

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management Organisation : **Pasir Mandoge Palm Oil Mill PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III**
 Estate Name : PT Perkebunan Nusantara IV – Pasir Mandoge Estate, Tonduhan Estate & Sei Kopas Estate
 Location : Bandar Pasir Mandoge Village, Bandar Pasir Mandoge Sub District, Asahan District and Tonduhan Village, Tonduhan Sub District, Simalungun District, Sumatera Utara Province, Indonesia
 Certificate Code : **MUTU-RSPO/147**
 Date of Certificate Issue : 14 October 2020 Date of License Issue : 01 November 2023
 Date of Certificate Expiry : 13 October 2025 Date of License Expiry : 13 October 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	28 August-02 September 2023	Leonada (Lead Auditor Witnessing) Firda Tarunajaya (Lead Auditor Witnessed), Radytio Puspanjana, Erika Lucitawati and Muhammad Ibnul Amin	Hasiholan Sihombing	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	01 November 2023

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Figure 1. Location Map of Pasir Mandoge Estate and Sei Kopas Estate

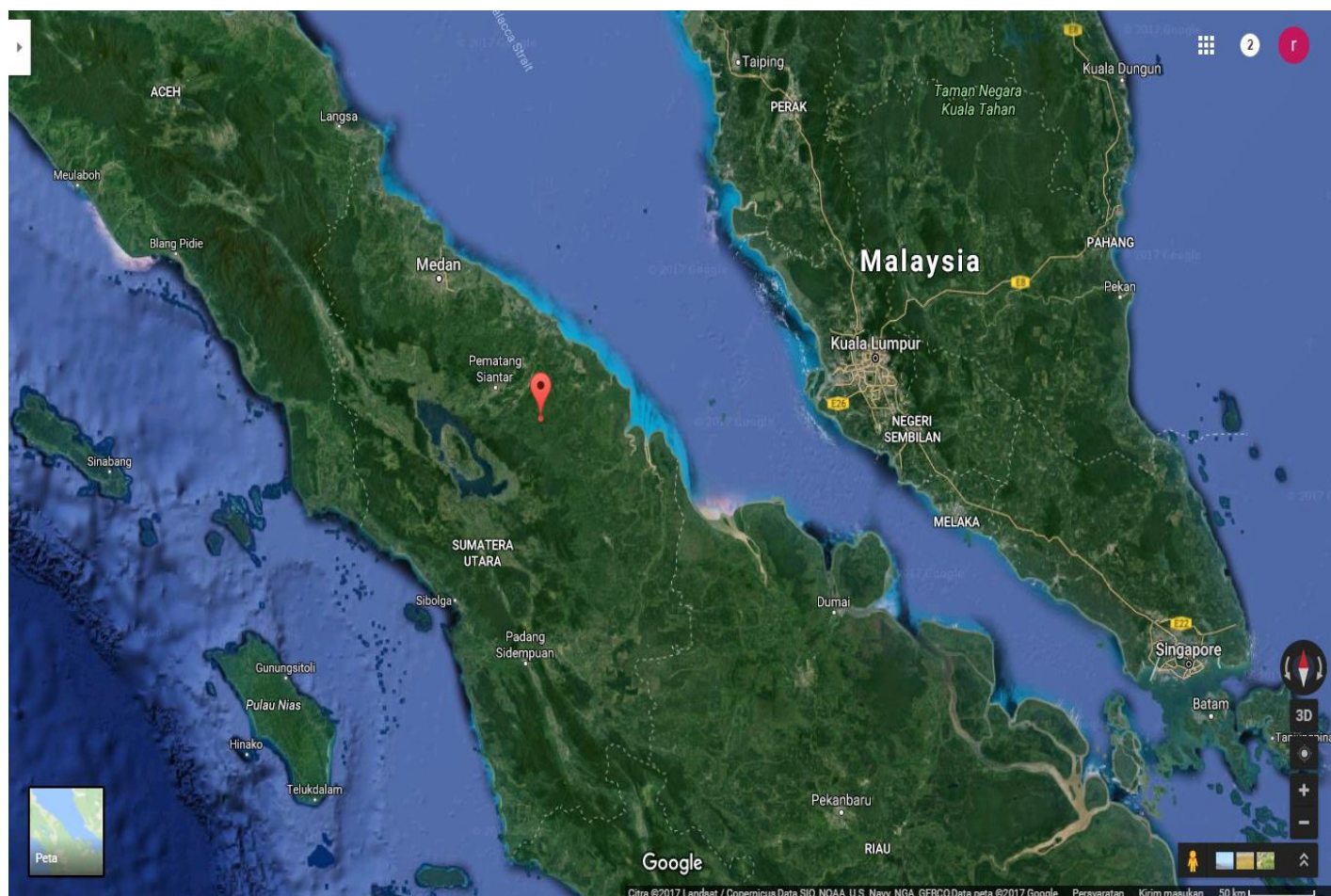


Figure 2. Location Map of Tonduhan Estate

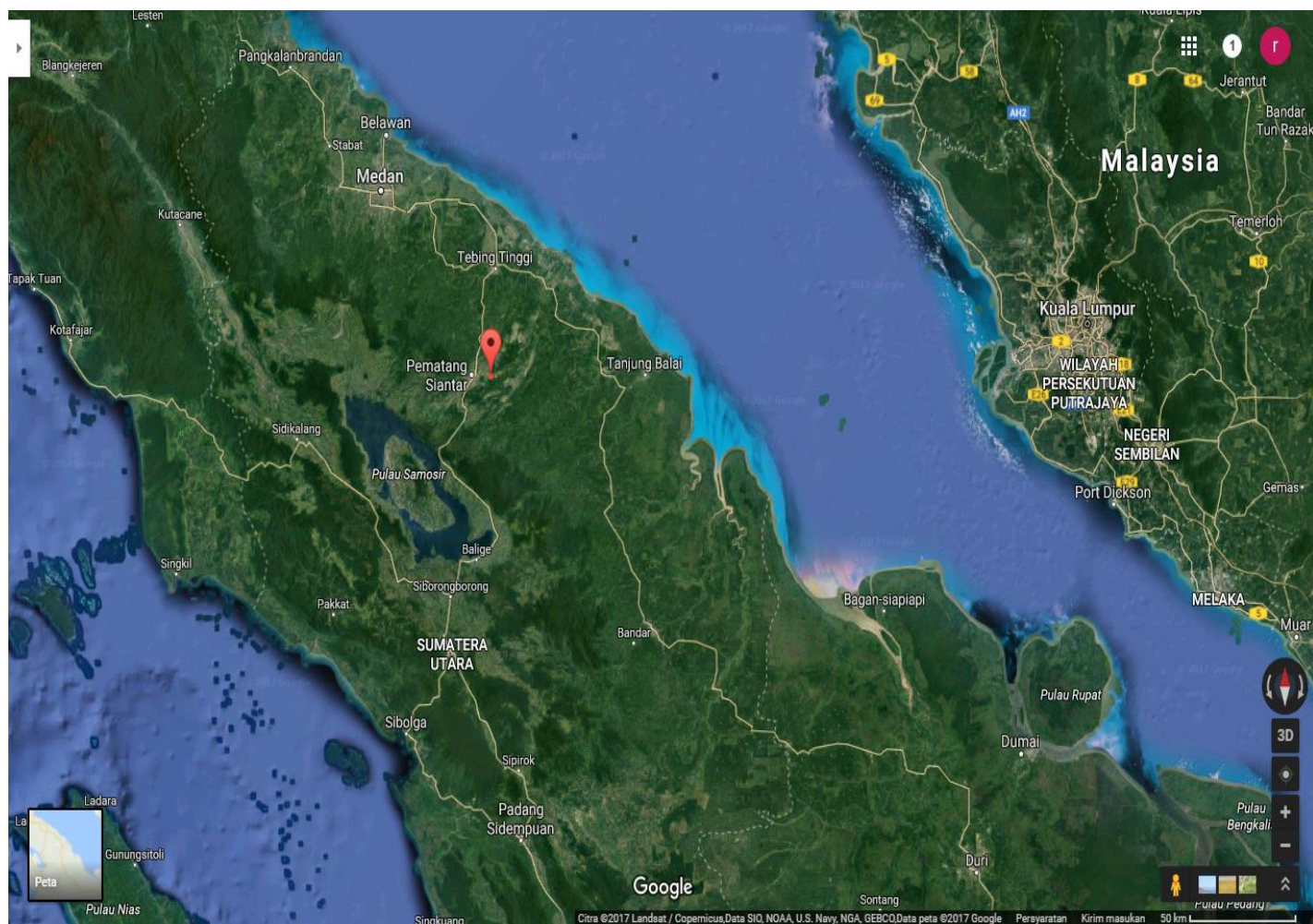


Figure 3. Operational Map of Pasir Mandoge Estate

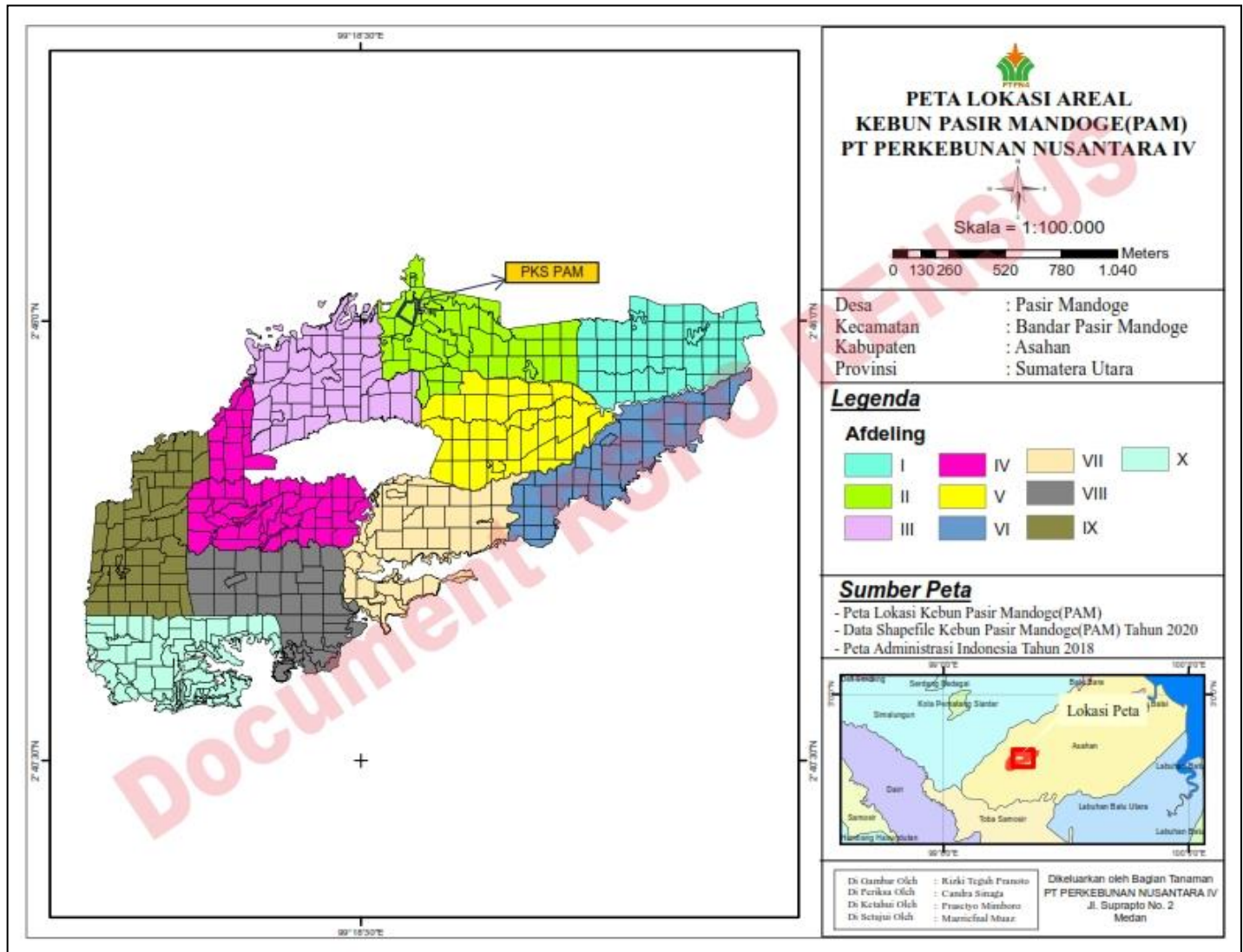


Figure 4. Operational Map of Sei Kopas Estate

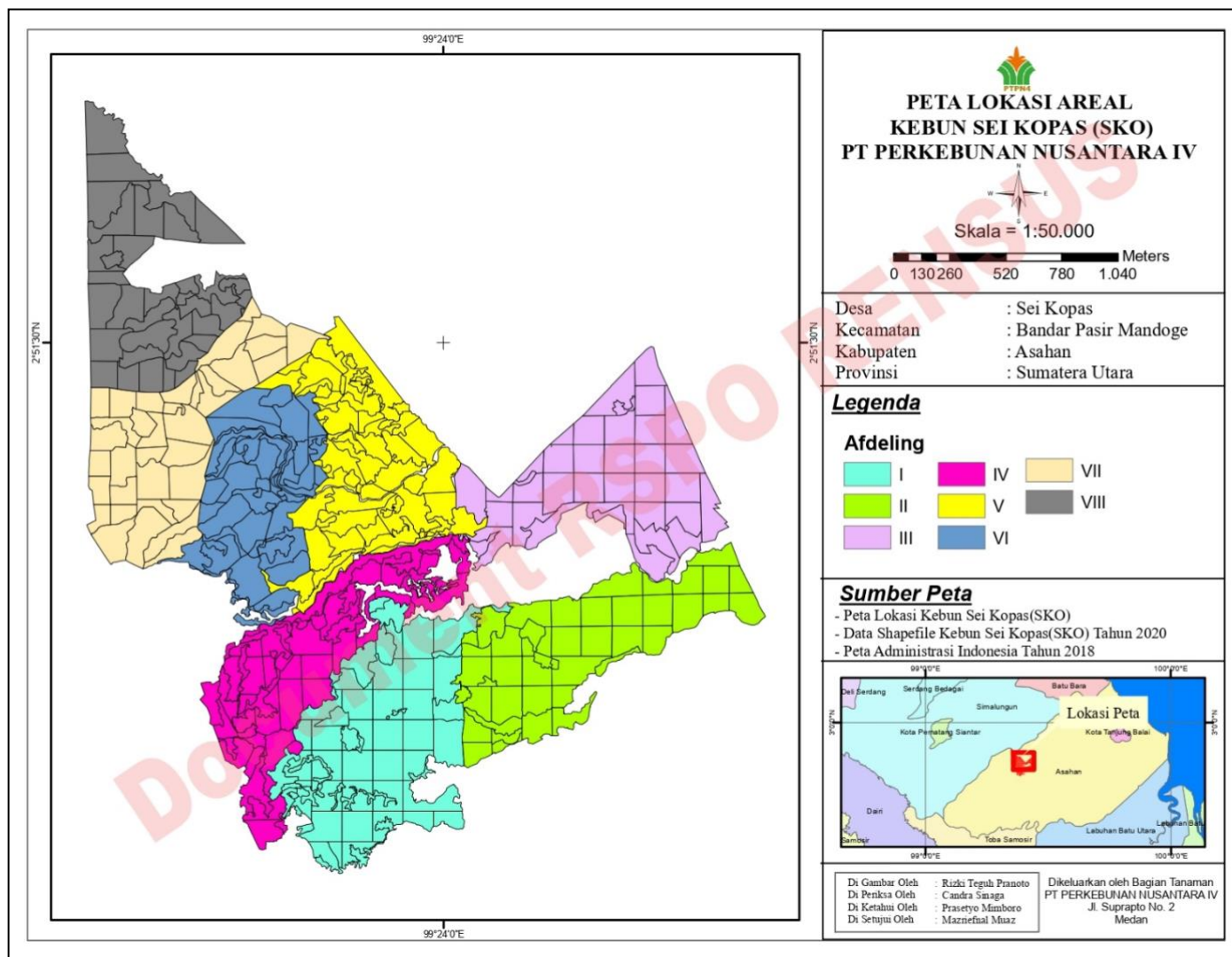
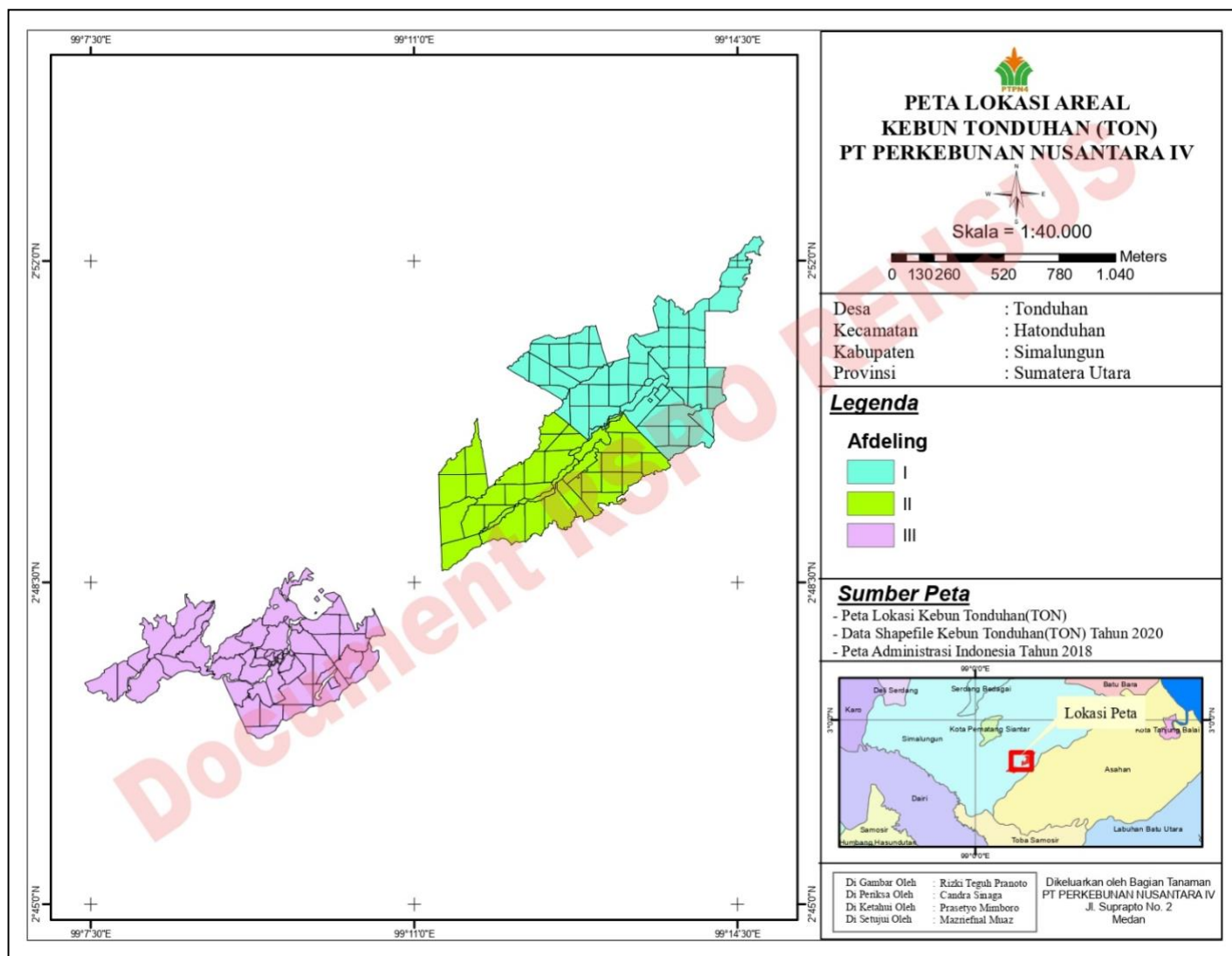


Figure 5. Operational Map of Tonduhan Estate



Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Social Environment Impact Assessment)
APL	:	<i>Area Penggunaan Lain</i> (Other Use Area)
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Administrator)
BPJS Kesehatan	:	Health Insurance Provider
BPJS Ketenagakerjaan	:	Social Security Administrator of Labour
BUMN	:	<i>Badan Usaha Milik Negara</i> (state-owned enterprises)
CHE	:	Cholinesterase
CLA	:	Collective Labor Agreement
COC	:	Chain of Custody
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	Commanditaire Vennootschap
DELH	:	<i>Dokumen Evaluasi Lingkungan Hidup</i> (Environmental Evaluation Document)
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gas
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIPERKES	:	<i>Higiene Perusahaan dan Kesehatan Kerja</i> (Corporate Hygiene & Occupational Health)
HIRAC	:	Hazard identification risk assessment control
HR/GA	:	Human Resources/General Affair
HPK	:	<i>Hutan Produksi dapat diKonversi</i> (Convertible Production Forest)
ILO	:	International Labor Organization
IPLC	:	<i>Izin Pembuangan Limbah Cair</i> (Wastewater discharge permit)
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> (Estate Business Permit)
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
KCP	:	Kernel Crushing Plant
LD	:	Lethal Dosage
LUCA	:	Land Use Change Analysis
MCU	:	Medical Checkup
MSDS	:	Material Safety Data Sheet
OFI	:	Opportunity For Improvement
OHS	:	Occupational Health Safety
P2OHS	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (OHS Committee)
PIC	:	Person In charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PTPN	:	<i>Perseroan Terbatas Perkebunan Nusantara</i>
P&C	:	Principle & Criteria
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RTE	:	Rare, Threatened, Endangered
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification System

SIA	:	Social Impact Assessment
SP-Bun	:	<i>Serikat Pekerja Kebun</i> (Workers Union)
SPI	:	<i>Satuan Pengawas Internal</i> (Internal Oversight Unit)
SOP	:	Standard Operational Procedure
TBP	:	Time Bound Plan
WHO	:	World Health Organization
WI	:	Work Instruction
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used		
		<ul style="list-style-type: none">Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.RSPO Certification System for Principles and Criteria, 14 June 2017	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	Pasir Mandoge POM, PT Perkebunan Nusantara IV Subsidiary of PT Perkebunan Nusantara III	
1.2.2	Contact person	Pirgok Panggabean	
1.2.3	Organization address and site address	Head Office: Jl. Sei Batang Hari No. 2, Medan, Sumatera Utara Province, Indonesia. Liaison Office: Jalan Letjen Suprpto No.2, 20151, Medan, Sumatera Utara, Indonesia.	
1.2.4	Telephone	(+62-61) 8452244	
1.2.5	Fax	-	
1.2.6	E-mail	ptb@pton3.co.id	
1.2.7	Web page address	http://www.pton3.co.id/	
1.2.8	Management Representative who completed the application for certification	Pirgok Panggabean	
1.2.9	Registered as RSPO member	1-0030-06-000-00 13 December 2006	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Pasir Mandoge Mill; Pasir Mandoge Estate, Sei Kopas Estate and Tonduhan Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Estate		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude (S)Longitude (E)
	Pasir Mandoge POM	Bandar Pasir Mandoge Estate, Bandar Pasir Mandoge Sub District, Asahan District, Sumatera Utara Province, Indonesia	N 02° 46' 11"E 99° 19' 06"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude (S)Longitude (E)
	Pasir Mandoge Estate	Bandar Pasir Mandoge Village, Bandar Pasir Mandoge Sub District, Asahan District, Sumatera Utara Province,	N 02° 46' 15"E 99° 19' 10"

		Indonesia			
	Sei Kopas Estate	Sei Kopas Village, Bandar Pasir Mandoge Sub District, Asahan District, Sumatera Utara Province, Indonesia	N 02° 47' 31"	E 99° 22' 32"	
	Tonduhan Estate	Nagori Tonduhan Village, Hatonduhan Sub District, Simalungun District, Sumatera Utara Province, Indonesia	N 02° 49' 46"	E 99° 12' 50"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		14,878.06 Ha		
	• Community		-		
1.5.2	Area Statement				
		Pasir Mandoge Estate (Ha)	Sei Kopas Estate (Ha)	Tonduhan Estate (Ha)	Total (Ha)
	Total area	7,848.06	4,572.14	2,457.86	14,878.06
	Mature area	6,464.00	4,035.00	1,544.00	12,043.00
	Immature area	-	204.00	685.00	889.00
	Public Facilities	484.34	102.66	92.38	679.38
	HCV	683.82	56.98	56.98	797.78
	School, Church, Mosque	25.15	-	0.75	25.9
	Waste Pond	6.00	-	-	6
	Transmission Line/PLN	30.00	-	3.00	33
	Hyaten Area	56.98	99.00	8.00	163.98
	Emplacement	92.77	74.50	67.75	235.02
	Mill	5.00	-	-	5.00
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Pasir Mandoge Estate	Sei Kopas Estate	Tonduhan Estate	TOTAL (Ha)
	1991	5,00	-	-	5,00
	1998	-	-	90,00	90,00
	1999	397,00	-	437,00	834,00
	2000	349,00	-	137,00	486,00
	2003	728,00	-	194,00	922,00
	2004	1.202,00	66,00	197,00	1.465,00
	2005	1.698,00	519,00	-	2.217,00
	2006	-	147,00	-	147,00
	2007	57,00	198,00	186,00	441,00
	2008	459,00	550,00	-	1.009,00
	2009	1.451,00	918,00	-	2.369,00
	2010	92,00	998,00	20,00	1.110,00
	2011	-	487,00	180,00	667,00
	2012	26,00	-	-	26,00
	2013	-	46,00	-	46,00
	2015	-	36,00	103,00	139,00

	2016	-	70,00	-	70,00		
	Sub Total Mature	6.464,00	4.035,00	1.544,00	12.043,00		
	2019	-	-	66,00	66,00		
	2020	-	-	116,00	116,00		
	2021	-	204,00	97,00	301,00		
	2022	-	-	406,00	406,00		
	Sub Total Immature	-	204,00	685,00	889,00		
	TOTAL	6.464,00	4.239,00	2.229,00	12.932,00		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Pasir Mandoge	60	286,391.38	69,541.25	22.79	11,918.58	3.90
	<i>*Production data source from 12 months before assessment (August 2022 to July 2023)</i>						
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)	%
	Pasir Mandoge	7.848,06	6.464,00	151,540.86	23.44	151,540.86	100.00
	Sei Kopas	4.572,14	4.035,00	75,054.18	18.60	75,054.18	100.00
	Tonduhan	2.457,86	1.544,00	32,895.96	21.31	314.29	0.11
	TOTAL	14.878,06	12.043,00	259,491.00	21.12	226,909.33	79.23
	<i>*Production data source from 12 months before assessment (August 2022 to July 2023)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tones/year)		
	RSPO Non-Certified						
	Sei Kopas	PT Perkebunan Nusantara IV	-	610.00	11,553.46		
	CV.Cipta Karya Mandiri	Independent Supplier	-	-	12,446.20		
	CV.Bona Tani	Independent Supplier	-	-	10,673.43		
	PT. Maura Nusantara Doge	Independent Supplier	-	-	11,985.69		
	CV.Prabu Jaya	Independent Supplier	-	-	7,028.63		
	CV Anastesia	Independent Supplier	-	-	1,495.27		
	CV.Mangelek Majaya	Independent Supplier	-	-	4,299.37		
	TOTAL				59,482.05		
	<i>*Production data source from 12 months before assessment (August 2022 to July 2023)</i>						
1.7.4	Product categories		FFB, CPO, PK				
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (Ton)		Last Year Actual Certified Volume (August 2022 to July 2023) (MT)		
	FFB Processed		285.000		226.909.33		

	CPO Production	60,000	51,711.04					
	Palm Kernel (PK) Production	12,500	8,862,68					
1.8.2	Product selling							
	Type of selling product	Actual selling product for last year (August 2022 to July 2023) (MT)						
	CSPO sold as RSPO certified product	18,768.30						
	CSPK sold as RSPO certified product	8,841.90						
	CSPO sold under another scheme	29,578.38						
	CSPK sold under another 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)			
	Pasir Mandoge Estate	7.848,06	6.464,00	152,000.00	23.51			
	Sei Kopas Estate	4.572,14	4.035,00	75,000.00	18.59			
	Tonduhan Estate	2.457,86	1.544,00	33,000.00	21.37			
	TOTAL	14,878.06	12,043.00	260,000.00	21.16			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tones/hour)	FFB Processed (tones/year)	CPO Out put (tones)	Extraction (%)	Palm Kernel Out put (tones)	Extraction (%)	Supply Chain Module
	Pasir Mandoge	60	260,000	62,000	24.50	13,000	4.50	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISPO			Certificate No. MUTU-ISPO/165 valid thru 21 March 2024.				
	SMOHS			Certificate No. REG.SMOHS.2021SUC.SK-1069, valid thru 21 April 2024.				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time Bound Plan						
	Pulau Tiga (PTPN I)	2022	Pulau Tiga Estate	2022	Aceh Tamiang District, Aceh Province	Audited on 2022		
	Tanjung Seumantoh (PTPN I)	2022	Lama Estate	2022	Aceh Timur District, Aceh Province			
			Baru Estate	2022	Aceh Timur District, Aceh Province			
			Tualang Sawit Estate	2024	Aceh Timur Distrcit, Aceh Province			
			Julok Raveuk	2024	Aceh Timur District,			

		Selatan Estate		Aceh Province	
		Karang Inong Estate	2025	Aceh Timur District, Aceh Province	
Cot Girek (PTPN I)	2022	Julok Rayeuk Utara Estate	2024	Aceh Utara District, Aceh Province	
		Cot Girek Es-tate	2022	Aceh Utara District, Aceh Province	
Sawit Hulu (PTPN II)	2022	Sawit Hulu Estate	2022	Langkat District, Sumatera Utara Province	
Kwala Sawit (PTPN II)	2022	Kwala Sawit Estate	2022	Langkat District, Sumatera Utara Province	
		Air Tenang Estate	2022	Langkat District, Sumatera Utara Province	
Sawit Seberang (PTPN II)	2022	Batang Serangan Estate	2023	Langkat District, Sumatera Utara Province	
		Sawit Seberang Estate	2022	Langkat District, Sumatera Utara Province	
		Tanjung Jati (Rayon) Estate	2022	Langkat District, Sumatera Utara Province	
Pagar Merbau (PTPN II)	2022	Tanjung Garbus Estate	2022	Deli Serdang District, Sumatera Utara Province	Audited on 2022
		Melati Estate	2023	Deli Serdang District, Sumatera Utara Province	
		Patumbak Estate	2023	Deli Serdang District, Sumatera Utara Province	
		Limau Mukur Estate	2023	Deli Serdang District, Sumatera Utara Province	
		Tandem (Rayon) Estate	2023	Deli Serdang District, Sumatera Utara Province	
Sisumut (PTPN III)	2015	Sisumut Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
		Aek Nabara Utara Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	October 15, 2015 (Certified)
Rambutan (PTPN III)	2016	Tanah Raja Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Sept 1, 2016 (Certified)
		Gunung Monaco Estate	2016	Serdang Bedagai District, Sumatera	Sept 1, 2016 (Certified)

				Utara Province	
		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	2024	Serdang Bedagai District, Sumatera Utara Province	
		Bandar Betsy Estate	2024	Simalungun District, Sumatera Utara Province	
Sei Daun (PTPN III)	2015	Sei Daun Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
		Bukit Tujuh Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 8, 2016 (Certified)
Torgamba (PTPN III)	2015	Torgamba Estate	2015	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 7, 2016 (Certified)
Sei Meranti (PTPN III)	2016	Sei Meranti Estate	2016	Labuhan Batu Selatan District, Sumatera Utara Province	Sept 14, 2016 (Certified)
Sei Silau (PTPN III)	2017	Sei Silau Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Pulau Mandi Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Ambalutu Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
		Hutapadang Estate	2017	Asahan District, Sumatera Utara Province	Apr 3, 2017 (Certified)
Sei Mangkei (PTPN III)	2017	Dusun Hulu Estate	2017	Batubara District, Sumatera Utara Province	Oct 2017 (Certified)
		Bangun Estate	2017	Simalungun District, Sumatera Utara Province	Oct 2017 (Certified)
		Gunung Para Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)

		Gunung Pamela Estate	2017	Serdang Bedagai District, Sumatera Utara Province	Oct 2017 (Certified)
		Sei Dadap Estate	2017	Asahan District, Sumatera Utara Province	Oct 2017 (Certified)
Sei Baruhur (PTPN III)	2018	Sei Baruhur Estate	2018	Labuhan Batu Selatan District, Sumatera Utara Province	April 2018 (Certified)
		Sei Kabara Estate	2018	Labuhan Batu Selatan District, Sumatera Utara Province	April 2018 (Certified)
Hapesong (PTPN III)	2020	Hapesong Estate	2020	Tapanuli Selatan District, Sumatera Utara Province	October 2020 (certified)
		Batang Toru Estate	2025	Tapanuli Selatan District, Sumatera Utara Province	
Aek Nabara Selatan (PTPN III)	2014	Aek Nabara Selatan Estate	2014	Labuhan Batu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Rantau Prapat Estate	2014	Labuhan Batu District, Sumatera Utara Province	May 23, 2014 (Certified)
		Merbau Selatan Estate	2024	Labuhan Batu Utara District, Sumatera Utara Province	
		Membang Muda Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Labuhan Haji Estate	2014	Labuhan Batu Utara District, Sumatera Utara Province	May 23, 2014 (Certified)
		Bandar Selamat Estate	2014	Asahan District, Sumatera Utara Province	May 23, 2014 (Certified)
Aek Torop (PTPN III)	2014	Aek Torop Estate	2014	Labuhan Batu Selatan District, Sumatera Utara Province	June 17, 2014 (Certified)
Aek Raso (PTPN III)	2014	Aek Raso Estate	2014	Labuhan Batu Selatan District, Sumatera Utara Province	June 30, 2014 (Certified)
Pabatu (PT PN IV)	2015	Pabatu	2015	Serdang Bedagai, Sumatera Utara	Certified on September 2015
Dolok Ilir (PT PN IV)	2015	Dolok Ilir	2015	Simalungun, Sumatera Utara	Certified on September 2015

		Laras	2018	Simalungun, Sumatera Utara	Certified on December 2018
Pulu Raja (PT PN IV)	2015	Pulu Raja	2015	Asahan, Sumatera Utara	Certified on August 2015
Bah Jambi (PT PN IV)	2018	Adolina	2018	Serdang Bedagai dan Deli Serdang, Sumatera Utara	Certified on April 2018
		Bah Jambi	2018	Simalungun, Sumatera Utara	Certified February 2018
		Marihat	2018	Simalungun, Sumatera Utara	Certified February 2018
		Bah Birung Ulu	2021	Simalungun, Sumatera Utara	Stage-1 Audit
		Marjandi	2019	Simalungun, Sumatera Utara	Certified on 20 may 2019 (1,802.0 Ha)
			2021	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (30.0 Ha)
Dolok Sinumbah (PT PN IV)	2018	Dolok Sinumbah	2018	Simalungun, Sumatera Utara	Certified on April 2018 (3,757.0 Ha)
			2024	Simalungun, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (35.94 Ha)
		Balimbingan	2018	Simalungun, Sumatera Utara	Certified on April 2018
Mayang (PT PN IV)	2021	Mayang	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Bukit Lima	2021	Simalungun, Sumatera Utara	Preparation
Gunung Bayu (PT PN IV)	2019	Gunung Bayu	2019	Simalungun, Sumatera Utara	Certified on September 2019
		Tanah Itam Ulu	2019	Simalungun, Sumatera Utara	Certified on September 2019
Tinjowan (PT PN IV)	2019	Tinjowan	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Aek Nauli	2019	Simalungun, Sumatera Utara	Certified on March 2019
		Padang Matinggi	2019	Simalungun, Sumatera Utara	Certified on March 2019
Air Batu	2018	Air Batu	2019	Asahan, Sumatera Utara	Certified on May 2019
		Air Batu	2021	Asahan, Sumatera Utara	Out of Scope certification 2 nd Stage Audit
Berangir (PT PN IV)	2018	Berangir	2018	Labuhan Batu Utara, Sumatera Utara	Certified on July 2018
		Berangir	2021	Labuhan Batu	Out of scope

				Utara, Sumatera Utara	Certification 2 nd Stage Audit (10.0 Ha)
Sawit Langkat (PT PN IV)	2018	Sawit Langkat	2018	Langkat, Sumatera Utara	Certified on June 2018
		Sawit Langkat	2021	Langkat, Sumatera Utara	Out of scope Certification 2 nd Stage Audit (301.50 Ha)
Pasir Mandoge (PT PN IV)	2020	Pasir Mandoge	2020	Asahan, Sumatera Utara	Certified on October 2018
		Sei Kopas	2020	Asahan, Sumatera Utara	Certified on October 2018
		Tonduhan	2020	Simalungun, Sumatera Utara	Certified on October 2018
		Sei Kopas (HPK)	2021	Asahan, Sumatera Utara	
Timur (PT PN IV)	2022	Timur	2025	Mandailing Natal, Sumatera Utara	
		Balap	2025	Mandailing Natal, Sumatera Utara	
Ajamu (PT PN IV)	2021	Ajamu	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
		Meranti Paham	2019	Labuhan Batu Utara, Sumatera Utara	Certified on September 2019
		Panai Jaya	2025	Labuhan Batu Utara, Sumatera Utara	Preparation
Sosa (PT PN IV)	2022	Sosa	2022	Padang Lawas, Sumatera Utara	Preparation
PT Agro Sinergi Nusantara (PT PN IV)	2022	PT Agro Sinergi Nusantara	2022	Aceh Barat, Aceh	Preparation
PT Sinergi Perkebunan Nusantara (PT PN IV)	2022	PT Sinergi Perkebunan Nusantara	2022	Morowali Utara, Sulawesi	Preparation
Tandun (PT PN V)	2016	Tandun Estate,	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Berlian Estate	2016	Tapung Hulu District, Kampar District, Riau Province, Indonesia	Certified
		Sei Lindai Estate	2016	Tapung Hulu District, Kampar District, Riau Province,	Certified

				Indonesia	
		Sei Lindai 98 ha	2021	Tapung Hulu District, Kampar Province, Indonesia	Certified
		Sei Berlian 866 ha	2023	Tapung Hulu District, Kampar Province, Indonesia	
Sei Rokan (PT PN V)	2016	Sei Rokan Estate	2016	Rokan Hulu District, Riau Province, Indonesia.	Certified
Sei Tapung (PT PN V)	2019	Sei Tapung	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
		Sei Siasam	2019	Rokan Hulu District, Riau Province, Indonesia.	Certified
		KUD Makarti Jaya	2022	Rokan Hulu District, Riau Province, Indonesia.	
		KUD Karya Mukti	2022	Rokan Hulu District, Riau Province, Indonesia.	
		KUD Dayo Mukti	2023	Rokan Hulu District, Riau Province, Indonesia.	
		KUD Tani Sejahtera	2023	Rokan Hulu District, Riau Province, Indonesia.	
Sei Intan (PT PN V)	2019	Sei Intan	2019	Rokan Hulu District, Riau Province, Indonesia	Certified
Tanjung Medan (PT PN V)	2022	Tanjung Medan	2022	Rokan Hilir District, Riau Province, Indonesia	-
Tanah Putih (PT PN V)	2019	Tanah Putih	2019	Rokan Hilir District, Riau Province, Indonesia	Certified
Lubuk Dalam (PT PN V)	2019	Lubuk Dalam	2019	Siak District, Riau Province, Indonesia	Certified
		Lubuk Dalam	2022	Siak District, Riau	

		Plasma		Province, Indonesia	
Sei Buatan (PT PN V)	2022	Sei Buatan	2022	Siak District, Riau Province, Indonesia	
		Air Molek 1	2025	Siak District, Riau Province, Indonesia	
		Air Molek II	2025	Siak District, Riau Province, Indonesia	
		KUD Karya Darma	2023	Siak District, Riau Province, Indonesia	
		KUD Tunas Karya	2023	Siak District, Riau Province, Indonesia	
Sei Galuh (PT PN V)	2023	Sei Galuh	2023	Kampar District, Riau Province, Indonesia	-
Sei Pagar (PT PN V)	2019	Sei Pagar	2019	Kampar District, Riau Province, Indonesia	-
		Sei Pagar Plasma	2023	Kampar District, Riau Province, Indonesia	Certified
Sei Garo (PT PN V)	2019	Sei Garo	2019	Kampar District, Riau Province, Indonesia	Certified
Terantam (PT PN V)	2019	Terantam	2019	Kampar District, Riau Province, Indonesia	Certified
		Terantam 2 (725.44 ha)	2022	Kampar District, Riau Province, Indonesia	
		Tamora	2023	Kampar District, Riau Province, Indonesia	
		Sei Kencana	2023	Kampar District, Riau Province, Indonesia	
		Sei Batu Langka	2025	Kampar District, Riau Province, Indonesia	
Rimbo Dua (PT PN VI)	2018	Rimbo Satu	2018	Jambi Province	
		Rimbo Dua	2018	Jambi Province	
		Batang Hari	2022	Jambi Province	
Bunut (PT PN VI)	2022	Bunut	2022	Jambi Province	
Ophir (PT PN VI)	2022	Ophir	2022	Sumatra Barat Province	
		Pangkalan 50	2022	Sumatra Barat Province	

Aur Gading (PT PN VI)	2023	Durian Luncuk	2023	Jambi Province	
Solok Selatan (PT PN VI)	2023	Solok Selatan	2023	Jambi Province	
Tanjung Lebar (PT PN VI)	2022	Tanjung Lebar	2023	Jambi Province	
		Bukit Cermin	2023	Jambi Province	
Bekri (PT PN VII)	2022	Bekri	2022	Lampung Province	
		Rejosari	2022	Lampung Province	
		Padang Ratu	2022	Lampung Province	
Betung (PT PN VII)	2022	Betung	2022	Lampung Province	
		Bentayan	2026	Lampung Province	
Talang Sawit (PT PN VII)	2023	Betung Krawo	2023	Musi Banyuasin District, Sumatera Selatan Province	
Sungai Lengi (PT PN VII)	2023	Sungai Lengi	2023	Muara Enim District, Sumatera Selatan Province	
Kertajaya (PT PN VIII)	2022	Kertajaya	2024	Lebak District, Banten Province	
		Cisalak Baru	2024	Lebak District, Banten Province	
		Bojongdatar	2024	Lebak District, Banten Province	
Cikasungka (PT PN VIII)	2022	Cikasungka	2022	Bogor District, Jawa barat Province	
		Sukamaju	2024	Sukabumi District, Jawa barat Province	
		Cibungur	2024	Sukabumi District, Jawa barat Province	
Gunung Meliau (PT PN XIII)	2022	Gunung Meliau	2022	Sanggau District, Kalimantan Barat Province	
Rimba Belian (PT PN XIII)	2023	Rimba Belian	2023	Sanggau District, Kalimantan Barat Province	
		Gunung Mas	2023	Sanggau District, Kalimantan Barat Province	
		Sungai Dekan	2023	Sanggau District, Kalimantan Barat Province	
Parindu (PT PN XIII)	2023	Parindu	2023	Sanggau District, Kalimantan Barat Province	
Luwu	2022	Luwu	2022	Luwu Timur, District, Sulawesi Tengah	
		Keera-Maroon	2024	Luwu Timur, District, Sulawesi Tengah	

			Malili	2026	Luwu Timur, District, Sulawesi Tengah	
			Asera	2025	Luwu Timur, District, Sulawesi Tengah	
	<p><i>*Sources: document of Partial Verification PTPN III</i></p> <p>The company shows the Time Bound Plan for all subsidiary management units of PT Perkebunan Nusantara III, one of which is PTPN IV (included Pasir Mandoge POM). There is an email report on the time bond plan (TBP) holding Perkebunan Nusantara PTPN III (Persero) for 2023 which was submitted to the RSPO secretariat on 21 July 2023 which explains that there are 10 attachments to the email Time Bound Plan Template, one of which is TBP PTPN IV where there are (3 units) Uncertified Units. There is an email from the RSPO secretariat dated 28 August 2023 which explains that PTPN III Time Bond Plan (TBP) is still in the review process and has not received approval from the RSPO secretariat.</p> <p>The company has not been able to show proof that the Time Bound Plan for several uncertified units (which exceeds 30 June 2023) has received approval from the RSPO. NCR.2023.16 with Major Category</p>					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	The Company didn't have associated smallholders and out growers.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 3	<p>1. Leonada (Lead Auditor Witnessing). Bachelor of Agriculture, Department of Agricultural Cultivation, Faculty of Agriculture, Plant Breeding and Seed Technology Study Program, Bogor Agricultural University. Has more than five years working experience as a plantation operations and sustainability staff in a private Indonesian oil palm plantation company. Trainings that have been attended include: Indonesian Sustainable Palm Oil (ISPO) Auditor Training, RSPO Lead Auditor, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, ISO 9001 Lead Auditor; 2008, ISO 14001; 2005, Training Management Deployment Program Agronomy, analysis base solution for operation, Training on peat management for oil palm, Training on Integrated Plant Pest and Weed Control (IPM), Training on Limited Use of Pesticides, Training on Pesticide and Fertilizer Waste Management, Mediation training and conflict resolution, training for General OSH Expert, OHS management system Auditor and currently working for an independent certification body as an auditor. In this audit activity, he served as Witnessing Lead Auditor.</p> <p>2. Firda Tarunajaya (OB Lead Auditor). Indonesian citizen, Bachelor of Forestry from the Department of Silviculture, Bogor Agricultural University. He has working as an Operational Staff in an Oil Palm Estate Company in Indonesia. Attended trainings are Lead Auditor RSPO, Lead Auditor ISPO, Quality Management Systems (ISO 9001:2015) by IRCA, Environmental Management Systems (ISO 14001:2015), ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. During this assessment, he verified worker welfare, BMP, OHS aspects. social and transparency.</p> <p>3. Radytio Puspanjana. Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Estate Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training, which was held by National GMTI, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. In this audit he is responsible for assessing the aspects of worker welfare Legal and SCCS</p> <p>4. Erika Lucitawati (Auditor). Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include ISPO Lead Auditor Training, RSPO Lead Auditor Training, Awareness SA8000, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. During this assessment, she verified environmental, GHG, and conservation aspects.</p> <p>5. Muhammad Ibnul Amin (Auditor Trainee). Indonesian citizen, Bachelor of Engineering with major in Chemical Engineering. Has experience working in the Sustainability department as an ISPO Staff in oil palm Estate and has participated in ISPO Lead Auditor training, Lead Auditor ISO 14001: 2015, ISO 9001: 2015 Training, ISO 17021, ISO 17065, In this assessment, he verified the BMP and OHS aspects. Under the supervision of the lead auditor</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 3	<p>Number of auditors: 3 auditors & 1 Trainee Auditor</p> <p>Number of days for Remote ASA-3 onsite audit: 5 days</p> <p>Number of working days for Remote ASA-3 onsite audit: 15 Working days</p>
2.2.2	Assessment Process
ASA 3	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PT Perkebunan Nusantara IV Pasir Mandoge POM Unit Certification based on:</p> <ul style="list-style-type: none"> RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>The scope of certification of PT Perkebunan Nusantara IV consists of one mill (Pasir Mandoge POM) and three estates (Pasir Mandoge Estate, Sei Kopas Estate and Tonduhan Estate).</p>

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

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

The auditor's journey from the airport in Kualanamu Deli Serdang to the audit location takes about 4-5 hours. The opening meeting was held on 28 August 2023 in Pasir Mandoge Meeting Room. As for the participants who attended the online opening meeting included the Estate and Mill Manager, Assistant, Sustainability staff, Support Team from Medan and other staff. Closing meeting was held on 02 September 2023 attended by the same participants as the opening meeting. Management PT Perkebunan Nusantara IV Pasir Mandoge accepted all this audit results.

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

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 1.

The assessment program please find Appendix 2.

2.2.3 ASA 3	Locations of Assessment
	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Pasir Mandoge POM</p> <ul style="list-style-type: none"> • Water Treatment Plant (WTP). Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management. • Fuel Tank. Observations related to material handling, OHS and environmental management. • Material Warehouse. Observations and interviews regarding storage conditions, stock and application of OHS. • Chemical Warehouse. Observations and interviews regarding storage conditions, stock and application of OHS. • Temporary Storage of Hazardous and Toxic Waste. Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management. • Workshop. Observations and interviews related to work procedures, OHS and aspects of worker welfare. • Sortation Area, Observation of activities and worker interviews related to OHS and labor • Sterilizer Station, Observation of activities and interviews of workers related to OHS and employment • Press Station, Observation of activities and interviews of workers related to OHS and labor • Kernel Plan Station, Observation of activities and interviews of workers related to OHS and labor • Boiler Station, Observation of activities and interviews of workers related to OHS and labor. • Engine Room Station, Observation of activities and interviews of workers related to OHS and labor.

- **Emergency response facilities**, hydrant trials for two hydrant locations, Boiler area and Sterilizer Area.
- **Housing Complex POM**. Observations and interviews with housing residents regarding the availability of worker facilities and domestic waste management
- **WWTP**. Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies
- **Security posts**. Observations and interviews with security regarding SCSS procedures and aspects of worker welfare.
- **Weighbridge Room**. Observations and interviews with operators related to SCSS procedures, OHS and aspects of worker welfare.
- **Dispatch Station**. Observations related to OHS and Environmental aspects.

Pasir Mandoge Estate

- **Harvesting**, Observation at Afdeling 5 Block 03 AB/AA, Interview with harvest workers related to OHS, Fruit ripeness, Base, Labor
- **Manual Road Maintenance**, Observation in Afdeling 6 Block 03 AK, interview with maintenance workers related to technical work, OHS, employment.
- **Manual Weeding**, Observation in afdeling VII block 09 AS, Interview conducted with maintenance personnel related to technical work, OHS and Employment
- **Fertilizer warehouse afdeling 6 dan 7**. Observations regarding the management of agrochemical materials and waste, MSDS, emergency response facilities and the type of fertilizer used.
- **Oil and Lubricants Warehouse**. Field observations related to material management as well as interviews with warehouse staff regarding handling emergency response.
- **Rinsing house and mixing area**. Observation of the condition of the body shower room and handling of PPE.
- **Fertilizer warehouse**. Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer
- **Oil and Agrochemicals Warehouse**. Observation related to management of oil and agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides.
- **Rinsing house and mixing area Afdeling 8 & 10**. Observation of the condition of the body shower room and handling of PPE
- **Landfill Afdeling 7 & 10**. Observations related OHS and environmental management
- **Generator House Afdeling 8 & 10**. Observations related OHS and environmental management
- **Housing Complex Afdeling 8 & 10**. Observations and interviews with housing residents regarding the availability of worker facilities and domestic waste management
- **Daycare Afdeling 8 & 10**. Observations related OHS and workers facilities
- **Iqro Kindergarten School/ Madrasah Al-Hidayah Afdeling 8**. Observations related OHS and workers facilities
- **Land Application Block 2004AG**. Observations related OHS and environmental management
- **HGU stakes and land demarcation No 029, 030, 031 and 032**. Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV SiPulpul River Riparian Area, Block 01/0L (division 9)**. Observation the implementation of management in HCV of riparian area.
- **HCV water spring riparian Area, Block 09 AB (division 6)**. Observation the implementation of management in HCV of riparian area.

Sei Kopas Estate

- **Fertilizer Warehouse**. Observations regarding agrochemical materials and their management, MSDS, emergency response, MSDS and types of fertilizers used.
- **Pesticide Warehouse**. Field observations related to the fulfilment of health safety as well as interviews with warehouse staff about health safety and work safety.
- **Temporary Storage of Hazardous and Toxic Waste**. Field observations related to Hazardous and Toxic Waste management as well as interviews with warehouse staff regarding Hazardous and Toxic Waste management.
- **Oil and Lubricants Warehouse**. Field observations related to material management as well as interviews with warehouse staff regarding handling emergency response.

- **Fertilizer warehouse afdeling IV & VII**, observation related warehouse conditions, OHS aspects, MSDS and employment aspects
- **Rinse house afdeling I & VII**, observation related rinse house, OHS aspects, agronomic aspects, interviews with officers, responsibilities, and employment aspects
- **Harvesting Block 11 D & 10A Afdeling 1**, Observation related BMP, OHS and employment aspects
- **Spraying Block 10 N Afdeling 1**, Observation related BMP, OHS and employment aspects
- **Beneficial Plant (Antigonon leptopus) Block 11B Afdeling 1**, Observation related BMP and Integrated Pest Management
- **Beneficial Plant (Tunera subulata) Block 10K Afdeling 1**, Observation related BMP and Integrated Pest Management
- **Road Maintenance Block 10B**, Observation related BMP, OHS and employment aspects
- **HGU stakes and land demarcation No. 223, BPN No 224, 218 and BPN No 225**, Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV Aek Sopang River Riparian Area, Block 20A, 19A, 20E, 20F, 20C dan Block 09 AG (division 3)**, Observation the implementation of management in HCV of riparian area.
- **HCV Ambalutu River Riparian Area, Block 07 D (divisio 6)**, Observation the implementation of management in HCV of riparian area.
- **Harvesting and FFB loading Block 11 O**, Field observations and interviews related to aspects of BMP, OHS and Employment.

Tonduhan Estate

- **Agrochemical Warehouse**, Observations related to the management of oil and agrochemical materials and waste, MSDS, emergency response facilities and the types of pesticides
- **Fertilizer Warehouse**, Observations regarding the management of materials and waste, MSDS, emergency response facilities and the type of fertilizer.
- **Central Warehouse**, Observations regarding the management of materials and waste, MSDS, emergency response facilities and the type of fertilizer used.
- **Rinsing house and mixing area Afdeling 2 & 3**, Observation of the condition of the body shower room and handling of PPE.
- **Workshop**, Observations and interviews with workers related to the management and implementation of occupational health safety and social workers.
- **Temporary warehouse for hazardous and toxic waste**, Field observations regarding fulfilment of occupational health and safety attributes, recording, and fulfilment of hazardous and toxic waste temporary warehouse requirements.
- **Fertilizer warehouse afdeling 1,2, & 3**, Observations regarding the management of materials and waste, MSDS, emergency response facilities and the type of fertilizer
- **Rinse house afdeling 1,2, & 3**, observation related rinse house, OHS aspects, agronomic aspects, interviews with officers, responsibilities, and employment aspects
- **Harvesting Block 20 F Afdeling 2**, Observation related BMP, OHS and employment aspects
- **HCV Aek Sopang River Riparian Area, Block 20 A, 19 A, 20 E, 20 F and block 20 C**, Observation the implementation of management in HCV of riparian area.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 3	<p>Summary of stakeholder consultation process for PT Perkebunan Nusantara IV Pasir Mandoge POM was held by:</p> <ul style="list-style-type: none"> • Public Notification on website on MUTU Website on 14 August 2023. • Public consultation with NGOs (by email) such as WALHI, AMAN, and Sawit Watch on 23 August 2023 • Public consultation meeting with government institution 30-31 August 2023 • Public consultation meeting with communities on 30-31 August 2023 • Public consultation meeting with internal stakeholders and contractor 30-31 August 2023

	Numbers of input from stakeholders were clarified by PT Perkebunan Nusantara IV Pasir Mandoge POM.
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-4) will be conducted nine (9) months to twelve (12) after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of **Pasir Mandoge POM – PT Perkebunan Nusantara IV subsidiary of PT Perkebunan Nusantara III**, Operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there was eleven (14) Nonconformities were assigned against Major/Critical Compliance Indicators, seven (7) Nonconformity were assigned against Minor/Non-Critical Compliance Indicators. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (*document record/photographic/etc*).

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

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1	BEHAVE ETHICALLY AND TRANSPARENTLY	
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The company 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 August 1, 2017 which describes the mechanism for requesting information and responding, among others, as follows:</p> <p>Headquarters</p> <ul style="list-style-type: none"> The process of controlling requests for information and responses is managed by the corporate secretary. All requests for information are forwarded to the Board of Directors for disposition. According to the disposition, forwarded to the relevant Section for implementation according to the disposition of the Board of Directors. Implementation of requests for information and responses to stakeholders. The maximum period for responding to requests for information from stakeholders is 30 working days. <p>Business unit</p> <ul style="list-style-type: none"> The process of controlling requests for information and responses is managed by the HR and General Assistants. All requests for information are then submitted to the Unit Manager to be processed and solutions taken. After the Unit Management has examined the request for information, a decision is taken and a response is then submitted to the information requester. If the Unit Management feels that this requires a higher-level process, then the request is submitted to the Manager and the Head Office to be asked for a solution to the completion of the response request. 	

