>Date Issued</b>	<b>: 7 October 2022</b>	<b>Time Limit</b>	<b>: 02 November 2023</b>
<b>NC Grade</b>	<b>: Minor raised to Major</b>	<b>Date of Closing</b>	<b>: 01 November 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.3.1</b> <b>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.</b>		
<b>Evidence observed</b> <i>(filled by auditor):</i>  <b><u>Hazardous and Toxic waste</u></b> Based on document verification and the results of field observations, the following evidences were obtained: <ul style="list-style-type: none"> <li>The SOP for the management of hazardous and toxic waste (B3) with SPO Number 02 revision 03 dated January 02, 2017 explains that all Hazardous waste and former Hazardous waste packaging produced must not be used for other purposes and must be directly submitted to the Temporary Storage of Hazardous Waste located permission.</li> <li>The results of field observations at the Division 7 Estate Dolok Ilir office revealed that there were 2 Pcs of hazardous waste type paint cans and 1 Pcs of used motor oil containers which were not placed in the Temporary Hazardous Waste Storage.</li> <li>Observations in the Dolok Ilir POM area revealed that there were 6 Pcs of hazardous waste type paint cans in a pile of scrap metal that was not placed in the Temporary Storage of Hazardous Waste.</li> <li>The results of observations in the POM Dolok Ilir Workshop area revealed that there were 2 Pcs of Hazardous Waste of the type of used lamps which were not placed in the Temporary Hazardous Waste Storage Area.</li> <li>Based on field observations at the Laras Central Estate Warehouse, it was found out that there were 12 drums of used fertilizer containers of Humega Liquid type which were not placed in the Temporary Storage of Hazardous Waste.</li> <li>The results of field observations in the Engineering Room of the Laras Estate revealed that there were 3 Pcs of used filter type hazardous waste which were not placed in the Temporary Hazardous Waste Storage Area.</li> </ul> <b><u>Domestic Waste</u></b> Based on document verification and the results of field observations, the following evidences were obtained: <ul style="list-style-type: none"> <li>SOP for the management of household domestic waste with SPO Number 20 Revision 03 On January 2, 2018 it is known that every employee collects his waste in the provided trash can and cleans the yard around the housing. Disposal of waste by sorting organic and inorganic waste. The cleaning staff periodically collects waste from the Temporary Place and takes it to the Final Disposal Site using the tools provided.</li> <li>The results of observations at the Dolok Ilir POM employee housing revealed that there were piles of household domestic waste at 2 points behind the housing.</li> <li>The results of field observations at the Division 1 Estate Laras housing estate revealed that there was a hole for domestic waste in the housing area in which there was domestic waste mixed with organic and inorganic waste.</li> <li>The results of field observations in the housing of Dolok Ilir POM employees revealed that there were 2 points of burning domestic waste in the housing area.</li> <li>The results of field observations at the employee housing Division 6 Estate Dolok Ilir revealed that there were traces of domestic waste burning in the housing area.</li> </ul> <b>Non-Conformance Description</b> <i>(filled by auditor):</i> The company has not been able to show sufficient evidence that waste management is in accordance with its SOP.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> There has been no supervision and socialization to employees who have just occupied the official residence.			
<b>Correction</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"> <li>Conduct socialization to all employees and their families regarding domestic waste management and hazardous waste should not be reused according to the company's PDIK.</li> <li>Conduct surveillance/monitoring activities on the state of domestic waste in workers' housing areas.</li> </ul>			

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

- Conducting gotong royong/Jum'at cleanup activities once a week.
- Assign a PIC who oversees waste management.
- Assign special officers to pick up waste periodically.
- Establish regular supervision/monitoring activities

**Assessor Evaluation and Conclusion (filled by auditor):**
**Auditor Verification November 10, 2022**

The company has sent evidence of improvements in the form of root causes, corrections, and corrective actions. However, there are still questions and auditor notes. In addition, the company also has not been able to show evidence of improvement in the results of field observations conducted by the auditors.

Based on this evidence, the discrepancies in this indicator have not been fulfilled.

**Auditor Verification Date August 4, 2023:**

The company shows repair documents in the form of:

- Decree of the Dolok Ilir PKS Manager Number: PKS.DOI/MU/Kpts//2023, regarding the PIC who conducts monitoring of hazardous and toxic waste at the Dolok Ilir PKS Unit, dated January 3, 2023, with the task of: making a routine schedule for maintaining the employee's housing environment, responsible to the Unit Manager
- Socialization of hazardous and toxic Waste on October 12, 2022, with material including: used hazardous and toxic materials packaging that has been used cannot be stored or disposed of in any place, used hazardous and toxic materials packaging that has been used is immediately returned to the temporary storage of hazardous and toxic waste, used hazardous and toxic materials packaging is not allowed used for other purposes, the hazardous and toxic Waste Warehouse staff must ensure the completeness of supporting facilities and infrastructure for the temporary storage of hazardous and toxic waste.

Based on the verification of the repair documents submitted, the Company has not been able to show evidence of improvement in the form of implementing waste/garbage management supervision, mutual cooperation/once a week on Fridays and the appointment of a PIC for waste transport for all work units. Based on this, the discrepancy in this indicator is declared not fulfilled so that it becomes **Minor Raised to Major**.

**Auditor Verification Date November 01, 2023**

The company has redefined the root cause, corrective and corrective actions that are more adequate to resolve this nonconformity since the previous assessment. In addition, there is also some evidence of improvements sent to resolve this matter, namely :

- Program documents for mutual cooperation and monitoring/supervision activities carried out weekly by all workers in the housing area during the 2023 period (August - December 2023).
- Decree Document of the Unit Manager of POM Dolok Ilir No. POMDOI / MU / KPTS / 01 / VIII / 2023 dated August 07, 2023 concerning the appointment of officers / PICs who are responsible for supervising / monitoring domestic waste management in the plantation and factory environment, namely clerk 1 administration, processing clerk and personnel clerk.
- The Decree Document of the Manager of the Dolok Ilir Plantation Unit No. DOI/SK/03/VIII/2023 dated August 21, 2023 concerning the appointment of domestic waste collection officers in the employee housing area is a waste collection officer appointed by each unit and is in charge of transporting waste from housing to a predetermined place.
- Documentation and realization of gotong royong activities every week in August - October 2023 across all housing units in Dolok Ilir.
- Documentation and realization of surveillance/monitoring activities on a weekly basis in August - October 2023 across all housing units in Dolok Ilir.

