

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management : **Inecda Palm Oil Mill – PT Inecda subsidiary of S&G Biofuel PTE. LTD.**
 Organisation
 Plantation Name : PT Inecda – Estate 1 and Estate 2
 Location : Petala Bumi Village, Seberida Sub District, Indragiri Hulu District, Riau Province, Indonesia.
 Certificate Code : **MUTU-RSPO/132**
 Date of Certificate Issue : 28 May 2019 Date of License Issue : 28 August 2023
 Date of Certificate Expiry : 27 May 2024 Date of License Expiry : 27 May 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	08 to 12 May 2023	Leonada (Lead Auditor Witnessing), Rasytio Puspandjaja (Lead Auditor Witnessed), Septian Maulana, Erika Lucitawati, Johannes Pandiangan	Hasiholan Sihombing	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	21 August 2023

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Figure 1. Location Map of PT. Inecda (Inecda POM)

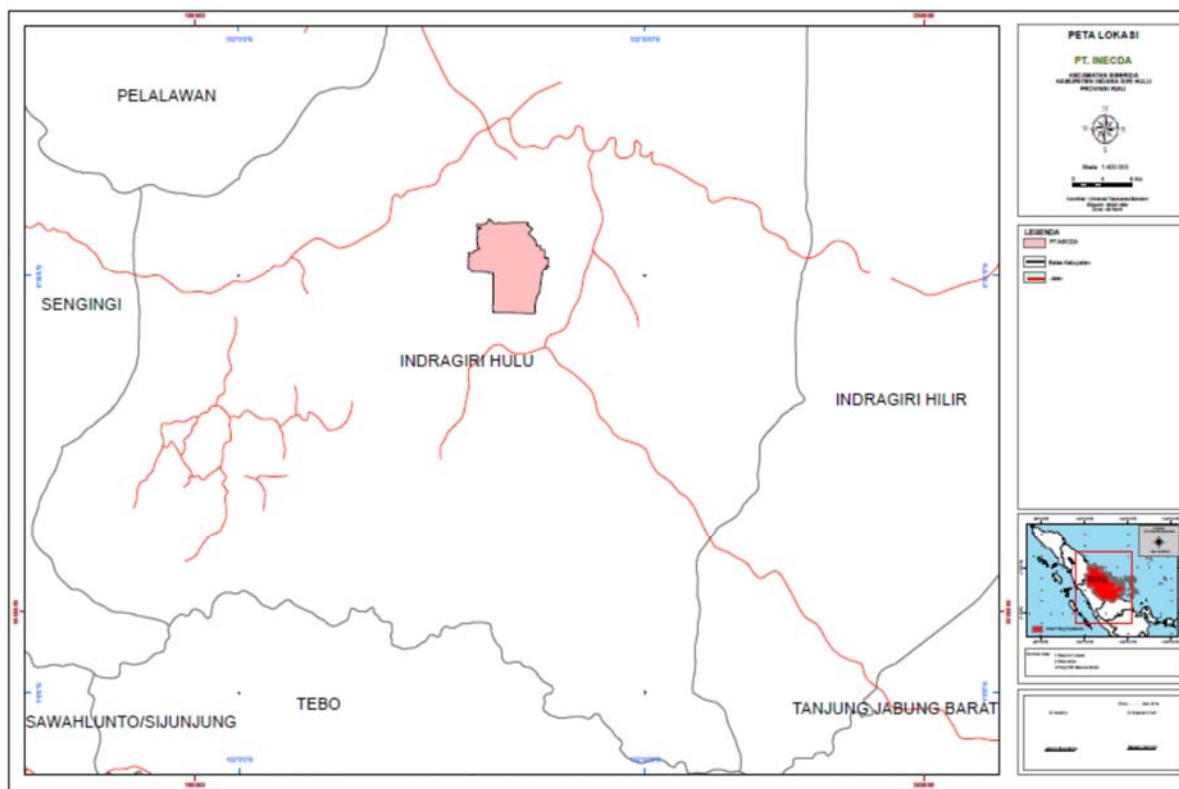
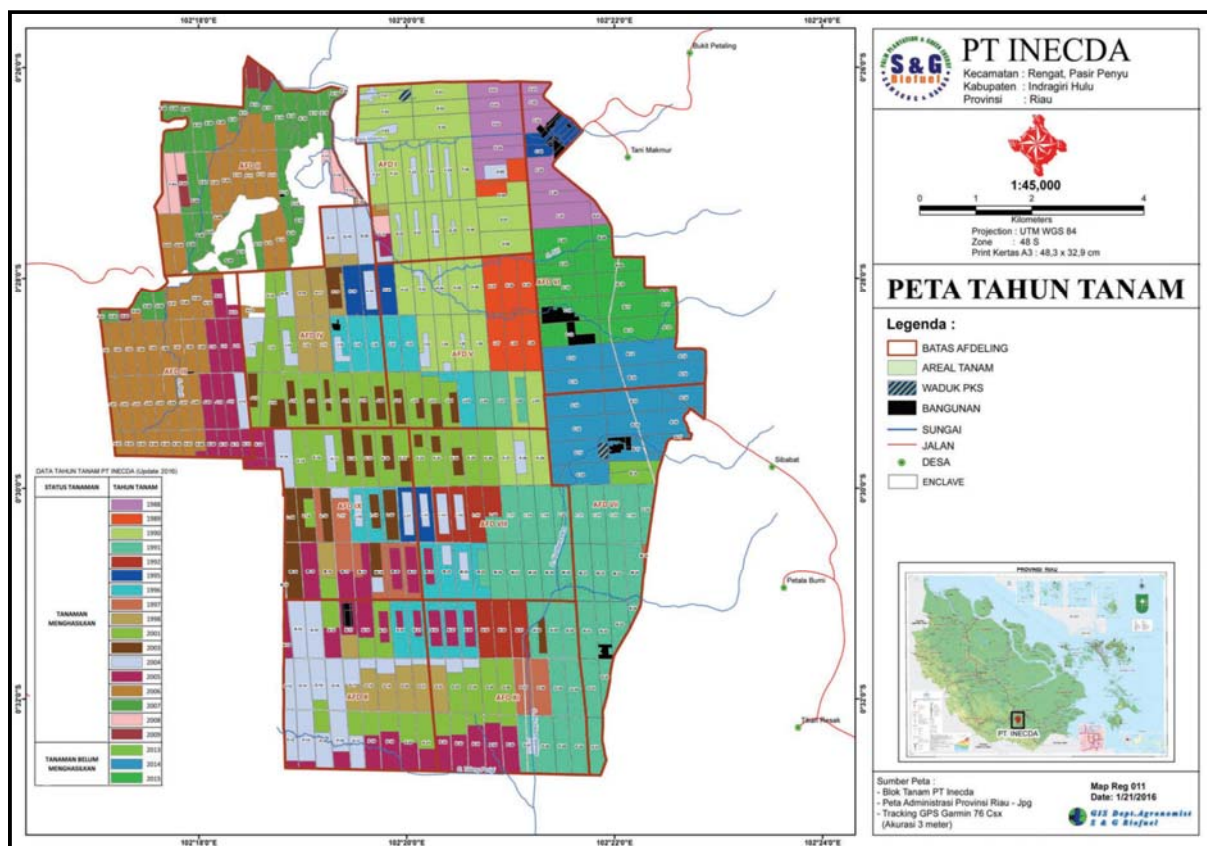


Figure 2. Operational Map of PT. Inecda (Inecda POM)