- If the process and solution for requesting information has been decided by the Manager and Head Office, then the response request is submitted to the Plantation Unit Manager to be forwarded to the information requester
- The maximum period for responding to requests for information from stakeholders is 30 working days

The unit of certification has a list of publicly available/publishable documents. The types of information provided to the public are contained in the Master List Document, including: Certificates/Permits/Regulations; Monitoring checklist; Information Request Logbook; Complaints and Requests for Assistance Logbook; Socialization Logbook; Group Training Records; Individual Training Records; *HGU*; *AMDAL/UKL-UPL*; *AMDAL/UKL-UPL* Periodic Report; HCV report; HCV plan; SIA Reports and Plans; OHS Minutes; RSPO/ISPO SOP; Accident Report; OHS Committee Report to Related Agencies; OHS Risk Analysis; *HGU* map; Continuous Improvement Program

1.1.2

Environmental Aspect

- Report on hazardous waste management for the Quarter I of 2023 from Pasir Mandoge Unit on April 11, 2023 to Asahan Regency Environmental Agency, as well as to Ministry of Environment & Forestry with electronic receipt 1690179692-2429.
- Report on hazardous waste management for the Quarter II of 2023 from Pasir Mandoge Unit on July 12, 2023 to Asahan Regency Environmental Agency, as well as to Ministry of Environment & Forestry with electronic receipt 1690179833-2429.
- Report on Liquid Waste Management & Monitoring for Quarter I of 2023 at Pasir Mandoge Unit on April 11, 2023 to Asahan District Environmental Agency.
- Report on Liquid Waste Management & Monitoring for Quarter II of 2023 at Pasir Mandoge Unit on July 12, 2023 to Asahan District Environmental Agency.
- Report on environmental management and monitoring Semester II 2022 for Pasir Mandoge Unit on February 14, 2023 to Asahan Regency Environment Agency and Environment and Forestry Agency of Sumatra Utara Province. This also has been set to Ministry of Environment & Forestry with electronic receipt 1689579033-5582
- Report on environmental management and monitoring Semester I 2023 for Pasir Mandoge Unit on August 10, 2023 to Asahan Regency Environment Agency and Environment and Forestry Agency of Sumatra Utara Province. This also has been set to Ministry of Environment & Forestry with electronic receipt 1693381155-5582.
- Report on hazardous waste management for the Quarter I of 2023 from Sei Kopas Unit on April 09, 2023 to Asahan Regency Environmental Agency.
- Report on hazardous waste management for the Quarter II of 2023 from Sei Kopas Unit on July 18, 2023 to Asahan Regency Environmental Agency.
- Report on environmental management and monitoring Semester II 2022 for Sei Kopas Unit on February 14, 2023 to Asahan Regency Environment Agency.
- Report on environmental management and monitoring Semester I 2023 for Sei Kopas Unit on August 10, 2023 to Asahan Regency Environment Agency.
- Report on hazardous waste management for the Quarter I of 2023 from Tonduhan Unit on April 06, 2023 to Simalungun Regency Environmental Agency.
- Report on hazardous waste management for the Quarter II of 2023 from Tonduhan Unit on August 22, 2023 to Simalungun Regency Environmental Agency.
- Report on environmental management and monitoring Semester II 2022 for Tonduhan Unit on February 14, 2023 to Asahan Regency Environment Agency.
- Report on environmental management and monitoring Semester I 2023 for Tonduhan Unit on August 22, 2023 to Asahan Regency Environment Agency.

OHS Aspects

Pasir Mandoge Estate

There is evidence of OSH report reporting submitted to the Provincial Manpower Office. North Sumatra UPT Region IV such as

- OSH report for January, February, March Quarter I of 2023 which was sent on August 25, 2023
- OSH report for April, May, June Quarter II of 2023 which was sent on August 25, 2023.

Pasir Mandge POM

- Available and can be shown the OSH report for the second quarter for the Pasir Mandoge Estate PKS which was submitted to the North Sumatra Region IV Manpower Office on August 28, 2023.

Sei Kopas Estate

There is evidence of OSH report reporting submitted to the Provincial Manpower Office. North Sumatra UPT Region IV and received by the Manpower Office on August 22, 2023 such as

- OSH report for January, February, March Quarter I of 2023 which was sent on August 21, 2023
- OSH Report for April, May, June Quarter II of 2023 which was sent on August 21, 2023

Tonduhan Estate

There is evidence of OSH report reporting submitted to the Provincial Manpower Office. North Sumatra UPT Region III Simalungun district and received by the Manpower Office on August 22, 2023 such as OSH report for April, May, June Quarter II of 2023 sent on August 01, 2023

Employement Aspect

- Pasir Mandoge Unit
 - Online Report for Employment Pasir Mandoge POM with Report Number 21262.20222312.0001 on 23 December 2022 and Next Report on 23 December 2023
 - Online Report for Employment Pasir Mandoge Estate with Report Number 212262.20230711.0001 on 11 Juli 2023, and Next Report on 11 July 2024
 - Cash Employment Report on 7 August 2023 with Letter Number PAM/X/1252/VIII/2023 to Head of Labor Agency of Asahan District
- Sei Kopas Estate
 - Online Report for Employment Sei Kopas Estate with Report Number 212262.20230709.0001 on 09 Juli 2023, and Next Report on 09 Juli 2024
 - Cash Employment Report on 6 Juni 2023 with Letter Number KOP/V/131/VI/2023 to Head of Labor Agency of Asahan Distric
- Tonduhan Estate
 - Online Report for Employment Tonduhan Estate with Report Number 21181.20220905.0005 on 05 September 2022 and Next Report on 5 September 2023

Legal Aspect

The company has submitted information in Indonesian to stakeholders, for example:

- Plantation progress report of PTPN IV Pasir Mandoge and Sei Kopas period semester 1 of 2023 has been sent to Plantation Agency of Asahan District on 17 July 2023.
- Plantation progress report of PTPN IV Tonduhan period of semester 1 of 2023 has been sent to Plantation Agency of Simalungun District on 20 July 2023.
- HGU utilization report of PTPN IV Pasir Mandoge and Sei Kopas for the period of 2022 has been sent to Land Agency of Asahan District on 22 February 2023.
- HGU utilization report of PTPN IV Tonduhan for the period of 2022 has been sent to Land Agency of Simalungun District on 22 February 2023

1.1.3

The company has procedures for providing information to stakeholders in the SOP document Shelf Period for Requests for Information and Responses, which came into effect on 1 August 2017. The maximum response period for requests for information is 30 working days. Records related to requests for information and responses are included in the incoming letter document. This document informs you about the letter number, date of the letter, and the information needed. The company also documents information responses in the form of a recapitulation document listing letters requesting responses from 3 January 2019 to 10 August 2023. The following are examples of responses to requests for information from stakeholders such as:

- Application Letter for Industrial Work Practice Permit/Internship at Pasir Mandoge Unit Number 422/1505-2023 on 12 June 2023 from SMKN 1 Bandar Pasir Mandoge. Approval Letter from PTPN IV regarding Industrial Work Practice Permit Number PAM/X/106/VI/2023 on 23 June 2023, from 3 July – 3 October 2023 as many as 4 people.
- Letter from Police Chief Number B/32/X/2022 on 12 October 2022 at the Pasir Mandoge Unit regarding Application to Borrow Use of Heavy Equipment for Cleaning in the Bandar Pasir Mandoge Police Area. The company has approved this via Letter Number PAM/X/129/X/2022 on 13 October 2022.
- Letter no 520/DKN.PKM.IKDH-DT/VI/2023 on 22 June 2023 at Sei Kopas regarding the application for a preliminary survey and

research permit for the Deli Husada Deli Tua Health Institute and was responded to on 23 June 2023 stating that the company had approved the application

Based on the description above, it shows that the company has records of requests for information and responses

1.1.4

The company shows SPO Communication and Consultancy with the Community No. SPO 03, Revision 03, Effective Date 2 January 2017 which describes the procedures for communicating with the company and the community, as follows:

- Communication and consultation with the community in the Plantation and Factory Units is directly managed by the HR and General Assistant representing the Manager to communicate with the local leadership meeting, Military Headquarters at the ward, police station, religious leaders, traditional leaders and the surrounding community. All results of communications that occur must be submitted to the Manager to be known and processed and will be informed to the public what the policies and follow-up actions will be carried out by the company in handling the results of these communications and consultations no later than 3 months after the information is received by the Manager in order to maintain corporate image. Furthermore, if there is something important for the Board of Directors to know, the Manager can directly convey it to the District General Manager and jointly inform the Board of Directors.
- Communication and consultation with the community in the District is directly managed by the Assistant for Human Resources and Public Affairs in the district to communicate with local leadership meeting, Military Headquarters at the ward, police station, religious leaders, traditional leaders and the surrounding community. All communications that occur must be submitted to the District General Manager to be known and processed and then the public will be informed what the policies and follow-up actions will be carried out by the company in handling the results of the communication and consultation no later than 3 months after the information is received by the General Manager District in order to maintain the company's image. Furthermore, if there is something important for the Board of Directors to know, the District General Manager can immediately convey it to the Board of Directors.
- Communication and consultation with the public at the Head Office is managed directly by the Public Relations (public relations/corporate communication) Head Office in the Corporate Secretary Section. All the results of communications that occur must be submitted to the Head of the Corporate Secretary Section to be known and processed and then the public will be informed what the policies and follow-up actions will be carried out by the company in handling the results of these communications and consultations no later than 3 months after the information is received by the company. Head of Corporate Secretary Section in order to maintain the company's image. Furthermore, if there is something important for the Board of Directors to know, the Head of Corporate Secretary will immediately convey it to the Board of Directors

The company also showed evidence of company outreach to employees, stakeholders and community representatives, including: which was held on August 1 2022, which was attended by 13 participants

- Socialization of internal communications and resolving employee complaints which was held on July 3 2023 and attended by 24 people consisting of factory employees.
- Socialization of policies related to RSPO and ISPO on 2 August 2023 attended by 34 people at PKS Pasir Mandoge
- Socialization of internal communications and resolving employee complaints which was carried out on June 14 2023 and attended by 21 people consisting of employees of Afdeling 3 Sei Kopas Estate
- Socialization of Company policies and submission of information regarding complaints was carried out on March 15 2023, attended by 19 people consisting of government representatives from Bukit Pasir Mandoge Village and Suka Makmur Village, community and youth figures.

Based on interviews with workers, local contractors (CV Anugrah Perkasa), Head of Huta Bagasan Village and Head of Buntu Bayu Village and the Labor Agency of Asahan Regency, it is known that stakeholders already know the mechanism for requesting and providing information as well as communicating and submitting complaints to the company, namely verbally through direct meetings or telephone calls and also through correspondence. The company has shown proof of submitting complaints including incoming letters from employees and the Village government along with responses from the company

1.1.5

The company shows the latest list of stakeholders for the period July 2023 which provides the name of the agency, contact person, address, and telephone number, as follows:

- Pasir Mandoge POM: List of stakeholders consists of 16 institutions, 8 District and Village Governments, 6 Internal Companies, 26 contractors, and 2 Journalists.

- Pasir Mandoge Estate: List of stakeholders consists of 6 institutions, 5 District Governments, 7 worker organizations, 2 contractors, 7 journalists.
- Tonduhan Estate: The stakeholder list consists of 10 institutions, 8 sub-district and village governments, 1 contractor, 5 journalists and 6 internal companies.
- Sei Kopas Estate: The stakeholder list consists of 7 institutions, 9 sub-district and village governments, 6 contractors, 2 journalists and 5 internal companies.

Based on the description above, it shows that the company has an up-to-date list of contacts and detailed information on stakeholders and their appointed representatives

Tambahan informasi terkait dengan stakeholder yang dihubungi

Status: Comply

1.2
The unit of certification commits to ethical conduct in all business operations and business transactions.
1.2.1

The company has a policy of ethical behavior that is stated in the PTPN IV Code of Conduct document in accordance with the Decree of the Board of Commissioners and the Board of Directors of PTPN IV No. DK-08/KPTS/VII/2020 which was set on July 21, 2020. The Code of Conduct document explains the commitments and attitudes of business actors, obligations and rights of business actors, prohibitions for business actors, ethics with stakeholders, and compliance with violations.

The company shows socialization of the code of ethics, for example the socialization on February 17th, 2022, at the Pasir Mandoge Estate which was attended by 22 people. Apart from that, the Company provides regular socialization of the code of ethics, for example the socialization on May 25, 2023, at Afdeling IV Sei Kopas Estate which was attended by 37 people consisting of upkeep workers, harvester, and security.

Code of ethics policy has been implemented by the company in all business operations and transactions including recruitment and employment contracts. Code of ethics (anti-corruption and anti-bribery) are stated in every work agreement letter of third parties (contractors) and workers. Based on the interview with workers and contractor workers, it's known that they had a good understanding towards the code of ethics policy.

Based on the description above, it shows that the unit of certification already has a policy to act ethically, which is carried out in all operations and business transactions

1.2.2

Based on interviews with management, information was obtained that monitoring compliance and implementation of ethical business practice policies was carried out by means of internal audits. The company has an Internal Audit that carries out audit activities covering all plantation and factory operational activities. The company also has an internal audit mechanism to implement the principles and criteria contained in the RSPO scheme. This is carried out both internally and externally to the company (stakeholders and contractors). The internal audits carried out by SPI and RSPO internal audits are carried out every year covering all SPO and all RSPO indicators. Based on the results of the internal audit carried out on 17-21 July 2023, it was discovered that there were no violations of the company's code of ethics.

In addition, the company has appointed a PIC to carry out evaluations of third parties/vendors including vendors who provide labor, namely plant inspectors and administrative inspectors. One of the evaluations carried out is that third parties are required to comply with the provisions/regulations of the Department of Manpower and other agencies authorized/related to the implementation of work.

Based on the description above, it shows that the company has a system to monitor compliance and implementation of policies and ethical business practices as a whole

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS
2.1
There is compliance with all applicable local, national and ratified international laws and regulations.

2.1.1

The company has list of regulations of 2023 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

Land legality

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

- Pasir Mandoge Unit already has a Plantation Business License based on the Decree of the Head of the Integrated Licensing Service Agency for Sumatera Utara Province No. 522.2/79/BPPTSU/2/1.3/XII/2012 dated 18 December 2012 with a estate location in Bandar Pasir Mandoge Village, Bandar Pasir Mandoge District, Asahan District with a estate area of 8,406.35 Ha (in accordance with HGU No. 25/HGU /DA/75 dated 27 November 1975) and 1 unit of POM with a capacity of 60 tonnes of FFB/hour.
- Sei Kopas Unit already has a Plantation Business Permit - Cultivation (IUP-B) which covers the entire area managed by the company, based on the Decree of the Asahan Regent No. 503/IUP-B/DPMPTSP/0001/II/2018 dated 26 February 2018 with an area of 6,934.72 Ha located in Sei Kopas Village, Bandar Pasir Mandoge District, Asahan District.
- Tonduhan Unit already has a Plantation Business Permit (IUP) for an area of 2,457.86 Ha of oil palm, based on Regent Decree of Simalungun No. 188.451/4018/K-PPT/2012, November 9, 2012.

Environmental Aspect

- Tonduhan Estate has prepared an environmental document in the form of a *DPLH* document in November 2014 for the Tonduhan Estate area of \pm 2,457.86 Ha. The *DPLH* document has been approved in accordance with the recommendation letter of the PTPN IV Tonduhan unit from the Head of the Environmental Agency of Simalungun District No.1037 / Sekrt-2014 in November 2014.
- Pasir Mandoge Unit had an environmental permit in the form of an (*SEL*) at the beginning approved by the Ministry of Agriculture in accordance with Minister of Agriculture Decree No. RC.220 / 788 / B / V / 93 dated May 13th, 1993. In 2004, the company made an *AMDAL* change by preparing the *RKL-RPL* Document which was approved by the Head of the Asahan District's Office of Environment and Tourism through Approval Letter No. 130 / XII / LHP / RKL-RPL / 2004 dated December 28, 2004 with a study scope of 15,386 Ha with Mill capacities of 60 Tons of FFB/ Hour. Then, environmental permit according to the decision of Regent Asahan number 503 / IL / DPMPTSP / 0035 / XI / 2018 dated November 27, 2018. The scope of the Estate & mill area is 15,386 ha (Estate of 13,975 ha and Mill of 1,411 ha) with a capacity of 60 tons of FFB / Hour located in Sub Village X Bandar Pasir Mandoge Village.
- Sei Kopas Estate Approval of the environmental evaluation document (*DELH*) of an oil palm Estate covering an area of 6,934.72 ha for Sei Kopas unit is located in Sei Kopas Village, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province in accordance with the decision of the Head of the Environment Agency of Sumatera Utara Province on February 26, 2015. The public consultation on February 13, 2014 was located in the Head Office of Environment Agency of Sumatera Utara Province. Available Environmental Evaluation Document (*DELH*) for Palm Oil Estate Activities Sei Kopas Estate (Decision Letter Head of Sumatera Utara Province Environmental Agency No. 410 / BLH-SU / BTL-A / 2015, dated February 26, 2015) with an area of 6,934.72 Ha.
- Permit to use/utilize water based on the Decree of Asahan Regent No. 503/IPAL/DPMPTSP/0007/VI/2020 on 04 June 2020 and valid until 5 years.
- Decree of the Minister of Public Works and Public Housing, Asahan District, Sumatera Utara Province for the use of water in the Perot River for the industrial business of the Pasir Mandoge business unit owned by PT PTPN IV with number 246.2/KPTS/M/2018 of 2018.

OHS Aspect

- At the Sei. Kopas has an OSH organization in accordance with the OSH Endorsement Decree from the North Sumatra Provincial Manpower Office No. KEP.401/P2OHS/DTK/IX/2021 dated 6 September 2021.
- The OHS organization has been established, as evidenced by the decree of the Head of the Manpower Office of North Sumatra Province. Number 500.15.18/280-7/Disnaker/VIII/2023 concerning the ratification of the Occupational Safety and Health Committee (OSH) of PT. Perkebunan Nusantara IV Pasir Mandoge PKS Unit dated August 15, 2023.
- he company has shown evidence of having an OHS organization through a decree of the Head of the North Sumatra Provincial Manpower Office. Number 500.15.18/66-7/DIS.NAKER/III/2023 concerning the Ratification of the Safety and Health Committee (OSH) of PT Perkebunan Nusantara IV Medan-North Sumatra-Indonesia Dated March 20, 2023.

BMP

- The company does not use invasive species in biological pest control.
- The company has stored pesticide chemicals in accordance with Government Regulation no. 74 of 2001 concerning Management of Hazardous and Toxic Materials.
- The company has cleared land for replanting using a non-burning method.

Employment

- Payment of wages at PTPN IV refers to the Provincial Minimum Wage based on Decree No. 188.44/1005/KPTS/2022 on 07 December 2022 regarding the Determination of the Sumatera Utara Province Minimum Wage in 2023. The Asahan District minimum wage in 2023 is IDR 3.024.300,76 and
- Payment of wages at PTPN IV refers to the Provincial Minimum Wage based on Decree No. 188.44/1006/KPTS/2022 on 07 December 2022 regarding the Determination of the Sumatera Utara Province Minimum Wage in 2023. The Simalungun District minimum wage in 2023 is IDR 2.800.790
- Collective Labor Agreement for the period 2022-2023 between PTPN IV and SPBUN PTPN IV Number 04/Kpts/SP.BUN-PTPN-IV/VII/2022 which has been ratified based on the Decree of the Head of the Manpower and Transmigration Agency of Sumatera Utara Province

2.1.2

During assessment, unit certification has Work Basic Guidelines for Identification of Legislation and other Requirements no. document 04.01 / KOL / P / 034 dated 31 August 2018. Based on that document, it was conveyed that the Head of the Corporate Legal Subdivision and Investor Relations at least annually identifies and updates the legislation and other requirements. The procedure also explained that compliance evaluations are conducted periodically at least once a year which is carried out by the Head of Sub-Section / Affairs / Assistant of Public HR and District / or OHS secretary.

The company has an updated list of legality requirements for 2021 that exists in each unit. For example, there are several names of legal documents owned by the company such as HGU certificate, Business permit and Collective labor agreement.

The legal documents are also attached with information regarding the date of issue and validity period, for example:

- Pasir Mandoge Land Title Certificate No 112/Asahan, expiry date on 21-03-2054, based on Decree of the Minister of Land Agency No 16/HGU/KEM-ATR/BPN/III/2019 on 21 March 2019, Letter of Measurement No 228/B.P.Mandoge, Huta Bagasan/2019 on 05-10-2019 with an area of 2,532.40 Ha.
- Pasir Mandoge Land Title Certificate No 113/Asahan, expiry date on 21-03-2054, based on Decree of the Minister of Land Agency No 16/HGU/KEM-ATR/BPN/III/2019 on 21 March 2019, Letter of Measurement No 229/ B.P. Mandoge, Huta Bagasan, Suka Makmur/2019 on 05-10-2019 with an area of 3,837.98 Ha.
- Sei Kopas Land Title Certificate No: 119/Asahan, expiry date on 05-09-2054, based on Decree of the Minister of Land Agency No 72/HGU/KEM-ATR/BPN/VIII/2019 on 9 August 2019, Measurement Letter on 09-12-2019, No. 235/Silau Jawa/2019, Area 1,806.85 Ha

Based on the description above, it shows that the company has a documented system to ensure legal compliance that can track changes to applicable regulations

2.1.3

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

The company shows the HGU stake monitoring document which is carried out every 6 months. The last HGU stake monitoring was carried out for example in July 2023 at Pasir Mandoge Estate, Sei Kopas and Tonduhan Estate. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. The SOP Maintenance of HGU Boundary Marks Number SPO 12 Dated 02 January 2015 Revision No. 03 explains that one of the managements of boundary stakes that is carried out is to maintain boundary stakes and the surrounding area so that the boundary stakes can be seen clearly, and the position of the stakes must be in accordance with the HGU Map and Every six months the division Assistant monitors the boundary benchmarks by checking the physical condition or state of the stakes.

In the documents resulting from monitoring of the Sei Kopas Estate HGU carried out in July 2023, information was obtained that 142 stakes were in good condition, 41 of them were missing, a total of 183 stakes. The results of the field visit of the HGU stakes sampled by the auditor were for land title stake No. 223, No. 224 and No. 225 were not found.

In the land title monitoring results document for semester 1 of 2023, Tonduhan Estate obtained information that 44 stakes were damaged, 101 were missing, a total of 375 stakes. The results of the field visit of the land title stakes sampled by the auditor were for land title stake No. 223, No. 224 and No. 225 were not found.

As a result of a field visit to the Mandoge estate on land title stakes No. 029, 030, 031 and 32, information was obtained that the stakes could be found, but the stake numbers on the stakes had been lost so ensuring the accuracy of the stakes was only carried out based on reminders from the monitoring PIC.

The certification unit has not been able to indicate legal area boundaries with clear boundary signs that have been maintained in accordance with the established Work Instructions. This is become **Non-conformity number 2023.01 with minor category.**

Minor 2.1.3	Status: Non-conformity number 2023.01
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2.2

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

2.2.1

The company has a list of contractors for 2023 which will be updated in July 2023. This list provides information regarding the name of the contractor, person in charge, address and telephone/email who can be contacted. The types of services listed in the contractor list are FFB transportation, CPO transportation, CPO and PK transportation workers, factory area security workers, and heavy equipment rental. This vendor is still actively carrying out his work at PTPN IV.

The company also shows the following list of contractors:

- Pasir Mandoge POM: 26 contractors
- Pasir Mandoge Estate: 2 contractors
- Tonduhan Estate: 1 contractor
- Sei Kopas Estate: 6 contractors

Based on the description above, it shows that the company already has a list of contractors

2.2.2

The company shows a list of local contractors for 2023 consisting of:

- Sei Kopas Estate consists of 6 contractors, namely CV Anugrah Perkasa (FFB Transportation), PT Mutu Agung Lestari (Environmental Testing Services Laboratory), PT Sucofindo (Sample Testers), PT Prima Medica Nusantara (Occupational Health and Safety Testing Services Provider, PT Jaya Wira Manggala (Labor Services Provider) and PT EMPLOYEE Nusantara Jaya (Labor Services Provider)
- Tonduhan Estate consists of 1 contractor, namely Ratu Badis Jadi Jaya
- Pasir Mandoge Estate consists of 2 contractors, namely CV Irhan and CV Anugrah Perkasa
- Pasir Mandoge Mill consists of 26 contractors engaged in various fields such as transporting CPO, kernels, FFB suppliers, transporting and collecting B3 waste, testing water samples, wastewater, air emissions, certification bodies, labor service providers, OHS testing service providers work and providers of procurement of goods and services. Such as CV Anastasia as a contractor supplying FFB, CV Pelita Jaya as a contractor transporting CPO and PT Anugrah Perkasa as a contractor providing goods and services.

Based on sampling of contractor compliance with legal obligations, the Company shows evidence of CV Anugrah Perkasa contractor's compliance with legal regulations related to minimum wages, labor relations, namely work agreement letters, proof of handover of PPE and Social Insurance membership in the form of Social Insurance cards in the names with initial HS, M, R, SS, AW, FM, M, NR, AS, and JR. However, based on the results of observations and interviews at Sei Kopas Estate, there were still employees of CV Anugrah Perkasa (FFB Loader with initial S) who had not been included in the Social Insurance program, apart from that, the correspondent

admitted that up until now they had never been given PPE from their company.

In addition, the Company has a collaboration with PT Ratu Badis Jadi Jaya (FFB transport contractor) which includes workers as FFB Loaders on behalf of Sodikin, Tison, Tono, Larno, Mujiono, Rusdi, Dani and Drivers on behalf of Pendi, Budi, Adi, Haryanto, and Satria. Based on interviews and document review of 2 employees of PT Ratu Badis Jadi Jaya FFB loaders, it is known that the contractor's FFB loaders do not have a copy of the agreement letters, are not provided with PPE for work, and have not been included in social insurance.

Based on the explanation above, the contractor has not been able to provide social and health insurance, work safety guarantees, PPE according to the provisions for workers including fulfilling other legal aspects. Until the audit is completed, evidence of compliance with applicable laws cannot be shown, including:

- Workers' participation in Social Insurance
- Providing PPE to workers
- A copy of the Agreement Letters between the worker and contractors has not been shown.

The Company has not been able to show that third parties can show proof of compliance with applicable legal obligations. This is become **Non-conformity number 2023.02 with minor category.**

2.2.3

The company shows several examples of employment agreement documents, including:

- Letter of Agreement No. PAM/SPJB/TBS/09/III/2023 concerning Purchase of Palm Oil Fruit (Fresh Fruit Bunches) at the Pasir Mandoge POM on January 2nd, 2023, was signed by the Manager of the Pasir Mandoge POM PT. Perkebunan Nusantara IV and CV Mangelek Majaya as FFB Suppliers. The Letter of Agreement explains the object of work, quality requirements, price of FFB, Delivery/Receipt of Palm Oil Fruit/FFB, Payment, Fines/Sanctions, Agreement, Law and Justice, *Halal* Guarantee and Closing, but the work agreement does not mention clauses regarding prohibition of practices involving child labor, forced labor and human trafficking.
- Letter of Agreement between PT Perkebunan Nusantara IV and PT Jasa Mandiri Nusantara No. 04.04/S.Perj/excavator untuk bumbun pokok/846/V/2023 on 22 May 2023 concerning Excavator Equipment Rental Services for the Planting Oil Palm Trees in Mature Areas (TM) in 2023. The Letter of Agreement explains the General Provisions, Specifications and Quantities, Work Period, Irregularities and/or Fraudulent Business Transactions, Prices, Payment Procedures, Work Locations and General/Special Requirements, Work Implementation Guarantees, Work Additions and Deductions, Rights and Obligations of Second Parties, Work Implementation Supervision, Force Majeure, Termination of the Agreement and its Legal Consequences, Insurance, Notification, Dispute Settlement, Addendum, Good Faith, etc., however, the employment agreement does not mention clauses regarding the prohibition of practices involving child labor, forced labor and workers from human trafficking
- Letter of Agreement No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/107/IV/2022 concerning Transportation for FFB Afdeling VI Pasir Mandoge Estate on 27 April 2022 was signed by Manager of Pasir Mandoge POM PT Perkebunan Nusantara IV and CV Anugrah Perkasa as FFB Transport Contractors. The Letter of Agreement explains the General Provisions, Contract Scope and Responsibilities, Implementation of FFB Transport, FFB Transport Vehicle Specifications, Materials, Tools and Labor, Supervision of Work Implementation, Second Party Representatives, Postponement of Contract Cancellation, Time Period Contract, valid for 3 years until 27 April 2025, Taxes and Stamp Fees, Payment Procedures, Rights and Obligations, Late Fines, Termination of Contract and Legal Consequences Force Majeure, Compensation, Dispute Settlement, Work Implementation Guarantee, Addition and Reduction of Work, Addendum, Job Transfer, Notification and Closing, but the work agreement does not mention clauses regarding the prohibition of practices involving child labor, forced labor and workers from human trafficking.

Based on the assessment above, the work order is just regulating job specifications, payment, dispute resolution and work safety aspects only.

The certification unit has not been able to show that all Third Parties contracts have separate clauses prohibiting practices involving child labor, forced labor, and workers from human trafficking. This is become **Non-conformity number 2023.03 with minor category.**

Minor 2.2.2	Status: Non-conformity number 2023.02
Minor 2.2.3	Status: Non-conformity number 2023.03

2.3

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

2.3.1

For all indirectly obtained FFB, the unit of certification obtains evidence according to Indicator 2.3.1 from collection centres (middlemen), agents or other intermediaries. Based on document review, field observation, and interview with grading worker, it is known that there was no direct FFB supplier at Pasir Mandoge POM.

Based on the list of FFB suppliers at Pasir Mandoge Mill, it is known that there are only 3rd party external FFB suppliers who act as agents/collectors of FFB from farmer groups or surrounding communities who are engaged in oil palm plantation business. The company already has geolocation data for these agents but has not been able to show all farmer data or FFB source data sent to collectors along with information regarding land ownership status, geolocation information from the location of origin of FFB, identity of FFB suppliers, plantation area of FFB suppliers/farmers who sent fruit to agent. Based on the provisions of the RSPO P&C 2018 endorsed INA-NI April 2020 it is stated that the time requirement for supplying smallholders to fulfil the requirements according to indicator 2.3.1 is three years after the POM is certified. For PKS Pasir Mandoge, three years since being certified by the RSPO is October 14, 2023.

Thus, units of certification are encouraged to obtain evidence in accordance with Indicator 2.3.1 from collection centres (collectors), agents or other intermediaries. **OFI**

2.3.2

Based on the list of FFB suppliers at Pasir Mandoge POM, it is known that there are 3rd party external FFB suppliers who act as agents/collectors of FFB from farmer groups or surrounding communities who are engaged in oil palm plantation business. The company already has geolocation data for these agents but has not been able to show all farmer data or FFB source data sent to collectors along with information regarding land ownership status, geolocation information from the location of origin of FFB, identity of FFB suppliers, plantation area of FFB suppliers/farmers who sent fruit to agent. Based on the provisions of the RSPO P&C 2018 endorsed INA-NI April 2020 it is stated that the time requirement for supplying smallholders to fulfil the requirements according to indicator 2.3.1 is three years after the POM is certified. For Pasir Mandoge POM, three years since being certified by the RSPO is October 14, 2023.

Thus, units of certification are encouraged to obtain evidence in accordance with Indicator 2.3.1 from collection centres, agents or other intermediaries.

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 Company showed records of planning, monitoring, and evaluation of the Estate business, including:

- The Long-Term Plan contained in the 2020-2024 Long-Term Projection document approved by the Manager on October 14, 2020. The document has contained information on the Estate business including maintenance costs, fertilizer costs, harvesting costs, transportation costs, depreciation, FFB production, OER, KER, CPO production, kernel production, production prices, CPO prices, company profits, quality achievements, etc. The annual planning is also evaluated every year and compared with the realization. The annual plan may be adjusted based on field conditions, financial conditions, or other reasons. The Estate and mill management units state that the long-term plans may be amended and reviewed annually by management considering actual trends and dynamic situations that are predicted to change in the future. The planning and sustainability department together with Estate and Mill Management are responsible for ensuring that all technical implementation is in accordance with procedures, aiming to achieve optimal output for budget compliance purposes through monitoring, training, and socialization.
- The company showed the implementation of the Management review meeting held on August 12, 2023, which was attended by 23 participants including the unit manager, assistant head of the Estate, assistant Estate personnel, assistant administration, some of the things discussed were such as
 - Audit results
 - Customer feedback
 - Social community

- OHS commitment.
- Ecosystem
- Product quality and quantity

3.1.2

The company has a replanting plan listed in the Long-Term Plan document for the 2020-2024 period which was determined on October 14, 2020. From this document, it is known that there are replanting plans for the Sei Kopas and Tonduhan units. Meanwhile, there is no replanting plan for the Pasir Mandoge unit until 2024. For the Sei Kopas unit, the realization of replanting has been carried out covering 204 hectares in 2021, while for the Tonduhan unit the realization of replanting has been carried out covering 503 hectares in 2021 and 2022.

3.1.3

The company showed the implementation of the Management review meeting held on August 12, 2023, which was attended by 23 participants including the unit manager, assistant head of the Estate, assistant Estate personnel, assistant administration, some of the things discussed were such as

- Audit results
- Customer feedback
- Social community
- OHS commitment
- Ecosystem
- Product quality and quantity

Status: Comply

3.2

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

3.2.1

The company has a record of implementing continuous improvement. In the Best Management Practices aspect, for example, the company has also implemented biological pest control and the non-use of pesticides with the active ingredient paraquat dichloride. For the OHS aspect, the company has identified the needs and conducted training for workers who are required to have special competencies as stipulated in the regulations.

Legal Aspect

The results of the plantation class assessment with class II (Good) results are based on the 2021 Plantation Business Assessment Results Letter from the Head of the North Sumatra Province Plantation Service No. 525/498/IV/2021 dated 6 May 2021 which is valid for 3 years from the date of stipulation.

3.2.2

Certification Unit already has an annual report document using the RSPO metric template format (Ver. 2.1) that has been provided to the auditor team at the time of the assessment. The summary in the report, for example, is as follows:

Name of RSPO Member	:	Pasir Mandoge Palm Oil Mill PT Perkebunan Nusantara IV
RSPO Membership Number	:	1-0082-09-000-00
Name of Certified Unit	:	Pasir Mandoge Palm Oil Mill PT Perkebunan Nusantara IV
Name of Certification Body	:	PT MUTU AGUNG LESTARI
RSPO PalmTrace ID Number	:	RSPO_PO1000004497
Number of Mills	:	1
Number of Estates	:	3
Production Area (ha) - Estate	:	12932
Certified Area (ha) - Estate	:	14878
High Conservation Value (HCV) Area (ha)	:	798
Peatlands - Planted (ha)	:	0
Freshwater Usage per PO produced ton	:	441.337

However, the filling of the matrix template, especially the input of certified product data, does not match the actual data of the ASA-3

audit.

2.0 Annual Mill		
Data Sheet	Mass Balance Report ASA-3 Jul 2022 – Jun 2023	RSPO Metric Template ASA 3 Jul 2022 – Jun 2023
Certified PO Production (MT)	56.175,94	65,569.15
Non-Certified PO Production (MT)	7.991	8,837.77
Total PO Production (MT)	64.167,26	74,406.92
Certified PO Sales - RSPO (MT)	58.436,27	20,623.31
Certified PK Sales - RSPO (MT)	9.240,08	9,595.35
3.0 Annual Estate		
FFB Production (MT) Pasir Mandoge	150.020	211180758
FFB Production (MT) Sei Kopas	32658.39	35501730
D.2.0 Total Number of Worker		
Karyawan Pasir Mandoge Estate	838	771
Karyawan Sei Kopas Estate	589	489

Based on this data, it can be concluded that the company has not sufficient evidence to fill in the matrix template based on accurate data sources. **This becomes non-conformity No.2023.04 with minor category**

Minor 3.2.2 **Status: Nonconformity No. 2023.04 with minor category**

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

3.3.1

The company has procedures to carry out all its activities, these procedures are incorporated in the Standard Operating Procedures (SPO) issued on August 01, 2007. The SPO is available at the central office of the plant and factory and is available in Bahasa Indonesia so that it is easy to understand.

The contents of the SPO are.

Estate

- SPO 00 Background
- SPO 01 Land development
- SPO 02 New crops
- SPO 03 Nursery
- SPO 04 Immature crop
- SPO 05 Producing Crops
- SPO 06 Harvest

POM

- SPO-01 on Weighbridges
- SPO-02 on Loading Ramp
- SPO-03 about Boiling Station
- SPO-04 on Threshing
- SPO-05 on Empty Bunch Handling
- SPO-06 on Press Station
- SPO-07 on Oil Processing and Refining
- SPO-08 on Oil Delivery Tank and Palm Kernel Delivery Storage
- SPO-09 on How to produce low ALB CPO; ALB <2.5%, Super CPO/Golden CPO
- SPO-10 on Quality
- SPO-11 on Laboratory Equipment and Regents
- SPO-12 on Maintenance and Use of Analytical Scales
- PO-13 on Security/Protection of Laboratory Equipment/Materials
- SPO-14 on Depericarater
- SPO-15 on Seed Mill

- SPO-16 on Steam Boiler
- SPO-17 on Water Purification
- SPO-18 on Engine Room
- SPO-19 on MILL Electrical System
- SPO-20 on Workshop Machinery/Equipment
- SPO-21 on Liquid Waste Treatment

3.3.2

Monitoring is carried out by RSPO audits and operational audits. *SPI* (Internal Audit Unit) audits evaluate the operational and administrative implementation of Estates and mills. Meanwhile, RSPO internal audits aim to evaluate the implementation of sustainability procedures in Estates and mills.

Each unit has documented the entire administration of Estate operations and mill production such as reports, etc. Field visits to the mill showed that the units have documented daily activities in daily production reports that are documented using a computerized system.

The company has shown the results of the internal audit conducted on July 17 to 22, 2023. The audit resulted in several items such as OSH management structure, monthly meetings, Estate business development assessment report, SIA management and monitoring plan.

3.3.3

The Company has demonstrated the follow-up of the RSPO results conducted on July 17-22, 2023. The company also demonstrated the Management Review Meeting conducted on August 12, 2023. The management review meeting discussed the review of the RSPO audit results.

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

Environmental Assessment Document

Tonduhan Estate.

In accordance with Minister of Environment Regulation No.14 of 2010 concerning environmental documents for businesses and / or activities that already have an *IUP* but do not yet have an environmental document, they are required to make an Environmental Management Document (*DPLH*) study. To fulfil the adequacy of these regulations, Tonduhan Estate has prepared an environmental document in the form of a *DPLH* document in November 2014 for the Tonduhan Estate area of $\pm 2,457.86$ Ha.

The *DPLH* document has been approved in accordance with the recommendation letter of the PTPN IV Tonduhan unit from the Head of the Environmental Agency of Simalungun District No.1037 / Sekrt-2014 in November 2014.

Pasir Mandoge Mill & Estate.

At the beginning PTPN IV had an environmental permit in the form of an (*SEL*) approved by the Ministry of Agriculture in accordance with Minister of Agriculture Decree No. RC.220 / 788 / B / V / 93 dated May 13th, 1993. In 2004, the company made an *AMDAL* change by preparing the *RKL-RPL* Document which was approved by the Head of the Asahan District's Office of Environment and Tourism through Approval Letter No. 130 / XII / LHP / RKL-RPL / 2004 dated December 28, 2004 with a study scope of 15,386 Ha with Mill capacities of 60 Tons of FFB/ Hour.

Environmental permit according to the decision of Regent Asahan number 503 / IL / DPMPTSP / 0035 / XI / 2018 dated November 27, 2018. The scope of the Estate & mill area is 15,386 ha (Estate of 13,975 ha and Mill of 1,411 ha) with a capacity of 60 tons of FFB / Hour located in Sub Village X Bandar Pasir Mandoge Village.

Sei Kopas Estate.

Approval of the environmental evaluation document (*DELH*) of an oil palm Estate covering an area of 6,934.72 ha for Sei Kopas unit is

located in Sei Kopas Village, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province in accordance with the decision of the Head of the Environment Agency of Sumatera Utara Province on February 26, 2015. The public consultation on February 13, 2014 was located in the Head Office of Environment Agency of Sumatera Utara Province.

Available Environmental Evaluation Document (*DELH*) for Palm Oil Estate Activities Sei Kopas Estate (Decision Letter Head of Sumatera Utara Province Environmental Agency No. 410 / BLH-SU / BTL-A / 2015, dated February 26, 2015) with an area of 6,934.72 Ha.

Based on document, the monitoring program environmental is implemented to monitor the effectiveness of the mitigation measures such as evaluation of document RKL/RPL report semester 1 years 2021. Based on document review of the environmental monitoring implementation and conducted evaluated for aspect hazardous waste management, emission, and POME management.

Social Impact Document

PTPN IV has implemented SIAs for each unit that aims to identify the positive and negative social impacts of Estate / mill operations on surrounding communities. In addition to identifying social impacts, the study also provides plans / recommendations for management and monitoring to increase positive impacts and reduce existing negative impacts. There are methods used in conducting social studies, namely direct interviews (Guideline Interviews), direct interviews (Live Interviews), data / information analysis and field observations. The following are the SIA documents owned by each unit, including:

PTPN IV - Tonduhan Unit

PTPN IV Tonduhan Unit SIA Report prepared by Surveyor Indonesia in 2016 with a study period of 3 months (January - March 2016). The study was conducted in the operational areas of the Tonduhan Unit in 4 villages such as Buntu Bayu, Tonduhan, Buntu Turunan and Parhondalian Jawadipar, Hatonduhan District, Simalungun District, Sumatera Utara Province. The aspects examined in this report include socioeconomic aspects (community income, partnership opportunities, work opportunities, regional economics, etc.), social aspects (educational and health accessibility), socio-cultural aspects (social institutions, community customs, population presence original) and others. In addition, the report also identified social parameters that must be carried out in the future management and monitoring, namely: employment opportunities, business opportunities, public facilities and social facilities.

PTPN IV – Pasir Mandoge Unit

PTPN IV SIA Pasir Mandoge Unit report prepared by Kompasia in 2015 with a study period of 2 months (March - April 2015). The study was conducted in the operational area of the Pasir Mandoge Unit in 3 Villages such as Bandar Pasir Mandoge, Huta Bagasan and Suka Makmur, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province. The aspects examined in this report include socioeconomic aspects (community income, partnership opportunities, work opportunities, regional economics, etc.), social aspects (educational and health accessibility), socio-cultural aspects (social institutions, community customs, population presence original) and others. In addition, the report also identified social parameters that must be carried out in the future management and monitoring, namely: employment opportunities, business opportunities, public facilities and social facilities.

PTPN IV - Sei Kopas Unit

PTPN IV Unit Sei Kopas SIA Report prepared by Surveyor Indonesia in 2016 with a study period of 3 months (January - March 2016). The study was conducted in the operational areas of the Sei Kopas Unit in 2 Villages such as Sei Kopas and Silau Jawa, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province. The aspects examined in this report include socioeconomic aspects (community income, partnership opportunities, work opportunities, regional economics, etc.), social aspects (educational and health accessibility), socio-cultural aspects (social institutions, community customs, population presence original) and others. In addition, the report also identified social parameters that must be carried out in the future management and monitoring, namely: employment opportunities, business opportunities, public facilities and social facilities.

In conducting an SIA, the company and the drafting team involved the participation of the communities in the surrounding villages by conducting guided interviews, live interviews, data / information analysis and field observations. When involving the surrounding community in data collection and interviews and consultations, the community is given the freedom to express and express their social views freely to the drafting team / company.

3.4.2

The Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report for certification unit. The company are consistently done the environmental

management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly. The significant impacts that are managed and monitored based on AMDAL Documents. The environmental impact assessment and management and monitoring plan has been developed with the participation of affected stakeholders which is carried out every 6 months and reported to District government.

In the previous SIA assessment conducted in 2016 (Tonduhan estate & Sei Kopas estate) and year 2015 for Pasir Mandoge Unit has includes records of participatory meetings with surrounding villages.

The follow-up effort to the 2015 and 2016 SIA recommendation, the company has developed a social management and monitoring plan that is set out in the Action Plan document, in the process of compiling the document, included affected party internal and external stakeholders.

The company has filled out the 2023 questionnaire for the SIA Pasir Mandoge Business Unit, Sei Kopas Business Unit, and Tonduhan Business Unit. The SIA and EIA programs and their realization for 2022 for the January-December period and for 2023 for the January-June period consist of the following programs such as managed public facilities and social facilities, opportunities to get jobs, business opportunities and increased education, conflicts with breeders, and others.

Based on document verification, it is known that the environmental impact and social impact assessment process is carried out independently and has involved affected stakeholders. In addition, the environmental document review has covered all of the company's operational areas.

The company also conducts an internal evaluation of the SIA management activities every year. Based on the results of consultations with workers' representatives, there is no form of discrimination against workers, no underage workers were found, the company has also fulfilled the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship, public facilities. educational infrastructure (schools), and other facilities. The company also allocates resources for the maintenance of the entire facility. The resource persons also stated that they can voice their views through their own representative institution or a spokesperson they choose in the evaluation activities to review and develop mitigation plans, as well as monitor the success of the implemented plans.

Based on interview with local people such as Suka Makmur Village, it is known that there was no any issues that were not include in Company's SIA and EIA report.

3.4.3

The unit of certification has made efforts in implementing the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, the certification unit also makes efforts to periodically update the management in a participatory manner. The company involves the Environment Agency and the Ministry of Environment to monitor the results of environmental management that has been carried out by the company in the form of presenting environmental monitoring and management implementation report and other environmental management documents that are sent every certain period which can be proven in indicator 1.1.2. The company also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain advice and advice in carrying out environmental management in accordance with the vision, mission and government programs so that they can run synergistically. Based on the results of the verification of the environmental monitoring and management implementation report Semester I 2023, which are documents that can be accessed by the public, the company has conducted a trend analysis and critical level of the test results and management that has been carried out.

Based on the explanation above, it is known that the Company already has a social and environmental management and monitoring plan which is implemented, monitored and updated periodically in a participatory manner involving the community and the company's management unit.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1

The company has an employment system, including the following:

- Employee recruitment mechanism

The mechanism for recruiting employees is contained in the collective labor agreement 2022-2023 CHAPTER II, article 12 and article 13 regarding the recruitment and appointment of employees. The collective labor agreement explains that the acceptance of employees is based on the needs of the workforce according to the development of the company's organization and is in accordance with government regulations.

- Payroll system and incentives.

The company already has a payroll system included in the 2022-2023 collective labor agreement. In the collective labor agreement in Chapter V, it is explained about the classification of wages, benefits, and units. The payroll system in collective labor agreement includes:

- Article 32 concerning Salary Groups
- Article 33 regarding Basic Salary and Rice Supply
- Article 34 concerning Position Allowances
- Article 35 regarding Structural Allowances
- Article 36 regarding Task Executor Allowances
- Article 37 regarding Compensation Allowances
- Article 38 regarding Social Benefits
- Article 39 regarding the Cost of Performing Tasks
- Article 40 regarding Bonuses

- System of career paths and work performance.

The system for career paths and work performance is explained in the 2022-2023 Collective Labor Agreement Chapter II, article 14 concerning classes and ranks, article 15 concerning promotion, article 16 concerning promotions, and article 17 concerning demotions and positions. The company also shows a list of employee grade increases/promotions for 2022 for assessment in 2021 which stipulates, for example, those with the initials M are the harvest foremen of section I who are promoted from class IC/10 to ID/0. The things that are assessed include attendance discipline, job knowledge and expertise, speed, quality and productivity, teamwork, and honesty.

- Collective labor agreement

Collective labor agreement period 2022 – 2023 between PTPN IV and PTPN IV SPBUN which has been ratified through the Decree of the Head of the Sumatera Utara Province Manpower Office No 568/20-6/DTK/I/2020 regarding the registration of the PTPN IV joint work agreement which is valid until 31 December 2023. The Collective labor agreement regulates wages, working hours, overtime, sickness, leave entitlements, reasons for dismissal, and so on.

- Occupational Safety and Health Regulations and Facilities

PT Perkebunan Nusantara IV has a policy regarding OHS which is contained in the Plantation Management System Policy issued on January 25, 2022, by the Main Director in point 1 which states that prioritizing "Occupational Safety and Health" in all aspects of work to prevent and reduce accidents and occupational diseases by implementing an occupational safety and health management system. In addition, policies related to OHS are also explained in the 2022 - 2023 Collective labor agreement Chapter VII concerning Occupational Safety and Health and Equipment.

- Training System

The company has identified training needs for each employee according to their position and type of work. As an example of identification that has been carried out by the company is the socialization of the 2022-2023 Collective labor agreement for workers in each department. After identifying, the company develops a training program for its employees for a year, the following is an example of the realization of a training program in 2023, namely:

- Socialization of the Collective Labor Agreement which was held at Afdeling 3 Pasir Mandoge Estate on February 4 2023 and was attended by 40 workers consisting of Pasir Mandoge Estate Employees
- The socialization of internal communication and resolution of employee complaints was held on July 3 2023 and was attended by 24 people consisting of factory employees.
- Socialization of RSPO and ISPO policies on 2 August 2023 attended by 34 people at PKS Pasir Mandoge.

Based on the results of interviews with the Asahan Regency and Simalungun Regency Manpower Agency, it is known that during the last year there have been no issues regarding employment aspects in the company.

Based on the description above it can be concluded that the company has procedures for recruitment, selection, promotion, retirement, and termination of employment that are documented and available to workers and their representatives in accordance with applicable laws and regulations

3.5.2

The company has employment records and documentation in accordance with applicable procedural policies, including:

- Permanent Worker Agreement Letter No. PAM/S.Perj/20/IV/2023 on 1 April 2023 between PT PN IV and harvester with initial JR is valid for 3 months.
- Permanent Worker Agreement Letter No. PAM/S.Perj/01/IV/2023 on 1 April 2023 between PT Perkebunan Nusantara IV and Panca Syahputra Saragih as harvester valid for 3 months from 1 April 2023 to 30 June 2023
- Employee Appointment. PT Perkebunan Nusantara IV District on behalf Decree of the Directors of PT PN IV with number 04.11/Kpts/R/54/V/2020 concerning the appointment of employees in groups 1A to II D during the probationary period to become Employees groups 1A to IID, the Board of Directors of PT PN IV decided on the name Imam Santoso NIK 209410001 Group 1A/O position Afdeling Harvester 1 Pasir Mandoge Estate on May 1, 2020
- Employee Leave. The application for leave on 10 August 2023 was approved by the plantation personnel assistant and the Manager, in the name of Surya Andi Saputra ID No. 4007993 class 1C transport section on 11-12 August 2023. The remaining leave is 36 days, so the remaining leave after the application is 34 days.
- Pension. PT Perkebunan Nusantara IV Directorate Decree No. 04.07/Kpts/048-PAM/IX/2022 concerning dismissal with accelerated retirement rights of employees of PT Perkebunan Nusantara IV on behalf of Juarti. Decree of the Board of Directors of PT Perkebunan Nusantara IV No. 04.07/Kpts/1990-PAM/XI/2022 regarding the termination of normal employee pension rights in the name of Rukiyah. The severance pay has been paid.
- Minimum wage. Salary in the name of Saut Hendri Butarbutar ID No. 04007099 for June 2023 basic salary 3,010,556 special allowance 752,639 and in July 2023 4,355,780 special allowance 1,088,940

Status: Comply

3.6

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

3.6.1

Pasir Mandoge POM

The company has demonstrated a risk assessment form using the HIRADC form (Hazard Identification, Risk Assessment & Control) Document No. FM-4.2.1-01 Revision 00. The risk assessment is prepared by a general OHS expert and carried out for the activity/location:

- Sterilizer station,
- crance housing station,
- machine room station,
- clarification station,
- press station,
- kernel station,
- boiler station,
- laboratory,
- demint plan station,
- vat vit station, WWTP,
- application land,
- workshop, chemical warehouse,
- material warehouse, hazardous waste disposal site,
- Fuel filling station,

During field observations, it was found that activities and facilities had not been risk assessed, such as sorting activities, dispatch activities, weighbridges, and other facilities.

Pasir Mandoge estate

The company has demonstrated a risk assessment form through the HIRADC (Hazard Identification, Risk Assessment & Control) form

Document No. FM-4.2.1-01 Revision 00. Risk assessments are prepared by a general OHS expert and conducted for

- chemis activities,
- Mixing chemicals,
- Cleaning the fertilizer shed,
- Fertilizing,
- Loading FFB,
- Clearing with machines/manually,
- Harvesting FFB,
- Harvesting FFB close to the electricity network,
- taking/storing,
- distributing,
- refueling and starting the engine,

During field observations, it was found that activities and facilities had not been risk assessed, such as the activities of

- Manual outpatient care
- HCV management activities
- FFB harvesting on ravine land
- Chemis maintenance on ravine land
- Rinse house facility
- LB3 TPS facility
- TPSA facility
- Pump house facility

Sei Kopas Estate

The company has shown the risk assessment form through the HIRADC (Hazard Identification, Risk Assessment & Control) form No. FM-4.2.1-01 Revision 00. The risk assessment was checked by a general OHS expert and was carried out for the activities of harvesting FFB with a graver, loading FFB, chemis, road maintenance, trimming the hoe, prying the hoe, fertilizing, harvesting the electricity area, lifting water for chemis, making horse treads, quoting the brondol, scratching the disc, cutting grass, harvesting FFB with dodos.

During field observations, it was found that activities and facilities had not been carried out risk assessments such as activities:

- Pumping machines such as repairs, oil changes, starting, checking.
- Fertilizer warehouse
- Rinse room

Tonduhan Estate

The company has shown a risk assessment form through the HIRADC (Hazard Identification, Risk Assessment & Control) form No. FM-4.2.1-01. Identification, Risk Assessment & Control) form Document No. FM-4.2.1-01 Rev.00. The risk assessment is checked by a general OHS expert and conducted for the activities of FFB harvesting, FFB loading, fertilizer and chemical warehouse activities, spray activities, fertilizer, and other activities.

Can It be concluded that the company has not conducted a risk assessment of all activities and company facilities. **This becomes non-conformity No.2023.05 with major category.**

3.6.2

The company shows the results of special medical examinations for workers who work with chemicals etc. For example:

Pasir Mandoge Estate

- Cholinesterase: carried out on August 13, 2022, on 9 employees with the results of 3 within normal limits and 6 mild intoxication. Follow-up of the results of the health examination of employees with mild intoxication will consult with the company doctor and re-measurement will be carried out on December 12, 2022, based on the results of interviews with company representatives, it is known that the results of follow-up checks.
- Audiometry: carried out on August 9, 2022, on 12 workers. from the results of the examination obtained 3 people with mild ADS:

CHL and 9 people are normal. Follow-up of the results of the health examination of employees with mild ADS CHL will consult the company doctor and be re-examined on October 19, 2022, based on the results of interviews with company representatives, it is known that the results of the follow-up examination have come out and the conclusion is enough to wear PPE and take medicine regularly.

Pasir Mandoge POM

- Cholinesterase: on 39 employees carried out on August 13, 2022, with the results of 25 within normal limits and 14 mild intoxications. Follow-up of the results of the health examination of employees with mild intoxication will consult with the company doctor and re-examination will be carried out on December 12, 2022, with the results advised to use PPE when working.
- Audiometry: conducted on August 16, 2022, on 2 workers. With the results of the examination all within normal limits.

Sei. Kopas

- Cholinesterase: 31 within normal limits and 1 mild intoxication. Follow-up of the results of the health examination of employees with mild intoxication will consult with the company doctor and be re-examined on October 19, 2022. Based on interviews with company representatives, it is known that the results of the follow-up examination have been released from Balimbing Hospital. With the results, all of them are required to comply with the use of PPE when conducting health checks.
- Audiometry: 2 Normal and 1 mild ADS CHL. Follow-up of the results of the health examination of employees with mild intoxication will consult the company doctor and be re-examined on October 19, 2022. With the results, all of them are required to comply with the use of PPE when conducting health checks.

The results of the interview with the central clinic doctor that the recommendation to move the work location is carried out when there is further testing.

Major 3.6.1	Status: Nonconformity No. 2023.05 with minor category
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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 can show training programs for 2023 such as

- Socialization toxic and hazardous materials and hazardous and toxic waste
- Socialization of domestic waste
- Socialization of SOP for consultation and communication to stakeholders
- Socialization of employment
- Socialization of forced labor
- Socialization of emergency response

The company showed training records such as

- Integrated pest management on February 21st, 2023, attended by 7 participants.
- Pesticide Management, June 5th, 2023, attended by 17 participants
- HIRAC on May 22nd, 2023, attended by 22 participants.
- Harvesting on February 27th, 2023, attended by 36 participants.
- OHS on April 04th, 2023, attended by 36 participants.

3.7.3

The unit of certification showed socialization about the supply chain to employees which was last conduct on 22 July 2023. The minutes explained the procedures for managing certified and non-certified products including the responsibilities for each of the personnel who handle products.

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

Based on the results of interviews with the system and certification document team as well as the results of verification of the SOP document for Handling Certified Palm Oil Products (Doc. No.: 04.03/UNIT/SUS/P/001), explained that the handling of FFB from the

plantation must be recorded in the fruit delivery letter (SPB), FFB originating from RSPO certified plantation areas are given a CSPO stamp, while those not originating from RSPO certified plantations are not given a CSPO stamp.

The company has inventoried areas that have not yet taken RSPO certification in the Sei Kopas plantation which has produced FFB with the following details:

Division	Planting years	Block	Total (Ha)
IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D, 15A & 16 E until 16 N.	262
V	2007	07 E & 07 G	36
VI	2005 – 2015	05 J until 05 O, 05 Z, 05 AA, 05 AC, 05 AD, 06 J, 06 K, 07 H, 07 J, 07 K, 07 T, 15 D dan 15 E.	274
VII	2005	05 AE & 05 AB	28
Total			610

Based on the results of interviews with the harvest foreman in block 07E, it was explained that the foreman did not understand RSPO certification or how to record FFB originating from RSPO certified and non-certified plantations.