**Based on the explanation and evidence observed above, it can be concluded that the non-conformity in this indicator can be fulfilled and will be re-observed in the next assessment.**

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

Based on verification on assessment 1.3, the discrepancy in this indicator becomes Minor Raised to Major

**Verified by**

**Fauzi Prima Sanusi & Rindu Galih Rezza Rachmansyah**

NCR No.	: 2022.08	Issued by	: Rahmat Abdiansyah
Date Issued	: 7 October 2022	Time Limit	: 02 November 2023
NC Grade	: Minor raised to Major	Date of Closing	: 02 November 2023
Standard Ref. & Requirement	7.12.7 The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.		
Evidence observed (filled by auditor):			
Based on document verification and the results of field observations, the following evidences were obtained:			
<ul style="list-style-type: none"><li>The results of the previous assessment revealed that there were discrepancies related to the replanting activities in the river border area (HCV) at the Laras Estate.</li><li>The company has evaluated the implementation of the management plan based on the results of the 2021 HCV monitoring carried out on January 22, 2022 (Dolok Ilir Estate) and January 15, 2022 (Estate Laras). From the results of the evaluation conducted by the company, it is known that the function of the HCV area in the last 5 years is in good condition and there is no damage. This is contrary to the actual conditions in the field where in 2021 (ASA 1.1) there will be HCV areas replanted by the company. In addition, from the evaluation results it is known that there is no follow-up that will be carried out by the company.</li><li>Based on the results of field observations at the Dolok Ilir Estate and Laras Estate during the audit activity, the company is currently carrying out replanting. In addition, the results of the verification of the long-term plan document revealed that in the next 5 years the company will also carry out replanting.</li><li>The company already has a HCV management and monitoring plan for the period 2021-2022 where there are several activities to be carried out, for example, socialization of HCV to employees and the community, inventory of the types and number of trees that have been planted, making markers for HCV areas, and installing signs. hunting ban. However, there has been no activity to ensure that replanting activities are not carried out in HCV areas.</li></ul>			
Non-Conformance Description (filled by auditor):			
Based on this evidence, the company has not been able to show evidence that the results of the monitoring carried out are in accordance with actual conditions so that no follow-up has been taken to improve the management plan.			
Root Cause Analysis (filled by organization audited):			
<ul style="list-style-type: none"><li>Lack of supervision and employee security for HCV / Potential HCV areas</li><li>PICs are not yet aware that every implementation of the HCV Management Program is documented.</li></ul>			
Correction (filled by organization audited):			
<ul style="list-style-type: none"><li>Conducting socialization to all Afdeling related to HCV / HCV Potential areas adjacent to the replanting area.</li><li>Monitoring the number of trees/plant distances from HCV areas</li><li>Submit HCV management monitoring documentation</li></ul>			
Corrective Action (filled by organization audited):			
<ul style="list-style-type: none"><li>Conduct monitoring of oil palm areas that will be replanted adjacent to HCV/HCV Potential annually.</li><li>Establish a dedicated PIC to monitor well-managed HCV areas</li><li>Inventory HCV areas, especially riverbanks, and conduct hunting prohibition sign boards.</li><li>Send evidence of Socialization or training for the site teams to document HCV management</li></ul>			
Assessor Evaluation and Conclusion (filled by auditor):			
Auditor Verification November 10, 2022			
The company has sent evidence of improvements in the form of root causes, corrections, and corrective actions. However, there			



are still questions and auditor notes. In addition, the company also has not been able to show evidence of improvement in the results of field observations conducted by the auditors.

Based on this evidence, the discrepancies in this indicator have not been fulfilled.

#### **Auditor Verification Date August 4, 2023:**

The company shows evidence of improvement in the form of:

- Memo of the Dolok Ilir Plantation Manager dated 11 February 2023, Number DOI/KOL/M-13/II/2023, concerning Procedures for managing and monitoring HCV areas along river banks, Umbul/wet springs.
- Electronic memo dated 06 February 2023 Number 04.-3/KOL/eM-104/II/2023, concerning confirmation of procedures for management and monitoring of HCV areas along riverbanks, pennant springs/wetlands
- Report on Monitoring and Management of the Dolok Ilir Plantation HCV Area with information on activities in the form of monitoring the condition of HCV planks, monitoring the application of chemicals in the watershed, monitoring protected forest areas
- Based on the results of a field visit to the Bah Apal River Block Block 21 T Afdeling II, it was shown that there were signs prohibiting hunting, border markings and landslide conditions on the banks of the river as well as the presence of logged-over trees on the border
- Reports of monitoring and management of the HCV area of the Laras estate are not shown
- There is evidence of a Cover Letter for the Dolok Ilir and Laras Protected Area Reports, however the report only contains information on the distribution of protected areas along with their area and maps of the protected areas
- Minutes of Socialization of HCV Management and Monitoring, Laras Plantation Unit, dated 29 April 2023, Attached Document of attendance list of HCV Socialization Activities Afdeling III laras was attended by 30 participants from employees on April 9 2023
- Photo documentation of Community Participation related to social impacts in Nagori Rabuhit, Nagari Tumorang, Nagari Naga Jaya 1 and Bandar Huluan sub-district and Gunung Maligas sub-district
- Evidence from the ASA 1.3 audit, namely:
  - Report on Monitoring and Management of the Dolok Ilir HCV Area with information on activities in the form of monitoring the condition of HCV planks, monitoring the application of chemicals in the watershed, monitoring protected forest areas
  - Based on the results of a field visit to the Bah Apal River Block 21 T Afdeling II Laras Estate, it was shown that there were signs prohibiting hunting, border markings and landslide conditions on the banks of the river as well as the presence of logged-over trees on the border.
  - Not shown report on monitoring and management of HCV area of Laras plantation
  - There is evidence of a cover letter for the Dolok Ilir and Laras Protected Area Reports, however the report only contains information on the distribution of protected areas along with their area and maps of the protected areas.
  - Minutes of Socialization of HCV Management and Monitoring, Laras Plantation Unit, April 29 2023, Attached Document attendance list of Afdeling III Laras HCV Socialization Activities attended by 30 participants from employees on April 9 2023
  - Photo documentation of Community Participation related to social impact in Nagori Rabuhit, Nagari Tumorang, Nagari Naga Jaya 1 and Bandar Huluan sub-district and Gunung Maligas District

Based on the evidence submitted, the company has not responded to the auditor's notes and questions and included evidence of implementation in the field as submitted by the auditee (HCV socialization to the community, inventory of tree species and number of trees that have been planted, marking HCV area boundaries) in the correction and corrective action column. Based on this, the discrepancy in this indicator is stated to have not been fulfilled, so that it becomes **Minor raised to Major**

#### **Auditor Verification dated 02 November 2023**

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

- Documentation of re-socialization activities to all surrounding village communities regarding knowledge along with the boundaries of the HCV area managed by the company on April 29 2023 for Laras Estate and Dolok Ilir Estate on April 9 2023. A list of attendance and documentation of the activities has also been completed.

- Documentation of re-socialization activities to all HCV management PICs regarding knowledge, management, documentation, and things that must be paid attention to in HCV areas managed by the company on April 29 2023 for Laras Estate and Dolok Ilir Estate on April 9 2023. It is also completed with an attendance list along with documentation of activities. (This is done before conducting socialization to the community)
- The HCV area management activity plan in 2023 which has been approved by the top management in the Unit for HCV management activities includes supervision/monitoring activities, planting trees, preventing encroachment, and others.
- Documentation of HCV management activities that were carried out during the previous replanting period in 2022, namely the installation of barriers between HCV and non-HCV, and the installation of HCV warnings in designated locations. There is an inventory of the actual number of plants/plants planted as well as plans for additional activities.
- HCV monitoring and management report in 2022 which has been approved by the top management explaining the activities carried out in 2022. For 2023, monitoring and management activities are still waiting to be completed (after December 2023).