Abbreviations Used

ANDAL	:	<i>Analisis Dampak Lingkungan</i>
AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i>
ALTR	:	Average Time Lost Rate
APAR	:	<i>Alat Pemadam Api Ringan</i> (Fire Extinguisher)
ASA	:	Annual Surveillance Audit
ATR	:	<i>Agraria & Tata Ruang</i>
BMP	:	Best Management Practice
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency
BPN	:	<i>Badan Pertanahan Nasional</i> / National Land Agency
CEO	:	Chief Executive Officer
CFO	:	Chief Financial Officer
COO	:	Chief Operational Officer
CPO	:	Crude Palm Oil
CSPO	:	Certified Sustainable Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSR	:	Corporate Social Responsibility
CU	:	Certification Unit
DPMPSTP	:	<i>Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu</i>
DPRD	:	<i>Dewan Perwakilan Rakyat Daerah</i>
EFB	:	Empty Fruit Bunch
EHS	:	Environment, Health, and Safety
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, and Consent
FR	:	Frequency rate
GHG	:	Greenhouse gas
HCV	:	High Conservation Value
HCS	:	High Carbon Stock
HGU	:	<i>Hak Guna Usaha</i> / Land Use Title
HIRAC	:	Hazard Identification Risk Assessment and Control
HIRADC	:	Hazard Identification Risk Assessment and Determining Control
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HPK	:	<i>Hutan Produksi yang dapat di Konversi</i> / Convertible Production Forest
HPH	:	<i>Hak Pengelolaan Hutan</i> / Forest Management Right
HR	:	Human Resource
HRD	:	Human Resource Department
IA	:	Initial Assessment
IC	:	Initial Certification
IDR	:	Indonesian Rupiah
IPM	:	Integrated Pest Management
IR	:	Intensity Rate
ISPO	:	Indonesian Sustainable Palm Oil
KER	:	Kernel Extraction Rate
KKPA	:	<i>Kredit Koperasi Primer Anggota</i>
KLRA	:	<i>Kawasan Lindung Resapan Air</i> / Water Catchment Protected Area
KTPA	:	<i>Kelompok Tani Peduli Api</i>
LUCA	:	Land Use Change Analysis
LKUP	:	Laporan Kegiatan Usaha Perkebunan
MSDS	:	Material Safety Data Sheet

NCR	:	Nonconformity report
NDPE	:	No Deforestation, No Peat, No Exploitation
NGO	:	Non-Governmental Organization
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> or OSH Committee
PermenLHK	:	<i>Peraturan Menteri Lingkungan Hidup dan Kehutanan</i>
PermenPUPR	:	<i>Peraturan Menteri Pekerjaan Umum dan Perumahan Rakyat</i>
PJK3	:	<i>Perusahaan Jasa Keselamatan dan Kesehatan Kerja</i>
PKB	:	<i>Perjanjian Kerja Bersama</i>
PIC	:	Person in Charge
PK	:	Palm Kernel
PKWT	:	Perjanjian Kerja Waktu Tertentu
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	<i>Peraturan Pemerintah</i> (Government Regulation)
PPE	:	Personal Protective Equipment
PUK-SPSI	:	<i>Pimpinan Unit Kerja- Serikat Pekerja Seluruh Indonesia</i>
PVC	:	Polyvinyl Chloride
RaCP	:	Remediation and Compensation Plan
RKL-RPL	:	<i>Rencana Pengelolaan Lingkungan-Rencana Pemantauan Lingkungan</i> (Environmental Management & Monitoring)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, threatened & endangered
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
SPL	:	<i>Surat Perintah Lembur</i>
SPPP-SPSI	:	<i>Serikat Pekerja Pertanian dan Perkebunan-Serikat Pekerja Seluruh Indonesia</i>
SR	:	Severity Rate
UoC	:	Unit of Certification
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Wastewater 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 Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020. 	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	PT Inecda subsidiary of S&G Biofuel PTE. LTD	
1.2.2	Contact person	Lesmana Amiarsa	
1.2.3	Organisation address and site address	RSPO registered company: 3 Church Street, # 21-04 SAMSUNG HUB, 049483, Singapore Liaison Office: Mega Asri – Green Office, Block B2-8 Jl. Arifin Ahmad, Pekanbaru, Riau, 28282, Indonesia	
1.2.4	Telephone	(0761) 859774	
1.2.5	Fax	(0761) 859247	
1.2.6	E-mail	lesmana@gniplantation.com	
1.2.7	Web page address	http://www.gniplantation.com/	
1.2.8	Management Representative who completed the application for certification	Lesmana Amiarsa	
1.2.9	Registered as RSPO member	1-0238-17-000-00 – 14 August 2017	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	1 Palm Oil Mill (Inecda POM) and, 2 Supply Bases (Estate 1 and Estate 2)	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Inecda POM	Petala Bumi Village, Seberida Sub-District, Indragiri Hulu District, Riau Province, Indonesia	S 0° 29' 37" E 102° 22' 01"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Estate 1	Tani Makmur Village, Rengat Barat Sub-District, Indragiri Hulu District, Riau	S 0° 27' 52" E 102° 19' 43"