As a result of verification of several FFB lading letter (SPB) documents issued by Sei Kopas Estate, information was obtained that FFB had been recorded originating from plantation areas that were not yet RSPO certified, namely:

- Fruit delivery letter dated 1 July 2023 No SPB 2/06/7/2023 originating from the harvest block section VI blocks 05 L and 07 J affixed with the stamp CSPO police number of the transport truck 8566 EN. Weighing receipt dated 2 July 2023 No. SPB 2/06/7/2023 originating from section VI blocks 05 L and 07 J with the police number of the transport truck 8566 EN affixed with CSPO stamp No. MUTU-RSPO/147 model MB (counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 4/7/07/2023 originating from the division VII harvest block, blocks 05 AE and 05 AV, affixed with the CSPO stamp, transport truck police number 8737 EN. Weighing receipt dated 12 July 2023 No. SPB 4/7/07/2023 originating from section VI blocks 05 AE and 05 AV affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 3/7/07/2023 originating from the division VII harvest block, blocks 05 AB and 10 AU, affixed with the CSPO stamp, police number of the transport truck 8571 EN. Weighing receipt dated 12 July 2023 No. SPB 43/7/07/2023 originating from division VI blocks 05 AB and 10 AU affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).

The results of the interview with the Operator / Weight officer explained that if there is a CSPO-stamped FFB fruit delivery letter (SPB) originating from the Sei Kopas plantation, then all of it will be input into the system as an RSPO certified product.

Thus, there is a record of FFB originating from plantation areas that are not RSPO certified (Non certified), which are claimed to be FFB originating from RSPO certified areas (certified).

The certification unit has not been able to indicate legal area boundaries with clear boundary signs that have been maintained in accordance with the established Work Instructions. **This becomes non-conformity No.2023.06 with minor category**

Minor 3.7.3 | **Status: Non-conformity number 2023.06**

3.8 Supply Chain Requirements for Mills

3.8.1; 3.8.2

Pasir Mandoge POM apply the E (Mass Balance) module where the POM receives certified FFB and uncertified FFB. During the assessment, based on FFB received document, The mill is receiving and processing FFB from certified and uncertified sources, hence,

the RSPO SCCS Module E (MB) are applied.

3.8.3

During the assessment, estimates of CPO and PK produced by Pasir Mandoge Palm Oil obtained from the projection based on actual data before audit activities, here's the detail:

Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (August 2022 to July 2023) (MT)	Estimation for the next 12 months
FFB Processed	285,000	226,909.33	260,000
CPO Production	60,000	51,711.04	62,000
Palm Kernel (PK) Production	12,500	8,862.68	13,000

3.8.4

Unit management shows the registration and reporting requirements for the supply chain on website <https://palmtrace.rspo.org/web/rspo/member-directory>, explained:

- PalmTrace Member ID: RSPO_PO 1000004277
- RSPO Membership Number 1-0030-06-000-00
- Last license: CB108430
- Supply Chain Mode: Mass Balance
- Type of Business: Oil mill
- GPS Coordinates (Latitude, Longitude): 2.76796, 99.31697

3.8.5

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

Based on interviews in Pasir Mandoge 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 annually.

3.8.6

The Procedure to conduct annual internal audit are describe in SOP No. 21 dated 2 January 2018 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit is done annually. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements.

Latest internal audit has conducted on 17 to 22 July 2023, which also resulting there is one finding identified towards SCCS indicators related to management review document. The unit of certification shows evidence of follow-up improvements by showing the recording of the management review meeting that was held on July 24, 2024. The recording contains aspects of SCCS as one of main discussion in the meeting.

3.8.7

The Mill has maintained the record of goods such as in FFB Delivery Note and Mass Balance data, that identify amount and sources of FFB certified and uncertified received, as well as the certified products (CSPO and CSPK), shown as follows:

Product	Last Year Projected Certified Volume (MT)	Actual Production (MT) of previous audit (August 2022 to July 2023)
FFB	285,000	226,909.33
CSPO	60,000	51,711.04
CSPK	12,500	8,862.68

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

Based on the results of interviews with the system and certification document team as well as the results of verification of the SOP document for Handling Certified Palm Oil Products (Doc. No: 04.03/UNIT/SUS/P/001), explained that the handling of FFB from the plantation must be recorded in the fruit delivery letter (SPB), FFB originating from RSPO certified plantation areas are given a CSPO stamp, while those not originating from RSPO certified plantations are not given a CSPO stamp.

The company has inventoried areas that have not yet taken RSPO certification in the Sei Kopas plantation which has produced FFB with the following details:

Division	Planting years	Block	Total (Ha)
IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D, 15A & 16 E until 16 N.	262
V	2007	07 E & 07 G	36
VI	2005 – 2015	05 J until 05 O, 05 Z, 05 AA, 05 AC, 05 AD, 06 J, 06 K, 07 H, 07 J, 07 K, 07 T, 15 D dan 15 E.	274
VII	2005	05 AE & 05 AB	28
Total			610

Based on the results of interviews with the harvest foreman in block 07E, it was explained that the foreman did not understand RSPO certification or how to record FFB originating from RSPO certified and non-certified plantations.

As a result of verification of several FFB lading letter (SPB) documents issued by Sei Kopas Estate, information was obtained that FFB had been recorded originating from plantation areas that were not yet RSPO certified, namely:

- Fruit delivery letter dated 1 July 2023 No SPB 2/06/7/2023 originating from the harvest block section VI blocks 05 L and 07 J affixed with the stamp CSPO police number of the transport truck 8566 EN. Weighing receipt dated 2 July 2023 No. SPB 2/06/7/2023 originating from section VI blocks 05 L and 07 J with the police number of the transport truck 8566 EN affixed with CSPO stamp No. MUTU-RSPO/147 model MB (counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 4/7/07/2023 originating from the division VII harvest block, blocks 05 AE and 05 AV, affixed with the CSPO stamp, transport truck police number 8737 EN. Weighing receipt dated 12 July 2023 No. SPB 4/7/07/2023 originating from section VI blocks 05 AE and 05 AV affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 3/7/07/2023 originating from the division VII harvest block, blocks 05 AB and 10 AU, affixed with the CSPO stamp, police number of the transport truck 8571 EN. Weighing receipt dated 12 July 2023 No. SPB 43/7/07/2023 originating from division VI blocks 05 AB and 10 AU affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).

The results of the interview with the Operator / Weight officer explained that if there is a CSPO-stamped FFB fruit delivery letter (SPB) originating from the Sei Kopas Estate, then all of it will be input into the system as an RSPO certified product.

Thus, there is a record of FFB originating from plantation areas that are not RSPO certified (Non certified), which are claimed to be FFB originating from RSPO certified areas (certified).

POM has not been able to show evidence that the verification and recording of tonnage amounts and sources for certified FFB, and tonnage amounts for uncertified FFB have been carried out accurately. **This becomes non-conformity No.2023.07 with major**

category.

3.8.8

Based on the verification results of the Transaction Report document in palm trace, there are CSPO and CSPK sales starting from certified in 2020 until the ASA 3 audit takes place in 2023 with Confirmed status. However, mill has not been able to show proof of information regarding Sales and Goods Out of RSPO certified products, available in various forms of documents, for example shipping notes, shipping documents, and specification documents, for example sales and purchase contract documents for RSPO certified products, delivery letters, invoices and shipping announcements.

POM has not been able to show proof of sales documents and outgoing goods that explain RSPO certified products. **This becomes non-conformity No.2023.08 with major category.**

3.8.9

The outsource for certified product handling has only for CPO and PK transportation activities, with agreements presented as follows:

- CPO transportation agreement with CV Pelita Jaya through Agreement No. 04.05/S.Perj/01/III/2023 dated 13 Maret 2023. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 5.
- For PK transportation namely CV Karya Mandiri with agreement document No.: 04.05-Peng/S.Perj/03/III/2023. Based on the document verification, it informs that the contractor is willing to be audited at any time by an independent certification body

3.8.10 ; 3.8.11

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

- CV Pelita Jaya (CPO transporter)
- PT Karya Mandiri (PK transporter)

3.8.12

The company has had the up-to-date record and report that are kept in mill office, complete, accurate and up-to-date. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. Based on document verification on supply chain procedure, retention time for all records and report regarding to supply chain are kept for 12 months.

For instance, record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 9-months before audit (August 2022 - July 2023):

- FFB: 238,462.79 MT
- CSPO

Period	CPO production (MT)		Total	Certified CPO Dispatch (MT)		
	Certified	Non-Certified		RSPO	Other scheme	Non-Certified
August 2022 - July 2023	51,711.04	17830.21	69,541.25	18,768.30	-	29,578.38

- CSPK

Period	PK production (MT)		Total	Certified PK Dispatch (MT)		
	Certified	Non-Certified		RSPO	Other scheme	Non-Certified

August 2022 - July 2023	8,862,68	3055.90	11.918,58	8,841.90	-	-
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Based on the results of interviews with the system and certification document team as well as the results of verification of the SOP document for Handling Certified Palm Oil Products (Doc. No.: 04.03/UNIT/SUS/P/001), explained that the handling of FFB from the plantation must be recorded in the fruit delivery letter (SPB), FFB originating from RSPO certified plantation areas are given a CSPO stamp, while those not originating from RSPO certified plantations are not given a CSPO stamp.

The company has inventoried areas that have not yet taken RSPO certification in the Sei Kopas plantation which has produced FFB with the following details:

Division	Planting years	Block	Total (Ha)
IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D, 15A & 16 E until 16 N.	262
V	2007	07 E & 07 G	36
VI	2005 – 2015	05 J until 05 O, 05 Z, 05 AA, 05 AC, 05 AD, 06 J, 06 K, 07 H, 07 J, 07 K, 07 T, 15 D dan 15 E.	274
VII	2005	05 AE & 05 AB	28
	Total		610

Based on the results of interviews with the harvest foreman in block 07E, it was explained that the foreman did not understand RSPO certification or how to record FFB originating from RSPO certified and non-certified plantations.

As a result of verification of several FFB lading letter (SPB) documents issued by Sei Kopas Estate, information was obtained that FFB had been recorded originating from plantation areas that were not yet RSPO certified, namely:

- Fruit delivery letter dated 1 July 2023 No SPB 2/06/7/2023 originating from the harvest block section VI blocks 05 L and 07 J affixed with the stamp CSPO police number of the transport truck 8566 EN. Weighing receipt dated 2 July 2023 No. SPB 2/06/7/2023 originating from section VI blocks 05 L and 07 J with the police number of the transport truck 8566 EN affixed with CSPO stamp No. MUTU-RSPO/147 model MB (counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 4/7/07/2023 originating from the division VII harvest block, blocks 05 AE and 05 AV, affixed with the CSPO stamp, transport truck police number 8737 EN. Weighing receipt dated 12 July 2023 No. SPB 4/7/07/2023 originating from section VI blocks 05 AE and 05 AV affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 3/7/07/2023 originating from the division VII harvest block, blocks 05 AB and 10 AU, affixed with the CSPO stamp, police number of the transport truck 8571 EN. Weighing receipt dated 12 July 2023 No. SPB 43/7/07/2023 originating from division VI blocks 05 AB and 10 AU affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).

The results of the interview with the Operator / Weight officer explained that if there is a CSPO-stamped FFB fruit delivery letter (SPB) originating from the Sei Kopas Estate, then all of it will be input into the system as an RSPO certified product.

Thus, there is a record of FFB originating from plantation areas that are not RSPO certified (Non certified), which are claimed to be FFB originating from RSPO certified areas (certified).

POM has not been able to show evidence that the verification and recording of tonnage amounts and sources for certified FFB, and tonnage amounts for uncertified FFB have been carried out accurately. **This becomes non-conformity No.2023.09 with major**

category.

3.8.13; 3.8.14

Extraction rates from CPO and PK production are based on actual production data. Over the past 12 months, the extraction rate for CPO was 24.30 % and PK was 4.17 %.

3.8.15

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

3.8.16

RSPO IT Platform member registration number for Pasir Mandoge Palm Oil Mill is RSPO_PO1000004277. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example:

- Certified PK sold, transaction ID TR-025e3fc2-aa6d transaction date 21 August 2023 Bill of lading 30 May 2023, supply chain model mass balance volume 457.57 MT licence ID CB 143571 transaction type shipping status confirmed.
- Certified CPO sold, transaction ID TR-45299c29-dfdf transaction date 9 August 2023 Bill of lading 8 May 2023, supply chain model mass balance volume 500 MT licence ID CB 143571 transaction type shipping status confirmed.

Base on document verification mass balance record period August 2022 to July 2023, there are CSPO sold as conventional, for product that sold as conventional the CH can presented evidenced if the product has been allocated to credit as follows:

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume
ST-TR-3212f7e1-5add	20-02-2023	CSPO	Mass Balance	Credit Allocation	10,000
ST-TR-d60f527b-7455	12-09-2023	CSPO	Mass Balance	Auto-Allocation back to Physical	5,000
ST-TR-d7eb2a49-beb0	10-04-2023	CSPO	Mass Balance	Credit Allocation	5,000

*Volume in MT

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.

Major 3.8.7 Status: Non-conformity number 2023.07,

Major 3.8.8 Status: Non-conformity number 2023.08,

Major 3.8.12 Status: Non-conformity number 2023.09

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

The company showed the human rights policy made on March 14, 2018.

- Which explains about the Company guarantees the freedom of employees to embrace religion and worship according to their beliefs.
- The company does not employ and reject underage workers.
- The company protects the rights of women workers
- The company provides freedom of association or organization and assembly.
- The company guarantees and protects workers and their families in occupational safety and health.

The results of interviews with road maintenance officers and tripe gawagan they have understood the policy.

4.1.2

Based on interviews with employees, they do not feel any form of intimidation and there is no form of violence at work. They do it on their own accord. Therefore, it can be concluded that the certification unit does not commit violence and any form of intimidation in its

operations.

Status: Comply

4.2

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

4.2.1

The company has a mutually agreed system is in place, open to all parties affected, resolve disputes in an effective, timely and appropriate manner, ensuring the anonymity of complainants, Human Rights Defenders, community spokespersons and whistleblowers. The company has this system, including several procedures, including:

- Internal Complaint SOP

It is contained in the SOP for Internal Communication and Employee Complaint Handling (No. 19 Rev. 3, effective since 06 November 2018). The procedure outlines that employee complaints are submitted verbally and in writing to the Workers' Union (SP-BUN). Then the SP-Bun Management examines the problems complained of and as far as possible the problems are resolved at the SP-Bun level. If the employee is dissatisfied with the solution at the SP-BUN level, the employee can make a complaint in writing addressed to the relevant Head of Section accompanied by accurate data. If necessary, management will protect the name of the employee who submitted the complaint (anonymous). This procedure has also been equipped with a Flow Chart.

- SOP for External Complaints

It is contained in the SOP for Handling Customer and Environmental Complaints (No. 13 Rev. 01 dated 2 January 2015). Includes complaints from customers and the surrounding environment that are received by the head office, complaints received by business units, handling community social unrest, securing demonstrations at the head office and the complaint process to take it to the next level such as to the legal department and the RSPO secretariat, if there is no agreement. In addition, the company allows personnel who make complaints to receive legal assistance from other people

Apart from that, the company has complaint facilities and infrastructure, namely:

- Customer complaint management system (whistle blowing) on the website www.ptpn4.co.id/wb/
- Suggestion box installed in front of the plantation office, for handling employee and external complaints.
- Labor Union – for handling employee complaints.
- Women's Empowerment Section – in the Trade Union, for handling complaints related to gender

Based on interviews with the Head of Buntu Bayu Village, the Head of Huta Bagasan Village, the Land Agency of Asahan District, the Land Agency of Simalungun District Simalungun and management representatives know that the company's operational area has no land disputes. Apart from that, there are no anonymous reports regarding requests for land dispute resolution.

Based on the description above, it shows that the company has a mutually agreed system is in place, open to all parties affected, resolve disputes in an effective, timely and appropriate manner, ensuring the anonymity of complainants.

4.2.2

The company has Procedures are in place to ensure the system is understood by affected parties, including by illiterate parties, some of which are shown in the SPO Communication and Consultation with the community Number 03 dated 02 January 2017 Revision Number 04. In point 5.1 it is explained that Communication and consultation with people who cannot read and write is carried out by the PIC by conveying and introducing the problem to be resolved which can be in the form of pictures, stories, videos, dialogues and case examples.

Face-to-face communication/consultation is carried out to explain the aims and processes related to plantation/factory operations to stakeholders, especially for illiterate stakeholders, then the recipient of the report (including assistants or other staff) must help write/record the complaints and dissatisfaction submitted using the Oral Complaint and Dissatisfaction Reporting Form. The report writer is obliged to keep written complaints confidential unless requested.

The company has socialized this procedure verbally, including socialization regarding the complaint mechanism on April 11th, 2023, which was attended by 62 Employees of Tonduhan Estate consisting of harvesters, upkeep workers, loose fruit pickers, foreman, clerk, and security. In addition, the socialization of the complaint mechanism was carried out on May 19th, 2023, at the Pasir Mandoge POM which was attended by 21 employees consisting of General Affairs, Field Assistant, and clerk.

Based on the description above, it shows that the company already has procedures in place to ensure the system is understood by affected parties

4.2.3

Based on verification document of internal and external stakeholders, there is no complaint for 2022-2023. The same information was also obtained based on interviews with local community who explained that there had been no complaints during the last year.

4.2.4

The company has conflict resolution mechanism includes the option of access to independent legal and technical advice, as described in the procedure Number SPO 04, revised 03 on Januari 2nd, 2017. In this procedure, it is explained that one way of resolving conflicts is for the community to be invited to negotiate in the presence of *Muspida* to resolve the conflict together.

The company has an SOP regarding resolving complaints. Based on the results of interviews with internal and external stakeholders (Head of Buntu Bayu Village, Head of Huta Bagasan Village, Asahan District Land Office, and Simalungun District Land Office) it is known that there are no conflicts that involve legal assistance or other independent parties.

Based on the description above, it shows that the company has a conflict resolution mechanism including the option to obtain legal and technical assistance from independent parties

Status: Comply

4.3

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

4.3.1

The company already has a CSR program that has been prepared in a participatory manner by involving the surrounding community. The CSR program and implementation record consists of:

- Providing assistance with road concreting in Bandar Pasir Mandoge Village on October 11 2022
- Providing assistance for the construction of the Al-Ikhlas Prayer Room in January 2023
- Providing assistance for the construction of the HKBP Church in January 2023
- Public health program and socialization of healthy lifestyles in the community on February 7 2023.

The results of interviews with representatives of surrounding villages (Hutabagasan village and Buntu Bayu village, it is known that the company has realized several assistances such as assistance for orphans, assistance for road repairs, assistance for welcoming Ramadan, and others.

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

The total operational area of PTPN IV Pasir Mandoge, Sei Kopas and Tonduhan Estate is 16,528.40 Ha, however the scope of RSPO certification is **14,878.06 Ha**, with the following details:

- Pasir Mandoge: 7,848.06 Ha
- Sei Kopas: 4,572.14 Ha
- Tonduhan: 2,457.86 ha

Pasir Mandoge

The company obtained the HGU based on the Decree of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency Number: 16/HGU/KEM-ATR/BPN/III/2019 dated March 21 2019, concerning Renewal of Cultivation Rights on behalf of PT Perkebunan Nusantara IV (PERSERO) on land area of **7,848.06 Ha** is located in Bandar Pasir Mandoge Village, Huta Bagasan

Village and Suka Makmur Village, Bandar Pasir Mandoge District, Asahan District, Sumatera Utara Province. Renewal of HGU for 35 years used for plantation businesses with plant types that have received approval from technical agencies.

Based on the renewal HGU Decree described above, the company then received a certificate with a total area of **7,848.06 Ha**:

- Certificate No 111/Asahan, expiration date of 21-03-2054, with an area of 1,477.68 Ha.
- Certificate No 112/Asahan, expiration date of 21-03-2054, with an area of 2,532.40 Ha.
- Certificate No 113/Asahan, expiration date of 21-03-2054, with an area of 3,837.98 Ha.

Sei Kopas

The total scope of certification is **4,572.14 Ha**, with details of the HGU Decree and HGU Certificate as follows:

1. Decree of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 72/HGU/KEM-ATR/BPN/VIII/2019 dated 9 August 2019 covering an area of 4,252.14 Ha. Then several certificates were issued, namely:
 - Certificate No: 114/Asahan, expiry date 05-09-2054, Area 613.61 Ha
 - Certificate No: 115/Asahan, expiry date 05-09-2054, Area 664.83 Ha
 - Certificate No: 116/Asahan, expiry date 05-09-2054, Area 53.50 Ha
 - Certificate No: 117/Asahan, expiry date 05-09-2054, Area 16.02 Ha
 - Certificate No: 118/Asahan, expiry date 05-09-2054, Area 1,097.33 Ha
 - Certificate No: 119/Asahan, expiry date 05-09-2054, Area 1,806.85 Ha
2. HGU Certificate No. 2 based on the Decree of the Head of BPN No.22-HGU-BPN RI-2007 dated 29 May 2007 which is valid for 35 years with an area of 320 Ha.

Area Sei Kopas Estate Non-Certified

Due to the renewal of the HGU, it has resulted in a reduction in enclaves such as settlements, public roads, rivers and watersheds, arable areas and areas indicated to be included in convertible production forest areas (HPK). Specifically, for the HPK area, PTPN IV Sei Kopas has actually planted oil palm from the start, which is approximately \pm 1,650 Ha. As a result, the area does not yet have land rights and is not included in the scope of RSPO certification. The company has submitted a request for forest area release to the Minister of Environment and Forestry of the Republic of Indonesia on April 9, 2018. On March 1, 2019, the Ministry of Environment and Forestry, the Director General of Forestry Planning and Environmental Management, sent a response to the request for forest area release in the Sei Kopas Estate HGU which states that the relinquishment of the HPK area in the Sei Kopas Estate HGU area can be carried out if it is proven by evidence of ownership of the area prior to the designation of the Ambalutu Register 4/A forest area during the Dutch colonial era and this evidence is accompanied by clarification from the agency in charge of land affairs according to their authority. Then on May 8, 2019, PTPN IV sent a letter to Land Agency Asahan District to obtain this clarification. Until this audit was carried out, there was no further information regarding the progress of releasing the HPK area.

Tonduhan Estate

The company already has a HGU area of **2,457.86 ha** consisting of 2 certificates and 2 HGU Decree with the following details.

- HGU Certificate No. 4 dated 12 July 2006 for a land area of **1,617.23 ha** and ended on 11 July 2031. The certificate was issued based on an HGU Decree from the Head of BPN RI. No. 5/HGU/BPN/2006 dated 15 May 2006, for the oil palm commodity.
- HGU Certificate No. 5 dated 19 September 2007 for a land area of **840.63 ha** for oil palm commodities and ended on 18 September 2042. The certificate was issued based on an HGU Decree from the Head of BPN RI. No. 21-HGU-BPN RI-2007 dated 29 May 2007, for the oil palm commodity.

4.4.2; 4.4.3, 4.4.4; 4.4.5 and 4.4.6

All business unit is a former of Dutch colonial era plantation (NV. *Bandar Oli Culture Masscthapij*), that has been nationalized by government decree No. 19 dated 2 May 1959. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community. Besides, based on interview with representative of Buntu Bayu Village and Huta Bagasan Village, there is no land conflict with Pasir Mandoge, Sei Kopas and Tonduhan Estate. Also, there is no history of land acquisition stated in Land title of both Management Unit.

Status: Comply

4.5

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

to express their views through their own representative institutions.
4.5.1; 4.5.2; 4.5.3, 4.5.4; 4.5.5, 4.5.6; 4.5.7; 4.5.8

Based on document areal statement and interview with management, there is no new planting in Pasir Mandoge Estate, Sei Kopas Estate and Meranti Paham Estate. Then, all business unit is a former of Dutch colonial era plantation (NV. *Bandar Oli Culture Masscthapij*), that has been nationalized by government decree No. 19 dated 2 May 1959. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community.

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 and 4.6.4

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

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

Status: Comply
4.7
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.
4.7.1; 4.7.2 and 4.7.3

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

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

Status: Comply
4.8
The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.
4.8.1; 4.8.2; 4.8.3 and 4.8.4

Based on interview with representative of Buntu Bayu Village and Hutabagasan Village, there is no land disputes with the company. It is also known that there are no legal rights in surrounding village. The same thing also said by the representative of Plantation Agency of Asahan District and Simalungun District, that there is no land dispute in PTPN IV Pasir Mandoge, Sei Kopas and Tonduhan.

Based on document areal statement and interview with management, there is no new planting in Pasir Mandoge Estate, Sei Kopas Estate and Tonduhan Estate. Then, all business unit is a former of Dutch colonial era plantation (NV. *Bandar Oli Culture Masscthapij*), that has been nationalized by government decree No. 19 dated 2 May 1959. Then nationalized by Indonesia Government on 1961. Therefore, land acquisition is not from surrounding community.

Status: Comply
PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1
The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.
5.1.1

Unit management doesn't have smallholders. During assessment, company has a procedure which contains information related to the price of FFB from third parties on Guidelines for Purchasing Fresh Fruit Bunches of Oil Palm PT Perkebunan Nusantara IV, The procedure informs the following:

- The purpose of the procedure is to serve as a guide in purchasing FFB from the community whose purchase costs are sourced from the company's budget.
- The FFB purchase price is the price based on the FFB purchase application which includes tax.
- The FFB purchase price is determined by the pricing team in the Engineering and processing section on the basis of a formula that has been set in the FFB purchase application.
- The FFB purchase price is accordance to the governments pricing or higher than that.

Unit certification has 3rd party FFB supplier and always regularly informed price based to the relevant price accordance to government price. And the price itself always informed in work agreement document and in on invoicing document that are using for payment.

5.1.2

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Mangelek Majaya and UD Anastesia on 11 August 2023. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the August 2023. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-3 Audit Assessment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties' agreement. The explanation regarding to FFB pricing itself already written in contract and informed verbally to both parties.

5.1.3

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Mangelek Majaya and UD Anastesia on 11 August 2023. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the August 2023. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-3 Audit Assesment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties' agreement. Based on this interview, also known that price of FFB was agreed between company and supplier's and there was work agreement between both parties, and invoicing document for the payment between both parties, and so far never been any complaints on FFB pricing. However, if there will be any complaint, the company already informed the complaint mechanism to the supplier on the early stage of partnership agreement started.

FFB pricing are determined based on Company's Procedure of FFB from third parties on Guidelines for Purchasing Fresh Fruit Bunches of Oil Palm PT Perkebunan Nusantara IV. And all information related on how FFB pricing was determined already informed in indicators 5.1.1.

5.1.4

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Mangelek Majaya and UD Anastesia on 11 August 2023. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the August 2023. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-3 Audit Assesment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties' agreement. Based on this interview, also known that price of FFB was agreed between company and supplier's and there was work agreement between both parties, and invoicing document for the payment between both parties, and so far never been any complaints on FFB pricing. However, if there will be any complaint, the company already informed the complaint mechanism to the supplier on the early stage of partnership agreement started.

5.1.5

Based on document review, ther's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Mangelek Majaya and UD Anastesia on 11 August 2023. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the August 2023. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-3 Audit Assesment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties agreement.

5.1.6

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Mangelek Majaya and UD Anastesia on 11 August 2023. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the August 2023. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration process, and already cleared up during the ASA-3 Audit Assesment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties agreement.

5.1.7

The certification unit showing certificate test result number 349/SKHP-MT/ASH.59/2020 dated 6 November 2020 with a validity period until November 2021 for weighbridges type AND 4329A, with serial number N1523667 from the Legal Metrological of Asahan District. The third party stated the test results, *"Validated by affixing a valid calibration mark JP8 and 20 in accordance with Law of the Republic of Indonesia No. 2 of 1981"*.

Unit certification has two weighbridge that already calibrated and shown by these documents:

- Certificate results Number 085/SKHP-MT/ASH.59/2023 dated 20 June 2023 Validity period until June 2024 with serial number of the weighbridge GST-9700 1108323.
- Certificate results Number 086/SKHP-MT/ASH.59/2023 dated 20 June 2023 Validity period until June 2024 with serial number of the weighbridge GST-9700 1108321.

5.1.8

Based on document review, there's FFB Purchase on Company business unit. The company shows several proofs of payments to local contractors or vendors, for example payments to contractors on behalf of CV Mangelek Majaya and UD Anastesia on 11 August 2023. The payment records contain completeness such as the extent of the work, minutes, to proof of payment via bank transfer. The contractor payment records already match with price determined and informed by company and contractor agreement.

Based on interview with both FFB Supplier, it is known that there were no any late payments happen in the past until the August 2023. Based on this information, Certification was given the clarification that the payment was late due to the Head Office administration

process, and already cleared up during the ASA-3 Audit Assessment. Information of payment receipt to related parties was provided by certification unit. From that, it can conclude that the Certification Unit already give the explanation of FFB Pricing to related parties and already implemented it well and did the payment based on both parties' agreement.

5.1.9

Unit management doesn't have smallholders. Based on document review of complaint book, there is no complaint from contractor or vendors.

Status: Comply

5.2

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

5.2.1; 5.2.2; 5.2.3 and 5.2.5

Based on the results of interviews with collectors as FFB suppliers on behalf of CV Mangelek Majaya and UD Anastesia stated that the company had conducted socialization related to RSPO, the results of interviews with other suppliers stated that they received socialization related to RSPO from the company. It was concluded that the certification activities had been realized.

Based on interview with local communities, it is known that Certificate holder was not developed and implemented livelihood improvement programmes including the RSPO Standard for Independent Smallholder. This because there was no Independent Smallholder in unit certification. Which in this case, made this indicator was not applicable for the assessment.

5.2.4

Based on the results of interviews with collectors as FFB suppliers on behalf of PT Mangalek Majaya and UD. Anastesia stated that the company had conducted socialization related to RSPO, the results of interviews with other suppliers stated that they received socialization related to RSPO from the company. It was concluded that the certification activities had been realized.

Based on interview with local communities, it is known that Certificate holder was not developed and implemented livelihood improvement programmes including the RSPO Standard for Independent Smallholder. This because there was no Independent Smallholder in Pasir MAndoge POM. Which in this case, made this indicator was not applicable for the assessment

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1; 6.1.2

Based on the results of verification of worker recruitment documents, it is known that worker recruitment is based on administrative requirements, skills, abilities, and records of health examination results. The Company has a non-discrimination and equal opportunity policy as demonstrated in its Equal Employment Opportunity policy document Number 04 Revised 02 on Januari 02nd, 2015 as follows:

- PT. Perkebunan Nusantara IV (Persero) eliminates all forms of discriminatory practices of ethnicity, religion, race, gender, age, disabilities in work, control of the masses and between groups in all business processes / company management.
- PT. Perkebunan Nusantara IV (Persero) is actively and continuously implementing a systematic and modern business transformation policy in developing human resources.
- PT. Perkebunan Nusantara IV (Persero) is responsible for preventing legal violations of the equal employment opportunity policy, then immediately takes corrective action to stop discriminatory practices in every work process and work unit of the company.

Based on verification of labor register documents and interviews with labor unions, known that the workers come from the surrounding areas of Javanese, Minang, Batak, Nias ethnicity etc. From the results of interviews with representatives of labor unions, secretary of Huta Bagasan Village, Manpower Agency of Asahan District, and workers, known that there is no indication of discrimination against workers. The workers were free to organize, have opinions, have religion, there had never been harassment and there had never been forced labor.

Based on the description above, it shows that the company already has a policy of non-discrimination and equal opportunities publicly

available which is implemented by preventing discrimination

6.1.3

Based on verifying employee personal files and interviews with the company's HR staff, it shows that the recruitment process for all employees is carried out through the same process where prospective workers must meet the requirements in the form of application letter, photocopy of personal and family identification, medical check-up results and agreement letter.

There are examples of implementing equal opportunity employment policies for all workers to ensure workers are protected from discrimination at all stages of the employment relationship, such as the employment agreement document Number PAM/S.Perj/20/IV/2023 on 1 April 2023 between PT PN IV and Jainal Rumapea as a harvester.

Apart from that, there are other examples of employee promotions, namely in the PT Perkebunan Nusantara IV District. Excerpt from the Decree of the Directors of PT PN IV Number 04.11/Kpts/R/54/V/2020 concerning the appointment of class 1A employees up to II D in the probationary period to become employees of class 1A to IID, the Board of Directors of PT PN IV decided on the name Imam Santoso NIK 209410001 Class 1A/O for the position of Harvester Afdeling 1 Kebun Pasir Mandoge on May 1st, 2020.

Appointment of employees is based on the results of assessments carried out periodically every month, with aspects assessed including discipline, quantity of work, cooperation, work attitudes and responsibility. In addition, the results of the Employee List verification show that workers come from various ethnicities, religions, education, and ages.

Based on the description above, it shows that recruitment selection, job assignments, access to training and promotions are carried out because of employee skills and abilities

6.1.4

Pregnancy tests for workers are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a job that is safer but remains the same in terms of wages and other benefits, so there is no discriminatory action. This was clarified by the results of interviews with female spray workers at Pasir Mandoge Estate, Tonduhan Estate, Sei Kopas Estate as well as representatives of the gender committee which stated that female workers are required to take a monthly pregnancy test at the clinic to ensure that no female worker in a pregnant/breastfeeding condition is work exposed to chemicals.

In addition, based on the results of a review of employee recruitment documents, it was found that there was no obligation for prospective female workers to take a pregnancy test when recruiting workers, but only to carry out physical health tests, administration, and interviews.

Based on the description above, it shows that there is no pregnancy test which is a discriminatory measure

6.1.5

The company has a gender committee structure at Pasir Mandoge POM, Pasir Mandoge Estate, Sei Kopas Estate and Tonduhan Estate. The latest gender committee organizational structure, which was ratified on December 12th, 2022, consists of:

- Supervisor/Advisor: Unit Mandoge
- Chairman
- Deputy Chairman
- Secretary
- Deputy Secretary
- section
 - Organization section
 - Law Section
 - Empowerment Section
 - Public Relations Section
 - Spirituality Section
 - Health Section
 - Welfare Section
 - Sports and Culture Section

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

Gender committee administrators regularly hold meetings and provide outreach regarding potential problems. For example, there are minutes of the activities of the sexual harassment socialization meeting held on February 1st, 2023, at Mandoge Estate which discussed the meaning of sexual harassment and its objectives, management responsibilities, measures to sanction sexual harassment, and mechanisms for handling acts of sexual harassment. This meeting was attended by 37 people consisting of assistant heads, field assistant, administrative assistants, foremen and harvesters.

6.1.6

The company has a payroll system contained in the 2022-2023 Collective Labor Agreement. In the Collective Labor Agreement in Chapter V, explained about wage and allowances. The salary system in the Collective Labor Agreement includes overtime work, premiums, salary groups, basic salary and allowance, position allowances, structural allowances, task performance allowances, compensation allowances, social compensation, costs of carrying out tasks and bonuses.

The company also has a wage scale that applies at PTPN IV based on Directors' Decree Number 04.07/Kpts/37/VII/2023 concerning the determination of adjustments to the 2023 minimum wage for the Directors of PT Perkebunan Nusantara IV which was ratified on July 20th, 2023.

Payment of fair wages has been made by the certification unit by considering ability, performance, expertise, length of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the load, duties, and type of work of each person.

The auditor has carried out a simulation of employee salary calculations, for example maintenance employees with NIK 4008696 (class IA/04) and NIK 4008616 (class IC/03) in the period June 2023. Based on the results of the simulation that has been carried out, it is known that the wages received by workers are in accordance with established payroll system.

Based on interviews with upkeep workers, wages have followed the provisions in force in the company and have referred to legal regulations such as payment of minimum wages, wage scale structure, premiums, overtime wages and monthly wages are paid on time.

In accordance with the description above, it can be concluded that the company has a payroll system and refers to applicable regulations

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 wage documentation, which is shown in the Decree of the Governor of Sumatra Utara Number 188.44/1005/KPTS/2022 on 7 December 2022 concerning Determination of the Minimum Wage for Asahan Regency for 2023, namely IDR 3,024,300.76 and Sumatra Utara Governor Decree Number 188.44/1006/KPTS/2022 on 7 December 2022 concerning Determination of the Minimum Wage for Asahan Regency for 2023, namely IDR 2,800,790.

Fair wage payments have been made by the certification unit by considering ability, performance, expertise, length of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the load, duties and type of work of each person. This is stated in the attached document to the Directors' Decree Number 04.07/Kpts/37/VII/2023 concerning the determination of adjustments to the 2023 minimum wage for the Directors of PT Perkebunan Nusantara IV which was ratified on July 20th, 2023.

The company has identified living wages by calculating updated wages, facilities and allowances received by employees. Employees are given other wages according to their position and position, including work premiums, work attendance incentives, work period incentives, Social Assurance facilities, housing, transportation, education, Daycare, sports facilities, electricity, and water.

Companies can also show documentation of wages according to their work, for example, employees with ID number 04007099 in June 2023 will receive a basic salary of IDR. 3,010,556 and a special allowance of IDR 752,639. For these employees, in July 2023 the salary will be IDR. 4,355,780 and a special allowance of Rp. 1,088,940. These wages consist of basic salary, fixed allowance, overtime, BPJS Employment Allowance, BPJS Health Allowance, Family Allowance and Social Assurance Deductions.

In the employment agreement document, the terms and conditions of employment are stated, including that workers must use PPE according to the risks of their work, workers must comply with employment regulations, comply with the company's business ethics, prohibition of employing children, forced labor and human trafficking.

Based on the description above, it shows that the company has recorded documentation of wages and work conditions in accordance with applicable employment regulations

6.2.2

Based on Review of the Regulation Directors of PT Perkebunan Nusantara III (PERSERO) Number DIR/PER/10/2022 concerning employee recruitment within the PTPN IV, in Article 1 it is explained that:

- Permanent Employees are employees who have a working relationship with the Company based on the Permanent Employees Letter
- Non-Permanent Employees are employees who have an employment relationship with the Company based on Contract Letter
- The Permanent Employees Letter is a work agreement between a permanent employee and the company to enter an employment relationship for a certain time or for a certain job.
- A Non-Permanent Employees Letter is a work agreement between a non-permanent employee and a company to enter an employment relationship for a certain time or for a certain job.

Based on field observations showed that there were non-employee workers who carried out work in the company area, namely:

- Tonduhan Estate,
 - There are 2 harvester wives (initials RS and AS) who help their husbands to picker loose fruit. Based on interview that the correspondent helped her husband work in the harvest area to make his work easier
 - There are 4 not employees who work in the field, namely the initials S, K, T and T. The results of this work are included in the work results of other harvesters. This worker have'n been registered on the PT PN IV employee list and illegal worker. Based on interview that all work equipment was provided by the Company and salary was taken through other harvesters
 - Their salaries go to the harvesters with the initials K, S and H
 - They are do not have Social Assurance and Health Assurance
- Sei Kopas Estate
 - There are 2 illegal Workers (initials YSD, and D) who carry out harvest work in the field.
 - Based on interview, that the illegal worker received harvesting equipment from the company
 - Their salaries go to the harvesters with the initials with the initials A and M
 - They are do not have Social Assurance and Health Assurance

Based on the assessment above, it shows that there are workers who work in the company area even though they do not have a collaborative relationship with the company. The company does not have sufficient evidence that all employees have work agreements and related documents that regulate detailed wages and other work conditions. **This becomes non-conformity No.2023.10 with major category.**

6.2.3

The company has proof of legal compliance with regular working hours, overtime, sick leave, vacation entitlements, maternity leave, notice periods before termination of employment, and other employment provisions. The company shows proof of payment of salary including overtime pay, for example there is wages received by Harvesters with ID 04008812 as Sei Kopas Estate. In details, the salary consists of harvest premiums, basic salary, health assurance benefits, social assurance benefits, workers union deductions, social assurance deductions and health assurance deductions, so that the total wages received by these employees is IDR 5.878.149.

The company can also show of overtime letter in Sei Kopas Estate including Employee for Infrastructure with ID No. 4008393 on June 2023 of 48 hours of overtime at a rate of IDR 15,521.61/hours total IDR 745,037.28

The company has also shown an example of an employee leave application form at Pasir Mandoge Estate, including an application for

employee leave at Pasir Mandoge Estate on 10 August 2023 which was approved by the Human Resource and Unit Manager, with Employee ID Number 4007993 Group 1C for Transport. The employee applied for leave on 11-12 August 2023 with 36 workdays of leave, so the remaining leave after the application is 34 workdays.

Based on the description above, it shows that the Company has proof of legal compliance for regular working hours, overtime, and other employment provisions

6.2.4

The company has provided welfare facilities for its residents in the form of housing, clinics, water supply, electricity, education, transportation, places of worship (mosques & churches), sports facilities and others. The results of field visits to the Pasir Mandoge POM housing area, Pasir Mandoge Estate, Tonduhan Estate and Sei Kopas Estate, it is known that workers are provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there is a daycare for children and a nursing room. The house is occupied by 1 family and specifically for unmarried workers, 1 house will be filled by 2-3 workers. The company also has a source of water from reservoirs and wells which are never short of supply. The company also has clinics and medical staff who are competent and certified. In addition, there is good access to attend kindergarten, elementary school, junior high school, and senior high school for children of company employees. In general, the facilities provided by the company are suitable for use by workers and their families.

Based on the description above, it shows that the Unit of Certification provides decent housing, sanitation facilities, water supply, medical needs, education, and public facilities

6.2.5

The unit of certification has made it easier for workers and their families to obtain food sources by providing an employee cooperative that sells workers' daily needs and providing access to vegetable traders to sell in workers' housing areas. Apart from that, there are also workers who open small business stalls to sell daily needs in every housing complex.

Based on interviews with workers (harvesters, sprayers, maintenance operators and factory operators), residents of housing, trade unions and gender committees, it is known that workers do not experience difficulties in obtaining food sources because the company's location is near markets and sources of daily needs, and there are vegetable sellers who given access to sell around the housing.

Based on the description above, it shows that the Unit of Certification seeks to improve workers' access to proper, sufficient, and affordable food

6.2.6

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

UoC has the determination of assessment prevailing wage and all kinds of benefit for DLW simulation in 2023 has been included in the calculation of minimum wage, food costs, housing facility costs, transportation, educational cost, daycare facility, sport facility, health cost, electricity, and water costs. The results of these calculations are known that the standard of prevailing wage currently given / simulated by the certification unit is above the stipulation of the minimum wage (Rp. 2.902.505,04) as much as Rp. 5,205,056.38 per month.

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

6.2.7

The company shows a list of employees at Pasir Mandoge Estate and Sei Kopas Estate for the September 2022 period, it is known that there are 67 Fixed Period Working Agreement harvesters at Pasir Mandoge Estate and 82 Fixed Period Working Agreement harvesters at Sei Kopas Estate.

The company also shows the calculation of the need for harvesters for the Pasir Mandoge Estate and the Sei Kopas Estate with the following details:

- The need for labor to harvest the Pasir Mandoge Estate is 475 people, while the number that is already available is 332 people (permanent worker: 265 people and Fixed Period Working Agreement: 67 people), so there is a difference of 143 people.
- The need for harvesting workers for Sei Kopas Estate is 310 people, while the number already available is 211 people (permanent worker: 129 people and Fixed Period Working Agreement: 82 people), so there is a difference of 99 people.

Based on interviews with harvest workers, for example to 1 harvest worker (with the initials JAS) in Afdeling III Block 03i and 1 harvest worker (with the initials RF) in Afdeling IV Block 04 BJ Pasir Mandoge Estate, it was conveyed that the worker is an employee with Fixed Period Working Agreement status with a tenure starting from 2019.

Referring to 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 jobs. So that the company has not been able to show enough evidence that all the main work has been done by permanent workers

After January 16th, 2023, until the RSPO ASA-3 Audit, the Company has not made any further improvements to this non-conformity. Apart from that, the auditor team has also verified other employment documents and from the results of the auditor's verification, evidence was obtained that there are non-permanent workers in main jobs with the following number of harvesters:

- Pasir Mandoge Estate
The company has a total of 323 harvesters, consisting of 198 permanent harvesters and 125 contract harvesters. The company has calculated the need for harvest workers in 2023 as many as 432 people, so the shortage of harvesters is 109 people, but there is no recruitment program or appointment of permanent harvest employees.
- Sei Kopas Estate
The company has a total of 206 harvesters, consisting of 94 permanent harvesters and 112 contract harvesters. The company calculated the need for harvesters in 2023 as many as 213 people, so there is a shortage of harvesters of 7 people but there is no recruitment program or appointment of permanent harvest employees.

Regulation of the Directors of PT Perkebunan Nusantara III (PERSERO) Number DIR/PER/10/2022 concerning the acceptance of employees in the PTPN IV, in Article 20 it is explained that non-permanent employees are intended to carry out work that is completed once or is temporary, work that is completed within short hours and seasonal work.

Based on interviews with harvesters, for example 2 harvesters (with the initials AR and W) at Afdeling 5 Sei Kopas Estate, that the workers were employees with contract status since 2020.

Based on Indonesian Government Regulation Number 35 of 2021 concerning contract workers, outsourcing, working time and rest time, and termination of employment relations in article 4 paragraph 2 states that temporary workers cannot be held for permanent work.

The company has not been able to show sufficient evidence that all core work has been carried out by permanent workers. **This becomes non-conformity No.2022.02 with raised to major category**

Major 6.2.2 Raised to Major 6.2.7	Status: Non-conformity number 2023.10	
	Status: Non-conformity number 2022.02	

6.3
The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.3.1
The 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 also has a policy regarding freedom of association in the Collective Labor Agreement between PT PN IV and the Plantation Workers' Union, especially in articles 5, 6, 7, 8 and 9 where the article explains:

- The company / directors will not interfere with or hinder anything related to the development of workers' organizations (SPBUN) as long as it does not conflict with the applicable laws and regulations.

- The company / board of directors will not exert pressure either directly or indirectly on employees who are elected as workers' union officials.
- In carrying out their duties, each union and company will try to avoid actions that could harm each party.
- The company provides on loan-to-use space for offices along with equipment and facilities/infrastructure as well as other facilities and assistance for the smooth running of organizational tasks, according to their interests.

The company has shown proof of union registration for each unit to the Manpower Office, for example:

- SPBUN Pasir Mandoge Mill with proof of registration No. 3531/III-DKT/X/2019 issued on 14 October 2019.
- Tonduhan Estate SPBUN with proof of registration No. 560/322/23.4/2021 issued on 30 August 2021.
- SPBUN Pasir Mandoge Estate with proof of registration No. 3566/III-DKT/X/2019 issued on 16 October 2019.

The company also has management and workers union members in each unit, for example the management of SPBUN Sei Kopas Estate with a term of office for 2019 – 2024 which was set for July 19 2019 with details namely chairman, deputy chairman I – II, secretary, deputy secretary I – III, Treasurer, deputy treasurer I, organizational section, worker protection and welfare section, education and training, inter-institutional and public relations, women's empowerment and commissioners for each department.

The number of members Workers' Union in August 2023, that is:

- SP-BUN Pasir Mandoge POM total 147 People.
- SP-BUN Pasir Mandoge Estate total 513 People
- SP-BUN Sei Kopas Estate total 443 People

Based on interviews with representatives of trade unions, information was obtained that the company did not interfere in the formation of trade union organizations. The union officials are appointed by the members based on deliberations between the members

6.3.2

The company holds meetings with the Labor Union once every 3 months or whenever there is a program that needs to be discussed immediately. The company showed a recording of the meeting in the form of minutes of meetings between the certification unit and the 2023 workers' union, namely the Minutes of the PTPN IV Bipartite meeting on May 13th, 2023, which was held in the Pasir Mandoge POM and was attended by 10 people consisting of PTPN IV representatives and workers/management representatives labor union. The main points of discussion at the meeting included improving PTPN IV and OHS policies which were presented in the Principles & Criteria stipulated through the RSPO as the basis for sustainable practices and implementing the best standards regarding occupational safety and health (OHS) for all workers and stakeholders.

Based on the description above, it shows that the company has held a meeting with the Labor Union/Worker's Representative with the company and proves it with the minutes of the meeting

6.3.3

The company does not interfere in the selection or organization of Labor Union activities. This is evidenced by interviews with representatives of workers and labor union officials who stated that in the process of selecting/making decisions and planning activities, members provide input/aspirations to their respective representatives. To make selections/decisions. The process of forming a Labor Union is described in indicator 6.3.1

Based on the description above, it shows that management does not interfere with the formation or activities of registered organizations/workers' unions

Status: Comply

6.4

Children are not employed or exploited.

6.4.1

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 August 2023 period, it was found that there were no workers under 18 years old.

The company and its suppliers/sub-contractors must ensure that all workers are paid a minimum wage equal to the applicable minimum

wage. The company is committed to ethical hiring and providing a healthy and safe work environment for all employees, contractors and visitors. The company strongly supports government programs and therefore strictly does not allow anyone to employ child labor outside the provisions of the applicable law. To ensure that no child labor is used, the Company determines the age of applicants or prospective employees of at least 18 (eighteen) years as evidenced by an *E-KTP* (Electronic Identity Card) or a Birth Certificate / Birth Identification Certificate and Family Card.

In addition, based on the results of field observations at the Pasir Mandoge POM, Pasir Mandoge Estate, Tonduhan Estate, Sei Kopas Estate, FFB transport driver contractors and heavy equipment rental contractors, it was found that there were no child workers. This is also in accordance with the information provided by the Head of the Trade Union, as well as representatives from the Manpower Agency in Simalungun Regency that there is no issue of child labor in the company.

Based on the description above, it shows that companies can show formal policies regarding child protection, including the prohibition of child labor, and this policy is included in service contract documents and agreement documents with suppliers

6.4.2

The company shows the employee list for the period May 2023 and there are no children under 18 years old. The policy regarding the prohibition of child labor is contained in the 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 interviews with HC staff, it was explained that in the process of recruiting employees, identity checks (*e-KTP* or Birth Certificate) will be carried out to ensure that the age requirements of workers are met and not violated. This is also in accordance with the results of field verification that found no child laborers working in the company.

Based on the description above, it shows that companies can show evidence of fulfilling the minimum age requirements of workers in accordance with applicable regulations

6.4.3

According to indicator 6.4.1 regarding the policy that applies to the minimum age of workers and the employee recruitment process as well as the results of observations in the field, it is known that there are no young workers and at the time the Audit was carried out there were no students carrying out field work practices for the needs of fulfilling the school curriculum.

Based on the description above, it shows that the company does not use young workers in its operational activities

6.4.4

The company has conducted outreach regarding the prohibition of child labor verbally and symbolically. For example, on April 11, 2023, there was an outreach to Tonduhan Estate employees regarding the prohibition of forced labor or using child labor which was attended by 62 employees consisting of field assistant, personalia staff, and Head of administration. On June 17th, 2023, a socialization on the prohibition of child labor was held at the Pasir mandoge Estate which was attended by 26 employees consisting of foreman, field assistant, Harvesting Foreman, and Clerk. In addition to verbal socialization, the company also conducts visual socialization, including by posting warnings prohibiting the employment of children under 18 years old and the prohibition of bringing children to the work area. These warnings were posted at the Division offices, Esatate Offices, and all employee housing at Pasir Mandoge POM, Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate.

Based on the description above, it shows that the unit of certification can prove the delivery of a 'prohibition of child labour' policy.

Status: Comply

6.5

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

6.5.1

The company has a policy on preventing sexual harassment and violence and other forms of which are listed in the PTPN IV Sustainability Policy on January 25th, 2022, which states that the company prevents sexual harassment and various forms of violence against female workers and protects the reproductive rights of female workers. The company does not tolerate any form of harassment and abuse of authority including physical, sexual, psychological, or verbal violence. Everyone must be treated with respect and dignity. Any disputes with local communities must be handled in accordance with the principle of equality and free from intimidation, violence,

and harassment.

This policy has been disseminated to all employees, including at Pasir Mandoge POM on August 2nd, 2023, which was attended by 10 people consisting of upkeep employees and officer. The purpose of this meeting is to convey information to all employees regarding sexual harassment and reproductive rights, and gender equality.

Based on interviews with the gender committee, it is known that so far there has never been an incident of sexual harassment against workers. This is also in accordance with the results of interviews with spray workers and fertilizer workers in the field.

Based on the description above, it shows that the unit of certification has carried out socialization regarding company policies regarding the prevention of sexual harassment and violence and other forms and communicated them to all employees

6.5.2

The company has a policy regarding reproductive rights listed in the Plantation Management System Policy on 25 January 2022 at point 11 states that companies prevent sexual harassment and various forms of violence against female workers and protect the reproductive rights of female workers. The document explains that no person may experience discrimination in employment, including reproductive rights and other forms of discrimination. The company has established a Gender Committee. In addition to gender and reproductive aspects, the gender committee also covers social, religious, health and child protection. The company has conducted outreach regarding this policy in each unit.

The company has also conducted socialization regarding reproductive rights and reproductive health including the socialization, which was carried out on April 11th, 2023, at Tonduhann Estate which was attended by 62 people consisting of field assistant, personalia staff and Head of Administration and on August 2nd, 2023 at Pasir Mandoge POM socialization regarding reproductive rights women attended by 34 people.

Based on the description above, it shows that the company already has a company policy regarding the protection of reproductive rights, especially for women

6.5.3

The company does not employ pregnant and lactating women workers in places, locations, and jobs that according to doctors are dangerous to the health and safety of their wombs and themselves. Women workers who are still breastfeeding are given the opportunity to breastfeed their children if it must be done while working. Pregnant and lactating women are prohibited from working in jobs related to chemicals.

The company has assessed the needs of new mothers by asking for their opinion, as well as taking action to meet the needs that have been identified in accordance with applicable regulations in Indonesia. The company has facilitated the knowledge of pregnant women workers through pregnant women class training.

In addition, the Company has fulfilled the needs of new mothers, such as:

- Treatment after childbirth
- Counseling and baby care treatment
- Nursing rooms in offices, daycare, and clinics
- Allowing time for breastfeeding
- Children under 1 year old can be treated at Daycare.
- Education children 2 years old.

Based on interviews with the spray foreman and fertilizer foreman at Pasir Mandoge POM, Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate, it is known that employees can be given permission if they are going to breastfeed their babies. However, based on field observations of pesticide applicator and fertilizer applicator, none of the workers were still breastfeeding their children.

Based on the description above, it shows that the company has assessed the needs of new mothers by asking for their opinion, as well as taking action to meet the needs that have been identified in accordance with applicable regulations in Indonesia

6.5.4

Unit management has a mechanism of complaint and grievance handling, as follows:

- Procedure of *Komunikasi Internal dan Penanganan Keluhan Karyawan* No. SPO 19 on 6 November 2018. In the procedure it is explained that, if necessary, management will protect the name of the employee who submits the complaint (66ssura).
- Procedure of *Penanganan Keluhan Pelanggan dan Lingkungan* No. SPO 13 on 2 January 2015. The customer complaint management system (whistle blowing) can be submitted through the website www.ptpn4.co.id/wb/

The purpose of this SOP is to ensure that complaints and conflicts originating from within (internal) and from outside the company (external) can be resolved effectively and efficiently by paying attention to the principles and criteria of oil palm plantations.

Based on document review of outgoing and incoming letters, there were no reports of complaints from external or internal which were anonymous.

Based on the description above, it shows that the company already has procedures for handling complaints and conflict resolution including filing complaints that guarantee the anonymity and protection of the complainant

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

The company has a policy stating the prohibition of all forms of forced labor or slavery in Policy Prohibition of Forced Labor no.08 effective January 2nd, 2015. In carrying out its business, PTPN IV respects human rights in accordance with laws and regulations. PTPN IV also committed to respecting the rights of indigenous and local communities and facilitating the inclusion of smallholders into the supply chain.

In addition, based on interviews with workers at Pasir Mandoge POM, Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate, it is known that company employees are employees with permanent and contract employee status. Workers come voluntarily to apply for jobs that are available free of charge and without storage of identity documents, and the majority come from local communities around the plantations. Overtime is monitored by the company, and workers are given the freedom to choose to work overtime by signing an overtime order if there is work that requires overtime. In addition, there are no penalty for termination of employment if they want to terminate the contract early and there has never been a withholding of workers' wages.

Based on the information above, it shows that the company can prove that employees accept work voluntarily and freely

6.6.2

The rights and obligations of temporary workers are regulated in a work agreement for a certain period which is signed/approved by the Management of PT PN IV and each worker. For example, Contract worker Number PAM/S.Perj/20/IV/2023 on April 1st, 2023, between PT PN IV and the Harvester at Pasir Mandoge Estate in the name of Jainal Rumapea. The agreement letter regulates the term of the work agreement, position, wages according to the Minimum wages consisting of basic wages and fixed allowances, working days and hours, workers' rights and obligations, conditions for the end of the employment relationship and settlement of the employment relationship if there is a dispute. The company improves employee status through probationary periods and regular evaluations. The company also reports all temporary workers to the relevant agencies, for example the temporary worker Report on August 7th, 2023, with letter number PAM/X/1252/VIII/2023 to the Asahan District Manpower Agency. The company shows that the wages received are above the minimum wage, including harvester on behalf of Saut Hendri at Pasir Mandoge Estate with a total wage of 5,444,720, which consists of basic wages, fixed allowances, harvesting premiums, social assurance facilities and deductions. Based on document review and field observations, it is known that there are no migrant workers at PT PN IV

Based on the description above, it shows that there is an employment policy for temporary workers along with evidence of its implementation.