**Based on the explanation and evidence observed, it can be concluded that the non-conformity in this indicator is fulfilled and observations will be reconducted in the next assessment.**

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

Based on verification on assessment 1.3, the discrepancy in this indicator becomes Minor Raised to Major

**Verified by**

**Fauzi Prima Sanusi & Rindu Galih Rezza Rachmansyah**

NCR No.	: 2022.09	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 7 October 2022	Time Limit	: 05 January 2023
NC Grade	: Major	Date of Closing	: 21 December 2022
Standard Ref. & Requirement	<b>Certification System</b> <b>5.5.3</b> 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.		
<b>Evidence observed</b> <i>(filled by auditor):</i> The company has shown documents related to the Time Bound Plan for all units that have not been RSPO certified on November 22, 2021. The document informs the condition of the units that have not been certified, such as: <ul style="list-style-type: none"><li>HCV assessment process and progress.</li><li>Information on new land clearing.</li></ul> However, the 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).			
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> The company has not been able to show sufficient evidence that all units that have not been certified have met the requirements accompanied by supporting documents.			
<b>Root Cause Analysis</b> <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. During the audit, the Partial Audit document was not shown.			
<b>Correction</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>Submitting the results of the Partial Audit</li><li>Revising the updated time bound plan and sending it to Holding Perkebunan Nusantara</li></ul>			
<b>Corrective Action</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>Coordinate with the Planning and Sustainability Section regarding the provision of Partial Audit documents.</li><li>Coordinate with the Nusantara Plantation Holding for revisions to the time bound plan.</li></ul>			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i> <b>Verifikasi Major 21 Desember 2022</b>  Based on PTPN Holding's time bound plan, it is known that there are 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. Related to this, this discrepancy has been fulfilled and for self-assessment other PTPN units will be observed again in the next assessment.			

Follow up on Next Audit (filled by auditor):	
Verified by	Asystasya Aishah Silalahi

## 3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.3

NCR No.	: 2023.01	Issued by	: Ibnu Satria Prabudi
Date Issued	: 4 August 2023	Time Limit	: 2 November 2023
NC Grade	: Major	Date of Closing	: 2 November 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 (dilengkapi oleh auditor):			
<div>1. Dolok Ilir POM Risk Identification Document, Dolok Ilir Estate and Laras Estate. All documents are prepared and determined in January 2023.</div> <div>2. Based on field observations, it is known that there are several OHS problem conditions that have not been identified, for example hazardous conditions in employee housing (storage of harvesting work tools, selling fuel oil, etc.).</div> <div>3. Based on observations of the Work Accident Recapitulation document for the 2023 period, it is known that there have been several work accidents up to the July 2023 period. For example:<div>a. Work Accident Rate at the Dolol Ilir Plantation Unit: 3 cases (1 case while working and 2 cases outside working hours)</div><div>b. Work Accident Rate in Kebun Laras Unit: 5 cases (all occurred while working).</div></div>			
Non-Conformance Description (dilengkapi oleh auditor):			
Based on the audit evidence above, the company has not been able to show sufficient evidence that it has conducted a review of the Risk Analysis Document as an initial action to mitigate potential OHS risks in the field including: <div>a. Identification of potential hazards in housing areas and outreach to interested parties</div> <div>b. Reviewing / revising / re-identifying the Risk Analysis Document after a Work Accident.</div>			
Root Cause Analysis (filled by organization audited):			
<div>The only potential dangers created are the company's operational activities. Dangerous conditions in employee housing such as storage of harvest work tools, and sales of fuel oil have not been carried out.</div> <div>Risk analysis reviews are carried out once a year</div>			
Correction (filled by organization audited):			
<div>Create documents of potential hazards throughout the company environment</div> <div>Conduct a risk review every time a work accident occurs</div>			
Corrective Action (filled by organization audited):			
Coordinate with the afdeling department regarding activities that are often carried out in housing locations so that documents can be created about the potential that exists in the company's housing environment			
Assessor Evaluation and Conclusion (filled by auditor):			
Auditor Verification dated 02 November 2023			
The company has re-determined the root of the problem, corrective and corrective actions that are more adequate to resolve this non-conformity. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely: <div>The HIRAC Review Activity of the Laras Estate Unit was carried out on August 29 2023, which was added regarding activities and work that had not previously been identified, such as the condition/potential for danger in housing, the level of danger and the potential for danger that could cause accidents in all activities and mitigating work accidents in accordance with the actual accidents that occur.</div>			

- The Laras Estate Unit HIRAC document was ratified on August 29 2023 and has been adjusted to the results of the review carried out on the same day.
- The Dolok Ilir Estate Unit HIRAC Review Activity was carried out on August 29 2023, which was added regarding activities and work that had not previously been identified, such as the condition/potential for danger in housing, the level of danger and the potential for danger that could cause accidents in all activities. and mitigating work accidents according to the actual accidents that occur.
- The Dolok Ilir Estate Unit HIRAC document was ratified on August 29 2023 and has been adjusted to the results of the review carried out on the same day.
- The HIRAC Review Activity of the Dolok Ilir POM Unit was carried out on August 29 2023, which was added regarding activities and work that had not previously been identified, such as the condition/potential for danger in housing, the level of danger and the potential for danger that could cause accidents in all activities. and mitigating work accidents according to the actual accidents that occur.
- The Dolok Ilir POM Unit HIRAC document was ratified on August 29 2023 and has been adjusted to the results of the review carried out on the same day.
- Additional activities specifically for potential danger risks in housing areas have been fully socialized to housing residents in all units (Dolok Ilir Estate, Dolok Ilir POM and Laras Estate) on August 29 2023.
- Re-socialization related to the results of the review and ratification of HIRAC to all workers in each unit (Dolok Ilir Estate, Dolok Ilir POM and Laras Estate) on 09 September 2023. A list of attendance and activity documentation is attached to it.