	Estate 2	Province, Indonesia Petala Bumi Village, Seberida Sub-District, Indragiri Hulu District, Riau Province, Indonesia	S 0° 31' 05"	E 102° 20' 21"
1.5	Description of Area Statement			
1.5.1	<div>Tenure</div> <div> <ul style="list-style-type: none"> State (HGU) Community </div> <div>Total</div>			
			8,600.92 Ha	
			- Ha	
1.5.2	Area Statement			
	Description	Estate 1	Estate 2	TOTAL (Ha)
	Total area	4,681.01	3,919.91	8,600.92
	Mature Area	3,769.11	3,364.09	7,133.20
	Immature Area	501.36	265.23	766.59
	Emplacement	44.66	12.44	57.10
	Mill	-	12.61	12.61
	Nursery	13.10	-	13.10
	HCV	26.40	15.31	41.71
	Road/Trench/Swamp	326.38	250.23	576.61
*There is a reduction in area from the previous assessment due to the partial release of HGU No. 19 for an area of 227.4609 Ha				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Estate 1	Estate 2	TOTAL (Ha)
	Mature Area			
	1990	149.91	-	149.91
	1991	-	838.07	838.07
	1992	-	57.62	57.62
	1995	79.03	58.97	138.00
	1996	142.80	139.13	281.93
	1997	-	144.73	144.73
	1998	105.25	168.19	273.44
	2001	304.65	195.69	500.34
	2003	25.03	163.61	188.64
	2004	166.51	340.54	507.05
	2005	187.38	439.13	626.51
	2006	628.27	-	628.27
	2007	373.20	-	373.20
	2008	80.69	-	80.69
	2009	79.75	-	79.75
	2013	-	28.22	28.22
	2014	157.18	259.35	416.53
	2015	308.47	-	308.47