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

Sei Kopas Estate

The company has an OHS organization in accordance with the OSH Endorsement Decree from the North Sumatra Provincial Manpower

Office No. KEP.401/P2OHS/DTK/IX/2021 dated September 6, 2021.

The composition of the legalized management is:

- General Chairperson
- Chairman I
- Chairman II
- Secretary
- Fire Chief
- Document control
- Risk management team
- Internal audit team
- First aid team
- Emergency response team
- Inspection Team
- Core extinguishing team
- Extinguishing squad
- Security team
- Logistics and communication team
- Resque team
- Member

Based on Decree of the Minister of Manpower of the Republic of Indonesia No. 5/11049/AS.02.04/IX/2021 concerning the Appointment of a General Occupational Safety and Health Expert decided to give the appointment of a general occupational safety and health expert on behalf wit initial RMTS and valid for 3 years since September 30th, 2021.

The company shows records of OSH meetings which are held every month to discuss issues related to OHS in the company, for example on July 14, 2023 with discussions including monitoring work accidents and first aid kits.

Pasir Mandoge POM

The OHS organization has been formed, as evidenced by the decree of the Head of the Manpower Office of North Sumatra Province. Number 500.15.18/280-7/Disnaker/VIII/2023 Regarding the Ratification of the Occupational Safety and Health Supervisory Committee (OSH) of PT. Perkebunan Nusantara IV Pasir Mandoge PKS Unit. The decision letter is valid for 2 years as long as there is no change in the OSH management structure. Determined in Medan on August 15, 2023 by the Head of the Manpower Office. The composition of the approved management is:

- General Chairperson
- Chairman I
- Chairman II
- Secretary
- Fire Chief
- Document 67ssuran
- Risk management team
- Internal audit team
- First aid team
- Emergency response team
- Inspection Team
- Core extinguishing team
- Extinguishing squad
- Security team
- Logistics and communication team
- Resque team
- Member

Pasir Mandoge POM has shown evidence of the Decree of the Minister of Manpower of the Republic of Indonesia with Number 5/18938/AS.01.03/X/2022 concerning the Appointment of General Occupational Safety and Health Experts of the Minister of Manpower of the Republic of Indonesia. The decree grants an extension of the appointment of a General Occupational Safety and Health Expert on behalf with initial MRR and valid for 3 years until December 08, 2025.

Pasir Mandoge Estate

The company has shown evidence of having an OHS organization through a decree of the Head of the North Sumatra Provincial Manpower Office. Number 500.15.18/66-7/DIS.NAKER/III/2023 concerning the Ratification of the Safety and Health Committee (OSH) of PT Perkebunan Nusantara IV Medan-North Sumatra-Indonesia. This decision letter is valid for 2 years if there is no change in the composition of the OSH management in question Established in Medan and March 20, 2023, by the Head of the Manpower Office.

Pasir Mandoge Estate has shown evidence of the Decree of the Minister of Manpower of the Republic of Indonesia Number 5/18946/AS.01.03/X/2022 concerning the Appointment of General Occupational Safety and Health Experts of the Minister of Manpower of the Republic of Indonesia. In the decree, an extension of the appointment of a General Occupational Safety and Health Expert with initial AS and valid for 3 years until December 08th, 2025.

OSH meetings were held on May 3, 2023, with attended by 15 person for discussed such as Emergency response simulation, reports to relevant agencies

6.7.2

Emergency Response

The Basic Guidelines and Technical Work Instructions for the Management of Hazardous and Toxic Chemicals document with Document Number 04.03/P/005 dated September 1, 2021, explains that the procurement, storage and distribution of hazardous and toxic chemicals by completing labeling and MSDS.

- During field observations at the Afdeling III fertilizer storage warehouse in Tonduhan Estate, there was no MSDS for KCL fertilizer and the warehouse was not equipped with B3 symbols.
- During field observation to the fertilizer storage warehouse of Afdeling I and II Tonduhan Estate, it was not equipped with B3 symbols.
- During field observations at the Afdeling VII fertilizer warehouse in Pasir Mandoge Estate, no MSDS for KCL, Urea was available.
- During field observations to the fertilizer warehouse of Afdeling VIII Pasir Madoge Estate, MSDS for MOP, KCL, UREA and B3 warnings were not available.
- During the visit to the chemical warehouse in sei. Kopas, there was no MSDS for Fostin material.
- Afdeling 1 sei. kopas fertilizer warehouse has no B3 warnings.
- In the IPAL area at the Pasir Mandoge PKS, a warning of the top area and the prohibition of entering the IPAL area other than officers have been installed, but during the field visit it was found that there were not officers entering the IPAL area.

Completeness of the first aid kit

Based on the results of field observations and conducting an examination of the completeness and suitability of the contents of the first aid kit and based on Permenakertrans Regulation No. 15 of 2008 concerning First Aid in Accidents in the workplace appendix II regarding the contents of the first aid kit is known:

- In the section of the activity of taking care of block 03 AK afdeling VI Pasir MandogeEstate, Mandor I's first aid bag found a quick plaster which should be 10 based on the list of contents of the first aid box, only 4 were found and the recording of first aid usage was not filled.
- Harvest activities block 03AB/AA afdeling 5 Pasir MandogeEstate, Harvest foreman's first aid bag found Quick plaster which should be 10 based on the list of contents of the first aid box, only 4 were found and the recording of first aid usage was not filled.
- At the Tonduhan Estate afdeling I office, the first aid kit available there was found to be unavailable Alcohol, Betadin which should be based on the list of contents of 60 ml but only 5 ml available, distilled water which should be 100 ml available only 20 ml.
- At the Afdeling II office in Tonduhan Estate, the first aid kit available there is known that Betadine which should be based on the list of contents of 60 ml but only 5 ml is available, distilled water which should be 100 ml is only 20 ml.

In the ASA-2 assessment, this indicator has become a nonconformity and the planned corrective actions are.

- Complete MSDS for fertilizer types
- Make a warning plank in the WWTP area in the form of OHS symbols, restricted areas, and prohibitions on entering the WWTP

area other than officers.

- Complete the first aid box.

This becomes non-conformity No.2022.03 with minor raised major category.

6.7.3

The company has communicated the handover of PPE to all workers.

- There is evidence of PPE handover carried out in March 2023 to harvest employees totaling 34 employees. PPE provided such as safety boots, gloves, glasses, helmets,
- To chemis employees in March 2023 totaling 6 employees. PPE provided such as Safet boots, chemis officer work clothes, aprons, masks, safety glasses, rubber gloves,
- To maintenance and supervision employees totaling 9 employees. PPE provided by safet boots, masks, gloves, safety glasses, helmets.

The company has monitored the use of PPE.

- Monitoring conducted on June 30, 2023, for Engineering work, to 10 employees,
- Monitoring conducted on June 30, 2023, to harvesters and supervisors
- Monitoring conducted on June 30, 2023, to chemis employees.

From the results of the interview, there were some who did not bring PPE and were immediately told to go home to get their PPE and were not allowed to do work before using PPE.

Based on the results of field visits, it appears that employees have understood the provisions of the use of PPE and found PPE installed and in accordance with the type of work.

6.7.4

The company has a policy of including workers in the National Social Security System program. This is stated in the Collective Labor Agreement of 2022-2023 Chapter VI concerning Health Care and Medicine and Chapter VIII concerning Social Security and Worker Welfare.

The company has a list of workers which also includes social assurance and Health assurance participant numbers. Based on a review of worker list documents for August 2023 and proof of Health assurance and social assurance payments for the same period, it is known that the company has registered and paid all its workers in the health assurance and social assurance programs, which consist of Work Accident Insurance (JKK), Death Benefit (JKM), Life Insurance (JHT) and Pension Security via Bank Transfer.

The company has implemented employment protection for all its employees, for example there is proof of Social Assurance and Health Assurance payments for the period August 2023, as follows:

- Payment on 30 August 2023 for Pasir Mandoge Mill for 147 people.
- Payment on 23 August 2023 for Pasir Mandoge Estate of 646 people
- Payment on 30 August 2023 for Sei Kopas Estate of 419 people
- Payment on 30 August 2023 for Tonduhan Estate of 179 people

Based on interviews with harvesters, upkeep workers and factory workers, it is also known that the company has provided health insurance to workers and their families (wives and children) and social 69ssurance to all workers.

Based on the description above, it shows that all workers are provided with health services and protected by work accident insurance. Costs arising from work incidents, which result in injury or illness, are covered in accordance with applicable regulations.

6.7.5

The company can show a record of work accidents using Lost Time Accident (LTA). The calculation of work accidents using LTA until July 2023 is as follows:

- Pasir Mandoge Mill: FR 0 and SR 0
- Pasir Mandoge Estate: 42,83 dan SR 191,24
- Sei Kopas Estate: FR 0 and SR 0
- Tonduhan Estate: FR 26.48 dan SR 79.45

The references for the calculation of FR and SR include working hours, number of employees, work accident cases, and lost workdays.

6.7.2 Minor Raised to Major **Status: Non-conformity number 2022.03**

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

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

7.1.1
The company has a procedure on Basic Guidelines and Work Instructions for Pest and Disease Control of Oil Palm Plants with document number: 04.04/KS/TAN/P/005 revision 1 on February 24, 2020. Broadly speaking, in controlling pests and diseases, first a census of pests and diseases (Early observation) is carried out, then pest and disease eradication is carried out after that an evaluation is carried out.

Based on the results of the document review, it is known that the company has implemented the IPM plan, for example based on the report on the eradication of caterpillar pests in January-July 2023 Mandoge Estate and Sei Kopas Estate are known to have zero attacks, this is in accordance with the results of interviews with pest census officers. In addition, the company also uses beneficial plants as one of the biological pest controls.

7.1.2
Based on the results of field visits and document verification, it is known that the company does not use invasive species for biological pest control which are included in the types of invasive species based on Permen LHK No. 94 of 2016.

7.1.3
From the results of interviews with Estate management, the company in controlling pests and diseases only uses manual methods and uses chemis, the company does not use fire.

Status: Comply

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

7.2.1
Based on the results of field visits and document review, it is known that the company only uses pesticides according to the types of weeds and pests that are identified and targeted to be handled.

7.2.2
Based on the document review, the company has recorded the use of pesticides and their toxicity as well as the number of pesticides used. Such as

Pesticide Name	Active Ingredient	Usage (liter/Ha)	LD50
Metsulindo	Metil metsulfuron	58, 036	D:2000 mg/Kg
konUp	Siopropilamina	1.903	D : 5000 mg/kg
Delta	Deltametrin	235,33	O:1471 mg/kg

7.2.3
As part of reducing the use of pesticides, the company implements integrated pest control, one of which is by using beneficial plants as biological pest control. In addition, the company conducts pest control using chemicals if the number of attacks exceeds the economic threshold.

7.2.4
The company does not carry out prophylactic pesticide applications, this is evidenced by the pest and disease control mechanism which is based on the results of detection and census. The use of pesticides is based on the results of EWS and census which are carried out routinely every week. If the census results are especially effective telling above the threshold, pest eradication is carried out with the main priority using manual and if it cannot use manual methods, it is carried out using chemical methods (chemis).

7.2.5

Based on document review of the pesticide use list as well as interviews and visits to the pesticide storage warehouse, it was found that the company does not use pesticides included in World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions and paraquat.

7.2.6

Based on information from chemis officers, workers can explain well about their work and the things that are prohibited in chemis work and if there is a work accident.

There is socialization carried out such as

- Minutes of MSDS socialization conducted at the tonduhan Estate on 03 May 2023 attended by chemical officers.
- Socialization of risk identification (HIRAC) on March 23, 2023, attended by harvest employees, chemical.
- Pesticide OHS Socialization, June 6, 2023, attended by chemis employees.

7.2.7

Based on the results of the field visit at the pesticide storage warehouse, it was found that the storage warehouse was equipped with hazard symbols, emergency response facilities and infrastructure, adequate ventilation, and lighting.

7.2.8

The company shows the Handling of Hazardous waste as described in SOP No. SPO 02 dated 2 January 2015 was approved by the Head of the Planning Section on Hazardous Waste Management, Agrochemical Chemical Containers and equipment washing water. In the procedure it is explained that the identification of hazardous waste is: ex lubricant, ex battery, used pesticide packaging, used rag, ex lamp. The hazardous waste must be collected in a Hazardous warehouse and sent to authorized collectors.

The results of field observations in rinse houses, warehouses and interviews with Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate to pesticide applicators, it is known that applicators have been given regular training on safe working methods. This is evidenced by the explanation of the correct way of working in accordance with procedures including how to use and handle risks in accordance with material safety sheets. There has been a work safety sheet (MSDS) and symbols of hazardous and toxic materials that are properly installed on the walls and doors of the warehouse. Pesticide applicators also use personal protective equipment in accordance with the specified hazard identification and material safety data sheets such as respirator masks, gloves, safety shoes, aprons and goggles. Furthermore, clean water and soap are available in the field.

Based on the interview results, it is concluded that those who apply pesticides are employees who have attended training, while employees understand the dangers and risks related to the chemicals used.

7.2.9

Based on interviews and field observations, the company does not conduct aerial application of pesticides.

7.2.10**Pasir Mandoge POM**

- Cholinesterase: carried out on August 13, 2022, on 9 employees with the results of 3 within normal limits and 6 mild intoxication. Follow-up of the results of the health examination of employees with mild intoxication will be consulted to the company doctor and re-examination will be carried out on December 12, 2022, Based on the results of interviews with company representatives, it is known that the results of follow-up examinations are as follows
- Audiometry: carried out on August 9, 2022, on 12 workers. from the results of the examination obtained 3 people with mild ADS: CHL and 9 people are normal. Follow-up of the results of the health examination of employees with mild ADS CHL will consult the company doctor and be re-examined on October 19, 2022, Based on the results of interviews with company representatives, it is known that the results of the follow-up examination have come out and the conclusion is enough to wear PPE and take medicine regularly.

Pasir Mandoge Estate

- Cholinesterase: on 39 employees carried out on August 13, 2022, with the results of 25 within normal limits and 14 mild intoxications. Follow-up of the results of the health examination of employees with mild intoxication will consult with the

company doctor and re-examination will be carried out on December 12, 2022, with the results advised to use PPE when working.

- Audiometry: conducted on August 16, 2022, on 2 workers. With the results of the examination all within normal limits.

The results of the interview with the central clinic doctor that the recommendation to move the work location is carried out when there is further testing.

7.2.11

Based on interviews with Chemis workers in Pasir Mandoge Estate, it is known that workers who are pregnant or breastfeeding are not allowed to work with chemicals and will be transferred to other jobs.

Status: Comply

7.3

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

7.3.1

The company shows the Handling of Hazardous waste as described in SOP No. SPO 02 dated 2 January 2015 was approved by the Head of the Planning Section on Hazardous Waste Management, Agrochemical Chemical Containers and equipment washing water. In the procedure it is explained that the identification of hazardous waste is: used lubricant, used battery, used pesticide packaging, used rag, used lamp. The hazardous waste must be collected in a Hazardous warehouse and sent to authorized collectors. Company also has identified waste product and make the list of it. It is also known that there was waste management plan available as procedural that were written in procedural document of Handling of Hazardous waste SOP No SPO 02 dated 2 January 2015.

The company shows SOP for Household Waste Management NO SPO 20 Revision 3 dated January 2, 2018 about management domestic waste.

7.3.2

Based on the previous surveillance-2 assessment, unit of certification demonstrated the following corrective actions:

- Decree for Assistant Afdeling for Pasir Mandoge Estate, Sei Kopas Estate, Tonduhan Estate, and Pasir Mandoge POM in 2022 regarding the Appointment of Monitoring Officers for the Management of Hazardous Waste and Domestic Waste.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in November 2022, November 30 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.
- Domestic waste transportation schedule to landfill afdeling 1 to VIII Central Emplasmen Sei Kopas Estate for November 2022 – January 2023.
- Domestic Waste Transport Schedule for Afdeling I to III for November 2022 and December 2022 for Tonduhan Estate.
- Afdeling I to III Domestic Waste Transport Schedule for the Period January – December 2023 Tonduhan Estate
- Schedule and realization of domestic waste transportation for all Pasir Mandoge POM for the 2022 – 2023 period on 31 December 2022.
- Checklist for Completeness of Domestic Waste Management Facilities for all Afdelings in the Tonduhan Estate on 30 November 2022.
- Evaluation of the domestic waste management of the Pasir Mandoge business unit, 31 December 2022. The evaluation explains the suitability and nonconformity of the monitoring findings carried out by the company.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in December 2022, December 27 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.

In the surveillance-3 assessment, the results of the field visit showed the following:

- Hazardous and toxic waste that is not stored in a licensed temporary storage, including:
 - 10 units of damaged spray caps, 1 sack of used Metsulindo pesticide packaging, and 2 units of used jerry cans for the chemical Hydrogen Peroxide which were stored in the Afdeling Spray Work Equipment Storage Room 7 Kebun Pasir Mandoge.
 - Used spray cans and used fertilizer sacks in the Afdeling Egypt Room 9 Taman Pasir Mandoge.
 - 3 units of gallons of used Kresna and Gempur pesticides at Afdeling Housing 10 Tonduhan Estates.

- 9 units of used oil packaging at the Tonduhan Estates Emplasmen Housing Estate, Tonduhan Estates.
- Several damaged spray caps and 7 used batteries in the Used Goods Storage Warehouse next to the Tonduhan Estate Fertilizer Warehouse.
- Used oil stored since July 2023 next to the Afdeling 4 Housing water pump machine.
- Domestic waste collected and scattered in the following locations:
 - Domestic waste collected along the ditch next to the Pasir Mandoge Estate Office
 - Domestic waste scattered in front of the Pasir Mandoge Estate Security Post
 - Domestic waste collected in the ditch next to Pasir Mandoge Estate Staff Housing.
 - Domestic waste dumped in the ravine beside Office of Afdeling 9 Pasir Mandoge Estate.
 - Domestic waste dumped in the ravine beside Afdeling 9 Pasir Mandoge Estate Housing Complex.
 - Domestic waste scattered and collected in the Tonduhan Estate Emplasmen Housing.
 - Domestic waste scattered and collected beside the Tonduhan Central Warehouse.
 - Domestic waste piled up in housing Afdeling 4 and Afdeling 6 Sei Kopas Estate.

The results of interviews with housing residents in Afdeling 8 and Afdeling 10 Kebun Pasir Mandoge showed that there was no transportation of domestic waste so that the domestic waste produced was piled up and burned.

Apart from that, in the surveillance-3 assessment, the company has not shown documentary evidence related to the corrective actions contained in the surveillance-2 assessment, such as waste transportation schedules, waste management monitoring checklists, as well as waste management evaluation results for each unit.

The company has the following waste management procedures:

- SOP for domestic waste management described in SPO 20 revision 03 effective date 30 December 2021 and approved by Head of the Planning Department. The SOP explains that each employee's housing must be equipped with a trash bin with specifications that are lightweight, rust-resistant and waterproof. Temporary waste bins in housing are separated between organic and inorganic, creation of final waste disposal site, far from tributaries, landfill (burial) sanitation system, distance of landfill from housing is at least 300 m. The cleaning staff periodically collects the waste and disposes of it in the TPA.
- SOP for hazardous waste management with number SPO 02 revision 03 effective date 27 August 2018 and ratified by Head of the Planning Section. The SOP explains that hazardous waste produced by operational activities is stored in the Temporary Hazardous Waste Storage.

Thus, the company has not shown evidence that hazardous and domestic waste management has been carried out consistently according to the procedures. **This becomes non-conformity No.2023.11 with major (recurring) category.**

7.3.3

Based on the previous surveillance-2 assessment, the company demonstrated the following corrective actions:

- Decree for Assistant Afdeling for Pasir Mandoge Estate, Sei Kopas Estate, Tonduhan Estate, and Pasir Mandoge POM in 2022 regarding the Appointment of Monitoring Officers for the Management of Hazardous Waste and Domestic Waste.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in November 2022, November 30 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.
- Domestic waste transportation schedule to landfill afdeling 1 to VIII Central Emplasmen Sei Kopas Estate for November 2022 – January 2023.
- Domestic Waste Transport Schedule for Afdeling I to III for November 2022 and December 2022 for Tonduhan Estate.
- Afdeling I to III Domestic Waste Transport Schedule for the Period January – December 2023 Tonduhan Estate
- Schedule and realization of domestic waste transportation for all Pasir Mandoge POM for the 2022 – 2023 period on 31 December 2022.
- Checklist for Completeness of Domestic Waste Management Facilities for all Afdelings in the Tonduhan Estate on 30 November 2022.
- Evaluation of the domestic waste management of the Pasir Mandoge business unit, 31 December 2022. The evaluation explains the suitability and nonconformity of the monitoring findings carried out by the company.

- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in December 2022, December 27 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.

In the surveillance-3 assessment, the results of the field visit showed the following:

- 7 points of burning of domestic waste in Afdeling 8 Housing Complex Pasir Mandoge Estate.
- 5 points of domestic waste burning at Housing Complex Pasir Mandoge POM.
- 3 points of burning of domestic waste at Afdeling 2 Housing Complex Tonduhan Estate.
- 2 points of burning of domestic waste at Afdeling 1 Housing Complex Tonduhan Estate.
- 4 points of burning of domestic waste at Afdeling 4 Housing Complex Sei Kopas Estate.

The results of interviews with housing residents in Afdeling 8 and Afdeling 10 Kebun Pasir Mandoge showed that there was no transportation of domestic waste so that the domestic waste produced was piled up and burned.

Apart from that, in the surveillance-3 assessment, the company has not shown documentary evidence related to the corrective actions contained in the surveillance-2 assessment, such as waste transportation schedules, waste management monitoring checklists, as well as waste management evaluation results for each unit.

The company has an SOP for domestic waste management which is explained in SPO 20 revision 03 effective date 30 December 2021 and approved by the Head of Planning. The SOP explains that every employee housing must be equipped with a trash bin and dispose of it using a landfill (burial) sanitation system at the final waste disposal site.

Thus, the company has not shown evidence that domestic waste management does not use open burning for waste destruction in accordance with existing procedures. **This becomes non-conformity No.2023.12 with major (recurring) category**

7.3.2 Major (Recurring)	Status: Non-conformity Number 2023.11	
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7.3.3 Major (Recurring)	Status: Non-conformity Number 2023.12	
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7.4

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

7.4.1

The company has procedures and work instructions related to good cultivation practices to manage soil fertility, several SOPs and IKs among others:

- Basic guidelines and work instructions for fertilization management with number: Business unit A.10 which came into effect on February 24, 2020. The IK explains about maintaining soil fertility by applying fertilizer into the soil as a substitute for nutrients that have been taken by plants either with organic fertilizers or single and compound inorganic fertilizers.
- 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 in young plants if needed, leaf sampling can be done twice a year with the consideration that changes in nutrients in young plant leaves change very quickly.

To provide complete nutrients into the soil, the company has made use of empty palm bunches and palm oil liquid waste, which comes from PKS waste and fertilization using compound and single inorganic fertilizers.

7.4.2

The company has an SPO document 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 in young plants if needed, leaf sampling can be done twice a year with the consideration that changes in nutrients in young plant leaves change very quickly. The report on the results of Leaf and Soil Analysis is included in the Fertilizer Recommendation Report document.

- Leaf Analysis Number 2846/0.1/Sert/XII/2022 test date September 1 - December 7, 2022, issued by the Palm Oil Research Center for a total of 36 samples. The parameters analyzed include N, P, K, Ca, and Mg.

7.4.3

Based on the results of document review and field visits, it is known that the company has implemented a nutrient recycling strategy

including using Land Application, empty baskets and the use of pruning results of oil palm fronds.

7.4.4

Available Evaluation of fertilization in 2023 until July 2023

No	Fertilizer type	realization	
		Kg	Luas (Ha)
1	NPK 12	362	147,645.00
2	NPK 13	8,146	2,267,845.75
3	Urea	62	5,232
4	Dolomite	4,657	685,035.25

Pasir Mandoge

- Report on Recommendations and Realization of Fertilization for the period 2023 at Pasir Mandoge Estate, for example as follows:

No	Fertilizer type	Recommendation		Realization	
		Kg	Luas (Ha)	Kg	Luas (Ha)
1	NPK 12	2,824,051	707	133,160.48	707
2	Dolomite	1,586,546	666	1,083,215.25	666
3	NPK 13	4,742,864	666	3,690,548.00	666
4	Urea	442,040	666	241,477	666

Status: Comply

7.5

Practices minimize and control erosion and degradation of soils.

7.5.1

Each estate has a map of soil type, geology, slopes with scale 1: 50.000. Based on the study of land type map and field verification, the entire area of the Estate is a mineral land. There was no peat soil in the operational area. There were no fragile or problematic soils such as sandy soil or soil with low organic matter content.

7.5.2

New replanting was carried out in the Tonduhan Estate for the 2020 planting year afdeling 2 Block 20A, from the results of interviews there are no more new plantings and replanting is carried out extensively on steep slopes.

7.5.3

Based on the results of the document review and field visit, it was found that the company did not conduct any new planting activities.

Status: Comply

7.6

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

7.6.1; 7.6.2; 7.6.3

Based on the results of document review and field visits, it is known that the company does not carry out new planting development activities but only replanting activities.

Status: Comply

7.7

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

7.7.1; 7.7.2; 7.7.3; 7.7.4; 7.7.5; 7.7.6; 7.7.7

Each estate has a map of soil type, geology, slopes with scale 1: 50.000. Based on the study of land type map and field verification, the entire area of the Estate is a mineral land. There was no peat soil in the operational area. There were no fragile or problematic soils such as sandy soil or soil with low organic matter content.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The company has water management program, such as:

- Perform periodic quality tests of river water and spring water
- Conduct surveillance and greening in watersheds and springs water
- Making appeal signs to preserve the area and protect water sources
- Conducting socialization to employees to conserve and water in the watershed
- Procedure for Management of High Erosion Potential Areas (SOP No. 11, Revised 02 dated January 2, 2015).
- Procedure for Management and Monitoring of High Conservation Value Areas (SOP No. 8, Revised 02 dated Jan 2, 2015).

The company has demonstrated the results of the clean water test as mentioned in RKL-RPL Reports Semester I 2023 conducted by accredited Laboratories as accredited laboratory. Based on the test results show that the quality of surface water is in accordance with the standards of the minister of health of the republic of Indonesia number 32 of 2017.

7.8.2

In the surveillance-1 assessment, the company showed the following documents as corrective action for the non-conformities found:

- Minutes of the removal of 65 trees or 0.46 ha of oil palm trees in Bah Sopang River in Blocks 20A (42 trees) and 20 C (23 trees) Tonduhan Estate.
- HCV Map of Tonduhan Estate with a scale of 1: 6.092 which describes the HCV area of Aek Sopang covering an area of 4.13 Ha with the number of trees affected by replanting of 292 trees. The data sources used are the PTPN IV location map, 2019 Indonesia Map and 2021 Orthomosaic Photo. Analysis of the calculation of the number of trees affected by replanting identified through satellite imagery maps by the PTPN IV Geospatial Team as many as 292 trees.
- SK No. TON.MU/Ktps/74/IX/2021 issued by the Tonduhan Estate Unit Manager on September 20, 2021 concerning the evaluation of the HCV management and monitoring plan which includes the determination of the Tonduhan Estate HCV Area Management and Monitoring Plan Evaluation Team as Plant Assistants Afdeling I-III

The results of the field visit during the surveillance-3 assessment showed the following:

- There are traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 00I/L Afdeling 9 Pasir Mandoge Estate.
- There are replanting palm trees, there are no clear boundaries for the HCV area, and 5 rehabilitation plants on the Aek Sopang River border Block 20 A Afdeling II, Tonduhan Estate.

The company has presented the following documents:

- The plan for protecting water flow areas and wetlands in the form of river borders is explained in SOP No. SPO 05 revision 03 effective date 27 August 2018 concerning river border management mechanisms. The river border management plan includes:
 - Returning the allotment of river banks, swamps, springs to protected areas with the following procedure: carrying out an inventory of the location, area and then mapping it out.
 - Restore the border according to its designation.
 - On river banks that have been planted with oil palm, it is best if the vegetation is maintained by trying to grow vegetation in the river border areas by prohibiting spraying with chemicals.
- Results of identification of wet streams described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the water flow and wetlands.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as the water flow and wetlands.

Thus, the company has not been able to show evidence that river border management has been managed in accordance with its plans. **This becomes non-conformity No.2023.13 with major category.**

7.8.3

The company already has a permit to use/utilize POME to land owned by the company, namely based on the Decree of Asahan Regent No. 503/IPAL/DPMPSTP/0007/VI/2020 on 04 June 2020 and valid until 5 years. POME quality testing document review shown for January to July 2023 all of POME testing parameters are compliant to the standards quality (for examples BOD on July 2023 are 724 mg/l with threshold 5000 mg/l and pH 7,85), and all of POME management and monitoring has been reported to related institutions for regular basis per 3 months. On the onsite audit the company also conducted POME quality testing, based on document verification POME testing still accordance Minister Environment Decree number 28 year 2003.

7.8.4

The company has a permit to use/utilize water owned by the company, namely based on the Decree of the Minister of Public Works and Public Housing, Asahan Regency, Sumatera Utara Province for the use of water in the Perot River for the industrial business of the Pasir Mandoge business unit owned by PT Perkebunan Nusantara IV with number 246.2/KPTS/ M/2018 dated March 19 2018 which is valid for 5 years. It was explained that the company has a water quota that can be used of 72,576 m3/month.

The company can also show the results of a recapitulation of water use for the period January-July 2023. Based on this data, the average water use for the FFB processing process is 18,580 m3/month, while the total water use is 130,057 m3/month. This data shows that the company uses surface water in accordance with the quota specified in the permit and budget determined by the company itself.

Companies can also show proof of payment of water levies to UPTD Kisaran - Sumatera Utara Province for the period January-July 2023 with payment periods made every month. An example of proof of the latest water levy payment made is based on proof of payment for June & July 2023 which was paid on 07 June 2023 and 03 July 2023.

Based on the explanation above, the company has water use documents for the palm oil processing unit along with supporting documents in the form of Surface Water Use Permit Documents, water use recapitulation, as well as proof of payment of surface water use levies.

Major 7.8.2 | **Status: Non-conformity Number 2023.13**

7.9

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

7.9.1

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January until December 2022 POM has produces 4,286,400 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 15,05 kwh / ton CPO.

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 has identified source of pollution and air emission sources, including gaseous, particles and shoot emissions and effluent covering emissions and pollution sources from estate and mill operations. The emission source identified from estate and mill operation among others are land use change, vehicle operation, machine operation, fertilizer and pesticide application, use of AC/refrigerator, waste piling and electricity consumption.

Identification of significant GHG gas emission source is identified and the mitigation plan has been developed by the company covering mill and estate. The significant GHG emission among others are land use change, POME, use of fertilizer and pesticide, use of fossil fuel for operation and transport. The mitigation plan among others are correct dosage use for fertilizer and application as recommended, reduce reuse and recycle action, electric use limitation, transport and engine maintenance, periodic air quality test.

Fossil fuel reducing on Pasir Mandoge POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods January to July 2023 shown that all of waste water testing parameters is compliant to the standards quality.

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator.

The GHG emission calculated using RSPO palm GHG calculator 4.0 Summary of GHG emmison for Pasir Mandoge POM and its supply base for period 2022 are listed as follows :

Summary Emission

Emmision per product	tCO2e/tProduct
CPO	0.51
PK	0.51

Production	t/yr
FFB processed	282,956.81
CPO produced	69541,25
PK produced	11918,578

Extraction	%
OER	24.58
KER	4.21

Land use	Ha
Planted area	13542.00
Planted on peat	0
Conservation Area Forested	0
Conservation Area Non Forested	797.78

Summary of field emission and Sinks

Description	Own crop		Group		3rd	Total
Emissions Sources	tCO ₂ e	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/tFFB	tCO ₂ e	
Land conversion	136949.33	0.55	0.00	0.00	0.00	136949.33
CO ₂ emissions from fertilizer	15639.43	0.06	0.00	0.00	0.00	15639.43
NO ₂ emissions from peat	0.00	0.00	0.00	0.00	0.00	0.00
NO ₂ from Fertilizer	12452.92	0.05	0.00	0.00	0.00	12452.92
Fuel consumption	1565.96	0.01	0.00	0.00	0.00	1565.96
Peat oxidation	0.00	0.00	0.00	0.00	0.00	0.00
Sinks						
Crop sequestration	-129248.07	-0.52	0.00	0.00	0.00	-129248.07
Sequestration in Conservation area	0.00	0.00	0.00	0.00	0.00	0.00
Total	37359.58	0.15	0.00	0.00	2775.02	40134.6

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	1309.60	0.03
Fuel consumption	0.60	0.00
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	1310.20	0.00

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) (%)	100

7.10.2

Until audit ASA-3 conducted, no new planting activities above 15 November 2018, the company did not conduct new land clearing activities or development of operational areas. Land clearing was conducted in 1989. Based on the results of visits in the planting year 2020 it was a replanting area from the 1993 planting year.

Efforts to reduce pollutants carried out by companies include:

- Monitor air quality and emissions from boilers and generators
- Manage liquid waste in WWTP before it is used in Estates
- Carry out regular machine maintenance.
- Optimizing the use of fertilizer according to recommendations
- Use of fibers and shells in PKS to reduce diesel.

Plans to reduce or minimize have been implemented and monitored as explained in Environmental Management Plan and Environmental Monitoring Plan First Semester of 2023. According to Environmental Management Plan and Environmental Monitoring Plan report, the company conducted routine environmental quality test regularly once in three to six months for the following parameters:

- Wastewater quality testing
- Ambient air quality testing
- Air quality testing (generator, boiler)
- Stench quality testing
- Noise (machinery) testing
- Building shock vibration testing
- River water quality testing (biological/plankton/bentos, chemical compounds)

The company has conducted emission tests from boilers and generators, as well as ambient air quality which will be carried out in semester 1 of 2023 by accredited laboratory. Based on the results of the document review, it is known that the results of the assessment have complied with the provisions stipulated by the Government.

Based on the explanation above, it is known that the company has identified significant pollutants and implemented reduce and minimize action use while monitored the results of quality testing of certain parameters as listed in the RKL-RPL document.

7.10.3

The company has identified pollutions and emissions sources of Pasir Mandoge POM for the period 2022-2023, such as CO₂ (boiler, generator, transportation), CH₄ (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for the estate are listed on the identification documents and management plans for pollution sources for the period 2021, such as emissions (CO₂, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL semester 1 the year 2023. Fossil fuel reduction on Pasir Mandoge POM have been implemented by fiber/shell usage for the boiler.

Status: Comply

7.11

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

7.11.1

Based on interviews with management representatives, known that the business unit does not use burn method for land clearing. There are procedures that govern not to use the burn method in land clearing. The statement was confirmed by the SOP July 2007 recorded

in SPO 02. The replanting method is the method of land clearing, zero burning method and under planting method. Base on field visit at replanting area Tonduhan estate division II block 20A replanting activity has use zero burning method and has planting cover crop.

7.11.2

The company has an emergency response organizational structure within the OSH organizational structure that oversees the fire squad, fire chief and core firefighting team, and security squad. Fire extinguisher simulation results during audit showed that the land firefighting equipment was functioning properly and the officers understood the procedures for implementing the fire extinguisher.

7.11.3

The company presented a report on land fires to the Asahan & Simalungun District Agriculture Office on January 2, 2023. The report explained that there were no incidents of land fires. Fire extinguisher monitoring is known that all fire extinguishers are in good condition.

Status: Comply

7.12

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

7.12.1 and 7.12.8

The company has been sent disclosure of liability for Pasir Mandoge Estate, Sei Kopas & Tonduhan Estate, based on email from RSPO on September 11th, 2019 its known there no liability for Pasir Mandoge Estate, Sei Kopas & Tonduhan Estate.

7.12.2

Tonduhan Estate.

The company shows an HCV identification report for Tonduhan Estate which was carried out in November 2015 covering 3 main stages of a desk-based study, field work and consultations with stakeholders. Desk based study was carried out on November 14, 2015 in Medan City, field study on November 27-28, 2015 and public consultation was held on May 12, 2016. HCV identification was carried out by PT Surveyor Indonesia, Team Leader Henry Marpaung and the total HCV is 86.47 ha with detailed that 29.49 are planted area and 56.98 are non planted area. The HCV accepted because the initial certification for RSPO done after 15 November 2018 due to Tonduhan estate is supply base of Pasir Mandoge Mill, therefore the initial assessment status is pending.

Pasir Mandoge Estate.

The HCV assessment for Pasir Mandoge Estate in March 2015 included 3 main stages of desk-based study, field work and consultation with stakeholders. Public consultation was held on 5 March 2016. The methodology used several references such as The High Conservation Values Forest Toolkit (Proforest 2003), Guidelines for identifying valuable areas HCV high conservation Toolkit 2008, common guidance of identification of High Conservation Values (HCVRN 2013), common guidance for management and monitoring of HCVs (HCVRN 2013). The scope of the assessment covers 8,406.35 ha and the total HCV Management is 740.80 ha with detailed that 661.69 Ha are planted area, and 79.11 are unplanted area. And all the HCV in planted area and unplanted area was excluded from the counting planted area because it was planted before it was decided as a HCV area, so the HCV area are mixed between unplanted area and planted area as known as 683.82. Peer review by Kunkun Gurmaya in December 2016. The HCV accepted because the initial certification for RSPO done after 15 November 2018 due to extension of HGU.

Sei Kopas Estate.

The company showed an assessment of HCV identification carried out in November 2015. Public consultations were carried out on November 14, 2015 in Medan and field studies on 26-27 November 2015. The methodology used several references such as The High Conservation Values Forest Toolkit (Proforest 2003), Guidelines for identifying high conservation value areas HCV Toolkit 2008, common guidance of identification of High Conservation Values (HCVRN 2013), common guidance for management and monitoring of HCVs (HCVRN 2013). The scope of the assessment covers 6,979.72 ha and the total HCV Management is 560.80 ha with detailed that 503,82 Ha are included as planted area and 56,98 Ha are unplanted HCV area. Peer review by Kunkun Gurmaya in December 2016. The HCV accepted because the initial certification for RSPO done after 15 November 2018 due to extension of HGU.

Based on the explanation above it is known that information about the total of HVC area is 797,78, with detailed 56,98 from Sei Kopas, 56,98 from Tonduhan, and 683,82 from Pasir Mandoge.

7.12.3

Based on document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover countrie, Consultancy report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia.

7.12.4

In the surveillance-1 assessment, the company showed the following documents as corrective action for the non-conformities found:

- Minutes of the removal of 65 trees or 0.46 ha of oil palm trees in Bah Sopang River in Blocks 20A (42 trees) and 20 C (23 trees) Tonduhan Estate.
- HCV Map of Tonduhan Estate with a scale of 1: 6.092 which describes the HCV area of Aek Sopang covering an area of 4.13 Ha with the number of trees affected by replanting of 292 trees. The data sources used are the PTPN IV location map, 2019 Indonesia Map and 2021 Orthomosaic Photo. Analysis of the calculation of the number of trees affected by replanting identified through satellite imagery maps by the PTPN IV Geospatial Team as many as 292 trees.
- SK No. TON.MU/Ktps/74/IX/2021 issued by the Tonduhan Estate Unit Manager on September 20, 2021 concerning the evaluation of the HCV management and monitoring plan which includes the determination of the Tonduhan Estate HCV Area Management and Monitoring Plan Evaluation Team as Plant Assistants Afdeling I-III

The results of the field visit during the surveillance-3 assessment showed the following:

- There are traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 00I/L Afdeling 9 Pasir Mandoge Estate.
- There are replanting palm trees, there are no clear boundaries for the HCV area, and 5 rehabilitation plants on the Aek Sopang River border Block 20 A Afdeling II, Tonduhan Estate.

Based on the results of interviews with Tonduhan Estates management representatives, the company has not carried out regular monitoring of river borders. Meanwhile, the company showed documents from HCV monitoring results in Pasir Mandoge Estate semester 1 2023 showing that all HCV areas over the last 5 years had no damage and land management had been continuous.

The company has presented the following documents:

- River border management mechanisms are explained in SOP No. SPO 05 revision 03 effective date 27 August 2018 concerning river border management mechanisms. The river border management plan includes:
 - Returning the allotment of river banks, swamps, springs to protected areas with the following procedure: carrying out an inventory of the location, area and then mapping it out.
 - Restore the border according to its designation.
 - On river banks that have been planted with oil palm, it is best if the vegetation is maintained by trying to grow vegetation in the river border areas by prohibiting spraying with chemicals.
- Results of identification of wet streams described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the water flow and wetlands.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as the water flow and wetlands.
- Results of identification of HCV described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the HCV.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as HCV.

Thus, the company has not been able to show evidence that the management and monitoring of HCV areas has been managed according to the procedures. **This becomes non-conformity No.2023.14 with major category.**

7.12.5

Based on HCV identification documents, it is known that there are no customary rights areas in the area identified as HCV at Estate area. Based on documents review and interviews with heads of village, known that the company had been established from the era of Dutch Governance and until now in Estate operations have been replanted (replanting) but there is no new land development and there were no new land clearing activities from 2005 to the present.

7.12.6

The Company showed that the socialization of protected flora and fauna carried out on 07 February 2023 was attended by 20

employees. Based on interview with pesticide spraying, the worker it is known that they have understood the protection of flora and fauna which is socialized by the company.

The company also installed sign board that informs of hunting wildlife prohibiting, conservation responsibility that located on access road. The company shown record regularly patrols period shown company has been monitoring illegal hunting, and other illegal activities. All of records for daily patrols on each estate are available and verified by auditors. For example, RTE patrols summary results on 2023, for conservation area on riparian such as *Kipasan belang* (*rhpidura javanica*). Meanwhile protected of flora species was not found.

7.12.7

The results of the field visit during the surveillance-3 assessment showed the following:

- There are traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 001/L Afdeling 9 Pasir Mandoge Estate.
- There are replanting palm trees, there are no clear boundaries for the HCV area, and 5 rehabilitation plants on the Aek Sopang River border Block 20 A Afdeling II, Tonduhan Estate.

Based on the results of interviews with representatives of the Tonduhan Estate management, the company has not periodically monitored the riverbanks. Meanwhile, the company showed documents of HCV monitoring results in Pasir Mandoge Estate semester 1 of 2023 showing that all HCV areas for the last 5 years had no damage and continuous land management.

The company has shown the following documents:

- River riparian management mechanism is explained in SOP No. SPO 05 revision 03 effective date 27 August 2018 concerning river border management mechanisms. The river border management plan includes:
 - Returning the allotment of river banks, swamps, springs to protected areas with the following procedure: carrying out an inventory of the location, area and then mapping it out.
 - Restore the border according to its designation.
 - On river banks that have been planted with oil palm, it is best if the vegetation is maintained by trying to grow vegetation in the river border areas by prohibiting spraying with chemicals.
- Results of identification of wet streams described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the HCV.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as the HCV.
- In an effort to follow up on the identification of HCV areas in December 2016 the company demonstrated a plan to manage and monitor HCV areas for 2023, while the management and monitoring plans include:
 - Management in the form of installing HCV boundary signs, monitoring and maintaining HCV areas, planting native forest plants, and maintaining grave HCV areas.
 - Monitoring in the form of monitoring the intensity of disturbance of HCV areas and flora & fauna, changes in the condition of HCV areas, levels of erosion, and utilization of natural resources.
- As an effort to improve the assessment results in surveillance-1, the company shows proof of corrective action documents in the form of:
 - Minutes of the removal of 65 trees or 0.46 ha of oil palm trees in the Bah Sopang River in Blocks 20A (42 trees) and 20 C (23 trees) Tonduhan Estate.
 - HCV Map of Tonduhan estate with a scale of 1: 6,092 which describes the HCV Aek Sopang area of 4.13 Ha with 292 trees affected by replanting. The data sources used are PTPN IV location maps, 2019 Indonesia maps and 2021 Orthomosaic photos. Analysis of the calculation of the number of trees affected by replanting identified through satellite image maps by the PTPN IV Geospatial Team as many as 292 trees.
 - Decree No.TON.MU/KPTS/74/IX/2021 on evaluating the management plan and monitoring of HCV areas related to the RSPO P&C. The decree explains the need to form a team to evaluate the management plan and monitoring of the HCV area related to the RSPO Tonduhan P&C. The team responsible for its implementation is the assistant plant for afdeling 1-3. The office holder is responsible if there is an error in the decree.

Thus, the company has not been able to show evidence that it has carried out monitoring in accordance with the management plan and monitoring which is then used for follow-up to improve the management plan. This becomes **NCR No. 2023.15 with minor category**.

7.12.4 Major	Status: Nonconformity Number 2023.14	
7.12.7 Minor	Status: Nonconformity Number 2023.15	

3.2 Conformity Checklist of Certificate and Trademark Use

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

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	PT Perkebunan Nusantara III has carried out self-assessment (i.e internal audit) against uncertified management units dated on 12-13 November 2022 by PT Perkebunan Nusantara III, PT Perkebunan Nusantara III has submitted some self-assessment reports year 2021 on behalf PTPN III, PTPN V, PTPN VI, and PTPN VIII. It has supported evidence of the self-assessment against each requirement such as self-assessment reports
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	<p>PTPN I</p> <p>PKS Tanjung Seumantoh: Kebun Lama, Kebun Baru and Tualang Sawit Estate stated has no replacement of primary forest or any area containing HCV. Disclosure of two estates had delivered in 07 December 2022. LUCA for Kebun Lama had conducted on 22-26 October 2022 on area covers 4.739,72 ha, while for Kebun Baru had conducted on 17-21 October 2022 on area covers 4.739,52 ha. Both resulting resulting zero liability. However, approval of LUCA from RSPO is not available. Moreover, disclosure registration and LUCA for Tualang Sawit Estate are not available.</p> <p>PKS Cot Girek: Cot Girek and Julok Rayeuk Utara Estate stated has no replacement of primary forest or any area containing HCV, as informed in HCV report that had delivered on 07 December 2022. LUCA for Cot Girek had conducted in 12-16 October 2022 on area covers 7.596.36 ha, resulting zero liability. Review of disclosure for Cot Girek Estate was still under review by RSPO. However, approval of LUCA and evidence of disclosure to RSPO are not available. Furthermore, disclosure registration, LUCA, SIA and HCV for Julok Rayeuk Utara Estate is not available</p> <p>PTPN II</p>

		<ul style="list-style-type: none"> • PKS Sawit Hulu: disclosure of Kebun sawit Hulu had responded by RSPO through email dated 26 August 2022, which stated that LUCA is not required for this management unit which covers 9,671 ha. • PKS Sawit Seberang: disclosure of Kebun Sawit Seberang had delivered in 19 september 2022 and responded by RSPO through email dated 08 November 2022 which informs zero liability on area covers 8,079.11 ha. However, disclosure and LUCA for Batang Serangan dan Tanjung Jati Estate are not available. HCV for Tanjung Jati and Batang Serangan was still ongoing. • PKS Kwala Sawit: disclosure registration and LUCA for mill and estate supply bases are not available. HCV for Kwala Sawit and Air Tenang Estate was still ongoing. <p>PKS Pagar Merbau: disclosure registration and LUCA for mill and estate supply bases are not available. HCV for Melati, Patumbak, Tandem, Bandar Klippa, Limau Mukur, were still ongoing by Consultant CV Alam Semesta</p> <p>PTPN III</p> <p>Based on document verification sighted that all uncertified unit has conducted LUCA and submitted to the RSPO:</p> <ul style="list-style-type: none"> - KRBTN dated 20 August 2021, there are raw non compliant land clearance with area 489.83 Ha. - KBDY dated 20 August 2021, there are raw non compliant land clearance with area 116.20 Ha. (Not available LUCA review) - KKINO dated 18 August 2021, there are raw non compliant land clearance with area 477.85 Ha. - KJLRS dated 18 August 2021, there are raw non compliant land clearance with area 3,823.91 Ha. <p>The KBDBY and KRBTN has conducted HCV-HCS assessment by CV Greenera dated 19 to 23 October 2021. While the KNINO and KJLRS have been assessed on November 2022 by CV Greenera (ALS-HCV).</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion areas from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PT PN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion areas, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> a. Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted on January 2018.
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		<p>b. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018.</p> <p>PTPN IV Timur Estate and Batang Laping Estate has conducted HCV assessment by PT Koompasia Environment Institute in 2018.</p> <p>PTPN V Based on document review, there was no evidence that the company (PTPN V) has changed any primary forest and/or HCV area into palm oil plantation since November 2005 except Part of Sei Berlian estate (Sei Berlian-2) within forest areas based on Ministry of Forest decree No.SK.878/Menhut-II/2014 jo SK.903/MENLHK/SETJEN/PLA.2/12/2016). The organization has got Land Use Right (HGU) from government before the regulation above was issued so that the organization still coordinating with government about case it.</p> <p>PTPN VI Uncertified management units has conducted HCV assessment such as : During audit, other the uncertified management units has not been carried out HCV assessment such as Unit of Ophir business (Ophir POM & estate), Unit of Pangkalan 50 Kota business (Pangkalan 50 Kota estate), Unit of Solok Selatan business (Solok Selatan POM & estate), Bukit Cermin Estate, PT Bukit Kausar & PT MAJI but PTPN VI have budget & the allocation activity plan year 2020 for HCV assessment in Unit of Pangkalan 50 Kota business and Unit of Solok Selatan business. Allocation Activity Plan year 2020 is postpone because any reduction operational cost in pandemic covid-19. Bukit Kaustar will be assessed HCV identified Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI. Following up one of resolution from 35th BHCVWG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12 There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>There are also letter for SEVP Operation from Head of Planning & Sustainability with number: ND-312/06.08/XI/2021 dated 25 November 2021 about RSPO certification preparation in awareness criteria 7.12 RSPO P&C and Risk Analysis for six business units (PLK, Solsel, BKC,</p>
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		B. Kausar, and MAI) by Consultant Inovasi Sejahtera Berkelanjutan.
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>PTPN III</p> <p>PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion area from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PTPN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion area, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Ba- tang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted in January 2018. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>PTPN V</p> <p>Auditee has been submitted reporting template for disclosure of areas cleared without prior HCV assessment since Nov 2005 file on behalf other uncertified management units i.e Unit of Tanjung Lebar Business (Tanjung Lebar estate & POM), Unit of Durian Luncuk Business (Aur Gading POM & Durian Luncuk Estate), Unit of Ophir Business (Ophir Estate & POM), Unit of Pangkalan 50 Kota Business (Pangkalan 50 Kota estate), Bukit Cermin estate, PT Bukit Kautsar & PT MAJI.</p> <p>Some management units has carried out land clearing activities (replanting or conversion activities) since November 2005 without processed by HCV identification/assessment. Based on RaCP tracker (per November 2019) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under PT Perkebunan Nusantara VI have 0 management unit with potential liability because information inside of disclosure liability form & LUCA still revised by auditee on behalf Unit of Batanghari Business and Unit of Bunut Business and other uncertified management units has not been submitted disclosure liability. LUCA and shp file.</p> <p>Following up one of resolution from 35th BHCWVG meeting year 2017 are pushing certified management unit to submit annex 7 & 8 (compensation concept note & compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>There are some land clearing areas above year 2010 until 18 October 2016 (auditee join with RSPO) under PT Perkebunan Nusantara VI</p>

		<p>areas but New Planting Procedure (NPP) was not implemented. Based on information of NPP document that it will ensuring compliance with new planting requirement at the time of certification. After join to RSPO, there is conversion of plant type (from rubber to oil palm) year 2017 in Pangkalan 50 Kota estate and it have potential as sanction areas.</p> <p>PTPN VII Bentayan Estate, Sungai Lengi Estate, Sinabing Estate and Talopino Estate were not conducted new planting after No-vember 2005. However the HCV identification document was not available. The HCV assessment will conducted by consultant (Bentayan Estate: 2026; Sungai Lengi Estate: 2022; Senabing Estate: 2025 and Talopino Estate: 2024). Senabing Estate was conducted Conversion from year of 2005 to 2010 with area 408 Ha. The LUCA assessment will be conducted by Consultant in the year of 2025.</p>
2.1.4	<p>Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).</p>	<p>PTPN I It was reported that there are no land conflict in PKS Tanjung Seumantoh, PKS Cot Girek, as well as on its estate supply bases.</p> <p>PTPTN II Any evidence regarding land conflicts resolution in PTPN II with surrounding communities were available. For example as shows through mediation process on occupation in Kebun Jati, Tanjung Garbus, Patumbak, Limau Mungkur, Bandar Klippa and Tandem Estate.</p> <p>PTPN III PTPN III's development of a new planting area (Muara Upu at South Tapanuli – Hapesong Estate) and there is a conversion areas from crumb rubber to oil palm at Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate.</p> <p>For the new planting at Muara Upu – Hapesong Estate, the company has carried out applying NPP in accordance with this clause and the progress under reviewing of Compensation Task Force. Based on communication with PT PN III. The company still waiting for Head of District decision response, for land exchanged process since the land was included on peat moratorium area according to President of Republic of Indonesia decree letter no. 6 year 2013.</p> <p>While for a conversion areas, the company has arranged the plan for conducting the NPP. The objective evidenced as follow:</p> <ol style="list-style-type: none"> Internal Memo from Head of Management System for approval a purpose of NPP project for 4 (four) estates (Batang Toru Estate, Hapesong Estate, Rambutan Estate dan Bandar Betsy Estate) dated January 25, 2018. This internal memo issued based on the initial gap assessment has conducted on January 2018. Form of Request Budget (No. 3.16/PPAB/07/2018) dated January 29, 2018. <p>For JV units, there is any new plantings since January 1st 2010. The</p>

	<p>JV units not yet comply with the RSPO New Plantings Procedure. PTPN III has sent disclosure regarding this issue to the RSPO Secretariat.</p> <p>Based on self assessment in KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no land dispute issues, since last year period until the partial audit conducted on November 2022.</p> <p>KRBTN</p> <p>There are several area in Afdeling VII were occupied by communities and overlap with PT KAI. The unit management have made persuasive efforts to resolve it, however no agreement has been found. Currently was nothing significant land conflict.</p> <p>PTPN IV</p> <p>There is no labour issue/dispute found during partial certification audit.</p> <p>PTPN V</p> <p>There was land conflict between PT PN V with community in Senama Nenek village, located in Sei Kencana Estate and Terantam Estate for approximately $\pm 2,800$ Ha (± 550 Ha under Terantam Estate and $\pm 2,250$ Ha under Sei Kencana Estate). During this initial audit, this area has been released in accordance with a court decision.</p> <p>PTPN VI</p> <p>PT Perkebunan Nusantara VI have SOP of implementing FPIC, SOP of communication and consultation with community, SOP of handling land conflict including procedure of calculation and compensation. The record and document of land compensation on behalf PT Bukit Kautsar has provided by auditee as example photograph of hand over land compensation payment, land compensation letter date on 21 October 2009, letter date on 21 October 2009 from head of village, statement letter date on 21 October 2009 that land owners has agreed land to acquired, measure note date on 21 October 2009, receipt note of land compensation payment, ID card and land owner letter from head of village. Whereas, PT MAJI and Unit of Bukit Cermin Business has provided sample of land compensation i.e payment receipt, photograph of land compensation activity, copy ID card, agreement of payment, statement letter of hand over and legal land. Community who lose access and land right for plantation areas has given the opportunity to benefit (direct and indirect) from plantation development as sample in form of scheme smallholder areas, as employee, as contractor (transportation, supplier for daily food, etc), as FFB supplier, etc.</p> <p>Refer to case tracker or status of complaints under PT Perkebunan Nusantara VI period of February 2011 to during audit that any 1 cases and it has closed based complaint panel decision (since year 2019). Further details on this case are available here: http://www.rspo.org/members/complaints/status-of-complaints/view/26. Unit of Bukit Cermin Business has provided some evidences relate of land compensation record and document from dispute/conflict areas.</p>
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		<p>Based on document log book of external letter verification on the uncertified units sighted that there were no land dispute claim from the communities during period November-December 2021 and January to November 2022.</p> <p>PTPTN VII</p> <ul style="list-style-type: none"> Any evidence regarding land conflicts resolution in PTPN VII with surrounding communities were available. Bentayan and Senabing Estate has an opportunity to develop mechanism or flow chart process towards land conflict resolution through FPIC approach, and conducting socialization to the respective stakeholders. Observation. <p>PTPTN VIII</p> <ul style="list-style-type: none"> PKS Kertajaya: There were land occupied by surrounding communities. However, there were a statement from occupant regarding those areas which mentioned several requirement by estate unit. <p>PKS Cikasungka: There were land occupied by surrounding communities. However, there were a statement from occupant regarding those areas which mentioned several requirement by estate unit.</p> <p>PTPN XIV</p> <p>There were land occupied by surrounding communities, e.i. Asera estate, Keera Maroangin estate, Malili estate. There were effort to resolve land occupied by estate unit.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p>PTPN I</p> <p>There is no negative issues regarding labor disputes.</p> <p>PTPTN II</p> <p>There is no negative issues regarding labor disputes</p> <p>PTPN III</p> <p>Based on self assessment in KRBTN, KBDSY, KKINO and KJLRS and desk study on internet sighted that there are no labour dispute issues, since last year period until the partial audit conducted on October 2022.</p> <p>PTPN IV</p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN V</p> <p>There is no labour issue/dispute found during this initial certification audit.</p> <p>PTPN VI</p> <p>There is a mechanism of resolving grievance and compliant from employee and industrial action. It has covered in the collective labour agreement between PT Perkebunan Nusantara VI and SP-BUN PTPN</p>