**Based on the above explanation and evidence observed, it can be concluded that the non-conformity in this indicator is fulfilled and observations will be recorded in the next assessment.**

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

**Verified by** : Rindu Galih Rezza Rachmansyah



NCR No.	:	2023.02	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	04 August 2023	Time Limit	:	02 November 2023
NC Grade	:	Major	Date of Closing	:	02 November 2023
Standard Ref. & Requirement	:	<p>3.8.8 <b>Sales and Goods Out</b></p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"><li>a. The name and address of the buyer;</li><li>b. The name and address of the seller;</li><li>c. The loading or shipment / delivery date;</li><li>d. The date on which the documents were issued;</li><li>e. RSPO certificate number;</li><li>f. A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations);</li><li>g. The quantity of the products delivered;</li><li>h. Any related transport documentatio;</li><li>i. A unique identification number.</li></ul>			
<p><b>Evidence observed</b> <i>(filled by auditor):</i></p> <p>Companies can show Shipping Announcement documents for CSPK with Transaction ID No. TR-0da8c235-2a98 and No. TR-634dd4e2-8080 where the transaction is addressed to PT Perkebunan Nusantara IV – Pabatu Palm Kernel Processing Factory. From the Shipping Announcement document, the company cannot show related shipping notes, shipping documents and so on that are in accordance with the shipping Announcement.</p>					
<p><b>Non-Conformance Description</b> <i>(filled by auditor):</i></p> <p>The company has not been able to prove that every sale and release of certified products has supporting documents such as shipping notes, shipping documents and so on.</p>					
<p><b>Root Cause Analysis</b> <i>(filled by organization audited):</i></p> <p>Sales and outgoing goods from certified products are carried out by the Medan head office so that the unit cannot control it directly.</p>					
<p><b>Correction</b> <i>(filled by organization audited):</i></p> <p>Coordinate with the Medan Head Office to send to the Unit sales documents and outgoing goods from certified products periodically.</p>					
<p><b>Corrective Action</b> <i>(filled by organization audited):</i></p> <ul style="list-style-type: none"><li>• Attach/archive all CSPK sales and outgoing goods files every month after coordinating with the Medan Head Office.</li><li>• Carrying out outreach activities related to SCCS and related to coordination with the Medan Head Office Section to all PICs.</li></ul>					
<p><b>Assessor Evaluation and Conclusion</b> <i>(filled by a auditor):</i></p> <p><b>Auditor Verification dated 02 November 2023</b></p> <p>The company has re-determined the root of the problem, correction and corrective actions that are more adequate to resolve this non-conformity. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely:</p>					

- Coordination meeting held online (zoom) on 09 August 2023 between all leaders (managers of all PTPN IV units) along with PIC SCCS (all PTPN IV units) with the Medan department regarding coordination between the units and Medan regarding sales and recording mechanisms, so that later there will no longer be any miscommunication between the two parties.
- Socialization to all interested parties related to SCCS, namely Unit Managers, Assistants, Krani and others within the scope of Dolok Ilir Mill on 09 August 2023 (after coordination activities) for further understanding regarding the results of coordination between the unit and Medan parties regarding sales and recording mechanisms, so that later there will no longer be any miscommunication between the two parties.
- Dolok Ilir PMO Manager's Decree No. PKS.DOI/Kpts/01/IX/2023 dated 11 September 2023 concerning the appointment of a new PIC who focuses more on providing and storing SCCS data during sales activities of RSPO-certified products every year.
- Archive documents for sales and outgoing goods for the period August – October 2023 which are well documented along with Shipping Announcements samples for CSPK with Transaction ID No. TR-0da8c235-2a98 and No. TR-634dd4e2-8080 in which the transaction was addressed to PT Perkebunan Nusantara IV – Pabatu Palm Kernel Processing Factory has been properly recorded (previously it could not be shown).

**Based on the explanation and evidence observed, it can be concluded that the non-conformity in this indicator can be met and observations will be reconducted in the next assessment.**

**Verified by**

**Rindu Galih Rezza Rachmansyah**

NCR No.	:	2023.03	Issued by	:	Rindu Galih Rezza Rachmansyah
Date Issued	:	04 August 2023	Time Limit	:	02 November 2023
NC Grade	:	Major	Date of Closing	:	02 November 2023
Standard Ref. & Requirement	:	<b>3.8.16</b> <b><u>Registration of Transactions</u></b> <b>i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified Improved risk management to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</b> <b>ii. Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</b>			
<b>Evidence observed</b> <i>(filled by auditor):</i> Companies can show Shipping Announcement documents for CSPO with Transaction ID No. TR-c9bcef4d-e4d1 and CSPK with No. TR-0da8c235-2a98, where in the Shipping Announcement information there are several things to note, namely: <ul style="list-style-type: none"><li>• <b>CSPO with Transaction ID No. TR-0da8c235-2a98</b> In this document there is information that the Shipping Date/BL Date is January 11, 2023 and this document was made on February 27, 2023. However, the Bill of Date listed in the Transaction Record from Palm Trace data states that the actual date is November 14 2022 while on that date the company is in the Suspend Certificate stage (October 14 – December 29 2022). And for the supporting documents/supporting information related to the actual delivery it cannot be shown.</li><li>• <b>CSPO with Transaction ID No. TR-c9bcef4d-e4d1</b> In this document there is information that the Shipping Date/BL Date is 11 January 2023 and this document was made on 16 February 2023. However, in actual data the CSPO shipment is 09 September 2022 and the Shipping Announcement has been made more than 3 months since actual delivery.</li></ul>					
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> The company has not proven that all transactions carried out have been informed in the RSPO IT facility in the form of a Shipment Announcement in accordance with the time frame (no more than three months from delivery) and accompanied by supporting data.					
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> Sales and outgoing goods from certified products are carried out by the Medan head office so that the unit cannot control it directly, resulting in delivery announcements exceeding the deadline.					
<b>Correction</b> <i>(filled by organization audited):</i> Coordinate with the Medan Head Office to send sales documents and outgoing goods to the unit of certified products periodically so that delivery announcements can run properly.					
<b>Corrective Action</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>• Attach/archive all CSPK sales and outgoing goods files every month after coordinating with the Medan Head Office.</li><li>• Carrying out outreach activities related to SCCS and related to coordination with the Medan Head Office Section to all PICs.</li></ul>					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by a auditor):</i> <b>Auditor Verification dated 02 November 2023</b> The company has re-determined the root of the problem, correction and corrective actions that are more adequate to resolve this non-conformity. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely:					

- Coordination meeting held online (zoom) on 09 August 2023 between all leaders (managers of all PTPN IV units) along with PIC SCCS (all PTPN IV units) with the Medan department regarding coordination between the units and Medan regarding sales and recording mechanisms, therefore there will no longer be any missed communications between the two parties and delays in reporting delivery announcements on Palm Trace.
- Socialization to all interested parties related to SCCS, namely Unit Managers, Assistants, Krani and others within the scope of Dolok Ilir Mill on 09 August 2023 (after coordination activities) for further understanding regarding the results of coordination between the unit and Medan parties regarding sales and recording mechanisms, so that later there will no longer be any missed communications between the two parties and delays in reporting delivery announcements on Palm Trace.
- Dolok Ilir POM Manager's Decree No. PKS.DOI/Kpts/01/IX/2023 dated 11 September 2023 concerning the appointment of a new PIC who focuses more on providing and storing SCCS data during sales activities of RSPO-certified products every year.
- Archived documents for sales and outgoing goods for the period August – October 2023 which are well documented along with examples of Shipping Announcements for CSPK with Transaction ID No. TR-0da8c235-2a98 and No. TR-634dd4e2-8080 in which the transaction was addressed to PT Perkebunan Nusantara IV – Pabatu Palm Kernel Processing Factory has been properly recorded (previously it could not be shown).