	2016	203.00	-	203.00																																					
	2017	335.84	-	335.84																																					
	2018	249.49	86.44	335.93																																					
	2019	429.17	235.71	644.88																																					
	Sub Total	4,005.62	3,155.40	7,161.02																																					
	Immature Area																																								
	2020	115.65	89.70	205.35																																					
	2022	149.20	58.67	207.87																																					
	2022	-	325.55	325.55																																					
	Sub Total	264.85	473.92	738.77																																					
	Total	4,270.47	3,629.32	7,899.79																																					
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)	<table><tr><th colspan="2">CPO</th><th colspan="2">Palm Kernel</th></tr><tr><th>Out put (tonnes)</th><th>Extraction (%)</th><th>Out put (tonnes)</th><th>Extraction (%)</th></tr><tr><td>Inecda POM</td><td>45</td><td>177,782.86</td><td>36,592.51</td><td>20.58</td><td>7,958.69</td><td>4.48</td></tr></table>	CPO		Palm Kernel		Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	Inecda POM	45	177,782.86	36,592.51	20.58	7,958.69	4.48																						
CPO		Palm Kernel																																							
Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)																																						
Inecda POM	45	177,782.86	36,592.51	20.58	7,958.69	4.48																																			
	<i>*Production data source from 12 months before assessment (May 2022 to April 2023)</i>																																								
1.7.2	Description of Certification Scope of Supply Base																																								
	Name of Estate	Total Area (Ha)	Production Area (Ha)	<table><tr><th>FFB (ton/yr)</th><th>Yield (ton/ha/yr)</th><th colspan="2">Supplied to Mill</th></tr><tr><th></th><th></th><th>FFB (ton/year)</th><th>%</th></tr><tr><td>Estate 1</td><td>4,681.01</td><td>4,005.62</td><td>83,617.65</td><td>20.88</td><td>83,617.65</td><td>100</td></tr><tr><td>Estate 2</td><td>3,919.91</td><td>3,155.40</td><td>71,685.60</td><td>22.72</td><td>71,685.60</td><td>100</td></tr><tr><td>Total</td><td>8,600.92</td><td>7,161.02</td><td>155,303.25</td><td>21.68</td><td>155,303.25</td><td>100</td></tr></table>	FFB (ton/yr)	Yield (ton/ha/yr)	Supplied to Mill				FFB (ton/year)	%	Estate 1	4,681.01	4,005.62	83,617.65	20.88	83,617.65	100	Estate 2	3,919.91	3,155.40	71,685.60	22.72	71,685.60	100	Total	8,600.92	7,161.02	155,303.25	21.68	155,303.25	100								
FFB (ton/yr)	Yield (ton/ha/yr)	Supplied to Mill																																							
		FFB (ton/year)	%																																						
Estate 1	4,681.01	4,005.62	83,617.65	20.88	83,617.65	100																																			
Estate 2	3,919.91	3,155.40	71,685.60	22.72	71,685.60	100																																			
Total	8,600.92	7,161.02	155,303.25	21.68	155,303.25	100																																			
	<i>*Production data source from 12 months before assessment (May 2022 to April 2023)</i>																																								
1.7.3	FFB description from other source																																								
	Name of sources/Organization (RSPO certified/non-certified)	Type of Organization	Number of Smallholders	<table><tr><th>Production Area (Ha)</th><th>Supplied to Mill FFB (tones/year)</th></tr><tr><td>Areal 135 (Non-certified RSPO)</td><td>S&G Biofuel PTE. Ltd</td><td>-</td><td>111.57</td><td>1,807.88</td></tr><tr><td>PT Inecda (Production Forest Area /HPK)</td><td>S&G Biofuel PTE. Ltd</td><td>-</td><td>229,67</td><td>5,494.15</td></tr><tr><td>Liana (Non-certified RSPO)</td><td>Independent Supplier</td><td>-</td><td>-</td><td>4,622.84</td></tr><tr><td>Nuryani (Non-certified RSPO)</td><td>Independent Supplier</td><td>-</td><td>-</td><td>2,183.00</td></tr><tr><td>Wahyu Sudiarti (Non-certified RSPO)</td><td>Independent Supplier</td><td>-</td><td>-</td><td>2,301.21</td></tr><tr><td>Jasa Pesikaian Sukses Bersama Cooperative</td><td>Independent</td><td>-</td><td>-</td><td>2,988.48</td></tr><tr><td>Petalongan Makmur Jaya Sejahtera Cooperative</td><td>Smallholder Independent</td><td>-</td><td>-</td><td>1,729.42</td></tr></table>	Production Area (Ha)	Supplied to Mill FFB (tones/year)	Areal 135 (Non-certified RSPO)	S&G Biofuel PTE. Ltd	-	111.57	1,807.88	PT Inecda (Production Forest Area /HPK)	S&G Biofuel PTE. Ltd	-	229,67	5,494.15	Liana (Non-certified RSPO)	Independent Supplier	-	-	4,622.84	Nuryani (Non-certified RSPO)	Independent Supplier	-	-	2,183.00	Wahyu Sudiarti (Non-certified RSPO)	Independent Supplier	-	-	2,301.21	Jasa Pesikaian Sukses Bersama Cooperative	Independent	-	-	2,988.48	Petalongan Makmur Jaya Sejahtera Cooperative	Smallholder Independent	-	-	1,729.42
Production Area (Ha)	Supplied to Mill FFB (tones/year)																																								
Areal 135 (Non-certified RSPO)	S&G Biofuel PTE. Ltd	-	111.57	1,807.88																																					
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Wahyu Sudiarti (Non-certified RSPO)	Independent Supplier	-	-	2,301.21																																					
Jasa Pesikaian Sukses Bersama Cooperative	Independent	-	-	2,988.48																																					
Petalongan Makmur Jaya Sejahtera Cooperative	Smallholder Independent	-	-	1,729.42																																					