		<p>VI (labour union) period of 2020 to 2021 (article 76 – sub section XIV) and SOP of internal communication and handling employee complaint. Scope of collective labour agreement is all company employees and as a normative reference for subsidiaries. Collective labour agreement has signed by both parties and any evidence of registration about collective labour agreement from Ministry of Man Power has been shown by auditee.</p> <p>Based on self-assessment against uncertified management units, there is no identified labor disputes ongoing at subsidiary companies of PT Perkebunan Nusantara VI. Based on website date on 3 October 2017 that any labour dispute between Mr M.Dasuky Hajar Nasution and PT MAJI. Based on communication with representative of PTPN VI that it has followed up both parties.</p> <p>SP-Bun (labour union) have vital position because based on SOP of internal communication and handling employee complaint that employee's grievance & complaint can be informing to labour union (SP-BUN) and organization will try to resolve complaints at the labour union level and any mechanism solving grievance and compliance from employee on collective labor agreement (PKB)</p> <p>PTPTN VII There is no negative issues regarding labor disputes on.</p> <p>PTPTN VIII There is no negative issues regarding labor disputes</p> <p>PTPN XIV There is no negative issues regarding labor disputes</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p>PTPN I Evaluation on contractors and/or third parties regarding regulation compliance is not available.</p> <p>PTPTN II Identification, installation and maintenance of BPN boundary poles for Limau Mukur, Melati, Bandar Klippa and Tandem Estate are not available.</p> <p>PTPN III KRBTN Letter from Sumatera Utara Governor with number 520.33/145/DISPMPPTSP/5/1.5/1/2018 dated 25 January 2018 about Revision of commodity from rubber to oil palm plantation in Rambutan Estate. Revision from Rubber: 2,253.35 Ha & Oil Palm 546.41 Ha to Rubber: 1,156.95 Ha and Oil Pal 5,158.33 Ha. There are several HGU certificate with HGU number 1 year of 1996 in Sei Bamban Village (569.32 Ha), Sei Priok Village (780.45 Ha), Paya Bagas Village (4,373.78 Ha); and also Sei Simujur Village (1) number 18 year of 2009 with area 793.15 Ha.</p> <p>KBDBY Surat Pendaftaran Usaha Perkebunan with number HK.350/530/Dj.Bun.5/VII/2001 Bandar Betsy Estate with area 5,348.90</p>

	<p>Ha with commodity rubber. Therefore conversion license from rubber to oil palm with number 503.35/271/17.42018 dated 12 February 2018 with area 116.2 Ha.</p> <p>HGU on process, the latest process are <i>Nota Dinas</i> number 419/ND-300.HP.03.01/VII/2021 from KANWIL BPN Sumatera Utara Province dated 1 July 2021 about Renewal of HGU Bandar Betsy with area 5,348.90 Ha dated 2 July 2021.</p> <p>KJLRS</p> <p>IUP on process due to revision of AMDAL document. However there are HGU number 03 year of 1994 with area 2,318.87 Ha.</p> <p>KKINO</p> <p>IUP on process due to revision of AMDAL document. However there are HGU number 122 year of 1999 with area 4,632.60 Ha.</p> <p>Based on Self assessment there are some conditions not yet compliance with RSPO criteria 2.1 such as:</p> <ol style="list-style-type: none"> HGU on process (Sei Simujur-2, KRBTN): There are letter from Senior Executive Vice President PTPN III dated 22 September 2020 with number BUMU/X/44/2020 to the BPN of Asahan District for Cadastral process. During the audit, the progress of this matter still opened. There is a land conflict (Batang Toru Estate) not yet resolved. <p>PTPN IV</p> <p>Some estates didn't have HGU (land title), e.i. Kebun Dolok Sinembah, Kebun Batang Laping, Kebun Timur. During partial certification, HGU on progress.</p> <p>PTPN V</p> <p>There has been no significant legal non-compliance in PTPN V and its subsidiary. The company is not in the process of any litigation. PT PN V has acquired HGU (land title) for all of its subsidiaries except the part of Sei Berlian estate (Sei Berlian-2) because the organization still in-process to get Land Use Right (HGU).</p> <p>PTPN VI</p> <p>Uncertified management units has complied with applicable legal requirement which supported by some evidences such as:</p> <ol style="list-style-type: none"> Some uncertified management units (Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, Bukit Cermin Estate, Pinang Tinggi POM, & PT Bukit Kautsar) have Plantation Business Permit (Izin Usaha Perkebunan) so they has complied with Minister of Agriculture Regulation no.98/permentan/OT.140/9/2013 article 8 or 10 or 13. Some uncertified management units (Solok Selatan Estate & POM, Pangkalan 50 Kota Estate, , Bukit Cermin Estate, PT MAJI & PT Bukit Kautsar) have land use right (Hak Guna Usaha) so they has complied with law no.5 year 1960 article 28. One of land use right owned by Durian Luncuk estate still renewal process and one of Bukit Kautsar areas still in-process to get land use right. Some uncertified management unit (II Solok Selatan POM,
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		<p>Tanjung, Pinang Tinggi Estate & POM, & PT Bukit Kautsar) have environment document so they has complied with Minister of Environment Regulation no.05 Year 2012 jo Minister of Environment & Forestry Regulation no.P.38/MENLHK/SETJEN/KUM.1/7/2019 or Minister of Environment Regulation no.13 Year 2010 or Minister of Environment Regulation no.14 Year 2010.</p> <ol style="list-style-type: none"> 4. Solok Selatan POM have land application permit so they has complied Minister of Environment Decree no.29 year 2003. 5. PT Bukit Kautsar have permit of release for forest areas from government too (Minister of Forestry Decree no.69/Kpts-II/1997 & no.443/Kpts-II/1999 and letter from Head of Forestry Agency in Jambi Province no. S.6.802/Dishut/BIPH.1.2/XII/2015). PT Mendahara Agro Jaya Industri have permit of release for forest areas from government too (Minister of Forestry Decree no.954/Kpts-II/1999). 6. Plantation Business Permit (Izin Usaha Perkebunan) on behalf PT MAJI (Head of Tanjung Jabung Timur decree No.30 of 2005) and PT Bukit Kautsar - Pengabuan POM (Governor of Jambi decree No.564/KEP.Gub/Disbun/2011). 7. Solok Selatan Estate (head of Solok Selatan District decree No.660/152/KLH-2011), Pangkalan 50 Kota Estate (head of capital investment and integration service decree no.007/IL/DPMPTSP-LK/II/2020), Bukit Cermin Estate (approved by No.100.A year 2011 on 3 October 2011) and PT MAJI (approved by No.76 of 2007 on 23 March 2007) was available. 8. etc <p>A documented system related of law requirements and mechanism to ensuring compliance with legal compliance and a system to tracking changes to the law and regulation has covered in procedure of updating law and regulation and evaluation of compliance. All uncertified management units has provided the list of relevant law and regulation and the status of compliance because the mechanism to ensuring compliance with legal compliance has been implemented.</p> <p>Auditee has provided a legal land, map of legal land and a procedure of boundary monitoring where boundary monitoring shall be conducting every month and reporting in report of boundary monitoring result. Uncertified management units has provided the report of boundary monitoring result such as Unit of Solok Selatan business, Unit of Pangkalan 50 Kota business, Unit of Bukit Cermin business and PT Bukit Kautsar.</p> <p>PTPN VII</p> <ul style="list-style-type: none"> • Bentayan and Senabing Estate is currently ongoing to obtain HGU Certificate • Bentayan and Senabing Estate has identified do not comply with several regulation, such as PP No. 50 in 2012, PP No. 38 in 2011, PP No. 101 in 2014 and Permenaker No. 19 in 2012. This notes has evaluate and settled up to remain closed/complied by the unit of certification. • Program of maintenance of BPN boundary poles in Bentayan and Senabing Estate is not available.
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		<p>PTPN VIII</p> <p>Estate of Sukamaju, Bojongdatar, Cisalak Baru and Cikasungka has identified do not comply with several regulation, such as PP No. 50 in 2012, PP No. 38 in 2011, PP No. 101 in 2014 and Permenaker No. 19 in 2012. This notes has evaluate and settled up to remain closed/complied by the unit of certification on 26 July 2022.</p> <p>PTPN XIV</p> <p>The company didn't have Land Use Right (HGU) during partial certification, still in process to get Land Use Right (HGU), e.i. Unit Kebun Asera dan Kebun Malili</p>
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3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

NCR No.	:	2022.01	Issued by	:	Kiki Fadli
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Date Issued	: 29 October 2022	Time Limit	: 27 January 2023																																									
NC Grade	: Major	Date of Closing	: 10 January 2023																																									
Standard Ref. & Requirement	6.2.3 There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.																																											
Evidence observed (filled by auditor): <ul style="list-style-type: none"> The company shows PTPN IV Directors Regulation No. 04.01/PER/01/III/2022 concerning guidelines for providing harvest premiums, loading premiums and processing premiums, in letter C regulates compensation for employees who work when the factory does not process on weekdays, Sundays and national holidays, for example for effluent operators treatment and operator fat fit, namely for weekdays IDR 25,748, Sundays IDR 51,496 and national holidays IDR 68,661. Based on interviews with Effluent operators, it was stated that the personnel worked on holidays with a total of 3 working hours. This is also stated in the foreman's book, for example on August 14, 2022 from 06.30 to 09.30 for employees with the initials RS. The company also shows compensation for PKS employees for one shift, for example for the August 2022 period, namely: <table border="1"> <thead> <tr> <th rowspan="2">DAY/DATE</th><th colspan="2">PERSONNEL</th></tr> <tr> <th>RHS (Fatfit Operator)</th><th>RS (Effluent Operator)</th></tr> </thead> <tbody> <tr> <td>Sunday, 14 August 2022</td><td>51.496</td><td>51.496</td></tr> <tr> <td>Wednesday, 17 August 2022</td><td>68.661</td><td>-</td></tr> <tr> <td>Sunday, 28 August 2022</td><td>51.496</td><td>51.496</td></tr> <tr> <td>TOTAL</td><td>171.653</td><td>102.992</td></tr> </tbody> </table> <ul style="list-style-type: none"> If the simulation of giving overtime is in accordance with CLA article 21 and government regulations 35 of 2021 article 31, they are as follows: <table border="1"> <thead> <tr> <th rowspan="2">PERSONNEL</th><th rowspan="2">MONTHLY WAGE</th><th rowspan="2">HOUR WAGES</th><th colspan="3">OVERTIME COMPENSATION (3 HOURS)</th><th rowspan="2">TOTAL</th></tr> <tr> <th>14 August 2022</th><th>17 August 2022</th><th>28 August 2022</th></tr> </thead> <tbody> <tr> <td>RHS</td><td>2.524.389</td><td>14.592</td><td>87.551</td><td>87.551</td><td>87.551</td><td>262.653</td></tr> <tr> <td>RS</td><td>2.851.187</td><td>16.481</td><td>98.885</td><td>-</td><td>98.885</td><td>197.770</td></tr> </tbody> </table> <ul style="list-style-type: none"> From the simulation results, it is known that there is a difference in overtime pay for work carried out on Sundays, namely Rp. 91,000 for RHS and Rp. 94,778 for Hospitals. 				DAY/DATE	PERSONNEL		RHS (Fatfit Operator)	RS (Effluent Operator)	Sunday, 14 August 2022	51.496	51.496	Wednesday, 17 August 2022	68.661	-	Sunday, 28 August 2022	51.496	51.496	TOTAL	171.653	102.992	PERSONNEL	MONTHLY WAGE	HOUR WAGES	OVERTIME COMPENSATION (3 HOURS)			TOTAL	14 August 2022	17 August 2022	28 August 2022	RHS	2.524.389	14.592	87.551	87.551	87.551	262.653	RS	2.851.187	16.481	98.885	-	98.885	197.770
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Non-Conformance Description (filled by auditor): The company has not been able to demonstrate that the implementation of wages and overtime payments is fully in accordance with the decrees issued and regulations in force.																																												
Root Cause Analysis (filled by organization audited): Lack of understanding of clerk 1 in the Engineering office in the implementation of the calculation of workers' overtime payments.																																												
Correction (filled by organization audited): <ul style="list-style-type: none"> Shows the results of the Bipartite meeting between Management and SPBUN regarding the maximum overtime limit of 1.5 hours. Implement the circular letter Policy of PKS Manager Pasir Mandoge regarding Work on Holidays so as to maximize working days to minimize overtime. Shows work absences and overtime hours carried out by workers according to the Manager's circular letter Policy. 																																												
Corrective Action (filled by organization audited):																																												

Carry out regular outreach to technical office clerks 1 and other workers regarding the policy on workers' overtime hours

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

Verification date January 4, 2023

The company has shown evidence of improvement as follows:

- List of employee attendance and overtime work orders when not processing with overtime hours of 1.5 hours.
- Socialization regarding overtime compensation when not processing to clerks and other workers which was held on December 15 2022 which was attended by 6 participants.
- Proof of November 2022 overtime payments for employees with the initials RHS and RS.

However, there are still a number of things that need to be explained and reviewed by the company, such as:

- In the first bullet for corrective action, please show the results of the LKS Bipartite meeting between management and SPBUN.
- In the second Bullet in the corrective action, please indicate the SE policy for the PKS manager for Work on Holidays.
- On corrective action, how to follow up on the difference in overtime pay that has been carried out by workers.

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

Verification date January 10, 2023

The company shows evidence in the form of:

- Results of the LKS Bipartite meeting between company management and SPBUN which was held on December 7, 2022, which determined the calculation of overtime referring to PP 35 of 2021 and for overtime when not processing is limited to 1.5 hours.
- The circular letter of the manager regarding work on Sundays explained that some work could only be carried out when the mill did not process such as fatfit matches so that they would be compensated for overtime with a maximum of 1.5 hours of work.

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

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

Verified by : Kiki Fadli

NCR No.	:	2022.02	Issued by	:	Kiki Fadli/ Firda Tarunajaya
Date Issued	:	29 Oktober 2022	Time Limit	:	ASA-3
NC Grade	:	Minor raised to major	Date of Closing	:	19 October 2023
Standard Ref. & Requirement	:	6.2.7 Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or			

seasonal.

Evidence observed (filled by auditor):

- Based on the list of employees at Pasir Mandoge Estate and Sei Kopas Estate for the September 2022 period, it is known that there were 67 Fixed Period Working Agreement harvesters at Pasir Mandoge Estate and 82 Fixed Period Working Agreement harvesters at Sei Kopas Estate.
- The company shows the calculation of the need for harvesters for the Pasir Mandoge and Sei Kopas Estate with the following details:
 - The need for labor to harvest the Pasir Mandoge Estate is 475 people while the number that is already available is 332 people (permanent worker: 265 people and Fixed Period Working Agreement: 67 people) so there is a difference of 143 people.
 - The need for harvesting workers for Sei Kopas Estate is 310 people, while the number that is already available is 211 people (permanent worker: 129 people and Fixed Period Working Agreement: 82 people), so there is a difference of 99 people.
- Based on interviews with harvest workers, for example to 1 harvest worker (with the initials JAS) in Afdeling III Block 03i and 1 harvest worker (with the initials RF) in Afdeling IV Block 04 BJ Kebun Pasir Mandoge, it was conveyed that the worker is an employee with Fixed Period Working Agreement status with working period starting from 2019.
- 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 jobs.

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

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

Correction (filled by organization audited):

- Identify all types of work performed by permanent employees
- PT. Perkebunan Nusantara IV has written to PT. Perkebunan Nusantara III (Persero) regarding the appointment of Fixed Period Working Agreement harvest workers
- Coordinate with the HR Section (PTPN IV Management) regarding the proposal to appoint Fixed Period Working Agreement harvest workers to become permanent workers (permanent worker) of PT. Nusantara Estate IV

Auditor's Response

Is there any recent coordination from PTPN IV to PTPN III regarding the appointment of Fixed Period Working Agreement harvest workers? Please indicate.

Corrective Action (filled by organization audited):

Shows the Time Plan for appointing Fixed Period Working Agreement harvest workers to become permanent workers (permanent worker) according to the coordination results of PTPN IV and PTPN III (Persero) with a gradual mechanism in 2023.

Auditor's Response

- Please indicate the need for harvesters and the progress of their appointment.
- Are there any personnel from PTPN IV who are tasked with coordinating with PTPN III and what is the coordination mechanism like? Please indicate.

Assessor Evaluation and Conclusion (filled by auditor):

Verification Date 29 December 2022

The company has not sent proof of improvement so that the non-compliance with this indicator is declared as Not Fulfilled.

Verification date January 4, 2023

The company has not filled in the root of the problem, corrective actions and preventive actions as well as evidence of corrective and preventive actions, so that non-compliance with this indicator is declared as Not Fulfilled.

Verification date January 10, 2023

The company has not filled in the root of the problem, corrective actions and preventive actions as well as evidence of corrective and preventive actions, so that non-compliance with this indicator is declared as Not Fulfilled.

Verification date January 16, 2023

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 Estate workers. But still need explanation and proof of improvement from the company such as:

- On correction : Please show identification of all types of work performed by each permanent employee.
- On correction : Is there any recent coordination from PTPN IV to PTPN III regarding the appointment of Fixed Period Working Agreement harvest workers? Please indicate.
- On correction : 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.
- On corrective action : 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.
- On corrective action : 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 January 27, 2023

The company still shows previous 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 Estate workers. But still need explanation and proof of improvement from the company such as:

- On correction : Please show identification of all types of work performed by each permanent employee.
- On correction : Is there any recent coordination from PTPN IV to PTPN III regarding the appointment of Fixed Period Working Agreement harvest workers? Please indicate.
- On correction : 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.
- On corrective action : 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.
- On corrective action : 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

Auditor verification Date January 28, 2023

The company shows evidence of improvement, including the following:

- Identification of types of work in the estate that are permanent.

- Matrix/time line for hiring Fixed Period Working employees to become permanent worker and calculating the need for harvesting workers.
- Coordination of PTPN IV with holding PTPN with the result that PTPN IV is directed to be able to submit a budget for hiring Fixed Period Working employees to become permanent worker.

Based on this, the non-conformity in this indicator declared **Fulfilled**.

Follow up on next audit (filled by auditor):

Auditor Verification on September 02nd, 2023

Based on verification of employment documents, evidence was obtained that there were PKWT workers in core jobs with the following number of harvesters:

- Pasir Mandoge Estate
The company has a total of 323 harvesters consisting of 198 harvesters with permanent employee status and 125 harvesters with PKWT status. The company has calculated the need for harvest workers in 2023 as many as 432 people, so the shortage of harvest workers is 109 people, but there is no recruitment program or appointment of permanent harvest employees.
- Sei Kopas Estate
The company has a total of 206 harvesters consisting of 94 harvesters with permanent employee status and 112 harvesters with PKWT status. The company has calculated the need for harvest workers in 2023 as 213 people, resulting in a shortage of 7 harvesters but there is no recruitment program or appointment of permanent harvesters.

Regulation of the Directors of PT Perkebunan Nusantara III (PERSERO) Number DIR/PER/10/2022 concerning the acceptance of employees in the PT Perkebunan Nusantara Group, in Article 20 it is explained that non-permanent employees are intended to carry out work that is completed once or is temporary, work that is completed within short hours and seasonal work.

Based on interviews with harvesters, for example at 2 harvesters (with the initials AR and W) at Afdeling 5 Sei Kopas Estate, revealed that the workers were temporary employees starting from 2020.

Based on Indonesian Government Regulation No. 35 of 2021 concerning temporary employees, outsourcing, working days and rest time, and termination of employment relations in article 4 paragraph 2 states that temporary employees cannot be held for permanent work.

The company has not been able to show sufficient evidence that all main work has been carried out by permanent workers

Auditor Verification, October 16th, 2023

The company has determined the root of the problem, correction and corrective action, but there is still an auditor's response that requires further explanation. Apart from that, the Company has shown several other evidence of improvements and still requires explanation, namely:

1. Letter Number PAM/04.07/08/IX/2023 dated 25 September 2023 regarding the request for the appointment of 57 PKWT harvest workers in the Pasir Mandoge plantation unit to become PKWTT & the proposed schedule for recruiting PKWT workers to become PKWTT, namely:

- In October 2023, collection of selection files
- November 2023 Field Test and Psychological Test
- December 2023 Announcement of Selection Results

1. Declaration of commitment, that the management of PTPN IV Kebun Pasir Mandoge is committed to carrying out the appointment of temporary workers to permanent workers in stages starting from 2023 to 2025

Based on the description above, this discrepancy has not been fulfilled

Auditor Verification, October 19th, 2023

The company presented letter Number 04.07/KOL/eM-2698/IX/2023 dated September 14 2023 from the Human Resources Department to the Director, SEVP (Senior Executive Vice President) Business Support, SEVP Operation II and SEVP Operation I regarding the implementation of employee recruitment for the position of Harvester. Apart from recruitment and selection costs, the letter stated several

things, namely:

- The quota for accepting permanent employees for the position of Harvester in 2022 is 243 people and the number of employees who have passed the selection is 219 people, so there is still a remaining quota for harvesters of 24 people
- The quota for hiring permanent employees for Harvester positions in 2023 to respond to RSPO findings and has been approved by the Holding is 580 people
- Based on points 1 and 2 above, the quota for permanent employees in the Harvester position in 2023 is 604 people.

Based on applicable provisions, the recruitment and selection process will be carried out by an independent professional institution with the following stages:

- Stage I administrative selection
- Phase 2 Complete Psychological Test for 1018 people
- Stage 3 Psychological Interviews totaling 967 people
- Stage 4 Task Field Test (Practice) totaling 786 people
- Phase 5 Health Tests for 611 People
- Stage 6 Final Interview of 604 People

The proposal and recruitment & selection process for Permanent Employees for the 2023 Harvester position was approved on October 3 2023 by the Director, SEVP Op. I, SEVP Op. II and SEVP Business Support

Based on the description above, this discrepancy has been fulfilled and the progress of its implementation will be observed in the next assessment

Verified by : **Kiki Fadli/ Firda Tarunajaya**

NCR No.	: 2022.03	Issued by	: Rahmat Abdiansyah/ Radytio Puspanjana
Date Issued	: 29 October 2022	Time Limit	: 01 December 2023
NC Grade	: Minor raised to Major	Date of Closing	: 19 October 2023
Standard Ref. & Requirement	6.7.2 Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		

Evidence observed (filled by auditor):

Emergency response

- Basic Guidelines and Technical Work Instructions for the Management of Hazardous and Toxic Chemicals with Document Number 04.03/P/005 dated 1 September 2021 explaining that the procurement, storage and distribution of hazardous and toxic chemicals is complete with labeling and MSDS.
- The results of field observations in the Pasir Mandoge Fertilizer Warehouse area of Afdeling 5 found that there were no symbols of hazardous materials and names of fertilizer types. Based on the Pasir Mandoge Estate HIRAC document, it was explained that in the Pupuk Warehouse area risk control measures were carried out by installing OHS signs.
- The results of field observations in the Sei Kopas Afdeling 5 Estate Pupuk Warehouse area revealed that there were no MSDSs for NPK, Borate, and Dolomite fertilizers. In addition to the Sei Kopas Oil Warehouse area, it is known that there is no MSDS for Lubricants, Rorate and Mediterranean types.
- The results of field observations in the WWTP area revealed that there were no OHS warnings in the form of OHS symbols, restricted areas, and a ban on entering the WWTP area other than officers. In addition, in the WWTP area there were workers

who brought children aged 5 years and were in the pump house. In the HIRAC Mill document it is explained that in the WWTP area risk control measures are carried out by installing OHS signs.

- The results of field observations at the Mill Area, the Auditor Team conducted a Simulation of emergency response equipment, namely the Hydrant at the Boiler station. Hydrant simulation results show that the Hydrant cannot function. Based on the Pasir Mandoge POM Fire Hydrant Inspection Report for the period of 22 October 2022 it is known that the Hydrant at the Boiler Station is in good condition.

First aid kit incomplete

Based on the results of field observations, incomplete first aid kits were found, namely:

- In the Block 03 I Afdeling 3 Harvesting activity at Pasir Mandoge Estate, the harvest foreman's First Aid Bag: Betadine/Providene Iodine is not available.
- In the Block 04 BJ Afdeling 4 Harvesting activity at Pasir Mandoge Estate, the Foreman's First Aid Bag was not provided with a flashlight and Aquades was replaced with bottled Mineral Water. In addition, the company has not been able to show justification for replacing Aquades with bottled mineral water.
- In Afdeling 4 & 5 Rinse Houses at Pasir Mandoge Estate, the Aquades First Aid Box was replaced with bottled Mineral Water. In addition, the company has not been able to show justification for replacing Aquades with bottled mineral water.
- There are no first aid kits in the Pasir Mandoge POM WWTP area.
- In the Block 09 AF Afdeling 3 Sei Kopas Estate Harvesting activity, the Harvest Foreman's First Aid Bag is not available Aquades, triangular cloth, and Betadine Expired in September 2022.
- In the Block 10 AF Afdeling 5 Sei Kopas Estate Harvesting activity, the Foreman's First Aid Bag was not available Aquades, triangular cloth, and Hansaplast.
- Monitoring of first aid kits and inspection of first aid kits for the September 2022 period for POM and Pasir Mandoge Estate, Tonduhan Estate, and Sei Kopas Estate. Monitoring results show that the first aid kit is complete.

Non-Conformance Description (filled by auditor):

Based on this evidence, the Company has not been able to show evidence of the implementation of emergency preparedness and first aid kits at the workplace

Root Cause Analysis (filled by organization audited):

- There is no evaluation of the results of monitoring OHS inspections that have been carried out by officers.
- There is no special PIC responsible for evaluating the results of monitoring OHS inspections that have been carried out by officers.

Correction (filled by organization audited):

Emergency response:

- Complete MSDS for NPK, Borate, and Dolomite fertilisers
- Make a warning plank in the WWTP area in the form of K3 symbols, restricted areas, and prohibitions on entering the WWTP area other than officers.

First Aid Kit

- Complete the contents of the first aid box and bag as required
- Showed justification for replacing Aquades with bottled mineral water from Balimbingan Hospital

Corrective Action (filled by organization audited):

Programme and monitor the availability of fire extinguisher emergency response facilities in the work area

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification Date 29 December 2022

The Company has submitted evidence of improvement in the form of Root Cause, Correction, and Corrective Action. However, there are still questions and comments from the Auditor regarding the improvements provided. Based on this, the Non-Conformity in this indicator is declared Unfulfilled.

Auditor Verification Date 5 January 2023

The company has sent evidence of improvement in the form of

- Documentation and minutes of MSDS installation at Sei Kopas Plantation as well as MSDS socialisation held on 10 November 2022. MSDS verification results have been completed in accordance with the type of B3 contained in the warehouse.
- Documentation of the installation of K3 warnings, no entry and restricted areas in the Pasir Mandoge PKS WWTP Pond area.
- Documentation and Minutes of handover of Aquades to 10 Foremen at Sei Kopas Plantation on 9 December 2022.
- Documentation, socialisation minutes, and minutes of equipping bags and first aid kits conducted on 11 November 2022 at Sei Kopas Plantation
- Root cause, Correction, and Corrective Action. However, there are still several things that the company must ensure according to the auditor's comments in each column Root causes, correction, and corrective action.

Based on the explanation above, the non-conformity in this indicator is declared unfulfilled.

Auditor Verification Date 11 January 2023

The company has not yet shown evidence of improvement in accordance with the Auditor's comments and questions, so the non-conformity is stated as unfulfilled.

Auditor Verification Date 17 January 2023

The company has sent evidence of improvement in the form of root causes, Correction, and Corrective action. However, there are still several things that must be explained by the company in accordance with the auditor's questions on Root causes, Correction, and Corrective Action. Based on this, the non-conformity in this indicator is declared Unfulfilled

Follow up on next audit (filled by auditor):

Follow up saat penilaian audit berikutnya (dilengkapi oleh auditor):

Verifikasi Auditor Tanggal 02 September 2023

After 17 January 2023 until this RSPO ASA-3 Audit, the Company has not corrected this nonconformity. In addition, the Auditor has also verified other OHS documents, field observations, interviews with those responsible for OHS and obtained the following Audit evidence:

The company has a document on Basic Guidelines and Technical Work Instructions for the Management of Hazardous and Toxic Chemicals with Document Number 04.03/P/005 dated 1 September 2021 explaining that the procurement, storage and distribution of hazardous and toxic chemicals by completing labelling and MSDS, but based on the results of field observations, the following discrepancies were found

- At the Afdeling III Fertiliser Storage Warehouse in Tonduhan plantation, there is no MSDS on KCL fertiliser and the warehouse is not equipped with B3 symbols.
- At the Afdeling I and II Fertiliser Storage Warehouses in the Tonduhan plantation, they are not equipped with B3 symbols.
- In the Fertiliser Warehouse of Afdeling VII Pasir Mandoge plantation, there is no MSDS for KCL and Urea fertiliser.
- In the Afdeling VIII Fertiliser Warehouse, Pasir Mandoge plantation, there is no MSDS for MOP, KCL, UREA and no B3 warning available.
- At Sei Kopas Estate Chemical Warehouse, there is no MSDS for Fostin (Sipermetrin) material.
- In the Afdeling 1 Sei Kopas Estate Fertiliser Warehouse, there are no B3 warnings.
- In the IPAL area at the Pasir Mandoge PKS, a warning of the top area and a prohibition on entering the IPAL area other than officers has been installed, but during the field visit it was found that there were people around the company who were not employees of the Mill entering the IPAL area and it was acknowledged that there had been no prohibition on entering the IPAL area.

In addition, based on the results of field observations of the completeness and suitability of the contents of the first aid kit and based on

Permenakertrans Regulation No. 15 of 2008 concerning First Aid in Accidents in the workplace, appendix II concerning the contents of the first aid kit, the following discrepancies were found:

- Outpatient Activities in Block 03 AK Afdeling VI Pasir Mandoge Plantation, a First Aid Bag was found on the Foreman I that based on the list of contents of the Quick Plaster First Aid box which should be 10 but only 4 were found and there was no recording of the use of first aid kits
- Harvest Activities Block 03AB/AA Afdeling 5 Pasir Mandoge Plantation, a First Aid Bag was found at the Harvest Foreman based on the list of contents of the Quick Plaster First Aid box which should be 10 but only 4 were found and there was no recording of the use of First Aid
- Afdeling I Sei Kopas office, there are discrepancies in the contents of the first aid kit when compared to the list, including:
 - There is no alcohol
 - Betadine contains 60 ml but only 5 ml is available.
 - 100 ml of distilled water but only 20 ml is available.
- Afdeling II Sei Kopas Office, there are discrepancies in the contents of the first aid kit when compared to the list, including:
 - Betadine 60 ml but only 5 ml available.
 - 100 ml of distilled water but only 20 ml is available

Based on this, the company has not been able to show evidence of the implementation of emergency response and the fulfilment of first aid kits in accordance with the regulations and policies set by the company.

Auditor verification 25 September 2023

The company sent evidence of improvement such as:

- In the correction provided, the company wrote that it would identify all the contents of the first aid kit and the contents of the foreman's bag and sarpras in Afdeling-II the auditor has not received the results of the identification carried out by the company.
- Evidence of MSDS installation in AFD Warehouse 8 Pasir Mandoge plantation but the auditor has not been able to ensure that the MSDS installed is in accordance with the non-conformities found.
- Evidence of MSDS installation in Afdeling Warehouse 7 Pasir Mandoge plantation but the auditor has not been able to ensure that the MSDS installed is in accordance with the non-conformities found.
- Evidence of recording the use of the contents of the first aid kit in afdeling V and VI Pasir Mandoge Estate.
- In Corrective action, it is written Carry out regular monitoring of the performance of the PIC evaluator of the OHS aspect in the company -II How is performance monitoring carried out? How is it related to the contents of the first aid kit and the fulfilment of MSDS labelling on hazardous materials in the company?
- The auditor has not received evidence of correction of nonconformities for Sei Kopas plantation, Tonduhan plantation and Pasir Mandoge mill.

Based on this evidence, the nonconformity in this indicator is declared unfulfilled.

Auditor Verification 19 October 2023

Company submits evidence of improvements such as:

Tonduhan

- Evidence of installation of MSDS for KCL and dolomite in the fertiliser warehouse of Afdeling III Tonduhan
- Evidence of installation of B3 Warning at Afdeling III fertiliser warehouse Tonduhan
- Evidence of installation of the B3 Symbol in the fertiliser warehouse of Afdeling 1 Tonduhan
- Evidence of monitoring of first aid kits carried out in all afdeling.
- Implementation of environmental inspections carried out in September which included checking the availability of MSDS in the warehouse, availability of PPE and first aid kits, etc
- There is evidence of the implementation of OHS signage inspections carried out once a year. Inspection conducted in September 2023

Pasir Mandoge

- Afdeling VII Pasir Mandoge warehouse has been equipped with MSDS Urea, KCL and MOP.
- Evidence of monitoring the contents of the first aid kit in each area
- Evidence of environmental and safety inspections carried out in Pasir Mandoge.
- There is evidence of hazardous waste disposal in warehouses that store chemicals such as fertilisers and chemicals, including in the Afdeling VII and Afdeling VIII fertiliser warehouses in Pasir Mandoge.

Sei Kopas

- Proof of MSDS completeness for oil, KCL fertiliser, bioneensis bio, Urea, and MSDS.
- Evidence of monitoring the contents of first aid kits in all afdeling
- Implementation of environmental inspections carried out in September which includes checking the availability of MSDS in the warehouse, availability of PPE and first aid kits, etc
- There is evidence of the implementation of OHS signage inspections carried out once a year. Inspection conducted in September 2023

Pasir Mandoge POM

- Documentation of fence installation in the PKS WWTP area
- Socialisation carried out on 27 September 2023 to PKS employees, socialisation related to the prohibition of entering the WWTP area, the socialisation was attended by all PKS employees and attended by representatives of housewives from Dusun IX Desa bandar pasir mandoge.
- There is a letter of appointment of the IPAL security monitoring officer,
- There is evidence of Monitoring of WWTP security in September 2023, the activities monitored are
- Ensure that the WWTP pipeline does not leak
- No seepage
- Pump in good condition
- Flowmeter installed and functioning
- OHS warnings installed
- Access restriction/security fence installed
- Ensure that no person/community enters the WWTP area
- Farm animals do not enter the WWTP area

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

Verified by : **Muhammad Ibnul Amin**

NCR No.	:	2022.04	Issued by	:	Rahmat Abdiansyah
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Major (Recurring)	Date of Closing	:	19 Desember 2022
Standard Ref. & Requirement	:	6.7.3 Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.			
Evidence observed (filled by auditor):					
Based on the results of field observations and interviews with employees, it was found that PPE was inappropriate, damaged and provided by the employees themselves, with the following evidence:					

Pasir Mandoge POM

- In the Pasir Mandoge POM area, it was found that Fat Fit employees were working without wearing PPE, such as helmets and safety shoes. The HIRAC document explains that the PPE used in Fat Fit activities is in the form of gloves, masks, helmets and work shoes.
- In the Pasir Mandoge POM WWTP area it is known that the Operator's PPE condition in the form of Safety Shoes is in damaged condition and the PPE is purchased by the Operator himself.
- In the Sortasi area of Pasir Mandoge POM it was discovered that there were 3 employees wearing boots because the safety shoes provided by the company were damaged. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- In the Pasir Mandoge POM Loading Ramp area it was discovered that there were 4 employees wearing boots and the shoes were provided by the employees themselves. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- In the area of the Sterilizer Station, it is known that there are employees who wear boots and do not wear ear plugs. Whereas in the HIRAC document it is explained that the PPE used at the Sterilizer Station is in the form of gloves, masks, helmets, shoes, and ear plugs.
- At Kempa Station it was discovered that there was 1 employee who wore safety shoes in a damaged condition and 1 employee who wore boots that were provided by themselves. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- At the Seed Factory Station, it was discovered that there were employees who did not use PPE in the form of Ear Plugs. Whereas in the HIRAC Document it is known that the PPE used at the Seed Mill Station is in the form of Gloves, Ear Plugs, Masks, Shoes, and Helmets.
- In the area of the Clarification Station, it was discovered that there were employees wearing boots. The Palm Oil Factory Protective Equipment Matrix for 2022 explains that the type of processing work uses PPE safety shoes. In addition, based on the results of interviews with company representatives, all PPE employees are provided by the company.
- The results of field observations to the central warehouse in Pasir Mandoge POM, there is no PPE stock available.

Estate Pasir Mandoge

In the harvesting activities in Block 03 I Afdeling 3 it was discovered that there were 3 Employee PPE in the form of boots in damaged condition. The results of interviews with these employees revealed that the boots were provided by the employees themselves. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work.

Estate Sei Kopas

In the harvesting activity in Block 09 E Afdeling 2 it was discovered that there was employee PPE in the form of boots that were purchased by themselves. In addition, the employee does not know the mechanism for replacing PPE by the company. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work. Then the results of field observations to the central warehouse at Sei Kopas Estate, there was no PPE stock available.

Estate Tonduhan

In the activities of 2 harvesting employees in Block 03G Afdeling 3 and 1 Harvesting Employee in Block 04F Afdeling 3 it was found

that there were still employee PPE in the form of boots purchased by the employees themselves. Circular from the Plant Section Number 04.04/KOL/eM-541/XII/2021 on December 2, 2021 concerning the Obligation to Use Personal Protective Equipment explained that all employees, especially those working in high-risk places, must use Personal Protective Equipment (PPE) provided by the company when entering the workplace and starting work. Then the results of field observations to the central warehouse in Tonduhan Estate, there is no PPE stock available.

Non-Conformance Description (filled by auditor):

Based on this evidence, the Company has not been able to show evidence that all workers have used appropriate PPE, and that it is provided free of charge to all workers in the workplace

Root Cause Analysis (filled by organization audited):

- There is still a lack of discipline among workers in using PPE at work
- Delays in the PPE procurement process at the PTPN IV Head Office.
- The monitoring form does not include monitoring items such as the condition of PPE and PPE purchased by workers or provided by the company.

Correction (filled by organization audited):

- Carry out an inventory of workers' PPE
- Provide PPE to workers according to the applicable HIRARC.
- Making lockers (PPE storage areas) at the Afdeling office to monitor the use and return of PPE to ensure that PPE is not taken back to workers' homes

Corrective Action (filled by organization audited):

- Assign a PIC who is responsible for monitoring the use and return of PPE to the lockers prepared by the company by workers.
- Revise the PPE daily monitoring form which includes monitoring items such as the condition of PPE and PPE purchased by workers or provided by the company.
- Creating a mechanism for procuring PPE stock other than the PPE needed by workers.

Assessor Evaluation and Conclusion (filled by auditor):

Verification December 19, 2022

The company shows evidence in the form of:

- The company shows an inventory of employee PPE and proof of provision of PPE from the results of the inventory, for employee PPE that is damaged, for example at Estate Pasir Mandoge which has conducted daily monitoring of harvesters in the November 2022 period and has provided PPE in the form of boots to harvesters on November 23 2022.
- Indicate the revision of the monitoring form which contains monitoring items, namely the condition of PPE and PPE purchased by workers or provided by the company.
- Mechanism for procurement of PPE and 5% stock which explains that the company ensures workers wear PPE and provides stock of 5% of the number of employees.
- Documentation and field visits, related to the implementation of making lockers in each department used for placing PPE for employees and establishing a PIC, namely foreman I who is assigned to monitor the implementation of using PPE lockers.
- Conduct outreach to employees regarding the mechanism for placing PPE in lockers for each department, for example what was done at Afdeling II of Sei Kopas Estate on November 1 2022 which was attended by 19 people.
- Mechanism for storing PPE in lockers listed in the memo from the board of directors' office to the unit explained in point 5, namely that workers are required to store PPE in the storage room of each department.
- Field visits to Mill, Pasir Mandoge Estate, Tonduhan Estate and Sei Kopas Estate found that the implementation of the use of PPE in the field was in accordance with HIRAC with good conditions and was informed that PPE was provided by the company. In addition, there were also storage areas in the form of lockers in the afdeling office and the Mill security post.

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

Follow up on next audit (filled by auditor):

Field observations showed that all employees were using the appropriate PPE, which is provided free of charge to all workers in the workplace.

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

NCR No.	:	2022.05	Issued by	:	Rahmat Abdiansyah
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Minor raised to MAJOR	Date of Closing	:	11 Januari 2023
Standard Ref. & Requirement	:	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.			

Evidence observed (filled by auditor):

Hazardous Waste

- SOP for Hazardous Waste Management No. SPO 02 rev 03 dated 27 August 2018 which explains that Hazardous waste generated by operational activities is stored in the Hazardous Waste Temporary Storage.
- The Unit of Certification has the document Basic Guidelines and Work Instructions of PT Perkebunan Nusantara IV No. Document 04.03/P/005 dated 1 September 2021 which states that the handling of used chemical packaging that is no longer used is to damage the packaging (punch/press) so that it cannot be reused and store the used packaging in the TPS Hazardous Waste warehouse.
- Based on field observations during the ASA-2 Audit, Hazardous waste was found not in a licensed location, as follows:
 - 3 pcs of glyphosate used in the housing of Pasir Mandoge POM's employees, 3 pcs in the Estate Pasir Mandoge Afdeling 4 and Afdeling 5 housing complex.
 - Used Pertamina drums are used as water reservoirs of 1 pcs in the Rinse House Afdeling I Pasir Mandoge Estate, 1 pcs in Pasir Mandoge POM housing and 1 pcs in Pasir Mandoge Estate Afdeling 5 housing.

Domestic Waste

- SOP related to Household Domestic Waste Management No. SPO 20 rev.02, dated 2 January 2015 which explains that every housing must be equipped with a trash can; Each employee collects waste in the bins provided, and cleaning staff periodically collects waste and takes it to Landfill using the tools provided.
- Based on the results of field observations in the area, evidence of piles of domestic waste was obtained in the following locations:
 - The residential area of the Emplacement near the Pasir Mandoge POM Office (afdelling II Estate Pasir Mandoge).
 - The Housing Areas of Pasir Mandoge Estate Afdelling 4 and Afdelling 5.
 - In Block 04 AD Pasir Mandoge Estate, Afdelling 2.
 - On the Pulpul River Border 04 BH Afdelling IV Pasir Mandoge Estate.
 - In Housing Afdelling 3 Pasir Mandoge Estate
 - In Housing Afdelling 2 Tonduhan Estate.
 - Behind the Tonduhan Estate Afdeling 2 Fertilizer warehouse.
 - In Housing Afdelling 3 and Afdelling 5 Sei Kopas Estate.

Based on the results of interviews with workers and management representatives, it is known that there are no cleaning workers who regularly collect waste and take it to Landfill.

Non-Conformance Description (filled by auditor):

Based on this evidence, the company has not been able to show that the implementation of Hazardous and Domestic Waste Management is carried out according to the procedures it has.

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

- Lack of Management's supervision and evaluation of the management of B3 waste and domestic waste according to procedures.
- Lack of discipline of workers and their families in managing B3 waste and domestic waste according to procedures.

Correction (*filled by organization audited*):

Auditor Response 29 December 2022 :

- At the time of the previous ASA-1 assessment, the company had conducted a root cause analysis namely "Lack of understanding of employees and residents living in housing regarding the management of domestic waste and B3 waste." Then at the time of the ASA-2 assessment, the same discrepancy was still found. Has the root of the problem previously been thoroughly evaluated and repaired by the company? Please re-analyze what is the root of the problem besides the lack of supervision that was conveyed.

Auditor Response January 5, 2023:

- Is the root cause that has been determined correctly the root cause of the non-conformity found? The root of the problem in the ASA-1 assessment is related to "Lack of understanding of employees and residents living in housing about the management of domestic waste and B3 waste", while the determination of the root problem in the current ASA-2 assessment is related to "Lack of management oversight of the management of domestic B3 waste according to procedures" and after that it was revised to "Lack of discipline of workers and their families in managing B3 waste and domestic waste according to procedures"
- Please ensure whether the root of the problem is right on target? Has determining the root of the problem in the previous assessment (ASA-1) succeeded in closing the discrepancy? Has the root of the problem in the ASA-1 assessment been evaluated?
- In the ASA-2 assessment, is the root cause of the problem related to a lack of discipline unrelated to a lack of supervision?
- Please ensure the accuracy of root cause determination, if it is felt that the determination of root causes in the ASA-1 assessment has not been resolved, and is added to the determination of other root causes in this ASA-2 assessment, then you are welcome and not limited to just one root cause.

Corrective Action (*filled by organization audited*):

- Carrying out cleaning of domestic waste to TPSA owned in Afdeling
- For Hazardous waste that still exists in the location of the department, factory and fertilizer warehouse, the work unit will transfer the Hazardous waste to Hazardous Waste Storage.
- Carry out outreach to all employees and their families as well as communities around the Estates to dispose of waste in designated places and prohibit burning waste.
- Carry out socialization to all employees and their families as well as communities around the Estates not to reuse ex-B3 waste for household needs.
- Issue a letter of reprimand to workers in Afdeling III who are still burning garbage in the residential areas for workers in Afdeling III Sei Kopas Estates.

Auditor Response 29 December 2022 :

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of the implementation of waste disposal according to procedures in the following locations:

- The residential area of the Emplacement near the Pasir Mandoge PKS Office (afdelling II Kebun Pasir Mandoge). >> Already available and implemented.
- Housing Areas of Kebun Pasir Mandoge Afdelling 4 and Afdelling 5. >> Already available and implemented.

- In Block 04 AD Kebun Pasir Mandoge Afdelling 2. >> Already available and implemented.
- At Pulpul River Rim 04 BH Afdelling IV Kebun Pasir Mandoge. >> Already available and implemented.
- In Housing Afdelling 3 Kebun Pasir Mandoge. >> Already available and implemented.
- In the Tonduhan Afdelling 2 Housing Complex. >> Not yet shown.
- Behind the Tonduhan Afdelling 2 Fertilizer Warehouse. >> Not yet shown.
- In Housing Afdelling 3 and Afdelling 5 Kebun Sei Kopas. >> Not yet shown.

Please complete the proof of improvement for the Tonduhan Estate Unit and the Sei Kopas Estate Unit.

Auditor Response 5 January 2023 :

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of the implementation of waste disposal according to procedures in the following locations:

- The residential area of the Emplacement near the Pasir Mandoge PKS Office (afdelling II Kebun Pasir Mandoge). >> Already available and implemented.
- Housing Areas of Kebun Pasir Mandoge Afdelling 4 and Afdelling 5. >> Already available and implemented.
- In Block 04 AD Kebun Pasir Mandoge Afdelling 2. >> Already available and implemented.
- At Pulpul River Rim 04 BH Afdelling IV Kebun Pasir Mandoge. >> Already available and implemented.
- In Housing Afdelling 3 Kebun Pasir Mandoge. >> Already available and implemented.
- In the Tonduhan Afdelling 2 Housing Complex. >> Already available and implemented.
- Behind the Tonduhan Afdelling 2 Estates Fertilizer warehouse. >> Already available and implemented.
- In Housing Afdelling 3 and Afdelling 5 Kebun Sei Kopas. >> Already available and implemented.

Thus, corrective action is acceptable.

Assessor Evaluation and Conclusion (filled by auditor):

- Establish a PIC who is responsible for managing B3 waste and domestic waste in Afdeling.
- Make a schedule for transporting domestic waste to TPSA.

Auditor response December 29, 2022:

Corrective action is a corrective action against the root of the problem that has been determined and analyzed, please adjust it again with the results of the root cause analysis that has been determined.

Auditor's Response 5 January 2023 :

Corrective action is a corrective action against the root cause that has been determined and analyzed.

Follow up on next audit (filled by auditor):

Auditor Team Verification December 29, 2022:

- The unit of certification has determined the root of the problem, correction and corrective action, but these three things have not been accepted because there are still responses from the auditor team, please check again on the root cause, correction and corrective action section.
- The unit of certification has shown evidence of improvement in the form of:
 - a. Community socialization regarding waste transportation on October 27 2022 in Dusun II Pasir Mandoge which was attended by 22 socialization participants (APK, Kadus Pasir Mandoge, Assistant Afd.II, Dusun II Community). Cross-Sumatra road ditches can cause flooding, public awareness is needed not to throw garbage in the Trans-Sumatra road ditches, the Company works closely with the Village Head and Kadus in Waste Management.
 - b. Socialization of Hazardous Waste Management, at the Afdeling IV Office on 27 October 2022 which was attended by 30 Participants (Plant Assistants, Foreman I, Head of Staff I, Head of Production and all Employees). The

- socialization contains information related to the definition of B3 waste and identification of B3 waste, B3 waste management, the impact of violations of the B3 waste management mechanism for the environment and society.
- c. Socialization of Hazardous Waste Management on 1 November 2022 in Afdeling I which was attended by 56 participants from employees. The socialization explained the findings of the RSPO Audit stage surveillance-2 and the order to return the hazardous waste to the Central Warehouse.
 - d. Socialization of Domestic Waste on 27 October 2022 in Afdeling IV which was attended by 21 Participants (Assistant, Foreman, Pemel Foreman, Harvesters, Loaders, Maintenance Employees). The socialization explained related to Domestic Waste Management, an appeal to separate organic and inorganic waste and then place it in the trash that has been provided and not dispose of garbage, schedules for domestic waste transportation to be carried out by vehicles provided by the company and disposed of at TPSA Organic and Inorganic.
 - e. Socialization of Domestic Waste and Hazardous Waste Management at Pasir Mandoge PKS on December 12, 2022 which was attended by 30 Participants (Management and Employees of PKS Pasir Mandoge). No 20 of 2021 concerning Environmental Administration and Protection, as well as Regulation of the Minister of Environment and Forestry Number 6 of 2021 concerning Procedures for Requirements for B3 Waste Management. The socialization also explained that the company will monitor the management and handling of B3 waste, and will carry out socialization periodically.
 - f. Socialization of Domestic Waste Management of B3 Waste and Household Waste on October 27, 2022 at Afdeling V Pasir Mandoge which was attended by 71 participants. The socialization consists of household domestic waste management, schedule for domestic waste transportation, management and mandatory return of B3 waste to licensed TPS LB3 in a central warehouse, domestic wastewater storage to a shelter.
 - g. Decree of Assistant Afdeling I Pasir Mandoge Number PAM/SK/I/2022 dated 5 November 2022 regarding the Appointment of B3 Waste Management Monitoring Officers.
 - h. Decree of Assistant Afdeling II Pasir Mandoge Estate Number PAM/SK/II/XI/2022 dated 5 November 2022 regarding the Appointment of Domestic Waste Management Monitoring Officer
 - i. Decree of Assistant Afdeling IV Pasir Mandoge Estate Number PAM/SK/IV/XI/2022 dated 4 November 2022 regarding Appointment of B3 Waste Management Monitoring Officer.
 - j. Decree of Assistant Afdeling IV Pasir Mandoge Estate Number PAM/SK/IV/XI/2022 dated 4 November 2022 regarding the Appointment of Domestic Waste Management Monitoring Officers.
 - k. Decree of PKS Manager Pasir Mandoge PKS number PAM/SK/14/IV/2022 regarding the Appointment of B3 Waste Management Monitoring Officer on April 1, 2022.
 - l. Decree of Assistant Afdeling V Pasir Mandoge Estate Number PAM/SK/V/XI/2022 regarding Appointment of B3 Waste Management Monitoring Officer.
 - m. Receipt of delivery of B3 waste from an unlicensed location to TPS LB3 located at the Central Warehouse, for example returning a Used Pertamina Drum found in Afdeling I Pasir Mandoge to the Central Warehouse on 21 November 2022.

Based on the explanation above, it is concluded that this Non-Conformity is still not fulfilled.

Auditor Team Verification January 5, 2023:

- The unit of certification has determined the root of the problem, correction and corrective action, but these three things have not been accepted because there are still responses from the auditor team, please check again on the root cause, correction and corrective action section.
- The unit of certification has shown evidence of improvement in the form of:
 - a. Monitoring evaluation of domestic waste management afdelling I to VIII and Sei Kopas Estate unit emplacement in November 2022, 30 November 2022, where the document contains details regarding monitoring activities related to monitoring results, monitoring evaluation and information.
 - b. Monitoring evaluation of domestic waste management afdelling I to VIII and the Sei Kopas unit Estates emplacement

December 2022, December 27, 2022, where the documents provide details related to monitoring activities, monitoring results, monitoring evaluation and information.

- c. Schedule for transporting domestic waste to TPSA section 1 to Kebun Emplasmen VIII Sei Kopas Unit November 2022 - January 2023.
- d. Schedule for Domestic Garbage Transportation Afdeling I to III November 2022 and December 2022 Tonduhan Estates Unit.
- e. Schedule of Domestic Garbage Transport Afdeling I to III for the period January – December 2023 Tonduhan Estate Unit.

Based on the explanation above, it is concluded that this Non-conformity is still not fulfilled.

Auditor Team Verification January 11, 2023:

- The unit of certification has determined the root cause, correction and corrective action, these three things have been accepted and have been able to close the discrepancy.
- The unit of certification has shown additional evidence of improvement in the form of:
 - a. Evidence of waste disposal according to procedures in Afdelling 2 Housing Complex, Tonduhan Estate behind the Fertilizer Estate Tonduhan Afdelling 2 warehouse, in Housing Afdelling 3 and Afdelling 5 Sei Kopas Estate.
 - b. Decree of the Tonduhan Estate Unit Manager regarding the Appointment of a Domestic Waste Management Monitoring Team for all Afdeling in the Tonduhan Estate Unit number TON/MU/KPTS/54/XI/2022 dated 1 November 2022,
 - c. Checklist for the Completeness of Domestic Waste Management Facilities for all Afdeling in the Tonduhan Estate Unit on 30 November 2022.
 - d. Decree of the Sei Kopas Estate Unit Manager regarding the Appointment of Officers who are responsible for the Evaluation and Monitoring of Domestic Waste for the Sei Kopas Estate Business Unit for all Afdeling No. SKKO/KPTS/153A-153E/XI/2022 dated 1 November 2022
 - e. Socialization of Domestic Waste Management Afdeling I Tonduhan Business Unit to Families and Workers and Families of Workers on December 15, 2022.
 - f. Dissemination of Domestic Waste Management for All Sei Kopas Business Unit Afdeling to Families and Workers and Working Families on December 15, 2022.
 - g. Schedule and realization of domestic waste transportation for all Business Units of POM Pasir Mandoge for the period 2022 – 2023 on 31 December 2022.
 - h. Evaluation of the domestic waste management of the Pasir Mandoge business unit, December 31, 2022. This evaluation explains the suitability and non-compliance of the monitoring findings carried out by the company.
 - i. Letter of Reprimand for Employees of Afdeling III Number PAM/ST/163/XI/2022 on December 26, 2022. The warning was because he disposed of waste that was not in accordance with procedures.

Based on the explanation above, it is concluded that this Non-Conformity has been fulfilled.

Verified by	:	Rahmat Abdiansyah
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NCR No.	:	2022.06	Issued by	:	Rahmat Abdiansyah
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Minor raised to MAJOR	Date of Closing	:	17 January 2023
Standard Ref. & Requirement	:	7.3.3 The unit of certification does not use open fire for waste disposal.			

Evidence observed (filled by auditor):

- The company has a non-burning waste management procedure described in SPO 20 revision 03 effective date January 2 2018 which explains that each employee's housing must be equipped with a trash bin and disposed of with a landfill sanitation system (burial) at the final landfill.
- Based on the results of field observations, it was found that there were traces of burning domestic waste:
 1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Pasir Mandoge Estate),
 2. Housing complex of Pasir Mandoge Estate Afdeling 4 dan Afdeling 5
 3. Housing complex Pasir Mandoge Estate Afdeling 3
 4. Housing Tonduhan Estate Afdeling 2
 5. Behind the Fertilizer Temporary Warehouse Afdeling 2, Tonduhan Estate

Non-Conformance Description (filled by auditor):

The company has not been able to prove that it does not use burning for the destruction of domestic waste in accordance with its own procedures.

Root Cause Analysis (filled by organization audited):

- Lack of management oversight of domestic waste management according to procedures
- Lack of discipline of workers and their families in managing domestic waste according to procedures

Auditor Response 29 December 2022 :

At the time of the previous ASA-1 assessment, the company had carried out a root cause analysis, namely "a lack of understanding of employees and residents living in housing regarding the management of domestic waste and B3 waste including the prohibition of using open burning for their destruction." still found the same. Has the root of the problem previously been thoroughly evaluated and repaired by the company? Please re-analyze what is the root of the problem besides the lack of supervision that was conveyed.

Auditor Response January 5, 2023:

- Is the root cause that has been determined correctly the root cause of the non-conformity found? The root of the problem in the ASA-1 assessment is related to "Lack of understanding of employees and residents living in housing about the management of domestic waste and B3 waste", while the determination of the root problem in the current ASA-2 assessment is related to "Lack of management oversight of the management of domestic B3 waste according to the procedure" and after that it was revised to "Lack of discipline of workers and their families in managing B3 waste and domestic waste according to procedure"
- Please ensure whether the root of the problem is right on target? Has determining the root of the problem in the previous assessment (ASA-1) succeeded in closing the discrepancy? Has the root of the problem in the ASA-1 assessment been evaluated?
- In the ASA-2 assessment, is the root cause of the problem related to a lack of discipline unrelated to a lack of supervision?
- Please ensure the accuracy of root cause determination, if it is felt that the determination of root causes in the ASA-1 assessment has not been resolved, and is added to the determination of other root causes in this ASA-2 assessment, then you are welcome and not limited to just one root cause.