**Based on the explanation and evidence observed, it can be concluded that the non-conformity in this indicator is fulfilled and observations will be reconducted in the next assessment.**

<b>Verified by</b>	<b>Rindu Galih Rezza Rachmansyah</b>
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<b>NCR No.</b>	<b>: 2023.04</b>	<b>Issued by</b>	<b>: Rindu Galih Rezza Rachmansyah</b>
<b>Date Issued</b>	<b>: 04 August 2023</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>4.3.1</b> <b>: Contributions to community development that are based on the results of consultation with local community are demonstrated.</b>		
<b>Evidence observed (filled by auditor):</b> <p>At the time of the previous assessment activity (Surveillance-1.2) there were OFI (Opportunity for Improvement) records from the auditor team regarding the involvement of stakeholders in the preparation of community development programs (CSR) which later the program would not only be in the form of social assistance but could also be in the form of partnerships or community empowerment. During the audit activity, the company can show some evidence to ensure that the previous year's records have been realized positively, where some evidence is shown, namely:</p> <ul style="list-style-type: none"> <li>• The 2023 CSR program for Dolok Ilir is the Construction of the An Nur Mosque Phase 2 which is planned for November 2023. The planned CSR program is only in the form of 1 type.</li> <li>• The 2023 CSR program for Laras is the Construction of Rabat Nagori Gajing Jaya Road which is planned for August 2023. The planned CSR program is only in the form of 1 type.</li> <li>• Evidence of a questionnaire given to community leaders and the village around the company in 2022 as a basis for determining CSR programming in 2023, but the questionnaire does not contain information about what CSR is expected/needed from the surrounding community.</li> <li>• Based on the results of interviews with the village and surrounding communities (community leaders) it is known that the company has never involved the community in making the CSR program every year and only provides questionnaires to be filled in while there are no sections or information that can be conveyed related to the required CSR At the moment.</li> <li>• The company also has Basic Guidelines and Work Instructions for Distribution of Partnership Program Funds, Community Development and Corporate Social Responsibility documents no. 04.PKBL/04.PKBL/SUB/P/002 June 2013 revision 1 dated 1 August 2018. These guidelines include explaining Partnership, CSR, and Community Development Work Programs along with the procedures for submitting them and their preparation. But the company has not been informative and has actually implemented it.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> <p>The company has not been able to prove that the contributions made to the surrounding community have been based on the results of consultations with local communities and have been well documented.</p>			
<b>Root Cause Analysis (filled by organization audited):</b>			
<b>Correction (filled by organization audited):</b>			
<b>Corrective Action (filled by organization audited):</b>			
<b>Assessor Evaluation and Conclusion (filled by a auditor):</b>			
<b>Verified by</b>			

NCR No.	: 2023.05	Issued by	: Fauzi Prima Sanusi
Date Issued	: 4 August 2023	Time Limit	: 2 November 2023
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	7.11.3 The unit of certification engages stakeholders in adjacent locations for fire prevention and control measures.		
<b>Evidence observed</b> <i>(dilengkapi oleh auditor):</i> 1. Monitoring of the Dolok Ilir Estate Fire Facility for the December 2022 period, available 1 unit of pressurized engine, 1 unit of hose, 1 unit of suction hose, 1 nozzle, 18 shovels, 12 hoes, 1 drone, 5 hoes, pole hooks 8, axes 16, fruit, water tanks 2 units 2. Field visits at the Central Office of Dolok Ilir Estate and Laras Estate, a fire extinguisher was tested with the results: - At Dolok Ilir plantation, the fire engine cannot be used, while for Laras Estate it is functioning properly - In the Laras estate, it cannot be shown the availability of fire extinguishers other than a fire extinguisher and its accessories and a water tank unit - The results of interviews with officers in Afdeling I found that there was no land fire extinguishing equipment other than Fire Extinguisher 3. Long-Term Program for Procurement of Equipment for fire facilities and infrastructure, the Dolok Ilir Estate Unit and the Laras Estate Unit, 12 December 2022, signed by the head of administration.			
<b>Non-Conformance Description</b> <i>(dilengkapi oleh auditor):</i> Based on the above evidence, the company has not been able to demonstrate a risk analysis of fire-prone areas. The Long-Term Program for Procurement of Facilities and Infrastructure for the Dolok Ilir and Laras Plantation Units has been submitted to management and approved and has not been shown to provide a budget for the fulfillment of land fire extinguishing infrastructure.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i>			
<b>Correction</b> <i>(filled by organization audited):</i>			
<b>Corrective Action</b> <i>(filled by organization audited):</i>			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>			
<b>Follow up on Next Audit</b> <i>(filled by auditor):</i>			
Verified by	:		



<b>NCR No.</b>	<b>: 2023.06</b>	<b>Issued by</b>	<b>: Rindu Galih Rezza Rachmansyah</b>
<b>Date Issued</b>	<b>: 04 August 2023</b>	<b>Time Limit</b>	<b>: 02 November 2023</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 02 November 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>RSPO Certification System 2020 Clause 5.5.2 Time Bound Plan</b>		
<b>Evidence observed</b> <i>(filled by auditor):</i> <ul style="list-style-type: none"> <li>The company shows the Time Bound Plan for all management subsidiary units of PT Perkebunan Nusantara III which has been renewed in 2022 where there are several Uncertified Units (41 Units) that are planned to be certified past 30 June 2023. Based on the 2020 RSPO Certification System clause 5.5.2 it is known that the exclusion period outside the maximum period of the Time Bound Plan must obtain approval from the RSPO Secretariat. Based on the announcement for the Time Bound Plan from RSPO on 21 December 2021, RSPO members must be certified no later than 5 years starting from the effective RSPO Certification System from 01 July 2018 (until 30 June 2023).</li> <li>Companies can show an email on 21 July 2023 to the RSPO Secretariat regarding the Time Bound Plan Report for Holding Perkebunan Nusantara PT Perkebunan Nusantara III in 2023, in which the email asks to inform RSPO regarding submitting the Time Bound Plan and awaiting approval from RSPO.</li> <li>On 03 August 2023 the company received a reply email from the RSPO regarding the previously submitted Time Bound Plan and the reply from the email stated that there were still a number of notes that needed to be revised by the company and the result was that the company had not yet received approval from the RSPO.</li> </ul>			
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> The company has not been able to provide evidence that the Time Bound Plan for several uncertified units (exceeding 30 June 2023) has received approval from the RSPO.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> The 2023 TBP has not yet been sent by the PIC of the Planning and Sustainability Section of PTPN IV to Holding Perkebunan Nusantara to report the TBP to the RSPO.			
<b>Correction</b> <i>(filled by organization audited):</i> Submit RSPO-approved TBP 2023 Holding documents			
<b>Corrective Action</b> <i>(filled by organization audited):</i> Send Screen Shoot E-mail for RSPO approval regarding TBP 2023			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>  <b>Auditor Verification dated 02 November 2023</b> The company has re-determined the root of the problem, correction and corrective actions that are more adequate to resolve this non-conformity. Apart from that, there is also some evidence of improvements that have been sent to resolve this, namely: <ul style="list-style-type: none"> <li>Proof of the revised TBP document transmission for PT Perkebunan Nusantara III which was previously sent on 21 August 2023 and revised again on 29 August 2023 to the RSPO Secretariat, and approval for the TBP transmission on 22 September 2023.</li> <li>TBP document for PT Perkebunan Nusantara III in Excel form which was sent on 21 August 2023 and received Approval by the RSPO Secretariat on 22 September 2023, where it shows the units that are under PT Perkebunan Nusantara III and are planned to carry out activities certification in the 2023-2026 period.</li> </ul> <b>Based on the above explanation, this non-conformity is declared to have been fulfilled.</b>			
<b>Verified by</b>	<b>Rindu Galih Rezza Rachmansyah</b>		

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	3.4.3	<p><b>The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.</b></p> <p>Companies have the opportunity to ensure that a report on the implementation of the RKL-RPL Semester I of 2023 is immediately prepared and reported to the Relevant Agencies</p>
2	6.2.7	<p><b>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.</b></p> <p>The company shows a list of employees and a Fixed Period Working Agreement registration letter to the Office of Manpower and Transmigration of Simalungun Regency with No. DOI/X/93/VII/2023 on July 24 2023, it is known that there are 74 workers with Fixed Period Working Agreement status.</p> <p>The company also shows approval for the appointment of Fixed Period Working Agreement workers to become permanent worker as stated in the Letter of the Director of Plantation Holding HR No. DSDM/N.IV/1730/2023 on 12 June 2023. Based on this, the company has the opportunity to follow up and follow up regarding the appointment of Fixed Period Working Agreement workers to become permanent worker in accordance with the letter from the HR Director of Plantation Holdings.</p>
3	6.7.5	<p><b>Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</b></p> <p>The company has the opportunity to review the Work Accident Recapitulation Form by ensuring that the input data and or information is in accordance with the topic of discussion, especially in the "ACCIDENTS FACTORS" and "ESTIMATED LOSS" columns.</p>

**3.4.4. Noteworthy Positive Components**

No	Description
1	The company's commitment to apply the principles of sustainable palm oil management
2	Has received ISPO certification
3	Good coordination and presentation of documents by the companion team

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Transporter PK (CV Pelita Jaya)</b> <ul style="list-style-type: none"> <li>• Work agreements are made with a maximum period of 1 year.</li> <li>• The Work Agreement Letter states the contractor's obligation to comply with government regulations, company regulations and meet ISPO, RSPO and ISCC standards.</li> <li>• No complaints in payments</li> </ul>	<p>There are no negative issues that need further verification.</p>
<b>Agriculture Agency of Simalungun District</b> <ul style="list-style-type: none"> <li>• A plantation assessment has been carried out in 2021 with plantation class II results for the Dolok Ilir estate and Laras estate</li> <li>• Companies are encouraged to implement community land management partnership programs</li> <li>• The company routinely submits PUP reports every 6 months</li> <li>• The company submits a fire control report once every 6 months containing information on activities for 6 months</li> <li>• Potential pests in the Simalungun district are Ganoderma attacks</li> <li>• The company is actively involved in providing information for weekly FFB pricing</li> <li>• The FFB price is determined by the North Sumatra Provincial Agriculture Office every Wednesday and is effective for 1 week from the date of stipulation</li> <li>• The company actively communicates with the Department</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>Simalungun District Environmental Office, Division of Environmental Compliance and Improvement :</b> <ul style="list-style-type: none"> <li>• The company already has a permit for hazardous waste management and a permit for the utilization of liquid waste that is still valid</li> <li>• The environmental permit has not been changed</li> <li>• The company routinely and in an orderly manner submits reports on the implementation of the Environmental Management and Monitoring Plan, Management of Toxic Hazardous Waste, Utilization of Liquid Waste and Self-monitoring</li> <li>• There were no reports of complaints from the public or NGOs regarding the negative impact of the company's operations</li> <li>• Company communication is relatively good and cooperative</li> </ul>	<p>There are no negative issues that need further verification</p>
<b>State Land Agency of Pematang Siantar Regency:</b> <ul style="list-style-type: none"> <li>• There is a settlement of a land dispute with an area of 121 Ha in the Dolok Ilir Estate, currently the case has received a decision at the cassation level with the result that the area is the PTPNIV area, the decision at the cassation level is awaiting permanent status</li> </ul>	<p>There are no negative issues that need further verification</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Regarding land claims in the 131 Ha Laras estate area, currently this case is not being handled by the BPN and there is no incoming information regarding the claim</li> <li>In a HGU extension process, it is possible to reduce the area, due to among others the presence of settlements, the presence of unmapped rivers and the presence of public facilities</li> </ul>	
<b>Manpower Office of Simalungun District</b> <ul style="list-style-type: none"> <li>The company actively submits PKWT reports</li> <li>Labor unions are available at the company and registered in the province because PTPN IV's area is spread across various government administration areas</li> <li>There are casual daily workers who work under vendors for transporting and loading FFB</li> <li>Simalungun Regency minimum wage in 2023 is Rp. 2,890,000</li> <li>There are no reports regarding labor disputes and other negative issues that are spread through the mass media</li> </ul>	There are no negative issues that need further verification
<b>Village Head / Pangulu Naga Jaya Village 1</b> <ul style="list-style-type: none"> <li>There is a desire by the Village government to utilize the Company's land which is on the side of the road bordering the ditch to build shop buildings, with the aim of driving Community businesses</li> <li>The company's response is relatively fast when there is a request for road repair assistance</li> <li>There are community members who work at the Company during harvesting activities, drivers and staff</li> <li>Many community members sell FFB to companies through suppliers</li> <li>Relatively good relationship and communication between the village and the company</li> <li>There are no negative issues developing in the community</li> </ul>	There are no negative issues that need further verification
<b>Community Leader of Huta III Gajing Jaya Village</b> <ul style="list-style-type: none"> <li>There is road repair assistance with cementation along 150 meters</li> <li>Community members have been accepted as security personnel at the company</li> <li>There are donations of funds for the construction of mosques</li> <li>The company provides land within the village boundary for grass cultivation as a source of fodder for the Community's livestock</li> <li>Communities are given access to grazing livestock in the location of tall plantation blocks/old plantations, not in young plantation areas</li> <li>There is no tenure conflict with the company</li> </ul>	There are no negative issues that need further verification
<b>Head of Dolok Ilir Village I</b> <ul style="list-style-type: none"> <li>There is community hope for the utilization of liquid waste by flowing it into the river, so that worms arise in the river flow as a source of feed for fish farming</li> </ul>	There are no negative issues that need further verification


Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Companies to open up greater opportunities for opportunities to recruit workers with priority received from the local community</li> <li>Relations and communication between the village and the company are well established</li> <li>In the process of planning CSR activities the Company has not actively carried out in a participatory manner, in the process of determining the CSR program usually only notification of the program to the Village</li> <li>Social assistance that is often provided by the Company is in the form of road repairs</li> <li>The company is expected to increase the realization of CSR in the community</li> </ul>	
<b>Head of Dolok Maimu Village</b> <ul style="list-style-type: none"> <li>There is community hope for the utilization of liquid waste by flowing it into the river, so that worms arise in the river flow as a source of feed for fish farming</li> <li>Companies to open up greater opportunities for opportunities to recruit workers with priority received from the local community</li> <li>Relations and communication between the village and the company are well established</li> <li>In the process of planning CSR activities the company has not actively carried out in a participatory manner, in the process of determining the CSR program usually only notification of the program to the Village</li> <li>There needs to be an arrangement for the realization of the CSR program so that the villages around the Company can receive CSR equally</li> <li>The company is expected to increase the realization of CSR in the community</li> </ul>	There are no negative issues that need further verification
<b>Head of Amansari Village</b> <ul style="list-style-type: none"> <li>There is community hope for the utilization of liquid waste by flowing it into the river, so that worms arise in the river flow as a source of feed for fish farming</li> <li>So that the Company gives priority to local residents in recruiting workers</li> <li>Relations and communication between the village and the company are well established</li> <li>There is social assistance provided by the Company but not routinely</li> <li>The company is expected to increase the realization of CSR in the community</li> </ul>	There are no negative issues that need further verification
<b>Gender Committee (Estate and Mill)</b> <ul style="list-style-type: none"> <li>The company gives freedom in carrying out gender committee activities</li> <li>Routine activities carried out include monitoring acts of violence and sexual harassment against female workers every 2 months, recitation and healthy gymnastics</li> </ul>	There are no negative issues that need further verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>There were no reports of acts of violence and sexual harassment in the last 1 year</li> <li>There is no difference in treatment between female workers and male workers in the Company, both for job opportunities and careers</li> </ul>	
<b>Labor union (Estate &amp; Mill)</b> <ul style="list-style-type: none"> <li>The work agreement between the company and the workers is contained in a collective labor agreement that has been ratified by the Provincial Manpower Office</li> <li>Trade union meetings are usually held every 3 months, attended by workers' representatives</li> <li>Workers on holidays Most choose to work because they get extra money, but there is no coercion from the Company, workers can choose to work or stay on holiday</li> <li>Employee welfare facilities have been fulfilled by the Company in the form of provision of livable housing, availability of clean water without usage restrictions, and subsidized electricity bill payments</li> <li>Trade union membership covers all levels of permanent workers</li> <li>Housing damage repairs facilitated by the Company</li> <li>There were no reports of negative issues related to the working relationship between the Company and employees</li> </ul>	There are no negative issues that need further verification
<b>FFB Transport Contractor CV Ojo Dumeh</b> <ul style="list-style-type: none"> <li>The scope of the cooperation agreement includes the transportation of FFB from the plantation to the POM and the loading of FFB from the harvest location to trucks</li> <li>The cooperation agreement period is 3 years</li> <li>There is a penalty if the fruit does not reach the POM</li> <li>Until now there have been no problems with the payment of work results</li> <li>The work agreement requires that the legality of the vehicle includes a vehicle registration certificate and a driving test as well as a driver's license</li> <li>Drivers and loaders are required to be equipped with PPE, and employment and health insurance</li> <li>In one day each truck fleet can transport as many as 3 rounds with a maximum load capacity of 7 tons</li> <li>Time for payment of work results is always on time</li> </ul>	There are no negative issues that need further verification
<b>FFB supplier CV Riana Lim</b> <ul style="list-style-type: none"> <li>Has been working with the Company for 4 years</li> <li>The work agreement letter is renewed every 6 months with the terms of price fixing by the Company and fruit selection is carried out according to the criteria set out in the agreement letter</li> </ul>	There are no negative issues that need further verification



Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Information on changes in the price of FFB is conveyed by the Company every day at 17.00 PM – 20.00 PM, via the Whatsapp message media</li> <li>Realization of payment sasi is done every 3 – 6 days</li> <li>There are no problems in the payment process either the time or the amount of payment</li> <li>Recapitulation of payments based on incoming FFB and known to both parties</li> </ul>	
<b>FFB supplier CV Sauhur Jaya</b> <ul style="list-style-type: none"> <li>Has been working with the Company for 3 years</li> <li>The work agreement letter is renewed every 6 months with the terms of price fixing by the Company and fruit selection is carried out according to the criteria set out in the agreement letter</li> <li>Information on changes in the price of FFB is conveyed by the Company every day at 17.00 PM – 20.00 PM, via the WhatsApp message medium</li> <li>Realization of payment sasi is done every 3 – 6 days</li> <li>There are no problems in the payment process either the time or the amount of payment</li> <li>Recapitulation of payments based on incoming FFB and known to both parties</li> <li>Every day the FFB sent ranges from 30 tons – 100 tons</li> <li>If the FFB sent does not meet the agreed criteria, then the FFB will be returned to the supplier</li> </ul>	There are no negative issues that need further verification
<b>PT Karisma Marketing Bersama Nusantara-Contractor for transporting FFB from Laras Estate</b> <ul style="list-style-type: none"> <li>Transportation of empty fruit bunches to afdeling I and IV</li> <li>The work agreement is valid for 3 years</li> <li>Transport capacity per day 80 - 100 tons</li> <li>Never had a problem with the payment process</li> <li>The work agreement requires that the legality of the vehicle includes a vehicle registration certificate and a driving test as well as a driver's license</li> <li>Drivers and loaders are required to be equipped with PPE, and employment and health insurance</li> </ul>	There are no negative issues that need further verification
<b>PT Karya Mandiri-Contractor for Transporting Palm Kernels</b> <ul style="list-style-type: none"> <li>The cooperation contract is valid for 1 year and a re-tender will be held for the extension of the contract</li> <li>Transportation of kernels every day around 25 - 30 tons</li> <li>Mileage of transporting kernels as far as 30 km</li> <li>Cooperation with PTPN IV has been running for about 3 years</li> <li>Transportation information is conveyed by PTPN IV every afternoon around 5 PM</li> <li>During the cooperation process there were no serious problems/obstacles to the process of activities within the cooperation environment</li> </ul>	There are no negative issues that need further verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• The work agreement requires that the legality of the vehicle includes a vehicle registration certificate and a driving test as well as a driver's license</li> <li>• Drivers and loaders are required to be equipped with PPE, and employment and health insurance</li> <li>• Until now, the payment process for the contractor's work has been running smoothly, there have been no shortages or payment systems</li> </ul>	