Correction (filled by organization audited):

- Carrying out domestic waste cleaning throughout the Estate and PKS environment to the owned TPSA.
- Carry out outreach to all workers and their families as well as communities around the Estates to dispose of waste in a designated place and not burn waste.

Auditor Response 29 December 2022 :

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of cleaning up burnt residue and socialization of domestic waste management and the prohibition of burning for waste destruction according to procedures in the following locations:

1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Kebun Pasir Mandoge). >> Not yet shown.
2. Pasir Mandoge EstateHousing Afdeling 4 and Afdeling 5. >> Not yet shown.
3. Pasir Mandoge Afdelling Estate Housing 3. >> Not yet shown.
4. Tonduhan Estate Afdelling Housing 2. >> Already available and implemented.
5. Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate.>> Already available and implemented.

Please complete the proof of improvement for the Pasir Mandoge Estate Unit and the Pasir Mandoge POM.

Auditor Response 5 January 2023:

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of cleaning up burnt residue and socialization of domestic waste management and the prohibition of burning for waste destruction according to procedures in the following locations:

1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Kebun Pasir Mandoge). >> Not yet shown.
2. Pasir Mandoge EstateHousing Afdeling 4 and Afdeling 5. >> Not yet shown.
3. Pasir Mandoge Afdelling Estate Housing 3. >> Not yet shown.
4. Tonduhan Estate Afdelling Housing 2. >> Already available and implemented.
5. Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate.>> Already available and implemented.

Please complete the proof of improvement for the Pasir Mandoge Estate Unit and the Pasir Mandoge POM.

Auditor Response 11 January 2023:

The unit of certification has shown some evidence of improvement in the form of Documentary Evidence of cleaning up burnt residue and socialization of domestic waste management and the prohibition of burning for waste destruction according to procedures in the following locations:

1. Emplacement housing near the Pasir Mandoge POM Office (Afdeling II Kebun Pasir Mandoge). >> Not yet shown.
2. Pasir Mandoge EstateHousing Afdeling 4 and Afdeling 5. >> Not yet shown.
3. Pasir Mandoge Afdelling Estate Housing 3. >> Not yet shown.
4. Tonduhan Estate Afdelling Housing 2. >> Already available and implemented.
5. Behind the Housing Fertilizer Warehouse Afdelling 2 Tonduhan Estate.>> Already available and implemented.

Please complete the proof of improvement for the Pasir Mandoge Estate Unit and the Pasir Mandoge POM.

Corrective Action (filled by organization audited):

- Establish a PIC who is responsible for managing domestic waste.
- Make a schedule for transporting domestic waste on a regular basis

Auditor Response 29 December 2022 :

Please be able to show proof of carrying out regular domestic waste collection. Is the domestic waste transport schedule carried out for the entire scope of the Certification Unit or only for the scope which is an example of evidence of non-compliance? Please show supporting evidence.

Auditor Response January 5, 2023:

Please show the Letter of Determination of the PIC responsible for managing domestic waste for the Tonduhan Estate Business

Unit, and the schedule for transporting domestic waste for the Pasir Mandoge Estate Business Unit.

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

Auditor Team Verification December 29, 2022:

- The root cause of the problem that has been determined is not yet acceptable to close the discrepancy.
- The corrections that have been made are acceptable, but the company has not been able to show proof of the implementation of domestic waste cleaning for the Tonduhan Estate Business Unit.
- The stipulated corrective action has not been accepted based on the results of verification of supporting evidence submitted regarding the implementation of said corrective action.
- The unit of certification has submitted several documents as evidence of the implementation of the corrective actions taken, while some of these documents are as follows:
 - a. Socialization of Domestic Waste / Household Garbage Management on October 27, 2022 in Dusun II Pasir Mandoge which was attended by 22 Participants (Employees and Community).
 - b. Socialization of Domestic Waste and Hazardous Waste Management on December 12, 2022 at Pasir Mandoge POM which was attended by 30 Participants (PKS Pasir Mandoge Employees).
 - c. Socialization of Tonduhan Unit Household Domestic Waste Management on 14 November 2022 at Afdeling II of the Tonduhan Estate which was attended by 9 Participants consisting of Afdeling Assistants and housewives.
 - d. Decree of PKS Manager Pasir Mandoge Number PKS PAM/SK/05/IV/2022 dated 1 April 2022 concerning Appointment of Domestic Waste Management Monitoring Officers.
- The unit of certification conveys the procedure for managing domestic waste in accordance with the procedures owned by the company, and conveys that all employees and the public are required to dispose of waste in the designated place and then transport it to the final disposal site (TPA) through this socialization activity. The unit of certification has also shown documentary evidence in the form of implementation photos and a list of attendees of socialization participants.
- For the socialization conducted at the Tonduhan Estate Unit explained that for domestic waste disposal it is carried out in the space provided and it is prohibited to litter, and it is strictly prohibited not to burn waste within the Tonduhan Estate business unit environment.

Based on the information above, the company has provided documented evidence of corrective actions taken to close the discrepancies. However, the company has not been able to show the timeline for socialization activities which is stated to be carried out periodically, has not included targets and targets for the success of these socialization activities, evaluation related to socialization, and has not been able to show the results of monitoring waste management in employee housing, Estates and PKS. and have not been able to show evidence or a checklist for monitoring the transportation of domestic waste as scheduled once a week for transporting waste to TPSA. This socialization has not been able to ensure that this will not happen again, because the socialization activities have not included a work timeline, and achievement goals and an evaluation of the implementation of these activities.

Based on this explanation, this Non-Conformity is still stated as still in OPEN status.

Auditor Team Verification January 5, 2023:

- The identified root cause is acceptable to close the discrepancy.
- The corrections made have been acceptable, but the company has not been able to show evidence of the implementation of domestic waste cleaning for the Pasir Mandoge Business Unit and Pasir Mandoge PKS.
- The stipulated corrective action has not been accepted based on the results of verification of supporting evidence submitted regarding the implementation of said corrective action.
- The unit of certification has submitted several additional documents as evidence of the implementation of the corrective actions

taken, while some of these documents are as follows:

- a. Evaluation of monitoring of domestic waste management of afdelling I to VIII and the Sei Kopas Estate unit emplacement in November 2022, November 30, 2022, in which the documents provide details regarding monitoring activities related to monitoring results, evaluation monitoring and information.
- b. Evaluation of monitoring of domestic waste management of afdelling I to VIII and the Sei Kopas Estate unit emplacement in December 2022, December 27, 2022, in which the documents provide details related to monitoring activities, monitoring results, evaluation monitoring and information.
- c. Domestic waste transport schedule to TPSA section 1 to VIII Sei Kopas Estate Unit Emplasmen November 2022 - January 2023.
- d. Schedule for the Transport of Domestic Waste for Afdeling I to III in November 2022 and December 2022 for the Tonduhan Estate Unit.
- e. Schedule for Domestic Waste Transport Afdeling I to III for the January – December 2023 Period Tonduhan Estate Unit.

Based on this explanation, this Non-conformity is still declared as Unfulfilled.

Auditor Team Verification January 11, 2023:

- The identified root cause is acceptable to close the discrepancy.
- The corrections made have been acceptable, but the company has not been able to show evidence of the implementation of domestic waste cleaning for the Pasir Mandoge Business Unit and Pasir Mandoge PKS.
- The stipulated corrective action has not been accepted based on the results of verification of supporting evidence submitted regarding the implementation of said corrective action.
- The unit of certification has shown additional evidence of improvement in the form of:
 - a. Evidence of waste disposal according to procedures in Afdelling 2 Housing Complex, Tonduhan Estate, behind the Tonduhan Afdelling 2 Estate's Fertilizer warehouse, in Afdelling 3 Housing Complex and Afdelling 5 Sei Kopas Estate. However, it has not shown evidence of cleaning burnt marks as explained in the correction section.
 - b. Decree of the Tonduhan Estate Unit Manager regarding the Establishment of a Domestic Waste Management Monitoring Team for all Afdeling in the Tonduhan Estate Unit number TON/MU/KPTS/54/XI/2022 dated 1 November 2022,
 - c. Checklist for the Completeness of Domestic Waste Management Facilities for all Afdeling in the Tonduhan Estate Unit on 30 November 2022.
 - d. Decree of the Sei Kopas Estate Unit Manager regarding the Appointment of Officers who are responsible for the Evaluation and Monitoring of Domestic Waste for the Sei Kopas Estate Unit for all Afdeling No. SKKO/KPTS/153A-153E/XI/2022 dated 1 November 2022.
 - e. Socialization of Domestic Waste Management Afdeling I Tonduhan Estate Unit to Families and Workers and Families of Workers on December 15, 2022.
 - f. Dissemination of Domestic Waste Management for All Sei Kopas Estate Unit Afdeling to Families and Workers and Working Families on December 15, 2022.
 - g. Schedule and realization of domestic waste transportation for all Pasir Mandoge POM Business Units for the period 2022 – 2023 on December 31, 2022.
 - h. Evaluation of the domestic waste management of the Pasir Mandoge Estate unit, December 31, 2022. This evaluation explains the suitability and non-compliance of the monitoring findings carried out by the company.
 - i. Letter of Reprimand for Employees of Afdeling III Number PAM/ST/163/XI/2022 on December 26, 2022. The warning was because he disposed of waste that was not in accordance with procedures.

Based on the explanation above, it means that this Non-conformity has not been fulfilled.

Auditor Team Verification January 17, 2023:

- Corrections. The company has been able to show proof of the implementation of domestic waste cleaning for the Pasir Mandoge Business Unit and the Pasir Mandoge PKS. The evidence of cleaning up the burnt waste domestic waste shown is in the following locations:
 - a. Emplacement housing near the Pasir Mandoge PKS Office (Afdeling II Pasir Mandoge Estates).
 - b. Pasir Mandoge Estate's Housing Afdeling 4 and Afdeling 5.
 - c. Mandoge Afdelling 3 Housing Estate.
 - d. Tonduhan Afdelling 2 Estate.
 - e. Behind the Housing Fertilizer Warehouse Afdelling 2 Estate.
- The stipulated corrective action has been accepted based on the results of verification of supporting evidence submitted regarding the implementation of the corrective action.

Based on the explanation above, it is concluded that this Non-conformity has been fulfilled.

Follow up on next audit (filled by auditor):

Verified by : **Rahmat Abdiansyah**

NCR No.	:	2022.07	Issued by	:	Hasiholan Sihombing
Date Issued	:	29 October 2022	Time Limit	:	27 January 2023
NC Grade	:	Major	Date of Closing	:	20 December 2022
Standard Ref. & Requirement	:	Certification System 5.5.3 Requirements for uncertified management units: a. No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12. Any new plantings since 1 January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB. b. Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8 c. Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2 d. Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1			
Evidence observed (filled by auditor): 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">HCV assessment process and progress.Information on new land clearing. However, this document has not been accompanied by supporting documents or evidence related to legal compliance (criterion 2.1), labor issues (criterion 4.2), issues of land conflict (criteria 4.4,4.5,4.6,4.7 and 4.8), and also the development of land remediation & compensation (criterion 7.12).					

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

The revision of the timebound plan is coordinated directly by Holding Perkebunan Nusantara. So that the time bound plan used is based on what has been approved by the RSPO

Correction (filled by organization audited):

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

Corrective Action (filled by organization audited):

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

Assessor Evaluation and Conclusion (filled by auditor):
Verification on December 20, 2022

Based on PTPN Holding's time bound plan, it is known that there are around 74 units that are not yet RSPO certified. Then the company has shown a self-assessment carried out by the internal auditor team from PTPN Holding. Until the major verification was carried out, there were around 35 units that had carried out self-assessments.

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

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

Follow up on next audit (filled by auditor):
Verified by
:
3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-3

NCR No.	:	2023.01	Issued by	:	Radytio Puspanjana
Date Issued	:	2 September 2023	Time Limit	:	ASA-4
NC Grade	:	Minor / Non-Critical	Date of Closing	:	
Standard Ref. & Requirement	:	2.1.3 Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.			
Evidence observed (filled by auditor): The company shows the HGU stake monitoring document which is conducted every 6 months. The last HGU stake monitoring was conducted for example in July 2023 at Pasir Mandoge Estate, Sei Kopas and Tonduhan Estate. The report on the inspection and maintenance of the boundary stakes has provided complete information regarding the number of stakes, the state of the stakes, the location of the stakes, the coordinates of the stakes and corrective actions as well as the target time for repairs if there are damaged or missing stakes. The SOP Maintenance of HGU Boundary Marks Number SPO 12 Dated 02 January 2015 Revision No. 03 explains that one of the managements of boundary stakes that is carried out is to maintain boundary stakes and the surrounding area so that the boundary stakes can be seen clearly, and the position of the stakes must be in accordance with the					

HGU Map and Every six months the division Assistant monitors the boundary benchmarks by checking the physical condition or state of the stakes.

In the documents resulting from monitoring of the Sei Kopas Estate HGU conducted in July 2023, information was obtained that 142 stakes were in good condition, 41 of them were missing, a total of 183 stakes. The results of the field visit of the HGU stakes sampled by the auditor were for land title stake No. 223, No. 224 and No. 225 were not found.

In the land title monitoring results document for semester 1 of 2023, Tonduhan Estate obtained information that 44 stakes were damaged, 101 were missing, a total of 375 stakes. The results of the field visit of the land title stakes sampled by the auditor were for land title stake No. 223, No. 224 and No. 225 were not found.

As a result of a field visit to the Mandoge estate on land title stakes No. 029, 030, 031 and 32, information was obtained that the stakes could be found, but the stake numbers on the stakes had been lost so ensuring the accuracy of the stakes was only carried out based on reminders from the monitoring PIC.

Non-Conformance Description (filled by auditor):

The certification unit has not been able to indicate legal area boundaries with clear boundary signs that have been maintained in accordance with the established Work Instructions

Root Cause Analysis (filled by organization audited):

The unit lacks in carrying out regular monitoring of work because it has not been carried out regularly.

Correction (filled by organization audited):

- Sei Kopas and Tonduhan: Establish temporary auxiliary stakes on missing HGU stakes until new stakes are available.
- Pasir.Mandoge: Monitoring and renumbering dull/faded stakes to make them visible again.

Conduct socialisation of HGU boundary maintenance to workers.

Corrective Action (filled by organization audited):

Indicates a regular schedule for monitoring HGU stakes

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification on 12 October 2023

- Socialisation of maintenance of HGU boundary markers of Pasir Mandoge estate on 11 September 2023, participated by assistant head, plant assistant, technical crew and crew of afdeling 1 - 10.
- Decision letter no TON.MU/Kpts/704/IX/2023 dated 25 September 2023 concerning the officers in charge of monitoring the HGU boundary markers, namely, assistant head of plantation, assistant afdeling 1-3. The monitoring schedule will be carried out every month, attached is a sample of the results of the last monitoring carried out
- Photo of the warning board of the area adjacent to the Community land
- Also attached is a photo of the Tonduhan HGU Estate auxiliary stakes, no 11 and 12, it can be seen that the stakes have been painted red but to ensure the numbering of stakes using paper with numbers printed on it in rainy conditions the paper will be destroyed.

Auditor response:

- To show the results of monitoring all HGU stakes in Sei Kopas, Mandoge and Tonduhan plantations for the last period complete with photos of the coordinates of taking photos and the condition of the stakes to ensure the condition of the HGU stakes is accurate in the field.
- If the numbering of stakes in the Tonduhan Estate uses paper, what about the durability of the condition of the number?
- To show the schedule for monitoring HGU stakes and determine the PIC who monitors the HGU stakes for Sei Kopas and Mandoge plantations.

Based on the evidence of improvement submitted, this nonconformity is declared unfulfilled.

Auditor verification date 7 November 2023

The company showed evidence of improvement:
Pasir Mandoge Estate

- Decree of Pasir Mandoge POM manager dated 11 September 2023 related to the appointment of afdeling assistants I, II, VI, IX and X as HGU monitoring officers.
- The results of the monitoring of HGU PAM in January 2023 are that afdeling X has 6 stakes in good condition, afdeling II has 13 stakes in good condition, afdeling I has 27 stakes (photos are shown, there is no information on the condition of the stakes), and afdeling VI has 1 stake in good condition, (is there only 1 stake in afdeling VI? How about the others?), afdeling IX has 6 stakes (good condition).

Sei. Kopas Estate

- Decree of Sei Kopas Estate manager dated 1 September 2023 related to the appointment of afdeling assistants and Assistant Head of Plantation as HGU monitoring officers.
- Monitoring of HGU stakes as of July 2023, there are 183 stakes in Sei Kopas with 41 stakes missing and 142 stakes in good condition.

Auditor Respons

- Please show the map of the stakes in accordance with the cadastral map published by BPN, how many stakes in total based on the map in each afdeling? So that it can be explained how many stakes must be installed in the HGU Pasir Mandoge plantation.
- What are the results of monitoring HGU stakes in other plantations? Because NC has explained that field findings in the Tonduhan plantation as well. The obligation to install HGU stakes to refer to the cadastral map determined by BPN.

Based on the explanation above, it is concluded that this non-conformity has not been fulfilled.

Auditor verification date 7 November 2023

The company showed evidence of improvement:

Sei Kopas Estate

- Decree of Pasir Mandoge PKS manager dated 01 September 2023 related to the appointment of afdeling assistants from 5 afdeling and 2 assistant Plant Heads as HGU monitoring officers.
- The results of monitoring HGU Sei Kopas in July 2023 totalled 183 pieces which explained that there were 43 HGU stakes missing from 183 existing HGU stakes.

Auditor Respons

- Please show the map of stakes in accordance with the cadastral map published by BPN, how many stakes in total based on the map in each afdeling? So that it can be explained how many stakes must be installed on the HGU of Pasir Mandoge plantation. The obligation to install HGU stakes to refer to the cadastral map issued by BPN.
- From the monitoring results there are 43 HGU stakes that are missing, what concrete steps are taken by the company in response to this, is there a future programme? And who is responsible for resolving the missing HGU stakes?

Based on the explanation above, it is concluded that this mismatch has not been fulfilled.

Follow up on next audit (filled by auditor):

Verified by

:

NCR No.	: 2023.02	Issued by	: Firda Tarunajaya
Date Issued	: 2 September 2023	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:
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): The company shows a list of local contractors for 2023 consisting of:			

- Sei Kopas Estate consists of 6 contractors, namely CV Anugrah Perkasa (FFB Transportation), PT Mutu Agung Lestari (Environmental Testing Services Laboratory), PT Sucofindo (Sample Testers), PT Prima Medica Nusantara (Occupational Health and Safety Testing Services Provider), PT Jaya Wira Manggala (Labor Services Provider) and PT EMPLOYEE Nusantara Jaya (Labor Services Provider)
- Tonduhan Estate consists of 1 contractor, namely Ratu Badis Jadi Jaya
- Pasir Mandoge Estate consists of 2 contractors, namely CV Irhan and CV Anugrah Perkasa
- Pasir Mandoge Mill consists of 26 contractors engaged in various fields such as transporting CPO, kernels, FFB suppliers, transporting and collecting B3 waste, testing water samples, wastewater, air emissions, certification bodies, labor service providers, OHS testing service providers work and providers of procurement of goods and services. Such as CV Anastasia as a contractor supplying FFB, CV Pelita Jaya as a contractor transporting CPO and PT Anugrah Perkasa as a contractor providing goods and services.

Based on sampling of contractor compliance with legal obligations, the Company shows evidence of CV Anugrah Perkasa contractor's compliance with legal regulations related to minimum wages, labor relations, namely work agreement letters, proof of handover of PPE and Social Insurance membership in the form of Social Insurance cards in the names of Hadi Suteja, Murdani, Riyandi, Supriadi Sidauruk, Andung Winarto, Frengky Manurung, Mujar, Nova Risandi, Andi Setiyawan, and Julpriandi Rajagukguk. However, based on the results of observations and interviews at Sei Kopas Estate, there were still employees of CV Anugrah Perkasa (FFB Loader on behalf of Sukar) who had not been included in the Social Insurance program, apart from that, the correspondent admitted that up until now they had never been given PPE from their company.

In addition, the Company has a collaboration with PT Ratu Badis Jadi Jaya (FFB transport contractor) which includes workers as FFB Loaders on behalf of Sodikin, Tison, Tono, Larno, Mujiono, Rusdi, Dani and Drivers on behalf of Pendi, Budi, Adi, Haryanto, and Satria. Based on interviews and document review of 2 employees of PT Ratu Badis Jadi Jaya FFB loaders, it is known that the contractor's FFB loaders do not have a copy of the agreement letters, are not provided with PPE for work, and have not been included in social insurance.

Based on the explanation above, the contractor has not been able to provide social and health insurance, work safety guarantees, PPE according to the provisions for workers including fulfilling other legal aspects. Until the audit is completed, evidence of compliance with applicable laws cannot be shown, including:

- Workers' participation in Social Insurance
- Providing PPE to workers
- A copy of the Agreement Letters between the worker and contractors has not been shown.

Non-Conformance Description (filled by auditor):
Deskripsi Ketidaksesuaian (dilengkapi oleh auditor):

The Company has not been able to show that third parties can show proof of compliance with applicable legal obligations.

Root Cause Analysis (filled by organization audited):
Correction (filled by organization audited):
Corrective Action (filled by organization audited):
Assessor Evaluation and Conclusion (filled by auditor):
Follow up on next audit (filled by auditor):

Verified by
Diverifikasi oleh

:

NCR No.	: 2023.03	Issued by	: Firda Tarunajaya
Date Issued	: 02 September 2023	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour.		
Evidence observed (filled by auditor): Bukti yang diamati (dilengkapi oleh auditor): The company shows several examples of employment agreement documents, including: <ul style="list-style-type: none"> Letter of Agreement No. PAM/SPJB/TBS/09/III/2023 concerning Purchase of Palm Oil Fruit (Fresh Fruit Bunches) at the Pasir Mandoge POM on January 2nd, 2023, was signed by the Manager of the Pasir Mandoge POM PT. Perkebunan Nusantara IV and CV Mangelek Majaya as FFB Suppliers. The Letter of Agreement explains the object of work, quality requirements, price of FFB, Delivery/Receipt of Palm Oil Fruit/FFB, Payment, Fines/Sanctions, Agreement, Law and Justice, <i>Halal</i> Guarantee and Closing, but the work agreement does not mention clauses regarding prohibition of practices involving child labor, forced labor and human trafficking. Letter of Agreement between PT Perkebunan Nusantara IV and PT Jasa Mandiri Nusantara No. 04.04/S.Perj/excavator untuk bumbun pokok/846/V/2023 on 22 May 2023 concerning Excavator Equipment Rental Services for the Planting Oil Palm Trees in Mature Areas (TM) in 2023. The Letter of Agreement explains the General Provisions, Specifications and Quantities, Work Period, Irregularities and/or Fraudulent Business Transactions, Prices, Payment Procedures, Work Locations and General/Special Requirements, Work Implementation Guarantees, Work Additions and Deductions, Rights and Obligations of Second Parties, Work Implementation Supervision, Force Majeure, Termination of the Agreement and its Legal Consequences, Insurance, Notification, Dispute Settlement, Addendum, Good Faith, etc., however, the employment agreement does not mention clauses regarding the prohibition of practices involving child labor, forced labor and workers from human trafficking Letter of Agreement No. 04.04/SPKP/ANGKUT-MUAT-BONGKAR-TBS/107/IV/2022 concerning Transportation for FFB Afdeling VI Pasir Mandoge Estate on 27 April 2022 was signed by Manager of Pasir Mandoge POM PT Perkebunan Nusantara IV and CV Anugrah Perkasa as FFB Transport Contractors. The Letter of Agreement explains the General Provisions, Contract Scope and Responsibilities, Implementation of FFB Transport, FFB Transport Vehicle Specifications, Materials, Tools and Labor, Supervision of Work Implementation, Second Party Representatives, Postponement of Contract Cancellation, Time Period Contract, valid for 3 years until 27 April 2025, Taxes and Stamp Fees, Payment Procedures, Rights and Obligations, Late Fines, Termination of Contract and Legal Consequences Force Majeure, Compensation, Dispute Settlement, Work Implementation Guarantee, Addition and Reduction of Work, Addendum, Job Transfer, Notification and Closing, but the work agreement does not mention clauses regarding the prohibition of practices involving child labor, forced labor and workers from human trafficking. <p>Based on the assessment above, the work order is just regulating job specifications, payment, dispute resolution and work safety aspects only.</p>			
Non-Conformance Description (filled by auditor): Deskripsi Ketidaksesuaian (dilengkapi oleh auditor): The certification unit has not been able to show that all Third Parties contracts have separate clauses prohibiting practices involving child labor, forced labor, and workers from human trafficking.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			

Assessor Evaluation and Conclusion (filled by auditor):

Follow up on next audit (filled by auditor):

Verified by
Diverifikasi oleh

NCR No.	2023.04	Issued by	Radytio Puspanjana
Date Issued	02 September 2023	Time Limit	(Recommendations before the license expires)
NC Grade	Minor	Date of Closing	19 October 2023
Standard Ref. & Requirement	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template that was endorsed in the General Assembly.		

Evidence observed (filled by auditor):

The results of the 2022 template metrics study show that:

- The results of the certified product data input do not match the actual ASA 3 audit data:

2.0 Annual Mill		
Data Sheet	Mass Balance Report of ASA-3 July 2022 – June 2023	RSPO Metric Template of ASA-3 July 2022 – June 2023 (still in units kg)
Certified PO Production (MT)	56.175,94 (MT)	65.569.145,00
Non-Certified PO Production (MT)	7.991 (MT)	8.837.772,00
Total PO Production (MT)	64.167,26	74.406.917,00
Certified PO Sales - RSPO (MT)	58.436,27	20623311
Certified PK Sales - RSPO (MT)	9.240,08	9595348
3.0 Annual Estate		
FFB Production (MT) Pasir Mandoge	150.020	211180758
FFB Production (MT) Sei Kopas	32658.39	35501730
D.2.0 Total Number of Worker		
Workers Pasir Mandoge Estate	838	771
Workers Sei Kopas Estate	589	489

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that the preparation of the matrix template is based on accurate data sources.

Root Cause Analysis (filled by organization audited):

4 Oct 2023 :

The lack of understanding of the QA Assistant in presenting accurate data sources is due to the lack of understanding of the preparation of template metric data according to the applicable PDIK.

Auditor:

Template metric data is not limited to RSPO certified product documents, but there is economic data, demographic data, all social and environmental data, how does the certification unit determine and analyse the root cause of this?

24 Okt 2023:

Revision: The QA Assistant's lack of understanding in filling out the matrix template was due to the lack of organised data

archiving and related training.

Correction (filled by organization audited):

- Fill in the annual report data using the RSPO metric template format.
- Socialisation to monitoring PICs at PKS conducted from the Planning Section of the metric template filling procedure.

Auditor:

The metric template provides information on the results of RSPO P & C implementation. Please review the improvement of the metric template data can be done thoroughly.

24 Okt 2023:

Revision: Show the Matrix template document that has been filled in completely including PKS identity, tbs production, CPO production, PK production, certified and uncertified CPO and PK sales, data on the number of workers, accident data, wastewater yield data.

Corrective Action (filled by organization audited):

Assign PICs for monitoring template metric entry

Auditor:

Please review after determining the root cause analysis, so that corrective action can be implemented and reduce the potential for nonconformities to recur

24 Okt 2023 :

- Revision: Socialisation to PICs of monitoring at MCCs conducted from the Planning Section of the Matrix Template filling procedure.
- Evaluation of socialisation to ensure information from the activity can be received, understood, and implemented by the PIC.

Assessor Evaluation and Conclusion (filled by auditor):

Verifikasi Auditor September 25th, 2023:

The company has determined the root cause analysis, correction and corrective action, but there are still Auditor responses that require further explanation. The company has also shown other documents, namely:

- Basic Info PTPN IV Pasir Mandoge POM including Area Statement and Relaisation of Plantation and Factory Period July-June 2023.
- Monitoring SCCS PKS Pasir Mandoge Period January 2022-July 2023
- Metric Template that has been filled in for the Period January-December 2022 and the Period July 2022-June 2023

Based on data the metric template verification still has data that is not in accordance with the supporting data attachment (Basic Info), such as:

- CSPK: Data in Metric Template 8,518.31 MT, while Basic Info 11,918.57 MT
- Non-Certified PK: Data in Metric Template 2,4,22.66 MT, while Basic Info 9,473.25 MT
- Certified PO Sales: Data in Metric Template 58,436.26, while Basic Info 40,691.62

Based on the description above, this non-conformity has not been fulfilled, until all evidence of improvement is submitted thoroughly and documented.

Auditor Verification 16 October 2023:

The company showed the improvement of Pasir Mandoge POM Basic Info and showed the decision letter of Pasir Mandoge PKS manager No. PKS PAM/SK/17/IX/2023 concerning the appointment of the SCCS Coordinator Officer, but has not responded to the results of the Auditor verification dated 2 September 2023. Based on the description above, this non-conformity has not been fulfilled.

Auditor Verification 19 October 2023:

The Company has determined the root cause, correction and corrective action and has also responded to all Auditor's questions. In addition, the Company has conducted socialisation and evaluation of the relevant PICs so as to show the improvement of the Metric Template. Based on the description above, this nonconformity has been fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Radytio Puspanjana/ Firda Tarunajaya

NCR No. Nomor ketidaksesuaian	2023.05	Issued by Diterbitkan oleh	Radytio Puspanjana
Date Issued Tanggal diterbitkan	02 September 2023	Time Limit Batas Waktu	1 Desember 2023
NC Grade Grade ketidaksesuaian	Major	Date of Closing Tanggal Terpenuhi	16 October 2023
Standard Ref. & Requirement Acuan Standar & Persyaratan	3.6.1 All operational activities risks assesed to identify the H&S issues. Mitigation plans and procedures are documented and implemented.		
Evidence observed (filled by auditor) : Observed evidence (completed by the auditor) : The company has an occupational safety and health system procedure, Document No. PAM-4.2.1 revision 00 effective date 02 January 2020 prepared by the risk management team, checked by the P2K3 secretary approved by the Manager. The procedure describes the following points: 6.1 Hazard identification All activities carried out are identified based on the possibility of hazards posed and the consequences of hazards that may occur. 6.2 Risk Assessment All work activities, work practices, work tools, and workplaces are identified and assessed for possible risks. 6.4 This risk management is reviewed at least once a year, or if abnormalities are found in its application. POM Pasir Mandoge The company has indicated a risk assessment form using the HIRADC form (Hazard Identification, Risk Assessment & Control) Document No FM-4.2.1-01 Revision 00 update 2023. The risk assessment is prepared by a general OHS expert and is carried out for the activities/locations of the stewing station, housing crane station, engine room station, clarification station, felt station, seed mill station, steam boiler station, laboratory, demint plan station, vitamin station, WWTP, land application, workshop, chemical warehouse , material warehouse, hazardous waste TPS, refueling station, but for some activities and facilities a risk assessment has not been carried out such as sorting activities, sorting, and control. - sorting activities, - dispatch activities, - Activities on the scales, Pasir Mandoge Estate The company has indicated the risk assessment form through HIRADC (Hazard Identification, Risk Assessment & Control) form Document No FM-4.2.1-01 Revision 00 of 2023. Risk assessments were prepared by a general OHS expert and carried out for chemical activities, mixing chemicals, Cleaning the fertilizer warehouse, Fertilisation, Loading FFB, Clearing with machines/manually, Harvesting FFB, Harvesting FFB close to the electricity network, taking/storing, distributing, refuelling and starting the engine, but for some activities and facilities, risk assessments have not been carried out such as in activities and facilities: - Manual outpatient care - HCV management activities - FFB harvesting on ravine land. - Chemical maintenance on ravine land - Rinse house facility			

- Toxic and Hazardous Material Waste Temporary Storage
- Temporary Storage
- Pump house facilities.

Sei Kopas Estate

The company has indicated the risk assessment form through HIRADC (Hazard Identification, Risk Assessment & Control) form No. FM-4.2.1-01 Revision 00. The risk assessment was checked by a general OHS expert and was carried out for the activities of FFB harvesting with a grapple, loading FFB, chemis, road maintenance, trimming the paddock, prying the paddock, fertilising, harvesting the electricity area, lifting water for chemicals, making horse treads, quoting brondol, scratching discs, mowing machines, harvesting FFB with dodos but for some activities and facilities a risk assessment has not been carried out as in the following activities and facilities :

- Pumping machines such as repairs, oil changes, starting, checking.
- Fertilizer warehouse
- Rinse room

Non-Conformance Description (filled by auditor) :

Description of Nonconformity (completed by auditor) :

The certification unit has not been able to demonstrate that all activities and facilities have been hazard identified.

Root Cause Analysis (filled by organization audited) :

Root Cause Analysis (completed by the audited organization) :

4 Oct 2023:

Management has not carried out identification and assessment of risks that may arise because they have not been routinely scheduled

Correction (filled by organization audited) :

Corrections (completed by the audited organization) :

Shows HIRAC documents

Corrective Action (filled by organization audited) :

Corrective Actions (completed by the audited organization) :

4 Oct 2023:

Carry out periodic HIRAC monitoring

Assessor Evaluation and Conclusion (filled by auditor) :

Assessor Evaluation and Conclusion (completed by auditor) :

verification from Auditor (25 September 2023)

- The root cause analysis provided has not answered the discrepancies -> **Why has it not been identified and has not been assessed the risks that may arise from several activities that are non-conforming??**
- *Corrective action* is adjusted to analyze the root of the problem so that it does not happen again during the next audit.

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

Pasir Mandoge Estate

- HIRAC documents for activities:
 - Manual outpatient care,
 - HCV management,
 - Pump house facilities.,
 - LB3 TPS,

- TPS,
- facilities ,

PKS Pasir Mandoge

- HIRAC documents for activities on
 - Delivery Station,
 - scales,
 - Sorting

Sei Kopas Estate.

- **Have not** sent proof of repair in the form of HIRAC documents

Based on the explanation above, this discrepancy **has not been fulfilled**

Verify October 16, 2023

The proof of repair sent is:

Pasir Mandoge POM

- Evidence of implementation of the HIRAC evaluation and identification schedule for 2023
- Proof of appointment of a Risk Identification Officer (HIRAC) on behalf of MRR

Sei Kopas

- Evidence of the Hirac socialization which was held on September 11 2023, which was attended by 12 participants consisting of representatives of each division.
- HIRAC documents for activities:
 - Fertilizer warehouse
 - Rinse room
 - Water pump machine
- Risk Identification monitoring will be available to be carried out in September 2023, and in 2024 the identification plan will be implemented in February.

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

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

Follow up saat penilaian audit berikutnya *(dilengkapi oleh auditor):*

Verified by Diverifikasi oleh	:	Radytio Puspanjana
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NCR No.	: 2023.06	Issued by	: Radytio Puspanjana
Date Issued	: 2 September 2023	Time Limit	: ASA-4
NC Grade	: Minor / Non-Critical	Date of Closing	: 28 October 2023
Standard Ref. & Requirement	: 3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.		
Evidence observed (filled by auditor): The results of interviews with Head of Administration, weighbridge operator in POM and FFB administration in Estate showed that			

workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the procedure and have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source.

Based on the results of interviews with the system and certification document team as well as the results of verification of the SOP document for Handling Certified Palm Oil Products (Doc. No.: 04.03/UNIT/SUS/P/001), explained that the handling of FFB from the plantation must be recorded in the fruit delivery letter (SPB), FFB originating from RSPO certified plantation areas are given a CSPO stamp, while those not originating from RSPO certified plantations are not given a CSPO stamp.

The company has inventoried areas that have not yet taken RSPO certification in the Sei Kopas plantation which has produced FFB with the following details:

Division	Planting years	Block	Total (Ha)
IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D, 15A & 16 E until 16 N.	262
V	2007	07 E & 07 G	36
VI	2005 – 2015	05 J until 05 O, 05 Z, 05 AA, 05 AC, 05 AD, 06 J, 06 K, 07 H, 07 J, 07 K, 07 T, 15 D dan 15 E.	274
VII	2005	05 AE & 05 AB	28
Total			610

Based on the results of interviews with the harvest foreman in block 07E, it was explained that the foreman did not understand RSPO certification or how to record FFB originating from RSPO certified and non-certified plantations.

As a result of verification of several FFB lading letter (SPB) documents issued by Sei Kopas Estate, information was obtained that FFB had been recorded originating from plantation areas that were not yet RSPO certified, namely:

- Fruit delivery letter dated 1 July 2023 No SPB 2/06/7/2023 originating from the harvest block section VI blocks 05 L and 07 J affixed with the stamp CSPO police number of the transport truck 8566 EN. Weighing receipt dated 2 July 2023 No. SPB 2/06/7/2023 originating from section VI blocks 05 L and 07 J with the police number of the transport truck 8566 EN affixed with CSPO stamp No. MUTU-RSPO/147 model MB (counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 4/7/07/2023 originating from the division VII harvest block, blocks 05 AE and 05 AV, affixed with the CSPO stamp, transport truck police number 8737 EN. Weighing receipt dated 12 July 2023 No. SPB 4/7/07/2023 originating from section VI blocks 05 AE and 05 AV affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 3/7/07/2023 originating from the division VII harvest block, blocks 05 AB and 10 AU, affixed with the CSPO stamp, police number of the transport truck 8571 EN. Weighing receipt dated 12 July 2023 No. SPB 43/7/07/2023 originating from division VI blocks 05 AB and 10 AU affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).

The results of the interview with the Operator / Weight officer explained that if there is a CSPO-stamped FFB fruit delivery letter (SPB) originating from the Sei Kopas Estate, then all of it will be input into the system as an RSPO certified product.

Thus, there is a record of FFB originating from plantation areas that are not RSPO certified (Non certified), which are claimed to be FFB originating from RSPO certified areas (certified)..

Non-Conformance Description (filled by auditor):

The certification unit has not been able to ensure that SCCS personnel have implemented the management of the Supply Chain Certification Standard (SCCS) according to the SOP.

Root Cause Analysis (filled by organization audited) :

Management is lacking in monitoring the classification of the origin of FFB from certified blocks due to the absence of personnel to supervise it in the field

Correction (filled by organization audited) :

1. Identify all blocks that are not certified and mark these blocks in the field and record them at the office and on the scales so that the blocks in question are in accordance with the applicable SOP.
2. Carrying out socialization regarding the separation of certified and non-certified FFB origins to workers and recording officers.
3. Block documents that are not certified (adjusted to the latest SE regarding Afdeling Restructuring).
4. Uncertified block map documents

Corrective Action (filled by organization audited) :

1. Determine the PIC responsible for monitoring the separation of FFB origin from certified and uncertified blocks.
2. Daily monitoring of FFB deliveries supervised by the Assistant Head

Assessor Evaluation and Conclusion (filled by auditor) :

Auditor verification date October 2, 2023

The company shows evidence of improvement:

- Cover letter for fruit originating from uncertified block afdeling V from blocks **10 AQ and 10 AH** dated 18 September 2023, planting year 2010. Receipt for weighing at PKS Pasir Mandoge from afdeling 05 dated 18 September 2023, the document explains that there is a PKS security guard stamp and there is no QA RSPO certified stamp. →However, in the inventory data of the uncertified area in subdivision V located in blocks **07 E & 07 G for the 2007 planting year, this does not coincide with the proof of repair provided.**

October 24 :

Blocks 07 E and 07 G are included in the uncertified area according to the attached map. This is in accordance with SE number 04.04/SE/12/VIII/2023 dated 8 August 2023. As a result of the restructuring of the subdivisions, Sei Kopas Estates, which previously had 8 subdivisions, was reduced to 7 subdivisions, but the block numbering did not change.

- Cover letter Fruit originating from uncertified block afdeling IV (four) from blocks **05 K and 16 M** Date 17 September 2023, planting years 2005 and 2016 . → **The weighing receipt at the Pasir Mandoge PKS is not clearly legible.**
- Cover letter Fruit originating from uncertified block afdeling V (five) from blocks **07 E and 05 J** Date 17 September 2023, planting years 2007 and 2005 . → **The weighing receipt at the Pasir Mandoge PKS is not clearly legible , while the SPBS number is different from the SPB from the estate, in the SPB estate 5 the SPBS weighing receipt number is 6.**
- Letter of introduction Fruit originating from uncertified block afdeling V (five) from blocks **13 D, 07 J and 05 F** Date 16 September 2023, planting years 2013, 2007 and 2005. Weighing receipt at Pasir Mandoge PKS explains SPBS No 1/4/9 /2023. →However, in the inventory data of the uncertified area in subdivision V located in blocks **07 E & 07 G for the 2007 planting year, this does not coincide with the proof of repair provided.**
- News of the socialization event for the separation of uncertified blocks on September 15 2023, which was attended by the plant assistant head, Estate personnel assistant, general foreman and harvest foreman. It was explained in the socialization that FFB delivery officers must understand that uncertified blocks are marked with a red pole and FFB originating from uncertified blocks does not have a CSPO stamp and recipients at the PKS must understand this recording. If the SPB is found to have a CSPO stamp in a certified block, it will given a warning and sanctions to the harvest foreman.
- Photo of uncertified block boundary marking in divisions IV and V.

Auditor response:

- Companies need to show proof of improvement in the form of:

Root Cause Analysis

Management is lacking in monitoring the classification of the origin of FFB from certified blocks due to the absence of personnel supervising it in the field →so that it can be shown how the certification unit ensures the appointment of personnel supervising it in the field for uncertified areas? Who shows it and who is shown it, and how to confirm this task for areas that are uncertified.

Corrections

Identify all blocks that are not certified and mark these blocks in the field and record them at the office and on the scales so that the blocks in question are in accordance with the applicable SOP. →to show the identification results of all uncertified blocks (**maps that are uncertified, overlay with legal status which is the reason why the area is uncertified**), because it is different from the proof of improvement provided and all evidence has marked uncertified blocks.

Corrective Action

- **Determine the PIC responsible for monitoring the separation of FFB origin from certified and uncertified blocks.** →to show how the certification unit ensures the appointment of personnel to supervise in the field for uncertified areas? Who shows it and who is shown it, and how to confirm this task for areas that are uncertified.
- **Daily monitoring of FFB deliveries supervised by the Assistant Head** →Please provide proof of realization.
- So that proof of improvement is shown for the other uncertified areas, **divisions 6 and 7** because only divisions four and five have been shown.
- Note# to send a scanned document that is clearly legible so that the auditor does not misread it and draw the wrong conclusions.

Based on the proof of improvement submitted, it is stated that this discrepancy **has not been fulfilled**

Auditor verification date October 12, 2023

The company shows evidence of improvement:

- Map of the Sei Kopas plantation which explains the non-certified area with a scale of 1:5700, while the non-certified area is detailed as follows:

Block Location
07P, 06A, 16F, 16J, 08W, 06A, 16I, 16E, 16H, 16N, 16E, 16G, 16M, 16L, 16K, 13D, 13C, 13B, 15A.
07E, 07G
05Z, 06J, 07H, 06K, 05J, 07J, 05K, 05L, 05AC, 05AD, 05AA, 13H, 05N, 05O, 15D, 07K, 15E, 07K, 07T, 05M
05AB, 05AB, 05AE

- *On the previous map there were no uncertified blocks in subdivision VI block 13 H, why is there one on the last map?*
- Socialization of the uncertified block & cover letter for plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.
- Table of non-certified block areas in the Sei Kopas plantation which explains that the non-certified areas are in divisions IV (four), V (five) and VI (six). Why is this data different from the **→non-certified area map with a scale of 1:5700.'**
- Fruit cover letter from the four blocks K, B, LM dated 09/20/2023 explains that the SPB is not labeled as a certified TBS area.
- The Fruit cover letter from the four blocks A and L afdeling dated 09/20/2023 explained that the SPB was not labeled as a certified TBS area.
- Fruit cover letter from afdeling five blocks 15 D and 13 H dated 09/20/2023 explains that the SPB is not marked as a TBS certified area. **→This block is not on the non-certified area map with a scale of 1:5700.'**
- Fruit cover letter from afdeling five blocks 15 D and 15 E dated 09/20/2023 explains that the SPB is not marked as a TBS certified area. **→This block is not on the non-certified area map with a scale of 1:5700.'**
- Socialization of SCCS procedures on September 26 2023.
- Sei Kopas plantation unit manager's decision letter no SKO/SK/126.A/X/2023 dated October 1 2023 which explains the officers responsible for monitoring uncertified blocks in the Sei Kopas plantation. Officer ; assistant head of rayon A and B plants, plant assistant divisions IV, V and VI and plant head. **→what about the uncertified area in division VII?**
- The results of monitoring the uncertified area on October 1 2023 in afdeling V uncertified blocks 06J, 06K, 07H **→this block are not on the uncertified area identification map**
- Results of monitoring of uncertified areas on 2 October 2023 in subdivision IV uncertified blocks 06A, 07P, 16 E and 16 F.
- Results of monitoring of uncertified areas on October 4 2023 in subdivision IV uncertified blocks 07G, 07J, subdivision V 05 AB and subdivision VI 05 Z. **→ on the map identification of the uncertified area blocks 07G, 07J is not in subdivision IV**
- **→what about the uncertified area in division VII?**

Auditor response:

- To show a map of the non-certified area with a scale of 1:5700 overlay with the area status map, so that it can explain why the area is an uncertified area.
- So that SPBs originating from uncertified areas are shown which are in sync with the results of identifying uncertified areas.

- So that it is also indicated who will monitor the uncertified area in afdeling VII
- To show what items are being monitored? Apart from the number of bunches because it has not explained the traceability of FFB.

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

Auditor verification date October 25, 2023

- Map of the Sei Kopas plantation which explains the non-certified area with a scale of 1:5700, while the non-certified area is detailed as follows:

Block Locaion
07P, 06A, 16F,16J, 08W,06A,16I, 16E, 16H, 16N,16E, 16G, 16M, 16L, 16K, 13D, 13C, 13B, 15A.
07E, 07G
05Z, 06J, 07H, 06K, 05J, 07J,05K, 05L, 05AC, 05AD, 05AA,13H,05N, 05O, 15D, 07K,15E, 07K, 07T, 05M
05AB, 05AB, 05AE

On the previous map there were no uncertified blocks in subdivision VI block 13 H, why is there one on the last map?

- Table of non-certified block areas in the Sei Kopas plantation which explains that the non-certified areas are in subdivisions IV (four), V (five), VI (six) and VII (seven). To the table of uncertified block areas in subdivision IV there is block 18 L while in the non certified area map there is no block 18 L which is included in the non certified area?
- Socialization of the uncertified block & cover letter for plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.
- Restructuring division number 04.04/SE/12/VIII/2023 dated 08 August 2023.
- Results of monitoring of uncertified areas on 1 October 2023 in subdivision V block 06J, 06K, 07H
- Results of monitoring of uncertified areas on 2 October 2023 in subdivision V blocks 06A, 07P, 16 E, F
- Results of monitoring of uncertified areas on 3 October 2023 in subdivision V blocks 06A, 13D, 16E,
- Results of monitoring of uncertified areas on 4 October 2023 in subdivision IV block 13C, 07G J, subdivision V 05AB, subdivision VI 05Z,
- Results of monitoring of uncertified areas on 5 October 2023 in subdivision IV block 07J,05K, L, O subdivision V 15D
- Sei Kopas plantation unit manager's decision letter no SKO/SK/126.A/X/2023 dated October 1 2023 which explains the officers responsible for monitoring uncertified blocks in the Sei Kopas plantation. Officer ; assistant head of rayon A and B plants, plant assistant divisions IV, V and VI and plant head. If we refer to block change data, the uncertified area in subdivision VII has moved to subdivision V. **Why is it that on the map the uncertified area is still in subdivision VII?**
- Socialization of SCCS procedures on September 26 2023.

Auditor response:

- To show a map of the non-certified area with a scale of 1:5700 overlay with the area status map, so that it can explain why the area is an uncertified area.
- So that SPBs originating from uncertified areas are shown which are in sync with the results of identifying uncertified areas.
- So that it can also be shown who will monitor the uncertified area in subdivision VII, because on the map the area is still in subdivision VII.
- To show what items are being monitored? Apart from the number of bunches, it does not explain the traceability of other FFB, for example regarding the boundaries of uncertified areas because there are areas in certified and non-certified blocks.

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

Auditor verification date 7 November 2023

The company showed evidence of improvement:

- Marking of uncertified areas in the form of photos of red paint marks on oil palm trees.
- Monitoring the traceability of uncertified blocks, dated 1 November 2023 things that were monitored were socialisation, giving

red marks on oil palm stands, monitoring marks on SPB sent to PKS, determining the PIC of uncertified blocks, table of uncertified blocks in afdeling IV, V and VI.

- Monitoring uncertified blocks every day in October 2023, for example on 5 October 2023, block certificates 11V, 13H were filled in (even though these blocks, based on the Sei Kopas plantation uncertified area map with a scale of 1:58,000, are uncertified areas and forest areas) Please confirm the suitability of other data.
- Sei Kopas Estate unit manager decree No. SKO/KPTS/20/XI/2023 responsible for monitoring the uncertified block are 4 plant assistants, foreman 1, production clerk and harvest foreman.
- SPB sample from October 2023 which explains that the uncertified area is not stamped by RSPO on the SPB.
- Map of the uncertified area of Sei Kopas plantation with a scale of 1:58,000 explaining that the uncertified area is located in afdeling IV, V and VI with block details:

Afdeling	Block Location
IV	07P, 06B, 16B, 16A, 99K, 99L, 06A, 21M, 16J, 06A, 16F, 16I, 08W, 99B, 16H, 16 E, 16N, 16M, 16G, 13D, 16L, 13C, 21L, 16K, 21J, 5A, 07P, 13B, 21I, 21H, 13D, 13B, 07T, 07K, 15E, 05O, 07K, 13E, 05N, 07K, 05L, 07 G, 07J, 05K, 05M.
V	10AH, 06C, 07F, 10AF, 06C, 06D, 07D, 21N, 07D, 07C, 10AK, 210, 10AS, 05AB, 05AE, 15D, 07K, 13H, 05AA, 07H, 06J, 05Z, 21P, 06K, 05AD, 05AC, 05J, 07E
VI	07I, 06I, 10AL, 13G, 15C, 05Z

Auditor response:

- The uncertified area map of Sei Kopas plantation with a scale of 1:58,000 illustrates the uncertified area because it is included in the forest area, but not all areas with forest area boundaries are included in the uncertified area (marked in pink) only those that are shaded are declared as uncertified areas, please explain.
- To show the monitoring documents that are in sync with the results of the uncertified area identification (the explanation is in the Auditor verification dated 13 November 2023).

7 November 2023 :

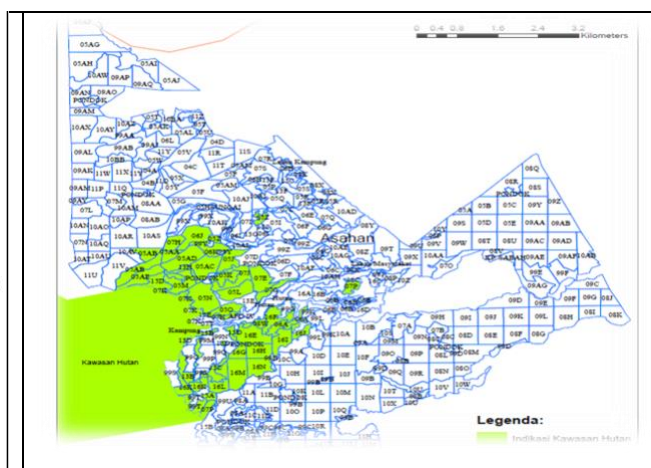
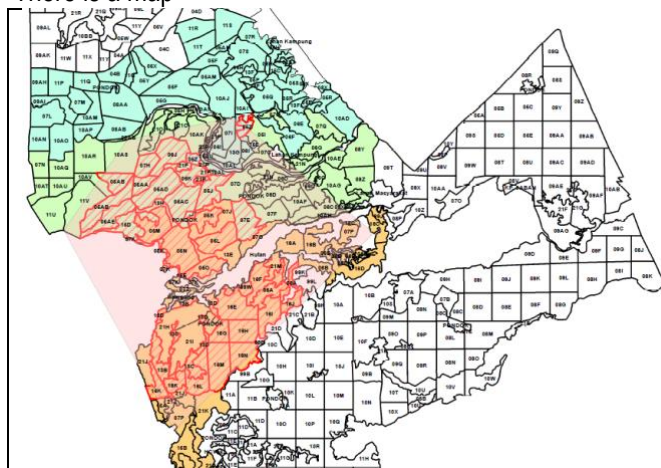
- Showing the latest forest area overlay farm map (green colour is the area included in the forest area while the white colour inside the block boundary is the certified farm area).
- Minutes document explaining the lack of accuracy in recording the monitoring of the delivery of tbs from certified and non-certified block origins.

Based on the explanation above, it is concluded that this discrepancy has not been fulfilled.

Auditor verification dated 8 November 2023

Company shows evidence of improvement:

- Monitoring of uncertified blocks every day in October 2023, for example on 5 October 2023 certificate block 11V was entered. There was a change in non-certificate data in the monitoring of certified and non-certified FFB at Sei Kopas Farm on 05 October 2023 in block 11 V with block 13 H on 7 November 2023.
- There is a map



straight line shaping in pink colour.

green colour is non-certified area based on forest area indication.

- Please show the original map determined by the government which means "indication of forest area" based on what decree? Please show the basis.

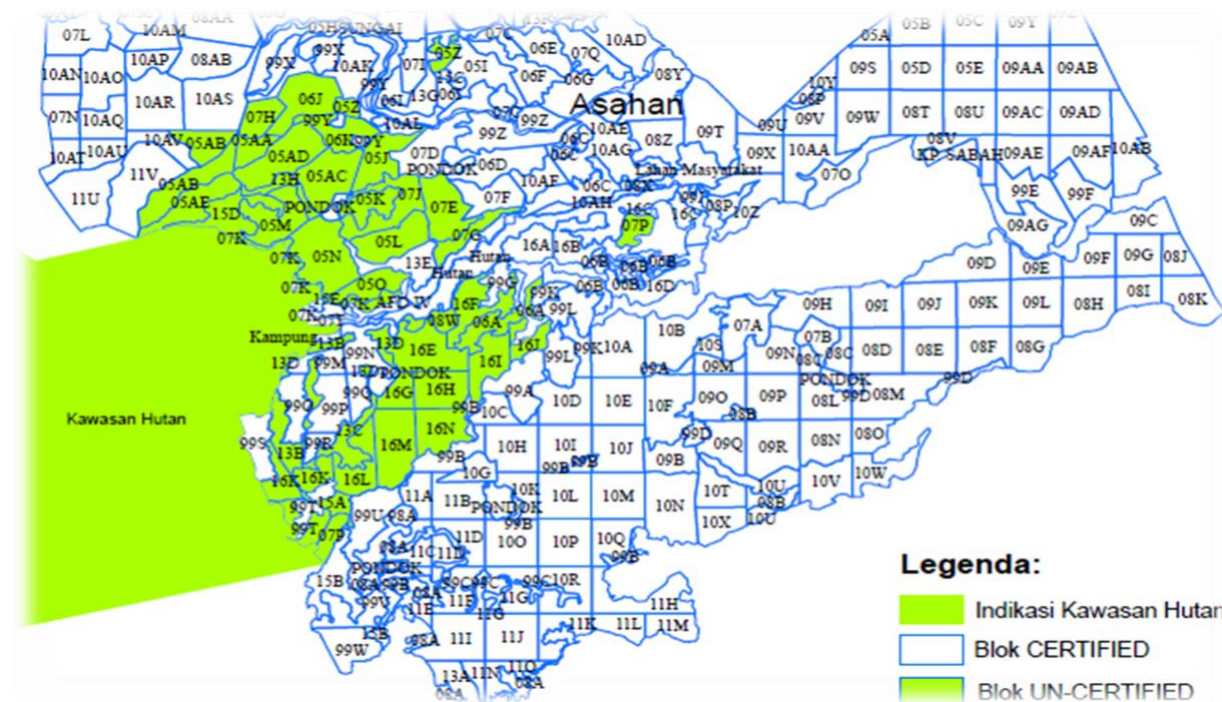
10 November 2023:

Showed a letter of explanation from the Forestry Service regarding the status of the 1,650 Ha land.
Based on the explanation above, it is concluded that this discrepancy has not been fulfilled

Auditor verification dated 28 October 2023

The company showed evidence of improvement:

- Letter from the Forestry Service of the North Sumatra provincial government No. 522/1085 dated 29 March 2018, in point number 2 explained There are results of overlaying the location of the Sei Kopas plantation covering an area of $\pm 6,402.19$ Ha according to the land plot map Number: 32/07/2010 dated 11 November 2010, against the attachment map of the Minister of Forestry Decree Number: SK.579 /Menhut-II/2014 dated 24 June 2014 concerning the forest area of North Sumatra province, covering an area of $\pm 4,751.85$ Ha in other user area (APL) and $\pm 1,650.34$ Ha in forest area with the function of conversion production forest (HPK).
- Map of uncertified area of Sei Kopas plantation with scale 1:55,000 describing uncertified area. The uncertified areas described in the map are as follows:



Based on the explanation above, it is concluded that this non-conformity has been fulfilled and will be observed again in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Radytio Puspanjana

NCR No.	: 2023.07	Issued by	: Radytio Puspanjana
Date Issued	: 2 September 2023	Time Limit	: 01 December 2023
NC Grade	: Major / Critical	Date of Closing	: 28 October 2023
Standard Ref. & Requirement	: 3.8.7 Purchasing and Goods in I. The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received. II. The mill shall inform the CB immediately if there is a projected overproduction of certified volume. III. The mill shall have a mechanism in place for handling of non-conforming FFB and/or documents		
Evidence observed (filled by auditor): The results of interviews with Head of Administration, weighbridge operator in POM and FFB administration in Estate showed that workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the procedure and have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source. Based on the results of interviews with the system and certification document team as well as the results of verification of the SOP document for Handling Certified Palm Oil Products (Doc. No.: 04.03/UNIT/SUS/P/001), explained that the handling of FFB from the plantation must be recorded in the fruit delivery letter (SPB), FFB originating from RSPO certified plantation areas are given a CSPO stamp, while those not originating from RSPO certified plantations are not given a CSPO stamp. The company has inventoried areas that have not yet taken RSPO certification in the Sei Kopas plantation which has produced FFB with the following details:			
Division	Planting years	Block	Total (Ha)
IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D, 15A & 16 E until 16 N.	262
V	2007	07 E & 07 G	36
VI	2005 – 2015	05 J until 05 O, 05 Z, 05 AA, 05 AC, 05 AD, 06 J, 06 K, 07 H, 07 J, 07 K, 07 T, 15 D dan 15 E.	274
VII	2005	05 AE & 05 AB	28
Total			610
Based on the results of interviews with the harvest foreman in block 07E, it was explained that the foreman did not understand RSPO certification or how to record FFB originating from RSPO certified and non-certified plantations. As a result of verification of several FFB lading letter (SPB) documents issued by Sei Kopas Estate, information was obtained that FFB had been recorded originating from plantation areas that were not yet RSPO certified, namely:			
<ul style="list-style-type: none">Fruit delivery letter dated 1 July 2023 No SPB 2/06/7/2023 originating from the harvest block section VI blocks 05 L and 07 J affixed with the stamp CSPO police number of the transport truck 8566 EN. Weighing receipt dated 2 July 2023 No. SPB 2/06/7/2023 originating from section VI blocks 05 L and 07 J with the police number of the transport truck 8566 EN affixed with CSPO stamp No. MUTU-RSPO/147 model MB (counts as RSPO certified FFB).Fruit delivery letter dated 12 July 2023 No. SPB 4/7/07/2023 originating from the division VII harvest block, blocks 05 AE and 05 AV, affixed with the CSPO stamp, transport truck police number 8737 EN. Weighing receipt dated 12 July 2023 No. SPB 4/7/07/2023 originating from section VI blocks 05 AE and 05 AV affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).			