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perkebunan Nusantara IV Management Representative</p>  <p><b><u>Pirgok Panggabean</u></b> Thursday, 02 November 2023</p> </div> <div style="text-align: center;"> <p>PT Mutuagung Lestari Tbk Lead Auditor</p>  <p><b><u>Hasiholan Sihombing</u></b> Thursday, 02 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	Agriculture Agency of Simalungun District	Simalungun District	-	Telephone	31-07-2023	√	
2	Simalungun District Environmental Office, Division of Environmental Compliance and Improvement	Simalungun District	-	Telephone	31-07-2023	√	
3	State Land Agency of Pematang Siantar Regency	Pematang Siantar Regency	-	Telephone	01-08-2023	√	
4	Manpower Office of Simalungun District	Simalungun District	-	Telephone	01-08-2023	√	
5	Village Head / Pangulu Naga Jaya Village 1	Pangulu Jaya Village	-	Interview	01-08-2023	√	
6	Community Leader of Huta III Gajing Jaya Village	Gajing Jaya Village	-	Interview	01-08-2023	√	
7	Head of Dolok Ilir Village I	Dolok Ilir Village	-	Interview	01-08-2023	√	
8	Head of Dolok Maimu Village	Dolok Maimu Village	-	Interview	01-08-2023	√	
9	Head of Amansari Village	Amansari Village	-	Interview	01-08-2023	√	
10	Gender Committee (Estate and Mill)	Dolok Ilir	-	Interview	01-08-2023	√	
11	Labor union (Estate & Mill)	Dolok Ilir	-	Interview	01-08-2023	√	
12	FFB Transport Contractor CV Ojo Dumeh	Batu Nanggar	-	Interview	01-08-2023	√	
13	FFB supplier CV Riana Lim	Batu Nanggar	-	Telephone	03-08-2023	√	
14	FFB supplier CV Sauhur Jaya	Batu Nanggar	-	Telephone	03-08-2023	√	
15	PT Karisma Marketing Bersama Nusantara- Contractor for transporting FFB from Laras Estate	Dolok Ilir	-	Interview	03-08-2023	√	
16	PT Karya Mandiri-Contractor for Transporting Palm Kernels	Simalungun	-	Telephone	03-08-2023	√	
17	Transporter PK (CV Pelita Jaya)	Indonesia	-	Telephone	01-08-2023	√	-
18	Greenpeace	-	<a href="mailto:info.id@greenpeace.or.id">info.id@greenpeace.or.id</a>	Email	24-07-2023		√
19	Sawit watch	Bogor, Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	24-07-2023		√
20	WWF	Jakarta, Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	24-07-2023		√
21	WALHI	Jakarta, Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Email	24-07-2023		√

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
22	AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email	24-07-2023		✓
23	<b>Dolok Ilir POM</b> <ul style="list-style-type: none"> <li>• 2 warehouse officers</li> <li>• 1 WTP Officer</li> <li>• 1 Lab worker</li> <li>• 2 Security</li> <li>• 1 Weighbridge Operator</li> <li>• 1 WTP Operator</li> <li>• 1 WWTP Operator</li> </ul>	PTPN IV – Dolok Ilir	-	Interview	01-08-2023	✓	
24	<b>Dolok Ilir Estate</b> <ul style="list-style-type: none"> <li>• 2 warehouse officers</li> <li>• 1 HCV Officer</li> <li>• 1 HGU Pole Personnel (foreman)</li> <li>• 3 Housing Resident</li> <li>• 1 HCV Personnel (Assistant)</li> </ul>	PTPN IV – Dolok Ilir	-	Interview	01-08-2023	✓	
25	<b>Laras Estate</b> <ul style="list-style-type: none"> <li>• 8 Harvesters</li> <li>• 4 Harvester foremen</li> <li>• 6 Maintenance worker</li> <li>• 1 Driver</li> <li>• 3 FFB loader</li> <li>• 1 HGU Pole Personnel (foreman)</li> <li>• 3 Housing Resident</li> <li>• 1 HCV Personnel (Assistant)</li> </ul>	PTPN IV – Dolok Ilir	-	Interview	02-08-2023	✓	

**Appendix 2. Assessment Program**

DATE	31 July – 04 August 2023	
PROGRAM (WIB)	CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 31 July 2023</b>		
07.05 – 09.30	<b>Jakarta → Medan</b>	<b>All Auditor</b>
10.00 – 13.00	<b>Medan → Site (PTPN IV – Dolok Ilir POM)</b>	<b>All Auditor</b>
14.00 – 14.30	<b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor</b>
14.30 – 17.00	<b>Document Review and Completing Audit Checklist.</b>	<b>All Auditor</b>
<b>Tuesday, 01 August 2023</b>		
08.00 – 12.00	<b>Public Consultation in Simalungun Regency (Environment; Manpower &amp; Transmigration; Plantation; and National Land Agency)</b>  <b>Public Consultation with Internal Stakeholder (Worker Union, Gender Committee, Worker Cooperative), Surrounding Community, and Contractor.</b>	<b>FPS</b>  <b>FPS</b>
08.00 – 12.00	<b>Field Observation to Dolok Ilir Estate:</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application); Implementation of Occupational Health &amp; Safety Aspect; Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> </ul>	<b>RIU</b>  <b>ISP</b>  <b>KID</b>
12.00 – 14.00	<b>Break/ISHOMA</b>	<b>All Auditor</b>
14.00 – 16.30	<b>Field Observation to Dolok Ilir POM:</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO); Implementation of Employment Procedure and Mechanism Aspect</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> </ul> <b>Public Consultation, Document Review and Completing Audit Checklist.</b>	<b>RIU &amp; ISP</b>  <b>KID</b>  <b>FPS</b>
16.30 – 17.00	<b>Presentation of Audit Daily Progress</b>	<b>All Auditor</b>
<b>Wednesday, 02 August 2023</b>		
08.00 – 12.00	<b>Field Observation to Laras Estate:</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>KID</b>



DATE	31 July – 04 August 2023	
PROGRAM (WIB)	CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application); Implementation of Occupational Health &amp; Safety Aspect; Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> </ul>	<b>RIU &amp; ISP</b>  <b>FPS</b>
12.00 – 14.00	<b>Break/ISHOMA</b>	<b>All Auditor</b>
14.00 – 16.30	<b>Public Consultation, Document Review and Completing Audit Checklist.</b>	<b>All Auditor</b>
16.30 – 17.00	<b>Presentation of Audit Daily Progress</b>	<b>All Auditor</b>
<b>Thursday, 03 August 2023</b>		
08.00 – 12.00	<b>Public Consultation, Document Review and Completing Audit Checklist.</b>	<b>All Auditor</b>
12.00 – 14.00	<b>Break/ISHOMA</b>	<b>All Auditor</b>
14.00 – 16.30	<b>Public Consultation, Document Review and Completing Audit Checklist.</b>	<b>All Auditor</b>
16.30 – 17.00	<b>Presentation of Audit Daily Progress</b>	<b>All Auditor</b>
<b>Friday, 04 August 2023</b>		
08.00 – 09.00	<b>Interim Meeting Auditor Team (Closing Meeting Preparation).</b>	<b>All Auditor</b>
09.00 – 10.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion).</li> <li>Comments, Responses and Questions.</li> </ul>	<b>All Auditor</b>
10.00 – 13.00	<b>Site (PTPN IV – Dolok Ilir POM) → Medan</b>	<b>All Auditor</b>
16.50 – 19.10	<b>Medan → Jakarta</b>	<b>All Auditor</b>