- Fruit delivery letter dated 12 July 2023 No. SPB 3/7/07/2023 originating from the division VII harvest block, blocks 05 AB and 10 AU, affixed with the CSPO stamp, police number of the transport truck 8571 EN. Weighing receipt dated 12 July 2023 No. SPB 43/7/07/2023 originating from division VI blocks 05 AB and 10 AU affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).

The results of the interview with the Operator / Weight officer explained that if there is a CSPO-stamped FFB fruit delivery letter (SPB) originating from the Sei Kopas Estate, then all of it will be input into the system as an RSPO certified product.

Thus, there is a record of FFB originating from plantation areas that are not RSPO certified (Non certified), which are claimed to be FFB originating from RSPO certified areas (certified)

Non-Conformance Description (filled by auditor):

POM has not been able to show evidence that the verification and recording of tonnage amounts and sources for certified FFB, and tonnage amounts for uncertified FFB have been carried out accurately.

Root Cause Analysis (filled by organization audited) :

Management is lacking in monitoring the classification of the origin of FFB from certified blocks due to the absence of personnel to supervise it in the field

Correction (filled by organization audited) :

1. Identify all blocks that are not certified and mark these blocks in the field and record them at the office and on the scales so that the blocks in question are in accordance with the applicable SOP.
2. Carrying out socialization regarding the separation of certified and non-certified FFB origins to workers and recording officers.
3. Uncertified block sample documents from Sei Kopas Plantation

Corrective Action (filled by organization audited) :

1. Determine the PIC responsible for monitoring the separation of FFB origin from certified and uncertified blocks.
2. Daily monitoring of FFB deliveries supervised by the Assistant Head

Assessor Evaluation and Conclusion (filled by auditor) :

Auditor verification date October 2, 2023

The company shows evidence of improvement:

- Cover letter for fruit originating from uncertified block afdeling V from blocks **10 AQ and 10 AH** dated 18 September 2023, planting year 2010. Receipt for weighing at PKS Pasir Mandoge from afdeling 05 dated 18 September 2023, the document explains that there is a PKS security guard stamp and there is no QA RSPO certified stamp. →However, in the inventory data of the uncertified area in subdivision V located in blocks **07 E & 07 G for the 2007 planting year, this does not coincide with the proof of repair provided.**

October 24 :

Blocks 07 E and 07 G are included in the uncertified area according to the attached map. This is in accordance with SE number 04.04/SE/12/VIII/2023 dated 8 August 2023. As a result of the restructuring of the subdivisions, Sei Kopas Estates, which previously had 8 subdivisions, was reduced to 7 subdivisions, but the block numbering did not change.

- Cover letter Fruit originating from uncertified block afdeling IV (four) from blocks **05 K and 16 M** Date 17 September 2023, planting years 2005 and 2016 .→ **The weighing receipt at the Pasir Mandoge PKS is not clearly legible.**
- Cover letter Fruit originating from uncertified block afdeling V (five) from blocks **07 E and 05 J** Date 17 September 2023, planting years 2007 and 2005 .→ **The weighing receipt at the Pasir Mandoge PKS is not clearly legible , while the SPBS number is different from the SPB from the estate, in the SPB estate 5 the SPBS weighing receipt number is 6.**
- Letter of introduction Fruit originating from uncertified block afdeling V (five) from blocks **13 D, 07 J and 05 F** Date 16 September 2023, planting years 2013, 2007 and 2005. Weighing receipt at Pasir Mandoge PKS explains SPBS No 1/4/9 /2023. →However, in the inventory data of the uncertified area in subdivision V located in blocks **07 E & 07 G for the 2007 planting year, this does not coincide with the proof of repair provided.**
- News of the socialization event for the separation of uncertified blocks on September 15 2023, which was attended by the plant assistant head, Estate personnel assistant, general foreman and harvest foreman. It was explained in the socialization that FFB delivery officers must understand that uncertified blocks are marked with a red pole and FFB originating from uncertified blocks does

not have a CSPO stamp and recipients at the PKS must understand this recording. If the SPB is found to have a CSPO stamp in a certified block, it will given a warning and sanctions to the harvest foreman.

- Photo of uncertified block boundary marking in divisions IV and V.

Auditor response:

- Companies need to show proof of improvement in the form of:

- Root Cause Analysis

Management is lacking in monitoring the classification of the origin of FFB from certified blocks due to the absence of personnel supervising it in the field. → So how does the certification unit ensure the appointment of personnel supervising it in the field for uncertified areas (which are for estates)? Who shows it and who is shown it, and how to confirm this task for areas that are uncertified.

24 October 2023 :

Management carries out outreach to workers in divisions and appointed PICs regarding the explanation and management of uncertified blocks and carries out daily monitoring of uncertified FFB shipments before the FFB is sent to the PKS.

- Corrections

Identify all blocks that are not certified and mark these blocks in the field and record them at the office and on the scales so that the blocks in question are in accordance with the applicable SOP. → to show the identification results of all uncertified blocks (**maps that are uncertified, overlay with legal status which is the reason why the area is uncertified**), because it is different from the proof of improvement provided and all evidence has marked uncertified blocks.

- Corrective Action

Determine the PIC responsible for monitoring the separation of FFB origin from certified and uncertified blocks. → to show how the certification unit ensures the appointment of personnel who supervise in the field for uncertified areas (which are for estates)? Who shows it and who is shown it, and how to confirm this task for areas that are uncertified.

Daily monitoring of FFB deliveries supervised by the Assistant Head → Please provide proof of realization.

- So that proof of improvement is shown for the other uncertified areas, **divisions 6 and 7** because only divisions four and five have been shown.
- Note# to send a scanned document that is clearly legible so that the auditor does not misread it and draw the wrong conclusions.

Based on the proof of improvement submitted, it is stated that this discrepancy **has not been fulfilled**

Auditor verification date October 12, 2023

The company shows evidence of improvement:

- Map of the Sei Kopas plantation which explains the non-certified area with a scale of 1:5700, while the non-certified area is detailed as follows:

Block Location
07P, 06A, 16F, 16J, 08W, 06A, 16I, 16E, 16H, 16N, 16E, 16G, 16M, 16L, 16K, 13D, 13C, 13B, 15A.
07E, 07G
05Z, 06J, 07H, 06K, 05J, 07J, 05K, 05L, 05AC, 05AD, 05AA, 13H, 05N, 05O, 15D, 07K, 15E, 07K, 07T, 05M
05AB, 05AB, 05AE

On the previous map there were no uncertified blocks in subdivision VI block 13 H, why is there one on the last map?

- Socialization of the uncertified block & cover letter for plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.
- Table of non-certified block areas in the Sei Kopas plantation which explains that the non-certified areas are in divisions IV (four), V (five) and VI (six). Why is this data different from the → **non-certified area map with a scale of 1:5700.**
- Fruit cover letter from the four blocks K, B, LM dated 09/20/2023 explains that the SPB is not labeled as a certified TBS area.
- The Fruit cover letter from the four blocks A and L afdeling dated 09/20/2023 explained that the SPB was not labeled as a certified TBS area.

- Fruit cover letter from afdeling five blocks 15 D and 13 H dated 09/20/2023 explains that the SPB is not marked as a TBS certified area. **→This block is not on the non-certified area map with a scale of 1:5700.'**
- Fruit cover letter from afdeling five blocks 15 D and 15 E dated 09/20/2023 explains that the SPB is not marked as a TBS certified area. **→This block is not on the non-certified area map with a scale of 1:5700.'**
- Socialization of SCCS procedures on September 26 2023.
- Sei Kopas plantation unit manager's decision letter no SKO/SK/126.A/X/2023 dated October 1 2023 which explains the officers responsible for monitoring uncertified blocks in the Sei Kopas plantation. Officer ; assistant head of rayon A and B plants, plant assistant divisions IV, V and VI and plant head. **→what about the uncertified area in division VII?**
- The results of monitoring the uncertified area on October 1 2023 in afdeling V uncertified blocks 06J, 06K, 07H **→this block are not on the uncertified area identification map**
- Results of monitoring of uncertified areas on 2 October 2023 in subdivision IV uncertified blocks 06A, 07P, 16 E and 16 F.
- Results of monitoring of uncertified areas on October 4 2023 in subdivision IV uncertified blocks 07G, 07J, subdivision V 05 AB and subdivision VI 05 Z. **→ on the map identifying uncertified areas in blocks 07G, 07J, not in subdivision IV, →what about the uncertified areas in subdivision VII?**

Auditor response:

- To show a map of the non-certified area with a scale of 1:5700 overlay with the area status map, so that it can explain why the area is an uncertified area.
- So that SPBs originating from uncertified areas are shown which are in sync with the results of identifying uncertified areas.
- So that it is also indicated who will monitor the uncertified area in afdeling VII
- To show what items are being monitored? Apart from the number of bunches because it has not explained the traceability of FFB.

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

Auditor verification date October 25, 2023

- Map of the Sei Kopas plantation which explains the non-certified area with a scale of 1:5700, while the non-certified area is detailed as follows:

Block Location
07P, 06A, 16F, 16J, 08W, 06A, 16I, 16E, 16H, 16N, 16E, 16G, 16M, 16L, 16K, 13D, 13C, 13B, 15A.
07E, 07G
05Z, 06J, 07H, 06K, 05J, 07J, 05K, 05L, 05AC, 05AD, 05AA, 13H, 05N, 05O, 15D, 07K, 15E, 07K, 07T, 05M
05AB, 05AB, 05AE

On the previous map there were no uncertified blocks in subdivision VI block 13 H, why is there one on the last map?

- Table of non-certified block areas in the Sei Kopas plantation which explains that the non-certified areas are in subdivisions IV (four), V (five), VI (six) and VII (seven). To the table of uncertified block areas in subdivision IV there is block 18 L while in the non certified area map there is no block 18 L which is included in the non certified area?

28 October 2023 :

In uncertified blocks and on the map uncertified blocks do not include block 18 L

- Socialization of the uncertified block & cover letter for plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.
- Restructuring division number 04.04/SE/12/VIII/2023 dated 08 August 2023.
- Results of monitoring of uncertified areas on 1 October 2023 in subdivision V block 06J, 06K, 07H
- Results of monitoring of uncertified areas on 2 October 2023 in subdivision V blocks 06A, 07P, 16 E, F
- Results of monitoring of uncertified areas on 3 October 2023 in subdivision V blocks 06A, 13D, 16E,
- Results of monitoring of uncertified areas on 4 October 2023 in subdivision IV block 13C, 07G J, subdivision V 05AB, subdivision VI 05Z,
- Results of monitoring of uncertified areas on 5 October 2023 in subdivision IV block 07J, 05K, L, O subdivision V 15D

- Sei Kopas plantation unit manager's decision letter no SKO/SK/126.A/X/2023 dated October 1 2023 which explains the officers responsible for monitoring uncertified blocks in the Sei Kopas plantation. Officer ; assistant head of rayon A and B plants, plant assistant divisions IV, V and VI and plant head. If we refer to block change data, the uncertified area in subdivision VII has moved to subdivision V. **Why is it that on the map the uncertified area is still in subdivision VII?**
- Socialization of SCCS procedures on September 26 2023

Auditor response:

- To show a map of the non-certified area with a scale of 1:5700 overlay with the area status map, so that it can explain why the area is an uncertified area.
- So that SPBs originating from uncertified areas are shown which are in sync with the results of identifying uncertified areas.
- So that it can also be shown who will monitor the uncertified area in subdivision VII, because on the map the area is still in subdivision VII.
- To show what items are being monitored? Apart from the number of bunches, it does not explain the traceability of other FFB, for example regarding the boundaries of uncertified areas because there are areas in certified and non-certified blocks.

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

Auditor verification date 22 October 2023

Company shows evidence of improvement:

- Marking of uncertified areas in the form of photos of red paint marks on oil palm trees.
- Monitoring the traceability of uncertified blocks, dated 1 November 2023 things that were monitored were socialisation, giving red marks on oil palm stands, monitoring marks on SPB sent to PKS, determining the PIC of uncertified blocks, table of uncertified blocks in afdeling IV, V and VI.
- Monitoring uncertified blocks every day in October 2023, for example on 5 October 2023, block certificates 11V, 13H were filled in (even though these blocks, based on the Sei Kopas plantation uncertified area map with a scale of 1:58,000, are uncertified areas and forest areas) □ Please confirm the suitability of other data.
- Sei Kopas plantation unit manager decree No. SKO/KPTS/20/XI/2023 responsible for monitoring the uncertified block are 4 plant assistants, foreman 1, production clerk and harvest foreman.
- SPB sample from October 2023 which explains that the uncertified area is not stamped by RSPO on the SPB.
- Map of the uncertified area of Sei Kopas plantation with a scale of 1:58,000 explaining that the uncertified area is located in afdeling IV, V and VI with block details:

Afdeling	Block Location
IV	07P, 06B, 16B, 16A, 99K, 99L, 06A, 21M, 16J, 06A, 16F, 16I, 08W, 99B, 16H, 16 E, 16N, 16M, 16G, 13D, 16L, 13C, 21L, 16K, 21J, 5A, 07P, 13B, 21I, 21H, 13D, 13B, 07T, 07K, 15E, 05O, 07K, 13E, 05N, 07K, 05L, 07 G, 07J, 05K, 05M.
V	10AH, 06C, 07F, 10AF, 06C, 06D, 07D, 21N, 07D, 07C, 10AK, 210, 10AS, 05AB, 05AE, 15D, 07K, 13H, 05AA, 07H, 06J, 05Z, 21P, 06K, 05AD, 05AC, 05J, 07E
VI	07I, 06I, 10AL, 13G, 15C, 05Z

Auditor response:

- The uncertified area map of Sei Kopas plantation with a scale of 1:58,000 illustrates the uncertified area because it is included in the forest area, but not all areas with forest area boundaries are included in the uncertified area (marked in pink) only those that are shaded are declared as uncertified areas, please explain.
- To show the monitoring documents that are in sync with the results of the uncertified area identification (the explanation is in the Auditor verification dated 13 November 2023).

7 November 2023 :

- Showing the latest forest area overlay farm map (green colour is the area included in the forest area while the white colour inside the block boundary is the certified farm area).
- Minutes document explaining the lack of accuracy in recording the monitoring of tbs shipments from certified and non-certified block origins

10 November 2023 :

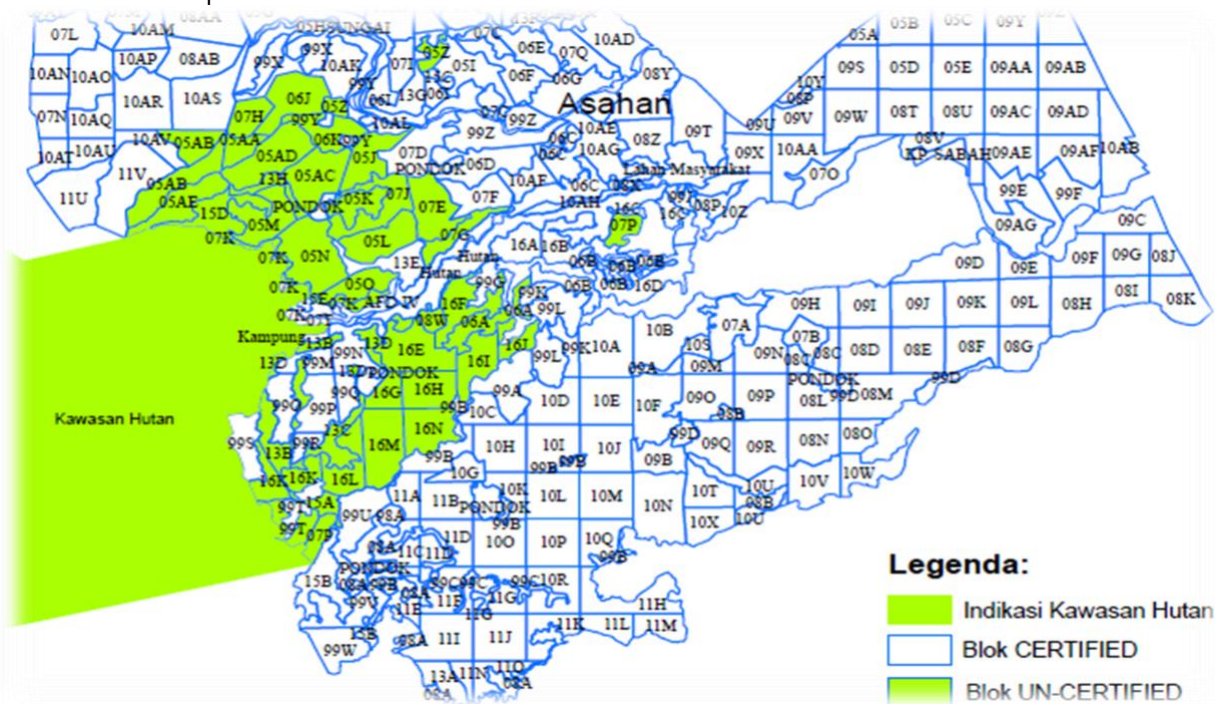
Showing a letter of explanation from the Forestry Service regarding the status of the 1,650 Ha land.

Based on the explanation above, it is concluded that this discrepancy has not been fulfilled.

Auditor verification dated 28 October 2023

The company showed evidence of improvement:

- Letter from the Forestry Service of the North Sumatra provincial government No. 522/1085 dated 29 March 2018, in point number 2 explained There are results of overlaying the location of the Sei Kopas plantation covering an area of $\pm 6,402.19$ Ha according to the land plot map Number: 32/07/2010 dated 11 November 2010, against the attachment map of the Minister of Forestry Decree Number: SK.579 /Menhut-II/2014 dated 24 June 2014 concerning the forest area of North Sumatra province, an area of $\pm 4,751.85$ Ha is in other user area (APL) and an area of $\pm 1,650.34$ Ha is in forest area with the function of conversion production forest (HPK).
- Map of uncertified area of Sei Kopas plantation with a scale of 1:55,000 describing the uncertified area. The uncertified areas described in the map are as follows:



Based on the explanation above, it is concluded that this non-conformity has been fulfilled and will be observed again in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Radytio Puspanjana

NCR No.	: 2023.08	Issued by	: Radytio Puspanjana
Date Issued	: 2 September 2023	Time Limit	: 01 December 2023
NC Grade	: Major / Critical	Date of Closing	: 16 October 2023
Standard Ref. &	: 3.8.8 Sales and Goods Out		

Requirement	<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> <ol style="list-style-type: none"> The name and address of the buyer; The name and address of the seller; The loading or shipment / delivery date; The date on which the documents were issued; RSPO certificate number; A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations).
<p>Evidence observed (filled by auditor): Based on the verification results of the Transaction Report document in palm trace, there are CSPO and CSPK sales starting from certified in 2020 until the ASA 3 audit takes place in 2023 with Confirmed status. However, PKS has not been able to show proof of information regarding Sales and Goods Out of RSPO certified products, available in various forms of documents, for example shipping notes, shipping documents, and specification documents, for example sales and purchase contract documents for RSPO certified products, delivery letters, invoices and shipping announcements</p> <p>Non-Conformance Description (filled by auditor): POM has not been able to show proof of sales documents and outgoing goods that explain RSPO certified products.</p>	
<p>Root Cause Analysis (filled by organization audited) : Lack of understanding of the QA Assistant at PKS in presenting documentary evidence of RSPO certified products</p>	
<p>Correction (filled by organization audited) :</p> <ul style="list-style-type: none"> Shows information regarding Sales and Goods Out of RSPO certified products : delivery notes, shipping documents and specification documents, for example sales and purchase contract documents for RSPO certified products, delivery letters, invoices and shipping announcements for samples for April, May and June 2023 Documentation of marking of uncertified blocks from Sei Kopas Plantation at PKS weighing post 	
<p>Corrective Action (filled by organization audited) : Socialization to PIC monitoring at PKS carried out from the Planning Section for RSPO certified and non-RSPO certified product procedures</p>	
<p>Addendum (4 Oct 2023): Evaluation of socialization to ensure information from these activities can be received, understood and implemented by workers</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor) : Auditor verification date October 2, 2023 The company shows proof of improvement, in the form of examples of CSPO sales :</p> <ul style="list-style-type: none"> contract No. 0126/HOLDING/CPO-L/N-IV/V/2023 dated 4 January 2023 which explains the sale of PTPN IV represented by PTPN III based on the agreement to appoint CPO sales authority dated 4 January 2023. Buyer of PT Industri Nabati Lestari 500-ton (CSPO) from PKS Pasir Mandoge. Delivery time is no later than 25 working days. →OK Proforma invoice 0126/HOLDING/CPO-L/N-IV/V/2023 dated 5 May 2023, amounting to 500,000 kg of RSPO CSPO franco product delivery conditions. →OK Proforma premium invoice 0126/HOLDING/CPO-L/N-IV/V/2023 dated 5 May 2023, amounting to 500,000 kg (RSPO CSPO product) delivery conditions for franco buyers of PKS Sei Mangkei. →OK Delivery order document no 04.05/ PAM/MS/343/V/2023 dated 8 May 2023 Proforma invoice 0126/HOLDING/CPO-L/N-IV/V/2023 dated 5 May 2023 for 500,000 kg. →OK Receipt for delivery of palm oil commodity dated 12 May 2023 Contract number 0126/HOLDING/CPO-L/N-IV/V/2023 delivery order number No 04.05/PAM/MS/343/V/2023 CSPO product quantity 500,000 kg. →OK Example of weighing receipt at the Pasir Mandoge POM dated 12 May 2023 transport police number BK 8911 ES gross 39620 kg, tare 11480 kg and net 28140 kg. →OK 	

- Shipping a notice explaining the seller PTPN IV Pasir Mandoge POM (RSPO-PO1000004277) contract no 0126/HOLDING/CPO-L/N-IV/V/2023 buyer PT Industri Nabati Lestari (RSPO RSPO-PO1000010734) Shipping / bill of lading 26 June 2023, quantity 500 MT (transaction ID TR-46299c29-dfdf) confirmation date by buyer 10 August 2023. →OK
- Decree no. PKS PAM/ SK/17/IX/2023 regarding the appointment of SCCS coordinator officers (Robert J Ginting and Haditia Pramuda Harahap) on September 7 2023 which was signed by the PKS manager. →OK
- Socialization of the uncertified block & cover letter for plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.

Based on the proof of improvement submitted, it is stated that this nonconformity has been **fulfilled**

Follow up on next audit (filled by auditor):

Verified by : **Radytio Puspanjana**

NCR No.	: 2023.09	Issued by	: Radytio Puspanjana								
Date Issued	: 2 September 2023	Time Limit	: 01 December 2023								
NC Grade	: Major / Critical	Date of Closing	:								
Standard Ref. & Requirement	<div>3.8.12</div> <div>Record keeping</div> <div>I. The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</div> <div>II. Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</div> <div>III. For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</div> <div>IV. For Mass Balance Module, the mill:<div>a) shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.</div><div>b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</div><div>c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)</div></div>										
<div>Evidence observed (filled by auditor):</div> <div>The results of interviews with Head of Administration, weighbridge operator in POM and FFB administration in Estate showed that workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the procedure and have been able to explain well about the management of certified and uncertified products, especially regarding the origin of the FFB source.</div> <div>Based on the results of interviews with the system and certification document team as well as the results of verification of the SOP document for Handling Certified Palm Oil Products (Doc. No.: 04.03/UNIT/SUS/P/001), explained that the handling of FFB from the plantation must be recorded in the fruit delivery letter (SPB), FFB originating from RSPO certified plantation areas are given a CSPO stamp, while those not originating from RSPO certified plantations are not given a CSPO stamp.</div> <div>The company has inventoried areas that have not yet taken RSPO certification in the Sei Kopas plantation which has produced FFB with the following details:</div> <table><tr><td>Division</td><td>Planting years</td><td>Block</td><td>Total (Ha)</td></tr><tr><td>IV</td><td>2006 – 2016</td><td>06A, 07P, 08W, 13B, 13C, 13D.</td><td>262</td></tr></table>				Division	Planting years	Block	Total (Ha)	IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D.	262
Division	Planting years	Block	Total (Ha)								
IV	2006 – 2016	06A, 07P, 08W, 13B, 13C, 13D.	262								

		15A & 16 E until 16 N.	
V	2007	07 E & 07 G	36
VI	2005 – 2015	05 J until 05 O, 05 Z, 05 AA, 05 AC, 05 AD, 06 J, 06 K, 07 H, 07 J, 07 K, 07 T, 15 D dan 15 E.	274
VII	2005	05 AE & 05 AB	28
Total			610

Based on the results of interviews with the harvest foreman in block 07E, it was explained that the foreman did not understand RSPO certification or how to record FFB originating from RSPO certified and non-certified plantations.

As a result of verification of several FFB lading letter (SPB) documents issued by Sei Kopas Estate, information was obtained that FFB had been recorded originating from plantation areas that were not yet RSPO certified, namely:

- Fruit delivery letter dated 1 July 2023 No SPB 2/06/7/2023 originating from the harvest block section VI blocks 05 L and 07 J affixed with the stamp CSPO police number of the transport truck 8566 EN. Weighing receipt dated 2 July 2023 No. SPB 2/06/7/2023 originating from section VI blocks 05 L and 07 J with the police number of the transport truck 8566 EN affixed with CSPO stamp No. MUTU-RSPO/147 model MB (counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 4/7/07/2023 originating from the division VII harvest block, blocks 05 AE and 05 AV, affixed with the CSPO stamp, transport truck police number 8737 EN. Weighing receipt dated 12 July 2023 No. SPB 4/7/07/2023 originating from section VI blocks 05 AE and 05 AV affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).
- Fruit delivery letter dated 12 July 2023 No. SPB 3/7/07/2023 originating from the division VII harvest block, blocks 05 AB and 10 AU, affixed with the CSPO stamp, police number of the transport truck 8571 EN. Weighing receipt dated 12 July 2023 No. SPB 43/7/07/2023 originating from division VI blocks 05 AB and 10 AU affixed with CSPO stamp No. MUTU-RSPO/147 model MB(counts as RSPO certified FFB).

The results of the interview with the Operator / Weight officer explained that if there is a CSPO-stamped FFB fruit delivery letter (SPB) originating from the Sei Kopas Estate, then all of it will be input into the system as an RSPO certified product.

Thus, there is a record of FFB originating from plantation areas that are not RSPO certified (Non certified), which are claimed to be FFB originating from RSPO certified areas (certified)

Non-Conformance Description (filled by auditor):

POM has not been able to show evidence that the verification and recording of tonnage amounts and sources for certified FFB, and tonnage amounts for uncertified FFB have been carried out accurately.

Root Cause Analysis (filled by organization audited):

Lack of understanding of weighing clerks at POM in handling uncertified FFB

Correction (filled by organization audited):

- Improve mass balance monitoring according to the amount of uncertified FFB entering from the Sei Kopas plantation.
- Providing training to PIC SCCS Sei Kopas estate and Pasir Mandoge Mill which is carried out by the Planning Section for RSPO certified and non-RSPO certified product procedures.
- Shows the original FFB document from the uncertified block

Corrective Action (filled by organization audited):

Appoint a PIC at the POM who is responsible for handling uncertified FFB.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification date October 2, 2023

The company shows evidence of improvement:

- Letter for fruit originating from uncertified block afdeling V from blocks 10 AQ and 10 AH dated 18 September 2023, planting year 2010. Receipt for weighing at Pasir Mandoge POM from afdeling 05 dated 18 September 2023, the document

explains that there is a POM security guard stamp and QA is not there is an RSPO certified stamp. → However, in the inventory data of the uncertified area in subdivision V located in blocks 07 E & 07 G for the 2007 planting year, this does not coincide with the evidence of improvement provided.

October 24 :

Blocks 07 E and 07 G are included in the uncertified area according to the attached map. This is in accordance with SE number 04.04/SE/12/VIII/2023 dated 8 August 2023. As a result of the restructuring of the subdivisions, Sei Kopas Estate, which previously had 8 subdivisions, was reduced to 7 subdivisions, but the block numbering did not change.

- Receipt FFB transporter from uncertified block afdeling IV (four) from blocks 05 K and 16 M. Date 17 September 2023 for planting years 2005 and 2016. Receipt for weighing at Pasir Mandoge POM Not legible.
- Receipt FFB transporter from uncertified block afdeling V (five) from blocks 07 E and 05 J. Date 17 September 2023, planting years 2007 and 2005. → Weighing receipt at the Pasir Mandoge POM is not clearly legible, while the Receipt FFB transporter number is different from the Receipt FFB transporter from the estate, at Receipt FFB transporter estate 5 at Receipt FFB transporter receipt number 6.
- Receipt FFB transporter from uncertified block afdeling V (five) from blocks 07 E and 05 J. Date 17 September 2023, planting years 2007 and 2005. → Weighing receipt at the Pasir Mandoge POM is not clearly legible, while the Receipt FFB transporter number is different from the Receipt FFB transporter from the estate, at Receipt FFB transporter estate 5 at Receipt FFB transporter receipt number 6.
- Receipt FFB of uncertified block afdeling V (five) from blocks 07 E and 05 J. Date 17 September 2023, planting years 2007 and 2005. → Weighing receipt at the Pasir Mandoge POM is not clearly legible, while the Receipt FFB number is different from the Receipt FFB from the estate, at Receipt FFB estate 5 at Receipt FFB receipt number 6.
- Receipt FFB of uncertified block afdeling V (five) from blocks 13 D, 07 J and 05 F Date 16 September 2023, planting years 2013, 2007 and 2005. Receipt for weighing at the Pasir Mandoge POM explaining Receipt FFB No 1/4/ 9/2023. → However, in the inventory data of the uncertified area in subdivision V located in blocks 07 E & 07 G for the 2007 planting year, this does not coincide with the evidence of improvement provided.
- Minutes of the socialization event for the separation of uncertified blocks on September 15 2023, which was attended by the plant assistant head, estate personnel assistant, general foreman and harvest foreman. It was explained in the socialization that FFB delivery officers must understand that uncertified blocks are marked with a red pole and FFB originating from uncertified blocks does not have a CSPO stamp and recipients at the POM must understand this recording. If the Receipt FFB is found to have a CSPO stamp in a certified block, it will given a warning and sanctions to the harvest foreman.
- Photo of uncertified block boundary marking in divisions IV and V.
- Decree no. PKS PAM/ SK/17/IX/2023 regarding the appointment of SCCS coordinator officers (Robert J Ginting and Haditia Pramuda Harahap) on September 7 2023 which was signed by the POM manager.

Respon auditor:

The companies need to show proof of improvement in the form of:

- Root Cause Analysis

Management is lacking in monitoring the classification of the origin of FFB from certified blocks due to the absence of personnel to supervise in the field → to show how the certification unit ensures the appointment of personnel to supervise in the field for uncertified areas (which are for estates)? Who shows it and who is shown it, and how to confirm this task for areas that are uncertified.

24 October 2023:

Management carries out outreach to workers in divisions and appointed PICs regarding the explanation and management of uncertified blocks and carries out daily monitoring of uncertified FFB shipments before the FFB is sent to the POM.

- Correction

Identify all blocks that are not certified and mark these blocks in the field and record them at the office and on the scales so that the blocks in question are in accordance with the applicable SOP. → to show the identification results of all uncertified blocks (maps that are uncertified, overlay with legal status which is the reason why the area is uncertified), because it is different from the proof of improvement provided and all evidence has marked uncertified blocks.

- Corrective Action

Determine the PIC responsible for monitoring the separation of FFB origin from certified and uncertified blocks. → to show how

the certification unit ensures the appointment of personnel to supervise in the field for uncertified areas (those for estates)? Who shows it and who is shown it, and how to confirm this task for areas that are uncertified.

Daily monitoring of FFB delivery supervised by the Assistant Head □ please provide proof of realization.

- So that proof of improvement is shown for the other uncertified areas, divisions 6 and 7 because only divisions four and five have been shown.
- So that proof of improvement is shown for the other uncertified areas, divisions 6 and 7 because only divisions four and five have been shown.
- Noted# to send a scanned document that is clearly legible so that the auditor does not misread it and draw the wrong conclusions.

Based on the proof of improvement submitted, it is stated that this discrepancy has not been fulfilled

Auditor verification date October 12, 2023

The company shows evidence of improvement:

- The Map of the Sei Kopas plantation which explains the non-certified area with a scale of 1:5700, while the non-certified area is detailed as follows:

Afdeling	Lokasi blok
IV	07P, 06A, 16F, 16J, 08W, 06A, 16I, 16E, 16H, 16N, 16E, 16G, 16M, 16L, 16K, 13D, 13C, 13B, 15A.
V	07E, 07G
VI	05Z, 06J, 07H, 06K, 05J, 07J, 05K, 05L, 05AC, 05AD, 05AA, 13H, 05N, 05O, 15D, 07K, 15E, 07K, 07T, 05M
VII	05AB, 05 AB, 05AE

On the previous map there were no uncertified blocks in subdivision VI block 13 H, why is there one on the last map?

- Socialization of uncertified blocks & introductory letters to plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.
- Table of non-certified block areas in the Sei Kopas plantation which explains that the non-certified areas are in divisions IV (four), V (five) and VI (six) → why is this data different from the non-certified area map with a scale of 1:5700.
- FFB transpoter letter from the four blocks K, B, L M dated 20/09/2023 explains that the FFB transpoter letter is not labeled as a certified FFB area.
- Fruit cover letter from afdeling four blocks A and L dated 09/20/2023 explains that the FFB transpoter letter is not labeled as a certified FFB area.
- FFB transpoter letter from division five blocks 15 D and 13 H dated 09/20/2023 explaining that the FFB transpoter letter is not labeled as a certified TBS area → this block is not on the non-certified area map with a scale of 1:5700.'
- FFB transpoter letter from division five blocks 15 D and 15 E dated 09/20/2023 explaining that the SPB is not labeled as a certified TBS area □ this block is not on the non-certified area map with a scale of 1:5700.'
- Socialization of SCCS procedures on September 26 2023.
- Sei Kopas plantation unit manager's decision letter no SKO/SK/126.A/X/2023 dated 1 October 2023 which explains the officers responsible for monitoring uncertified blocks in the Sei Kopas plantation. Officer ; assistant head of rayon A and B plants, plant assistant divisions IV, V and VI and plant head. → what about the uncertified area in division VII?
- Hasil monitoring area uncertified tanggal 1 bulan Oktober 2023 di afdeling V blok uncertified 06J, 06K, 07H → blok ini tidak ada di peta identifikasi area uncertified
- Monitoring results of uncertified areas on 1 October 2023 in subdivision V of uncertified blocks 06J, 06K, 07H □ this block is not on the uncertified area identification map.
- Results of monitoring of uncertified areas on 2 October 2023 in subdivision IV uncertified blocks 06A, 07P, 16 E and 16 F.
- Results of monitoring of uncertified areas on the 4th of October 2023 in afdeling IV uncertified blocks 07G, 07J, afdeling V 05 AB and afdeling VI 05Z. → on the map identify the uncertified area blocks 07G, 07J not in subdivision IV

→ How about uncertified di afdeling VII?

Auditor response:

- To show a map of the non-certified area with a scale of 1:5700 overlay with the area status map, so that it can explain why the area is an uncertified area.
- To show FFB transpoter letter originating from uncertified areas that are in sync with the results of identifying uncertified areas.
- So that it is also indicated who will monitor the uncertified area in afdeling VII
- To show what items are being monitored? Apart from the number of bunches because it has not explained the traceability of FFB.

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

Auditor verification date October 25, 2023

- The Map of the Sei Kopas plantation which explains the non-certified area with a scale of 1:5700, while the non-certified area is detailed as follows:

Afdeling	Lokasi blok
IV	07P, 06A, 16F, 16J, 08W, 06A, 16I, 16E, 16H, 16N, 16E, 16G, 16M, 16L, 16K, 13D, 13C, 13B, 15A.
V	07E, 07G
VI	05Z, 06J, 07H, 06K, 05J, 07J, 05K, 05L, 05AC, 05AD, 05AA, 13H, 05N, 05O, 15D, 07K, 15E, 07K, 07T, 05M
VII	05AB, 05 AB, 05AE

On the previous map there were no uncertified blocks in subdivision VI block 13 H, why is there one on the last map?

- Table of non-certified block areas in the Sei Kopas plantation which explains that the non-certified areas are in divisions IV (four), V (five), VI (six) and VII (seven). To the table of uncertified block areas in subdivision IV there is block 18 L while in the non certified area map there is no block 18 L which is included in the non certified area?
- Socialization of uncertified blocks & introductory letters to plant assistants, plantation personnel assistants, plant assistants, general foremen, palm oil CE cranes, production clerks and harvest foremen on October 4 2023.
- Restructuring division no 04.04/SE/12/VIII/2023 dated 08 August 2023.
- Monitoring results of uncertified areas on 1 October 2023 in subdivision V block 06J, 06K, 07H
- Results of monitoring of uncertified areas on 2 October 2023 in subdivision V blocks 06A, 07P, 16 E, F
- Monitoring results of uncertified areas on 3 October 2023 in subdivision V blocks 06A, 13D, 16E,
- Results of monitoring of uncertified areas on 4 October 2023 in subdivision IV block 13C, 07G J, subdivision V 05AB, subdivision VI 05Z.
- Monitoring results of uncertified areas on 5 October 2023 in subdivision IV block 07J, 05K, L, O subdivision V 15D
- Sei Kopas plantation unit manager's decision letter no SKO/SK/126.A/X/2023 dated 1 October 2023 which explains the officers responsible for monitoring uncertified blocks in the Sei Kopas plantation. Officer ; assistant head of rayon A and B plants, plant assistant divisions IV, V and VI and plant head. If we refer to block change data, the uncertified area in subdivision VII has moved to subdivision V. Why is it that on the map the uncertified area is still in subdivision VII?
- Socialization of SCCS procedures on September 26 2023.

Respon auditor :

- To show a map of the non-certified area with a scale of 1:5700 overlay with the area status map, so that it can explain why the area is an uncertified area.
- To show FFB transpoter originating from uncertified areas that are in sync with the results of identifying uncertified areas.
- To show who will monitor the uncertified area in subdivision VII, because on the map the area is still in subdivision VII.
- To show what items are being monitored? Apart from the number of bunches, it does not explain the traceability of other FFB, for example regarding the boundaries of uncertified areas because there are areas in certified and non-certified blocks.

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

Auditor verification date 28 October 2023

Company shows evidence of improvement:

- Marking of uncertified areas in the form of photos of red paint marks on oil palm trees.
- Monitoring the traceability of uncertified blocks, on 1 November 2023 the things monitored are socialisation, giving red marks on oil palm stands, monitoring the marks on SPB sent to the PKS, determining the PIC of uncertified blocks, table of uncertified blocks in afdeling IV, V and VI.
- Monitoring uncertified blocks every day in October 2023, for example on 5 October 2023, certificate blocks 11V, 13H were filled in (even though these blocks, based on the map of uncertified areas of Sei Kopas plantation with a scale of 1:58,000, are uncertified areas and forest areas) -> Please confirm the suitability of other data.
- Decree of the Sei Kopas plantation unit manager No. SKO/KPTS/20/XI/2023 responsible for monitoring the uncertified block are 4 plantation assistants, foreman 1, production clerk and harvest foreman.
- SPB sample from October 2023 which explains that the uncertified area is not stamped by RSPO on the SPB.
- Map of the uncertified area of Sei Kopas plantation with a scale of 1:58,000 explaining that the uncertified area is located in afdeling IV, V and VI with block details:

Afdeling	Block Location
IV	07P, 06B, 16B, 16A, 99K, 99L, 06A, 21M, 16J, 06A, 16F, 16I, 08W, 99B, 16H, 16 E, 16N, 16M, 16G, 13D, 16L, 13C, 21L, 16K, 21J, 5A, 07P, 13B, 21I, 21H, 13D, 13B, 07T, 07K, 15E, 05O, 07K, 13E, 05N, 07K, 05L, 07 G, 07J, 05K, 05M.
V	10AH, 06C, 07F, 10AF, 06C, 06D, 07D, 21N, 07D, 07C, 10AK, 210, 10AS, 05AB, 05AE, 15D, 07K, 13H, 05AA, 07H, 06J, 05Z, 21P, 06K, 05AD, 05AC, 05J, 07E
VI	07I, 06I, 10AL, 13G, 15C, 05Z

Auditor response:

- The uncertified area map of Sei Kopas plantation with a scale of 1:58,000 illustrates the uncertified area because it is included in the forest area, but not all areas with forest area boundaries are included in the uncertified area (marked in pink) only those that are shaded are declared as uncertified areas, please explain.
- To show the monitoring documents that are in sync with the results of the uncertified area identification (the explanation is in the Auditor verification dated 13 November 2023).

7 November 2023 :

- Showing the latest forest area overlay farm map (green colour is the area included in the forest area while the white colour inside the block boundary is the certified farm area).
- Minutes document explaining the lack of accuracy in recording the monitoring of tbs shipments from certified and non-certified block origins.

Follow up on next audit (filled by auditor):

Verified by : **Radytio Puspanjana**

NCR No.	2023.10	Issued by	Firda Tarunajaya
Date Issued	02 September 2023	Time Limit	01 December 2023
NC Grade	Major	Date of Closing	30 October 2023
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):

Bukti yang diamati (dilengkapi oleh auditor):

Based on Review of the Regulation Directors of PT Perkebunan Nusantara III (PERSERO) Number DIR/PER/10/2022 concerning employee recruitment within the PTPN IV, in Article 1 it is explained that:

- Permanent Employees are employees who have a working relationship with the Company based on the Permanent Employees Letter
- Non-Permanent Employees are employees who have an employment relationship with the Company based on Contract Letter
- The Permanent Employees Letter is a work agreement between a permanent employee and the company to enter into an employment relationship for a certain time or for a certain job
- Non-Permanent Employees Letter is a work agreement between a non-permanent employee and a company to enter into an employment relationship for a certain time or for a certain job

Based on field observations showed that there were non-employee workers who carried out work in the company area, namely:

- Tonduhan Estate,
 - There are 2 harvester wives (initials RS and AS) who help their husbands to picker loose fruit. Based on interview that the correspondent helped her husband work in the harvest area to make his work easier
 - There are 4 not employees who work in the field, namely the initials S, K, T and T. The results of this work are included in the work results of other harvesters. This worker have'n been registered on the PT PN IV employee list and illegal worker. Based on interview that all work equipment was provided by the Company and salary was taken through other harvesters
 - Their salaries go to the harvesters with the initials K, S and H
 - They are do not have Social Assurance and Health Assurance
- Sei Kopas Estate
 - There are 2 illegal Workers (initials YSD, and D) who carry out harvest work in the field
 - Based on interview, that the illegal worker received harvesting equipment from the company
 - Their salaries go to the harvesters with the initials with the initials A and M
 - They are do not have Social Assurance and Health Assurance

Based on the assessment above, it shows that there are workers who work in the company area even though they do not have a collaborative relationship with the company. The company does not have sufficient evidence that all employees have work agreements and related documents that regulate detailed wages and other work conditions

Non-Conformance Description (filled by auditor):

Deskripsi Ketidaksesuaian (dilengkapi oleh auditor):

Perusahaan belum memiliki cukup bukti bahwa seluruh karyawan telah memiliki perjanjian kerja beserta dokumen-dokumen terkait yang mengatur rinci upah dan persyaratan kerja lainnya

Root Cause Analysis (filled by organization audited):

Analisa Akar Masalah (dilengkapi oleh organisasi yang diaudit):

Lack of management outreach and supervision to harvesting workers regarding the prohibition on employing family members and/or workers who do not have a work agreement

Correction (filled by organization audited):

Koreksi (dilengkapi oleh organisasi yang diaudit):

1. Submit an Internal Manager's Letter equipped with a monitoring form regarding the Prohibition of employing family members and/or workers who do not have work ties
2. Socialization to all workers regarding the prohibition of employing family members and/or workers who do not have work ties
3. Determine a PIC who is responsible for monitoring harvesting workers without auxiliary personnel
4. Daily monitoring of inspections of the use of workers without work bonds throughout Afdeling, supervised by the Afdeling Assistant

Corrective Action (filled by organization audited):

Tindakan Korektif (dilengkapi oleh organisasi yang diaudit):

Assessor Evaluation and Conclusion *(filled by auditor):*
Evaluasi Penilai dan Kesimpulan *(dilengkapi oleh auditor):*
Follow up on next audit *(filled by auditor):*
Follow up saat penilaian audit berikutnya *(dilengkapi oleh auditor):*
Follow up during the next audit assessment *(completed by the auditor) :*
Auditor Verification, September 27th, 2023

The company has not yet determined the root cause, correction and corrective action. Companies need to determine that.

The company shows decision letter no. TON.MU/Kpts/692/IX/2023 made by the Unit Manager on 13 September 2023 concerning the Determination of 'the Family Cup' Monitoring Team at Tonduhan Estates, namely:

1. Establish a Family Cup Monitoring Team related to the principles and criteria of RSPO certification in the Tonduhan Estate, namely plant assistant divisions 1, 2 and 3, plantation personnel assistants, document control officers and foremen for divisions 1, 2 and 3
2. Communicate and coordinate with the RSPO/ISPO Tonduhan estate team

Apart from that, the Company shows policy No. TON/SE/Intrn/691/2023 which was made by the Unit Manager on September 13 2023, namely an appeal to all parts of the Tonduhan Estate Department not to use workers who are not employees of the Company.

The company shows a decision letter and policy regarding the recommendation not to use workers who are not employees of the company, but the aim and purpose of issuing these two policies regarding this non-compliance with 6.2.2 is not yet known. Companies must determine the root of the problem first and then determine corrective action. In addition, correction of the discrepancy in question is required.

Based on the description above, this discrepancy has not been fulfilled so that it can provide an explanation of the Auditor's verification results above in detail, measurable and documented.

Auditor Verification, October 16th, 2023

The company has determined the root of the problem, corrections and corrective actions, but there are still auditor responses that still require further explanation. Regarding all corrective documents that have been submitted to the Auditor's verification on September 27 2023, it is possible for the Certification Unit to re-determine the root of the problem, corrections and corrective actions that have been carried out. Based on this description, this non-conformity **has unfulfilled**

Auditor Verification, October 30th, 2023

The company has made improvements in root cause analysis, corrections and corrective actions. The company has also shown other improvements, namely the policy of the Unit Manager No. SKO/SE/53/X/2023 on 28 October 2023 concerning the Prohibition of Untied Workers. Based on the description above, this nonconformity has been fulfilled

Verified by Diverifikasi oleh	:	Firda Tarunajaya
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NCR No.	:	2023.11	Issued by	:	Erika Lucitawati
Date Issued	:	02 September 2023	Time Limit	:	01 December 2023
NC Grade	:	Major (Recurring)	Date of Closing	:	27 October 2023
Standard Ref. & Requirement	:	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.			

Evidence observed (filled by auditor):

Based on the previous surveillance-2 assessment, unit of certification demonstrated the following corrective actions:

- Decree for Assistant Afdeling for Pasir Mandoge Estate, Sei Kopas Estate, Tonduhan Estate, and Pasir Mandoge POM in 2022 regarding the Appointment of Monitoring Officers for the Management of Hazardous Waste and Domestic Waste.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in November 2022, November 30 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.
- Domestic waste transportation schedule to landfill afdeling 1 to VIII Central Emplasmen Sei Kopas Estate for November 2022 – January 2023.
- Domestic Waste Transport Schedule for Afdeling I to III for November 2022 and December 2022 for Tonduhan Estate.
- Afdeling I to III Domestic Waste Transport Schedule for the Period January – December 2023 Tonduhan Estate
- Schedule and realization of domestic waste transportation for all Pasir Mandoge POM for the 2022 – 2023 period on 31 December 2022.
- Checklist for Completeness of Domestic Waste Management Facilities for all Afdelings in the Tonduhan Estate on 30 November 2022.
- Evaluation of the domestic waste management of the Pasir Mandoge business unit, 31 December 2022. The evaluation explains the suitability and nonconformity of the monitoring findings carried out by the company.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in December 2022, December 27 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.

In the surveillance-3 assessment, the results of the field visit showed the following:

- Hazardous and toxic waste that is not stored in a licensed temporary storage, including:
 - 10 units of damaged spray caps, 1 sack of used Metsulindo pesticide packaging, and 2 units of used jerry cans for the chemical Hydrogen Peroxide which were stored in the Afdeling Spray Work Equipment Storage Room 7 Kebun Pasir Mandoge.
 - Used spray cans and used fertilizer sacks in the Afdeling Egypt Room 9 Taman Pasir Mandoge.
 - 3 units of gallons of used Kresna and Gempur pesticides at Afdeling Housing 10 Tonduhan Estates.
 - 9 units of used oil packaging at the Tonduhan Estates Emplasmen Housing Estate, Tonduhan Estates.
 - Several damaged spray caps and 7 used batteries in the Used Goods Storage Warehouse next to the Tonduhan Estate Fertilizer Warehouse.
 - Used oil stored since July 2023 next to the Afdeling 4 Housing water pump machine.
- Domestic waste collected and scattered in the following locations:
 - Domestic waste collected along the ditch next to the Pasir Mandoge Estate Office
 - Domestic waste scattered in front of the Pasir Mandoge Estate Security Post
 - Domestic waste collected in the ditch next to Pasir Mandoge Estate Staff Housing.
 - Domestic waste dumped in the ravine beside Office of Afdeling 9 Pasir Mandoge Estate.
 - Domestic waste dumped in the ravine beside Afdeling 9 Pasir Mandoge Estate Housing Complex.
 - Domestic waste scattered and collected in the Tonduhan Estate Emplasmen Housing.
 - Domestic waste scattered and collected beside the Tonduhan Central Warehouse.
 - Domestic waste piled up in housing Afdeling 4 and Afdeling 6 Sei Kopas Estate.

The results of interviews with housing residents in Afdeling 8 and Afdeling 10 Kebun Pasir Mandoge showed that there was no transportation of domestic waste so that the domestic waste produced was piled up and burned.

Apart from that, in the surveillance-3 assessment, the company has not shown documentary evidence related to the corrective actions contained in the surveillance-2 assessment, such as waste transportation schedules, waste management monitoring checklists, as well as waste management evaluation results for each unit.

The company has the following waste management procedures:

- SOP for domestic waste management described in SPO 20 revision 03 effective date 30 December 2021 and approved by Head of the Planning Department. The SOP explains that each employee's housing must be equipped with a trash bin with

specifications that are lightweight, rust-resistant and waterproof. Temporary waste bins in housing are separated between organic and inorganic, creation of final waste disposal site, far from tributaries, landfill (burial) sanitation system, distance of landfill from housing is at least 300 m. The cleaning staff periodically collects the waste and disposes of it in the TPA.

- SOP for hazardous waste management with number SPO 02 revision 03 effective date 27 August 2018 and ratified by Head of the Planning Section. The SOP explains that hazardous waste produced by operational activities is stored in the Temporary Hazardous Waste Storage.

Non-Conformance Description (filled by auditor):

The company has not shown evidence that hazardous and domestic waste management has been carried out consistently according to the procedures it has.

Root Cause Analysis (filled by organization audited):

Lack of Management supervision and commitment to domestic waste management in accordance with applicable SOPs due to the absence of special officers and a special fleet to transport domestic waste supervised by Assistants.

Correction (filled by organization audited):

- Documentation of cleaning up domestic waste throughout Afdeling transported to landfill which has been provided by the company
- Documentation of transportation of ex-hazardous and toxic waste to Hazardous and Toxic Waste Temporary Storage that has been provided
- Socialization to all workers and their families regarding managing domestic waste without burning
- Posting warnings at the Afdeling office and in public facilities in Afdeling prohibiting the dumping and burning of domestic waste in residential areas

Document evaluating understanding of socialization to workers

Corrective Action (filled by organization audited):

- Assign a PIC of special workers to collect and manage domestic waste
- Show the domestic waste transportation schedule supervised by the Assistant
- Providing a special fleet for transporting domestic waste to facilitate the transportation of domestic waste
- *Krani* DSS (Document System and Certification) are workers at PT Perkebunan Nusantara IV whose main task is to work on documents related to the fulfillment of all ongoing certifications in their respective work units.
- The socialization and implementation evaluation documents are combined in the socialization evaluation document because their implementation is concurrent.

To ensure the effectiveness of domestic waste management in Sei Kopas, not all special officers are placed in subdivisions, but rather fewer but specialized officers are tasked with transporting domestic waste throughout the subdivisions according to the transportation schedule and equipped with special transport.

Assessor Evaluation and Conclusion (filled by auditor):

02 October 2023

The company shows proof of repair documents as follows:

Pasir Mandoge Estate

- Minutes of Return of Hazardous & Toxic Waste in the form of solo pumps, jerry cans and used packaging on 4 September 2023 from Afdeling IX to the Hazardous & Toxic Waste Temporary Storage.
- Minutes of Return of Hazardous & Toxic Waste in the form of solo pumps, jerry cans and used packaging on 4 September 2023 from Afdeling VII to the Hazardous & Toxic Waste Temporary Storage.
- Evaluation of the Monitoring of Domestic Waste (Trash) Management at Pasir Mandoge Estate on 04 September 2023 which contains an examination of the presence of rubbish bins in offices and housing, the condition of landfill, the absence of burning of rubbish, etc.
- Monitoring of domestic waste collection at Pasir Mandoge Estate Afdeling I-X and Emplasment in September 2023 which is carried out once a week.
- Letter No. PAM/SE Intern/21/IX/2023 dated 05 September 2023 regarding the management of domestic waste, Hazardous & Toxic Waste /garbage similar to household waste by Pasir Mandoge Estate Manager. The letter states that employees should dispose of rubbish in the place provided (burlap/trash cans), monitor every week in the housing complex, provide trucks to transport rubbish every week, and prohibit burning of rubbish.
- Decree no. PAM/MU/01/IX/2023 concerning Special Officers for the Management of Domestic Waste, Hazardous & Toxic Waste, and Waste Similar to Household Waste dated 05 September 2023 by the Pasir Mandoge Estate Manager containing Assistant Afdeling and Plant Foreman I as special officers. SK No. KEBUN PAM/SK/I/IX/2023 regarding the Appointment of Special Transport Officers

- Decree No. KEBUN PAM/SK/II/IX/2023 concerning the Determination of a Special Officer for Transporting Domestic Waste, Similar to Household Waste/Hazardous & Toxic Waste dated 07 September 2023 by the Manager of Kebun Pasir Mandoge, containing the appointment of Suyetman as a special officer for transporting domestic waste in Afdeling 1-10 Kebun Pasir. Mandoge.
- Socialization on the management of Hazardous & Toxic Waste/trash similar to household waste on 04-07 September 2023 which was attended by 350 employees of Afdeling I-X Pasir Mandoge Estate.

Tonduhan Estate

- Minutes of the return of used solo pumps and used batteries to Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on 09 September 2023.
- Minutes of the return of used jerry cans and ex-fertilizer jute to Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on 11 September 2023.
- Minutes of the return of used oil jerry cans and ex-fertilizer jute to Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on September 13 2023.
- Hazardous & Toxic Waste Balance Sheet for September 2023 contains used solo pumps, used batteries, ex-oil jerry cans and fertilizer inners which were put into the Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on 09-13 September 2023.
- Decree No. TON/KTPS/693/IX/2023 concerning the Determination of Special Officers for Transporting Domestic Waste Similar to Household Waste/ Hazardous & Toxic Waste dated 14 September 2023 by the Tonduhan Estate Manager containing special officers for transporting domestic waste/Hazardous & Toxic Waste a.n. Mustahit Pasaribu at the Emplasmen Central Housing and Afdeling Tonduhan Estate.
- Decree no. TON.MU/Ktps/694/IX/2023 concerning Notification of the Domestic Waste Management Monitoring Team Regarding the Principles and Criteria for RSPO Implementation Certification dated 09 September 2023 by the Tonduhan Estate Manager containing the determination of the Domestic Waste Management Monitoring Team at the Tonduhan Plantation consisting of Plant Assistants/*Krani* I Afdeling I-III, Plantation Personnel Assistant, and System Document and Certification Crane.
- Letter dated 09 September 2023 from the Estate Personnel Assistant to the Estate Manager containing a request for the use of a Dump Truck on a schedule twice a week to transport rubbish at the Afdeling I-III housing complex to the landfill at Tonduhan Estate. The letter was responded to and approved by the unit manager on the same date.
- Office and Housing Cleanliness Monitoring Activity Work Program 2023 created by *Krani* DSS on 01 September 2023.
- Domestic Waste Transport Schedule 2023 provided by *Krani* DSS contains waste transport every week in Afdeling I-III and Emplasment.
- Monitoring Table for Afdeling I-III Domestic Waste Management and Tonduhan Estate Emplasment for the 1st Week period, 9 September 2023, made by DSS and containing procedures for managing domestic/household waste in the form of no burning of waste, no dumping of waste, available space waste collection in homes and offices, landfill available, warning signs/signs prohibiting littering, as well as a schedule for transporting domestic waste twice a week.
- Evaluation of Cleanliness Monitoring of Tonduhan Estate Offices & Housing in September 2023.
- Socialization on the management of Hazardous & Toxic Waste /household-type waste on 05 September 2023 at Afdeling I-II Tonduhan Estate which was attended by 67 employees accompanied by photo documentation.

Sei Kopas Estate

- Minutes of Handover of Hazardous & Toxic Waste in the form of used oil to Hazardous & Toxic Waste Temporary Storage Sei Kopas Estate on 15 September 2023.
- Documentation of cleaning up domestic waste at the Sei Kopas Estate employee housing complex.
- Decree no. SKO/SK/18/IX/2023 concerning Officers Responsible for Evaluating and Monitoring Sei Kopas Estate Domestic Waste dated 06 September 2023 by the Sei Kopas Estate Manager containing special officers responsible, namely Estate Personnel Assistant, Personnel Manager, Engineering Foreman, Afdeling Maintenance II and Afdeling V Sei Kopas Estate. However, evidence has not been shown of appointing special officers to manage waste transportation in each subdivision of Sei Kopas Estate.
- Monitoring of Domestic Waste Collection in September 2023 in Afdeling I-VII and Sei Kopas Estate Emplasment which is carried out once a week in each afdeling.
- Socialization of domestic household waste on 06 September 2023 which was attended by 77 participants from Afdeling IV Kebun Sei Kopas.

Based on the explanation above, there are still auditor notes that the company needs to answer. Thus, the nonconformity is declared not yet fulfilled.

17 October 2023

The company shows the following documents:

- Monitoring Understanding of Domestic Waste Management of Pasir Mandoge POM 146 participants from PKS Pasir Mandoge employees. However, there is no information yet on the timing of this activity.
- Monitoring Understanding of Domestic Waste Management at Pasir Mandoge Estate on 4 September 2023 for 523 participants from employees of Afdeling I-X and Pasir Mandoge Estate Emplasment.
- Monitoring Understanding of Sei Kopas Estate Domestic Waste Management on 26 September 2023 for 361 participants from employees of Afdeling I-VII and Sei Kopas Estate Emplasment.
- Monitoring Evaluation of Sei Kopas Estate Domestic Waste Management on 28 September 2023.
- Monitoring Understanding of Domestic Waste Management in Tonduhan Estate on 30 September 2023 for 174 participants from employees of Afdeling I-III and Sei Kopas Estate Emplasment.
- Monitoring Evaluation of Domestic Waste Management in Tonduhan Estate on 30 September 2023.

Based on the description above, there are still auditor questions in the correction column dated 02 October 2023 which still need to be answered and explained by the company. Apart from that, the company has not shown the results of the waste management monitoring evaluation at the Pasir Mandoge POM. Thus, this discrepancy is declared not yet fulfilled.

19 October 2023

The company showed the Krani DSS job description document. However, evidence has not been shown of appointing special officers to manage waste transportation in each subdivision of Sei Kopas Estate. Thus, this discrepancy is declared not yet fulfilled.

27 October 2023

The company has shown evidence of appointing special officers to manage waste transportation in Sei Kopas Estate in general. Thus, this discrepancy is declared to have been fulfilled.

Follow up on next audit (filled by auditor):

Verified by : **Erika Lucitawati**

NCR No.	: 2023.12	Issued by	: Erika Lucitawati
Date Issued	: 02 September 2023	Time Limit	: 01 December 2023
NC Grade	: Major (Recurring)	Date of Closing	: 27 October 2023
Standard Ref. & Requirement	: 7.3.3 The unit of certification does not use open fire for waste disposal.		

Evidence observed (filled by auditor):

Based on the previous surveillance-2 assessment, the company demonstrated the following corrective actions:

- Decree for Assistant Afdeling for Pasir Mandoge Estate, Sei Kopas Estate, Tonduhan Estate, and Pasir Mandoge POM in 2022 regarding the Appointment of Monitoring Officers for the Management of Hazardous Waste and Domestic Waste.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in November 2022, November 30 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.
- Domestic waste transportation schedule to landfill afdeling 1 to VIII Central Emplasmen Sei Kopas Estate for November 2022 – January 2023.
- Domestic Waste Transport Schedule for Afdeling I to III for November 2022 and December 2022 for Tonduhan Estate.
- Afdeling I to III Domestic Waste Transport Schedule for the Period January – December 2023 Tonduhan Estate
- Schedule and realization of domestic waste transportation for all Pasir Mandoge POM for the 2022 – 2023 period on 31 December 2022.
- Checklist for Completeness of Domestic Waste Management Facilities for all Afdelings in the Tonduhan Estate on 30 November 2022.

- Evaluation of the domestic waste management of the Pasir Mandoge business unit, 31 December 2022. The evaluation explains the suitability and nonconformity of the monitoring findings carried out by the company.
- Evaluation of monitoring of domestic waste management for areas I to VIII and the Sei Kopas Estate emplacement in December 2022, December 27 2022, where the document provides details regarding monitoring activities, monitoring results, monitoring evaluation and information.

In the surveillance-3 assessment, the results of the field visit showed the following:

- 7 points of burning of domestic waste in Afdeling 8 Housing Complex Pasir Mandoge Estate.
- 5 points of domestic waste burning at Housing Complex Pasir Mandoge POM.
- 3 points of burning of domestic waste at Afdeling 2 Housing Complex Tonduhan Estate.
- 2 points of burning of domestic waste at Afdeling 1 Housing Complex Tonduhan Estate.
- 4 points of burning of domestic waste at Afdeling 4 Housing Complex Sei Kopas Estate.

The results of interviews with housing residents in Afdeling 8 and Afdeling 10 Kebun Pasir Mandoge showed that there was no transportation of domestic waste so that the domestic waste produced was piled up and burned.

Apart from that, in the surveillance-3 assessment, the company has not shown documentary evidence related to the corrective actions contained in the surveillance-2 assessment, such as waste transportation schedules, waste management monitoring checklists, as well as waste management evaluation results for each unit.

The company has an SOP for domestic waste management which is explained in SPO 20 revision 03 effective date 30 December 2021 and approved by the Head of Planning. The SOP explains that every employee housing must be equipped with a trash bin and dispose of it using a landfill (burial) sanitation system at the final waste disposal site.

Non-Conformance Description (filled by auditor):

The company has not shown evidence that domestic waste management does not use open burning for waste destruction in accordance with existing procedures.

Root Cause Analysis (filled by organization audited):

Lack of Management supervision and commitment to domestic waste management in accordance with applicable SOPs due to the absence of special officers and a special fleet to transport domestic waste supervised by Assistants.

Correction (filled by organization audited):

- Documentation of cleaning up domestic waste throughout Afdeling transported to landfill which has been provided by the company
- Documentation of transportation of ex-hazardous and toxic waste to Hazardous and Toxic Waste Temporary Storage that has been provided
- Socialization to all workers and their families regarding managing domestic waste without burning
- Posting warnings at the Afdeling office and in public facilities in Afdeling prohibiting the dumping and burning of domestic waste in residential areas

Document evaluating understanding of socialization to workers

Corrective Action (filled by organization audited):

- Assign a PIC of special workers to collect and manage domestic waste
- Show the domestic waste transportation schedule supervised by the Assistant
- Providing a special fleet for transporting domestic waste to facilitate the transportation of domestic waste
- *Krani* DSS (Document System and Certification) are workers at PT Perkebunan Nusantara IV whose main task is to work on documents related to the fulfillment of all ongoing certifications in their respective work units.
- The socialization and implementation evaluation documents are combined in the socialization evaluation document because their implementation is concurrent.

To ensure the effectiveness of domestic waste management in Sei Kopas, not all special officers are placed in subdivisions, but rather fewer but specialized officers are tasked with transporting domestic waste throughout the subdivisions according to the transportation schedule and equipped with special transport.

Assessor Evaluation and Conclusion (filled by auditor):

02 October 2023

The company shows proof of repair documents as follows:

Pasir Mandoge Estate

- Minutes of Return of Hazardous & Toxic Waste in the form of solo pumps, jerry cans and used packaging on 4 September 2023 from Afdeling IX to the Hazardous & Toxic Waste Temporary Storage.
- Minutes of Return of Hazardous & Toxic Waste in the form of solo pumps, jerry cans and used packaging on 4 September 2023 from Afdeling VII to the Hazardous & Toxic Waste Temporary Storage.
- Evaluation of the Monitoring of Domestic Waste (Trash) Management at Pasir Mandoge Estate on 04 September 2023 which contains an examination of the presence of rubbish bins in offices and housing, the condition of landfill, the absence of burning of rubbish, etc.
- Monitoring of domestic waste collection at Pasir Mandoge Estate Afdeling I-X and Emplasmant in September 2023 which is carried out once a week.
- Letter No. PAM/SE Intern/21/IX/2023 dated 05 September 2023 regarding the management of domestic waste, Hazardous & Toxic Waste /garbage similar to household waste by Pasir Mandoge Estate Manager. The letter states that employees should dispose of rubbish in the place provided (burlap/trash cans), monitor every week in the housing complex, provide trucks to transport rubbish every week, and prohibit burning of rubbish.
- Decree no. PAM/MU/01/IX/2023 concerning Special Officers for the Management of Domestic Waste, Hazardous & Toxic Waste, and Waste Similar to Household Waste dated 05 September 2023 by the Pasir Mandoge Estate Manager containing Assistant Afdeling and Plant Foreman I as special officers. SK No. KEBUN PAM/SK/I/IX/2023 regarding the Appointment of Special Transport Officers
- Decree No. KEBUN PAM/SK/I/IX/2023 concerning the Determination of a Special Officer for Transporting Domestic Waste, Similar to Household Waste/Hazardous & Toxic Waste dated 07 September 2023 by the Manager of Kebun Pasir Mandoge, containing the appointment of Suetman as a special officer for transporting domestic waste in Afdeling 1-10 Kebun Pasir. Mandoge.
- Socialization on the management of Hazardous & Toxic Waste/trash similar to household waste on 04-07 September 2023 which was attended by 350 employees of Afdeling I-X Pasir Mandoge Estate.

Tonduhan Estate

- Minutes of the return of used solo pumps and used batteries to Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on 09 September 2023.
- Minutes of the return of used jerry cans and ex-fertilizer jute to Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on 11 September 2023.
- Minutes of the return of used oil jerry cans and ex-fertilizer jute to Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on September 13 2023.
- Hazardous & Toxic Waste Balance Sheet for September 2023 contains used solo pumps, used batteries, ex-oil jerry cans and fertilizer inners which were put into the Hazardous & Toxic Waste Temporary Storage Tonduhan Estate on 09-13 September 2023.
- Decree No. TON/KTPS/693/IX/2023 concerning the Determination of Special Officers for Transporting Domestic Waste Similar to Household Waste/ Hazardous & Toxic Waste dated 14 September 2023 by the Tonduhan Estate Manager containing special officers for transporting domestic waste/Hazardous & Toxic Waste a.n. Mustahit Pasaribu at the Emplasmen Central Housing and Afdeling Tonduhan Estate.
- Decree no. TON/MU/Ktps/694/IX/2023 concerning Notification of the Domestic Waste Management Monitoring Team Regarding the Principles and Criteria for RSPO Implementation Certification dated 09 September 2023 by the Tonduhan Estate Manager containing the determination of the Domestic Waste Management Monitoring Team at the Tonduhan Plantation consisting of Plant Assistants/*Krani* I Afdeling I-III, Plantation Personnel Assistant, and System Document and Certification Crane.
- Letter dated 09 September 2023 from the Estate Personnel Assistant to the Estate Manager containing a request for the use of a Dump Truck on a schedule twice a week to transport rubbish at the Afdeling I-III housing complex to the landfill at Tonduhan Estate. The letter was responded to and approved by the unit manager on the same date.
- Office and Housing Cleanliness Monitoring Activity Work Program 2023 created by *Krani* DSS on 01 September 2023.
- Domestic Waste Transport Schedule 2023 provided by *Krani* DSS contains waste transport every week in Afdeling I-III and Emplasmant.
- Monitoring Table for Adeling I-III Domestic Waste Management and Tonduhan Estate Emplasmant for the 1st Week period, 9 September 2023, made by DSS and containing procedures for managing domestic/household waste in the form of no burning of waste, no dumping of waste, available space waste collection in homes and offices, landfill available, warning signs/signs prohibiting littering, as well as a schedule for transporting domestic waste twice a week.
- Evaluation of Cleanliness Monitoring of Tonduhan Estate Offices & Housing in September 2023.
- Socialization on the management of Hazardous & Toxic Waste /household-type waste on 05 September 2023 at Afdeling I-II Tonduhan Estate which was attended by 67 employees accompanied by photo documentation.

Sei Kopas Estate

- Minutes of Handover of Hazardous & Toxic Waste in the form of used oil to Hazardous & Toxic Waste Temporary Storage Sei Kopas Estate on 15 September 2023.
- Documentation of cleaning up domestic waste at the Sei Kopas Estate employee housing complex.
- Decree no. SKO/SK/18/IX/2023 concerning Officers Responsible for Evaluating and Monitoring Sei Kopas Estate Domestic Waste dated 06 September 2023 by the Sei Kopas Estate Manager containing special officers responsible, namely Estate Personnel Assistant, Personnel Manager, Engineering Foreman, Afdeling Maintenance II and Afdeling V Sei Kopas Estate. However, evidence has not been shown of appointing special officers to manage waste transportation in each subdivision of Sei Kopas Estate.
- Monitoring of Domestic Waste Collection in September 2023 in Afdeling I-VII and Sei Kopas Estate Emplasment which is carried out once a week in each afdeling.
- Socialization of domestic household waste on 06 September 2023 which was attended by 77 participants from Afdeling IV Kebun Sei Kopas.

Based on the explanation above, there are still auditor notes that the company needs to answer. Thus, the nonconformity is declared not yet fulfilled.

October 17, 2023

The company shows the following documents:

- Monitoring Understanding of Domestic Waste Management of Pasir Mandoge POM 146 participants from PKS Pasir Mandoge employees. However, there is no information yet on the timing of this activity.
- Monitoring Understanding of Domestic Waste Management at Pasir Mandoge Estate on 4 September 2023 for 523 participants from employees of Afdeling I-X and Pasir Mandoge Estate Emplasment.
- Monitoring Understanding of Sei Kopas Estate Domestic Waste Management on 26 September 2023 for 361 participants from employees of Afdeling I-VII and Sei Kopas Estate Emplasment.
- Monitoring Evaluation of Sei Kopas Estate Domestic Waste Management on 28 September 2023.
- Monitoring Understanding of Domestic Waste Management in Tonduhan Estate on 30 September 2023 for 174 participants from employees of Afdeling I-III and Sei Kopas Estate Emplasment.
- Monitoring Evaluation of Domestic Waste Management in Tonduhan Estate on 30 September 2023.

Based on the description above, there are still auditor questions in the correction column dated 02 October 2023 which still need to be answered and explained by the company. Apart from that, the company has not shown the results of the waste management monitoring evaluation at the Pasir Mandoge POM. Thus, this discrepancy is declared not yet fulfilled.

19 October 2023

The company showed the Krani DSS job description document. However, evidence has not been shown of appointing special officers to manage waste transportation in each subdivision of Sei Kopas Estate. Thus, this discrepancy is declared not yet fulfilled.

27 October 2023

The company has shown evidence of appointing special officers to manage waste transportation in Sei Kopas Estate in general. Thus, this discrepancy is declared to have been fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Erika Lucitawati

NCR No.	: 2023.13	Issued by	: Erika Lucitawati
Date Issued	: 02 September 2023	Time Limit	: 01 December 2023
NC Grade	: Major	Date of Closing	: 07 November 2023
Standard Ref. &	: 7.8.2 Water courses and wetlands are protected, including the maintenance and restoration of		

Requirement	riparian zones and other buffer zones during or before replanting, in accordance with the "RSPO Manual on BMPs for the management and rehabilitation of riparian reserves" (April 2017) or Simplified Guide Management and Rehabilitation of Riparian Reserves (2018).
<p>Evidence observed (filled by auditor):</p> <p>In the surveillance-1 assessment, the company showed the following documents as corrective action for the non-conformities found:</p> <ul style="list-style-type: none"> Minutes of the removal of 65 trees or 0.46 ha of oil palm trees in Bah Sopang River in Blocks 20A (42 trees) and 20 C (23 trees) Tonduhan Estate. HCV Map of Tonduhan Estate with a scale of 1: 6.092 which describes the HCV area of Aek Sopang covering an area of 4.13 Ha with the number of trees affected by replanting of 292 trees. The data sources used are the PTPN IV location map, 2019 Indonesia Map and 2021 Orthomosaic Photo. Analysis of the calculation of the number of trees affected by replanting identified through satellite imagery maps by the PTPN IV Geospatial Team as many as 292 trees. SK No. TON.MU/Ktps/74/IX/2021 issued by the Tonduhan Estate Unit Manager on September 20, 2021 concerning the evaluation of the HCV management and monitoring plan which includes the determination of the Tonduhan Estate HCV Area Management and Monitoring Plan Evaluation Team as Plant Assistants Afdeling I-III <p>The results of the field visit during the surveillance-3 assessment showed the following:</p> <ul style="list-style-type: none"> There are traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 00I/L Afdeling 9 Pasir Mandoge Estate. There are replanting palm trees, there are no clear boundaries for the HCV area, and 5 rehabilitation plants on the Aek Sopang River border Block 20 A Afdeling II, Tonduhan Estate. <p>The company has presented the following documents:</p> <ul style="list-style-type: none"> The plan for protecting water flow areas and wetlands in the form of river borders is explained in SOP No. SPO 05 revision 03 effective date 27 August 2018 concerning river border management mechanisms. The river border management plan includes: <ul style="list-style-type: none"> Returning the allotment of river banks, swamps, springs to protected areas with the following procedure: carrying out an inventory of the location, area and then mapping it out. Restore the border according to its designation. On river banks that have been planted with oil palm, it is best if the vegetation is maintained by trying to grow vegetation in the river border areas by prohibiting spraying with chemicals. Results of identification of wet streams described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including: <ul style="list-style-type: none"> Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the water flow and wetlands. Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as the water flow and wetlands. <p>Non-Conformance Description (filled by auditor):</p> <p>The company has not been able to show evidence that river border management has been managed in accordance with its plans.</p>	
<p>Root Cause Analysis (filled by organization audited):</p> <p>Lack of management supervision regarding monitoring and management of HCV areas which are managed and improved according to existing SOPs due to the absence of special personnel to supervise monitoring.</p>	
<p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> Show program documents and implementation of HCV area monitoring. Restoring the HCV areas that have been replanted in Tonduhan by planting hardwood Carry out outreach to all workers and their staff as well as local residents regarding HCV management according to applicable SOPs Increase warnings at the Afdeling office and in the area leading to HCV Tonduhan Unit removes oil palm trees and carries out restoration in the form of replanting with hardwood. Pasir Mandoge Unit Makes spray prohibition boundary signs, carries out manual raking of oil palm trees affected by spray and carries out outreach to HCV area management workers according to the SOP. Tonduhan Unit removes oil palm trees and carries out restoration in the form of replanting with hardwood. Pasir Mandoge Unit Makes spray prohibition boundary signs, carries out manual raking of oil palm trees affected by spray and carries out outreach to HCV area management workers according to the SOP. 	

Corrective Action *(filled by organization audited):*

- Determine a PIC who is directly supervised by the Assistant Plant Head to ensure implementation in the field is in accordance with creating a regular schedule for monitoring HCV management.
- Identify all HCV areas and carry out planning and management of HCV areas supervised by the Divisional Assistant
- The responsible PIC has been transferred to a new unit where the PIC has not received HCV area management training, while the new PIC has been given HCV area management training by the current management.
- PIC documents for regular HCV monitoring at HCV for Pasir Mandoge Estate and Tonduhan Estate

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

29 September 2023

The company has demonstrated the determination of root cause analysis, correction and corrective action. The company showed the HCV Area Socialization document on 05 September 2023 to 35 participants at Afdeling IX Pasir Mandoge Estate. However, there are auditor questions that the company needs to answer. Thus, this nonconformity is declared not yet fulfilled.

17 October 2023

The company shows the following documents:

- Tonduhan Estate Location Map with a scale of 1:35,708
- Evaluation of training participants regarding management and monitoring of HCV areas on 06 October 2023 for 4 people (Plant Assistant, Assistant Plant Assistant III, CKP Plant Assistant, and Assistant Afdeling I) at Tonduhan Estate.
- Decree no. TON.MU/Ktps/09/X/2023 concerning Evaluating the HCV Area Management and Monitoring Plan established by the Tonduhan Estate Manager on 06 October 2023

The company shows evidence of improvements in the form of documents, training evaluations and the appointment of personnel to evaluate the HCV management and monitoring plan in the Tonduhan Estate unit, while the Pasir Mandoge Estate unit cannot yet be shown. Apart from that, there are still auditor notes in the correction and corrective action columns that need to be answered by the company. Thus, this nonconformity is declared not yet fulfilled.

26 October 2023

The company shows documents in the form of:

- Minutes of socialization on the prohibition of chemist priangan in HCV 4 at Pasir Mandoge Estate on 04-13 September 2023 which was attended by 351 participants from Afdeling I-X Pasir Mandoge Estate.
- HCV Management and Monitoring Plan for 2023 Pasir Mandoge Estate.
- Documentation of maintenance of the Afdeling IX River border area using manual disk rakes
- Monitoring program for marking chemical-free areas and HCV/HCV signs for Aek Sopang Afdeling II Tonduhan Estate in 2023
- Monitoring of the removal of trees in the Aek Sopang HCV area in September 2023 includes the removal of 26 trees in Block 19 A, 30 trees in Block 20 A, 18 trees in Block 20 C, 50 trees in Block 20E, and 15 trees in Block 20F of Tonduhan Estate which are equipped with photo documentation. Based on the Tonduhan Estate HCV Map with a scale of 1: 6,092, the Aek Sopang HCV area covers an area of 4.13 Ha with 292 trees affected by replanting. There are still 153 trees that have not been proven to have been removed from the Aek Sopang HCV area.
- Monitoring of HCV Aek Sopang real tree planting in September 2023 includes planting 47 waru trees in Block 19 A as well as 27 waru trees and 29 mahogany trees in Block 20A Tonduhan Estate.
- Minutes of HCV socialization on 11 September 2023 and 18-20 September 2023 which were attended by 47 Tonduhan Estate participants.

Apart from that, the company still needs to answer the auditor's questions in the corrective action column. Thus, this nonconformity is declared not yet fulfilled.

30 October 2023

The company showed the document Decree PTPN IV Manager Unit of Pasir Mandoge Estate No. PAM/SK/II/IX/2023 dated 05 September 2023 concerning Field Officers in the Implementation of Management and Monitoring and Monitoring of HCVs Related to RSPO/ISPO Pasir Mandoge Estate which appointed Assistant Afdeling I to. X Pasir Mandoge Estate.

Based on the Tonduhan Estate HCV Map with a scale of 1: 6,092, the Aek Sopang HCV area covers an area of 4.13 Ha with 292 trees affected by replanting. There are still 153 trees that have not been proven to have been removed from the Aek Sopang HCV

area. Thus, this nonconformity is declared not yet fulfilled.

07 November 2023

The Company showed the minutes and documentation of the removal of replanting plants totalling 292 trees in the Aek Sopang HCV area and documentation of the Excavator as a tool to remove the plants, with details as follows:

- 6 September 2023 in Block 20A as many as 42 trees, in Block 20C as many as 21 trees and in Block 19A as many as 2 tree
- 20 September 2023 in Block 20A as many as 9 items, in Block 19A as many as 31 item
- On 25 September 2023 in Block 19A as many as 9 items
- 28 September 2023 in Block 19A for 18 items and in Block 20A for 30 items
- 29 September 2023 in Block 19A as many as 17 items, in Block 20E as many as 54 items and in Block 20F as many as 11 items
- On 3 November 2023 in Block 19A as many as 19 items
- On 4 November 2023 in Block 19A as many as 6 items & 20E as many as 23 items

Based on the description above, the correction of this nonconformity has been fulfilled and will be observed again at the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Erika Lucitawati

NCR No.	: 2023.14	Issued by	: Erika Lucitawati
Date Issued	: 02 September 2023	Time Limit	: 01 December 2023
NC Grade	: Major	Date of Closing	: 27 October 2023
Standard Ref. & Requirement	7.12.4 Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).		
Evidence observed (filled by auditor): In the surveillance-1 assessment, the company showed the following documents as corrective action for the non-conformities found: <ul style="list-style-type: none">• Minutes of the removal of 65 trees or 0.46 ha of oil palm trees in Bah Sopang River in Blocks 20A (42 trees) and 20 C (23 trees) Tonduhan Estate.• HCV Map of Tonduhan Estate with a scale of 1: 6.092 which describes the HCV area of Aek Sopang covering an area of 4.13 Ha with the number of trees affected by replanting of 292 trees. The data sources used are the PTPN IV location map, 2019 Indonesia Map and 2021 Orthomosaic Photo. Analysis of the calculation of the number of trees affected by replanting identified through satellite imagery maps by the PTPN IV Geospatial Team as many as 292 trees.• SK No. TON.MU/Ktps/74/IX/2021 issued by the Tonduhan Estate Unit Manager on September 20, 2021 concerning the evaluation of the HCV management and monitoring plan which includes the determination of the Tonduhan Estate HCV Area Management and Monitoring Plan Evaluation Team as Plant Assistants Afdeling I-III			
The results of the field visit during the surveillance-3 assessment showed the following:			

- There are traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 001/L Afdeling 9 Pasir Mandoge Estate.
- There are replanting palm trees, there are no clear boundaries for the HCV area, and 5 rehabilitation plants on the Aek Sopang River border Block 20 A Afdeling II, Tonduhan Estate.

Based on the results of interviews with Tonduhan Estates management representatives, the company has not carried out regular monitoring of river borders. Meanwhile, the company showed documents from HCV monitoring results in Pasir Mandoge Estate semester 1 2023 showing that all HCV areas over the last 5 years had no damage and land management had been continuous.

The company has presented the following documents:

- River border management mechanisms are explained in SOP No. SPO 05 revision 03 effective date 27 August 2018 concerning river border management mechanisms. The river border management plan includes:
 - Returning the allotment of river banks, swamps, springs to protected areas with the following procedure: carrying out an inventory of the location, area and then mapping it out.
 - Restore the border according to its designation.
 - On river banks that have been planted with oil palm, it is best if the vegetation is maintained by trying to grow vegetation in the river border areas by prohibiting spraying with chemicals.
- Results of identification of wet streams described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the water flow and wetlands.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as the water flow and wetlands.
- Results of identification of HCV described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the HCV.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as HCV.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence that the management and monitoring of HCV areas has been managed according to the procedures it has.

Root Cause Analysis (filled by organization audited):

Lack of management supervision regarding monitoring and management of HCV areas which are managed and improved according to existing SOPs due to the absence of special personnel to supervise monitoring.

Correction (filled by organization audited):

- Show program documents and implementation of HCV area monitoring.
- Restoring the HCV areas that have been replanted in Tonduhan by planting hardwood
- Carry out outreach to all workers and their staff as well as local residents regarding HCV management according to applicable SOPs
- Increase warnings at the Afdeling office and in the area leading to HCV
- Tonduhan Unit removes oil palm trees and carries out restoration in the form of replanting with hardwood.
- Pasir Mandoge Unit Makes spray prohibition boundary signs, carries out manual raking of oil palm trees affected by spray and carries out outreach to HCV area management workers according to the SOP.
- Tonduhan Unit removes oil palm trees and carries out restoration in the form of replanting with hardwood.
- Pasir Mandoge Unit Makes spray prohibition boundary signs, carries out manual raking of oil palm trees affected by spray and carries out outreach to HCV area management workers according to the SOP.

Corrective Action (filled by organization audited):

- Determine a PIC who is directly supervised by the Assistant Plant Head to ensure implementation in the field is in accordance with creating a regular schedule for monitoring HCV management.
- Identify all HCV areas and carry out planning and management of HCV areas supervised by the Divisional Assistant
- The responsible PIC has been transferred to a new unit where the PIC has not received HCV area management training, while the new PIC has been given HCV area management training by the current management.
- PIC documents for regular HCV monitoring at HCV for Pasir Mandoge Estate and Tonduhan Estate

Assessor Evaluation and Conclusion (filled by auditor):

29 September 2023

The company has demonstrated the determination of root cause analysis, correction and corrective action. The company showed the HCV Area Socialization document on 05 September 2023 to 35 participants at Afdeling IX Pasir Mandoge Estate. However, there are auditor questions that the company needs to answer. Thus, this nonconformity is declared not yet fulfilled.

17 October 2023

The company shows the following documents:

- Tonduhan Estate Location Map with a scale of 1:35,708
- Evaluation of training participants regarding management and monitoring of HCV areas on 06 October 2023 for 4 people (Plant Assistant, Assistant Plant Assistant III, CKP Plant Assistant, and Assistant Afdeling I) at Tonduhan Estate.
- Decree no. TON.MU/Ktps/09/X/2023 concerning Evaluating the HCV Area Management and Monitoring Plan established by the Tonduhan Estate Manager on 06 October 2023

The company shows evidence of improvements in the form of documents, training evaluations and the appointment of personnel to evaluate the HCV management and monitoring plan in the Tonduhan Estate unit, while the Pasir Mandoge Estate unit cannot yet be shown. Apart from that, there are still auditor notes in the correction and corrective action columns that need to be answered by the company. Thus, this nonconformity is declared not yet fulfilled.

26 October 2023

The company shows documents in the form of:

- Minutes of socialization on the prohibition of chemist priangan in HCV 4 at Pasir Mandoge Estate on 04-13 September 2023 which was attended by 351 participants from Afdeling I-X Pasir Mandoge Estate.
- HCV Management and Monitoring Plan for 2023 Pasir Mandoge Estate.
- Documentation of maintenance of the Afdeling IX River border area using manual disk rakes
- Monitoring program for marking chemical-free areas and HCV/HCV signs for Aek Sopang Afdeling II Tonduhan Estate in 2023
- Monitoring of the removal of trees in the Aek Sopang HCV area in September 2023 includes the removal of 26 trees in Block 19 A, 30 trees in Block 20 A, 18 trees in Block 20 C, 50 trees in Block 20E, and 15 trees in Block 20F of Tonduhan Estate which are equipped with photo documentation. Based on the Tonduhan Estate HCV Map with a scale of 1: 6,092, the Aek Sopang HCV area covers an area of 4.13 Ha with 292 trees affected by replanting. There are still 153 trees that have not been proven to have been removed from the Aek Sopang HCV area.
- Monitoring of HCV Aek Sopang real tree planting in September 2023 includes planting 47 waru trees in Block 19 A as well as 27 waru trees and 29 mahogany trees in Block 20A Tonduhan Estate.
- Minutes of HCV socialization on 11 September 2023 and 18-20 September 2023 which were attended by 47 Tonduhan Estate participants.

Apart from that, the company still needs to answer the auditor's questions in the corrective action column. Thus, this nonconformity is declared not yet fulfilled.

27 October 2023

The company showed the document Decree PTPN IV Manager Unit of Pasir Mandoge Estate No. PAM/SK//IX/2023 dated 05 September 2023 concerning Field Officers in the Implementation of Management and Monitoring and Monitoring of HCVs Related to RSPO/ISPO Pasir Mandoge Estate which appointed Assistant Afdeling I to. X Pasir Mandoge Estate.

Based on the Tonduhan Estate HCV Map with a scale of 1: 6,092, the Aek Sopang HCV area covers an area of 4.13 Ha with 292 trees affected by replanting. There are still 153 trees that have not been proven to have been removed from the Aek Sopang HCV area. Thus, this nonconformity is declared not yet fulfilled.

27 October 2023

The Company showed the minutes and documentation of the removal of replanting plants totalling 292 trees in the Aek Sopang HCV area and documentation of the Excavator as a tool to remove the plants, with details as follows:

- 6 September 2023 in Block 20A as many as 42 trees, in Block 20C as many as 21 trees and in Block 19A as many as 2 tree

- 20 September 2023 in Block 20A as many as 9 items, in Block 19A as many as 31 item
- On 25 September 2023 in Block 19A as many as 9 items
- 28 September 2023 in Block 19A for 18 items and in Block 20A for 30 items
- 29 September 2023 in Block 19A as many as 17 items, in Block 20E as many as 54 items and in Block 20F as many as 11 items

Based on the description above, the correction of this nonconformity has been fulfilled and will be observed again at the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Erika Lucitawati

NCR No.	:	2023.15	Issued by	:	Erika Lucitawati
Date Issued	:	02 September 2023	Time Limit	:	01 December 2023
NC Grade	:	Minor	Date of Closing	:	27 October 2023
Standard Ref. & Requirement	:	7.12.7 Status NKT dan hutan SKT setelah tanggal 15 November 2018, ekosistem alami lainnya, kawasan konservasi lahan gambut, dan spesies RTE dipantau. Hasil pemantauan tersebut digunakan untuk tindak lanjut perbaikan rencana pengelolaan.			

Evidence observed (filled by auditor):

The results of the field visit during the surveillance-3 assessment showed the following:

- There are traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 00I/L Afdeling 9 Pasir Mandoge Estate.
- There are replanting palm trees, there are no clear boundaries for the HCV area, and 5 rehabilitation plants on the Aek Sopang River border Block 20 A Afdeling II, Tonduhan Estate.

Based on the results of interviews with representatives of the Tonduhan Estate management, the company has not periodically monitored the riverbanks. Meanwhile, the company showed documents of HCV monitoring results in Pasir Mandoge Estate semester 1 of 2023 showing that all HCV areas for the last 5 years had no damage and continuous land management.

The company has shown the following documents:

- River riparian management mechanism is explained in SOP No. SPO 05 revision 03 effective date 27 August 2018 concerning river border management mechanisms. The river border management plan includes:
 - Returning the allotment of riverbanks, swamps, springs to protected areas with the following procedure: carrying out an inventory of the location, area and then mapping it out.
 - Restore the border according to its designation.
 - On riverbanks that have been planted with oil palm, it is best if the vegetation is maintained by trying to grow vegetation in the river border areas by prohibiting spraying with chemicals.
- Results of identification of wet streams described in the December 2016 HCV Identification Report. Based on the results of the identification of the HCV areas, information is obtained which are watersheds and wetlands including:
 - Pasir Mandoge Estate with the result Sipulpul Afdeling 3 River border included as the HCV.
 - Tonduhan Estate with the result border of Aek Sopang Afdeling River 2 Block 93 A included as the HCV.
- In an effort to follow up on the identification of HCV areas in December 2016 the company demonstrated a plan to manage and monitor HCV areas for 2023, while the management and monitoring plans include:
 - Management in the form of installing HCV boundary signs, monitoring and maintaining HCV areas, planting native forest plants, and maintaining grave HCV areas.

- Monitoring in the form of monitoring the intensity of disturbance of HCV areas and flora & fauna, changes in the condition of HCV areas, levels of erosion, and utilization of natural resources.
- As an effort to improve the assessment results in surveillance-1, the company shows proof of corrective action documents in the form of:
 - Minutes of the removal of 65 trees or 0.46 ha of oil palm trees in the Bah Sopang River in Blocks 20A (42 trees) and 20 C (23 trees) Tonduhan Estate.
 - HCV Map of Tonduhan estate with a scale of 1: 6,092 which describes the HCV Aek Sopang area of 4.13 Ha with 292 trees affected by replanting. The data sources used are PTPN IV location maps, 2019 Indonesia maps and 2021 Orthomosaic photos. Analysis of the calculation of the number of trees affected by replanting identified through satellite image maps by the PTPN IV Geospatial Team as many as 292 trees.
 - Decree No.TON.MU/KPTS/74/IX/2021 on evaluating the management plan and monitoring of HCV areas related to the RSPO P&C. The decree explains the need to form a team to evaluate the management plan and monitoring of the HCV area related to the RSPO Tonduhan P&C. The team responsible for its implementation is the assistant plant for afdeling 1-3. The office holder is responsible if there is an error in the decree.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence that it has carried out monitoring in accordance with the management plan and monitoring which is then used for follow-up to improve the management plan.

Root Cause Analysis (filled by organization audited) :

The lack of management supervision regarding the monitoring and management of HCV areas which are managed and improved according to existing SOPs is due to the absence of special personnel carrying out monitoring supervision .

Auditor Response (29 September 2023)

In the surveillance-1 assessment, the company has determined the HCV PIC through SK document No. TON.MU/Ktps/74/IX/2021 by the Tonduhan Estates Unit Manager on 20 September 2021 where it was determined that the Tonduhan Estates HCV Area Management and Monitoring Plan Evaluation Team was the Plant Assistant Afdeling I-III . Why did this discrepancy occur after the PIC was determined?

Correction (filled by organization audited) :

- **Show program documents and implementation of HCV area monitoring**
- **Increase warnings at the Afdeling office and in the area leading to the HCV**

Auditor Response (29 September 2023)

- What is the company's action regarding the results of the field visit which found that there were oil palm trees that had been replanted , there were no clear HCV area boundaries, and there were 5 rehabilitation plants on the Aek Sopang River border, Block 20 A Afdeling II, Tonduhan Estates ?
- What about the company's actions regarding the results of the field visit showing traces of spray and carpet washing activities in the area bordering the Sipulpul River Block 00I/L Afdeling 9 Kebun Pasir Mandoge ? Please confirm again that

24 October 2023 :

- **The Tonduhan Unit removes oil palm trees and carries out restoration in the form of replanting with hardwood.**

Pasir Mandoge Unit Makes spray prohibition boundary signs, carries out manual raking of oil palm trees affected by spray and carries out outreach to HCV area management workers according to the SOP.

Corrective Action (filled by organization audited) :

Revised 3 Oct 2023 :

- **Determine a PIC who is directly supervised by the Assistant Plant Head to ensure implementation in the field is in accordance with creating a regular schedule for monitoring HCV management.**

Auditor Response (29 September 2023)

- What is the monitoring mechanism carried out by the company? Please explain.

- In the surveillance-1 assessment, the company has determined the HCV PIC through SK document No. TON.MU/Ktps/74/IX/2021 by the Tonduhan Estates Unit Manager on 20 September 2021 where it was determined that the Tonduhan Estates HCV Area Management and Monitoring Plan Evaluation Team was the Plant Assistant Afdeling I-III . How about that? Does the appointed P IC understand its duties and responsibilities in the supervision?
- How does the company ensure that monitoring /supervision activities are in accordance with the management and monitoring plans which are then used for follow-up actions to improve the next management plan?

24 October 2023 :

- Identify all HCV areas and carry out planning and management of HCV areas supervised by Assistant Division
- The PIC responsible has been transferred to a new unit where the PIC has not received training on HCV area management, while the new PIC has been given HCV area management training by the current management.

Assessor Evaluation and Conclusion (filled by auditor) :
September 29, 2023

The company has demonstrated the determination of root cause analysis, correction and corrective action. The company showed the HCV Area Socialization document on 05 September 2023 to 35 participants at Afdeling IX Kebun Pasir Mandoge. However, there are auditor questions that the company needs to answer. Thus, this discrepancy is declared **not yet fulfilled**.

527 October 2023

The company has determined the root cause analysis, correction, corrective action, determination of PIC who monitors the HCV area namely plant assistant and plant head, direct socialisation, indirect socialisation through warnings posted in strategic places and the company has answered all the Auditor's questions. The company has also shown minutes and documentation of the removal of replanting plants totalling 292 trees in the Aek Sopang HCV area and documentation of the Excavator as a tool to remove the plants. Based on this description, this non-conformity has been fulfilled and will be re-observed in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : Erika Lucitawati/ Firda Tarunajaya

NCR No.	:	2022.16	Issued by	:	Radytio Puspanjana
Date Issued	:	2 September 2023	Time Limit	:	01 December 2023
NC Grade	:	Major	Date of Closing	:	02 Oktober 2023
Standard Ref. & Requirement	:	RSPO Certification System 2020 Clause 5.5.2 Time Bound Plan			

Evidence observed (filled by auditor):

Perusahaan menunjukkan Time Bound Plan seluruh unit management subsidiary of PT Perkebunan Nusantara III yang salah satunya PTPN IV (included Pasir Mandoge POM). Terdapat email laporan time bond plan (TBP) holding Perkebunan Nusantara PTPN III (Persero) tahun 2023 yang di submit ke RSPO sekretariat tanggal 21 Juli 2023 yang dijelaskan terdapat 10 Lampiran email Time Bound Plan Template salah satunya TBP PTPN IV dimana terdapat (3 unit) Uncertified Unit . Terdapat email dari RSPO sekretariat tanggal 28 August 2023 yang menjelaskan time bond plan (TBP) PTPN III masih dalam proses review dan belum dapat approval dari RSPO sekretariat.

Berdasarkan Sistem Sertifikasi RSPO 2020 klausul 5.5.2 diketahui bahwa periode pengecualian diluar periode maksimal Time Bound Plan harus mendapatkan persetujuan dari RSPO Sekretariat. Berdasarkan announcement untuk Time Bound Plan dari RSPO tanggal 21 Desember 2021 menginformasikan anggota RSPO harus disertifikasi selambatnya 5 tahun terhitung sejak RSPO Certification System efektif dari 1 Juli 2018 (sampai dengan 30 Juni 2023). Namun hingga audit ini selesai dilaksanakan

perusahaan belum dapat menunjukkan bukti bahwa Time Bound Plan untuk beberapa uncertified unit (yang melebihi 30 Juni 2023) telah mendapatkan Persetujuan dari RSPO.

Non-Conformance Description (filled by auditor):

Perusahaan belum dapat menunjukkan bukti bahwa Time Bound Plan untuk beberapa uncertified unit (yang melebihi 30 Juni 2023) telah mendapatkan persetujuan dari RSPO.

Root Cause Analysis (filled by organization audited) :

The timebound plan is coordinated directly by Holding Perkebunan Nusantara. So the timebound plan used is based on one that has received RSPO approval

Correction (filled by organization audited) :

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

Corrective Action (filled by organization audited) :

Coordinate with Holding Perkebunan Nusantara to revise the timebound plan and obtain approval from the RSPO Secretariat

Assessor Evaluation and Conclusion (filled by auditor) :

Auditor verification dated October 2, 2023

The company shows documents:

- The company showed a revised time bond plan document which explains the units that have not yet been RSPO certified, namely the Sei Kopas unit covering an area of 1,650 Ha which plans to be certified in 2024.
- The reporting of the time bond plan / new timeline for certification under PTPN III (PERSERO) Holding Perkebunan II in 2023 was sent on September 22 2022 and has received approval from the RSPO.

Based on the proof of improvement, it is concluded that this nonconformity has been declared **fulfilled**.

Follow up on next audit (filled by auditor):

Verified by : Radytio Puspanjana

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
-	-	-

3.4.4. Noteworthy Positive Components

No	Description
1	The Company's commitment to implementing the principles of sustainable palm oil plantation management
2	The company has competent human resources in their respective fields
3	The company has obtained the 2021-2022 proper with the Blue title
4	The company has obtained ISPO certificate



3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
Land Agency of Asahan District & Simalungun District Dated 30 August 2023 <ul style="list-style-type: none"> There are no land disputes in the company that are reported procedurally to the land office. No overlapping permissions with other permissions Has routinely reported the use of HGU Communication with the Land Office is quite good Requests for information are responded to quickly. The company already has HGU boundaries, but if there are missing HGU boundaries, repairs must be made to all HGU boundaries owned by the company. 	<p>There were no issues related to the company from the Department. The company has shown a record of the implementation of regulations in the aspect of legality. The availability of HGU boundaries has become a discrepancy in indicator 2.1.3 number 2023.01 with minor category.</p>
Plantation Agency of Asahan Regency <ul style="list-style-type: none"> The company has reported regularly to the agency The Estate office regularly visits the company Good relationship with the company no fires have occurred over the past year CSR has been running well No issues in the Estate sector in the last 1 year 	<p>There are no negative issues that need further verification.</p>
Plantation Agency of Asahan Regency <ul style="list-style-type: none"> The company has reported regularly to the agency Good relationship with the company no fires have occurred over the past year CSR has been running well No issues in the Estate sector in the last 1 year 	<p>There are no negative issues that need further verification.</p>
Environmental Agency of Asahan Regency <ul style="list-style-type: none"> Unit of certification has valid environmental permit, liquid waste utilization permit, and hazardous waste storage permit. Unit of certification routinely submit mandatory reports such as environmental management and monitoring implementation reports, hazardous waste management reports, and POME management reports to agency. Agency routinely conducts supervision at the company. The results of the control were that there were no negative issues or reports related to the environment from the community, and until the time the audit was carried out there were no negative complaints/issues from the surrounding community. 	<p>There are no negative issues that need further clarification.</p>
Environmental Agency of Simalungun Regency <ul style="list-style-type: none"> Unit of certification has valid environmental permit, liquid waste utilization permit, and hazardous waste storage permit. Unit of certification routinely submit mandatory reports such as environmental management and monitoring 	<p>There are no negative issues that need further clarification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>implementation reports, as well as hazardous waste management reports to agency.</p> <ul style="list-style-type: none"> Agency routinely conducts supervision at the company. The results of the control were that there were no negative issues or reports related to the environment from the community, and until the time the audit was carried out there were no negative complaints/issues from the surrounding community. 	
<p>Employee Cooperative</p> <ul style="list-style-type: none"> Tonduhan Estate Sei Kopas Estate The form of cooperative business is savings and loans The last Member Meeting will be held in August 2023. The value of the obligatory savings of members depends on the wages of each group. The company provides support in the form of providing facilities such as a room if the cooperative management is going to hold an annual member meeting or other meetings. 	<p>There are no negative issues that need further verification.</p>
<p>Employee Cooperative</p> <ul style="list-style-type: none"> Pasir Mandoge Estate Pasir Mandoge POM Forms of Cooperative Business are provision of needs and savings and loans The last Member Meeting will be held in 24 Maret 2023. The value of the obligatory savings of members depends on the wages of each group. The company provides support in the form of providing facilities such as a room if the cooperative management is going to hold an annual member meeting or other meetings. 	<p>There are no negative issues that need further verification.</p>
<p>Chair of the Gender Committee</p> <ul style="list-style-type: none"> Tonduhan Estate Sei Kopas Estate The gender committee consists of representatives of men and women. There have been no cases of sexual harassment in the last 1 year Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic. Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination. <p>There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity</p>	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
Gender Committee of Tonduhan estate Dated 31 August 2023 <ul style="list-style-type: none"> The gender committee consists of representatives of men and women There have been no cases of sexual harassment in the last 1 year Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic. Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination. There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity. 	<p>There are no negative issues that need further verification.</p>
Workers Union <ul style="list-style-type: none"> Tonduhan Estate Sei Kopas Estate The company has provided PPE and wages in accordance with applicable regulations The company routinely conducts high-risk health checks and periodic health checks. There are Fixed Period Working Agreement workers for harvest work. The Fixed Period Working Agreement records have been submitted to the Department of Manpower The company has provided socialization regarding CLA, company policies, work procedures and others. 	<p>There are no negative issues that need further verification.</p>
Chair of the Gender Committee <ul style="list-style-type: none"> Sei Kopas Estate The gender committee consists of representatives of men and women There have been no cases of sexual harassment in the last 1 year Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic. Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination. There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity 	<p>There are no negative issues that need further verification.</p>
CV Mangelek Majaya – FFB Supplier <ul style="list-style-type: none"> So far there have been no complaints related to payments or Cooperation agreements. 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> All contractor workers are permanent workers and have been provided with PPE as well as social security facilities for BPJS Health and BPJS Employment. 	
UD Anastesia – FFB Supplier <ul style="list-style-type: none"> So far there have been no complaints related to payments or Cooperation agreements. All contractor workers are permanent workers and have been provided with PPE as well as social security facilities for BPJS Health and BPJS Employment. 	There are no negative issues that need further verification.
CV. Anugerah Perkasa – FFB Transportation <ul style="list-style-type: none"> Cooperation carried out in the form of FFB transportation cooperation Has been socialized regarding the implementation of ISPO No complaints during cooperation No negative issues have been raised All contractor workers have been registered with BPJS 	There are no negative issues that need further verification.
CV. Ratu Badis Jaya – FFB Transportation <ul style="list-style-type: none"> Cooperation carried out in the form of FFB transportation cooperation Has been socialized regarding the implementation of ISPO No complaints during cooperation No negative issues have been raised All contractor workers have been registered with BPJS 	There are no negative issues that need further verification.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Perkebunan Nusantara IV Management Representative</p>  <p><u>Pirgok Panggabean</u> 30 November 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> 30 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 Comm	Date of Contact	Response	
						Yes	No
1	Employee Cooperative (Tonduhan Estate)	Simalungun District	-	Direct interview	30 August 2023	✓	
2	Worker Union (Tonduhan Estate)	Simalungun District	-	Direct interview	30 August 2023	✓	
3	Employee Cooperative (Sei Kopas Estate)	Asahan District	-	Direct interview	31 August 2023	✓	
4	Worker Union (Sei Kopas Estate)	Asahan District	-	Direct interview	31 August 2023	✓	
5	Gender Committee (Sei Kopas Estate)	Asahan District	-	Direct interview	31 August 2023	✓	
6	CV Mangelek Majaya (CPO Transporter)	Asahan District	-	By Phone	31 August 2023	✓	
7	UD Anesthesia	Asahan District	-	By Phone	31 August 2023	✓	
8	Environmental Agency	Asahan District	-	By Phone	30 August 2023	✓	
9	Environmental Agency	Simalungun District	-	By Phone	31 August 2023	✓	
10	Pasir Mandoge POM <ul style="list-style-type: none"> • 1 WTP Operators • 1 officer for material warehouses, chemical warehouses and temporary storage areas for hazardous and toxic waste materials • 1 Workshop operator • Security posts 2 worker • Weighbridge Room 1 worker • Dispatch Station 1 worker • 1 WWTP Operator • 3 housing residents • 	Asahan District	-	Direct interview	29 August 2023	✓	
11	Pasir Mandoge Estate <ul style="list-style-type: none"> • 2 warehouse officers • 2 afdeling administrator • 5 housing residents • 2 Pesticide Aplicator • 1 Formena Pesticide • 1 FFB Driver • 2 FFB Loader • 1 FFB Collector 	Asahan District	-	Direct interview	29 August 2023	✓	
12	Sei Kopas Estate	Asahan District	-	Direct interview	31 August 2023	✓	

	<ul style="list-style-type: none"> • 2 fertilizer warehouse officers • 1 pesticide warehouse officer • 1 hazardous waste temporary storage officer • 1 workshop officer • 3 Pesticide Applicator • 4 Harvester • 2 Illegal Workers 						
13	Tonduhan Estate <ul style="list-style-type: none"> • 1 warehouse officers • 1 workshop officer • 1 Excavator Operator • 3 Harvester • 6 Illegal Workers 	Simalungun District	-	Direct interview	30 August 2023	✓	
14	Sawit Watch	Bogor	info@sawitwatch.or.id	Via Email	23 August 2023	-	✓
15	WWF	Jakarta	wwf-indonesia@wwf.or.id	Via Email	23 August 2023	-	✓
16	Walhi	Jakarta	informasi@walhi.or.id	Via Email	23 August 2023	-	✓
17	AMAN	Jakarta	rumahaman@cbn.net.id	Via Email	23 August 2023	-	✓
18	Employee Cooperative (Pasir Mandoge Estate & POM)	Asahan District	-	Direct interview	31 August 2023	✓	
19	Worker Union (Sei Pasir Mandoge Estate & Pasir Mandoge POM)	Asahan District	-	Direct interview	31 August 2023	✓	
20	CV Anugera Perkasa	Asahan District	-	Direct interview	31 August 2023	✓	
21	CV Ratu Badis Jaya	Asahan District	-	Direct interview	31 August 2023	✓	
22	Head of Buntu Bayu Village	Asahan District	-	By Phone	31 August 2023	✓	
23	Secretary of Huta Bagasan Village	Asahan District	-	By Phone	31 August 2023	✓	

Appendix 2. Assessment Program

DATE	28 Agustus – 02 September 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 28 August 2023		
07.05 – 09.30	JAKARTA (CGK) → MEDAN (KNO) (GA-182)	All Auditor
09.30 – 13.00	MEDAN (KNO) → PT PN IV Pasir Mandoge POM	All Auditor
16.00 – 17.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit). Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	Perwakilan Manajemen PT PN IV & All Auditor
Tuesday, 29 August 2023		
08.00 – 12.00	Field Observation to Pasir Mandoge Estate Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities). Observation of Workers Facilities (Housing, School, Worship Place, Rinse House, Waste Management, Landfill). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Fire Tower 	TIO /IBU ELU LEO / FIT TIO /IBA
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Field Observation Pasir Mandoge POM <ul style="list-style-type: none"> Supply Chain verification (Security Post, FFB Receiving, Weighbridge), FFB Sorting, Storage Tank, Despatch CPO Implementation of OHS Aspect, Implementation of Employment Procedure, Processing Activity, Fire Control Simulation Implementation of Environment Aspect, Inspection to POME Pond, Housing Complex, and Land Application Hazardous Waste Storage, Chemical Storage, Workshop, Empty Bunch Area, Water Treatment Plan 	TIO LEO/ IBA FIT ELU
16.30 – 17.00	Presentation of Daily Progress	All Auditor
Wednesday, 30 August 2023		

DATE	28 Agustus – 02 September 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	Field Observation to Tonduhan Estate Aspect to be verified: <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV • Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities). • Observation of Workers Facilities (Housing, School, Worship Place, Rinse House, Waste Management, Landfill). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Fire Tower 	TIO /IBU ELU LEO / FIT TIO /IBA
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	<ul style="list-style-type: none"> • Interview with affected communities surrounding the plantations, previous land owner • Interview with Local NGO, Worker's Union • Interview with scheme smallholders, Local Contractor Mill & Estate, Third Party Supplier • Interview with Gender Committee, Worker's Cooperative • Interview with Land Agency • Interview with Labor Agency • Interview with Plantation Agency • Interview with Environment Agency • Continuing Document review and completing audit checklist 	LEO / TIO FIT / IBA FIT / IBA ELU LEO / TIO FIT FIT / IBA ELU All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
Thursday, 31 August 2023		
08.00 – 12.00	Field Observation to Sei Kopas Estate Aspect to be verified: <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV • Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities). • Observation of Workers Facilities (Housing, School, Worship Place, Rinse House, Waste Management, Landfill). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Fire Tower 	TIO LEO / ELU FIT / IBA FIT / IBA
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Continuing Document review and completing audit checklist	All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
Friday, 1 September 2023		
08.00 – 12.00	Continuing Document review and completing audit checklist	All Auditor

DATE	28 Agustus – 02 September 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Continuing Document review and completing audit checklist	All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
Saturday, 2 September 2023		
08.00 – 10.00	Closing Meeting <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion) • Comments, Responses and Questions. 	All Auditor & Management Units
10.00 – 14.00	PT PN IV → MEDAN (KNO)	All Auditor
15.30 – 18.00	MEDAN (KNO) → JAKARTA (CGK) (GA-189)	All Auditor