	Pematang Jaya Sejahtera Cooperative	Supplier	-	-	1,934.77			
	TOTAL				23,061.75			
	*Production data source from 12 months before assessment (May 2022 to April 2023)							
1.7.4	Product categories		FFB, CPO, PK					
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product		Estimate Production (MT) period of last year	Actual Production (MT) last year (May 2022 to April 2023)				
	FFB Processed		175,000	155,303.25				
	CPO Production		38,500	32,542.96				
	Palm Kernel (PK) Production		7,875	7,123.60				
1.8.2	Product selling							
	Type of selling product		Actual selling product for last year (May 2022 to April 2023)					
	CSPO sold as RSPO certified product		32,479.74					
	CSPK sold as RSPO certified product		7,090.66					
	CSPO sold under another scheme		-					
	CSPK sold under another scheme		-					
	CSPO sold as conventional		-					
	CSPK sold as conventional		-					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)			
	Estate 1	4,681.01	4,270.47	85,000	19.90			
	Estate 2	3,919.91	3,629.32	82,000	25.59			
	TOTAL	8,600.92	7,899.79	167,000	21.25			
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tones/hour)	FFB Processed (tones/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tones)	Extraction (%)	Out put (tones)	Extraction (%)	
	Inecda POM	45	167,000	40,000	23.95	8,000	4.79	MB
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	Other Certifications							
	ISO 9001:2015			-				
	ISO 14001: 2015			POM : issued 22 April 2021 valid until 21 April 2024 by PT TSI Estate : issued 30 September 2021 valid until 29 September 2024 by PT TSI				
	ISO 45001:2018			-				
	ISCC			-				
	Others			ISPO Certificate which valid until 03 August 2027 (MUTU-ISPO/102)				

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					
	Gandaerah Hendana POM (PT Gandaerah Hendana)	2019	Estate 1	2019	Village of Ukui II, Sub District of Ukui, District of Pelalawan, Province of Riau, Indonesia	Certified	
			Estate 2	2019		Certified	
			Estate 3	2019		Certified	
			SKT 1 Estate (HGU on process ±538.17 Ha)	2023		-	
			SKT 2 Estate (HGU on process ±227.63 Ha)	2023		-	
	Inecda POM (PT Inecda)	2019	Estate 1	2019	District of Indragiri Hulu, Province of Riau, Indonesia	Certified	
			Estate 2	2019		Certified	
			SKT Estate (HGU on process ±135.65 ha	2023		-	
	*TBP has been approved by RSPO on 23 March 2023						
	1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
		There is no associated smallholder scheme in PT Inecda.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. Leonada (Lead Auditor Witnessing). Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, lead auditor ISO 9001; 2008, ISO 14001; 2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor. In this audit He conducted a witnessing of the auditor.</p> <p>2. Radytio Puspanjana (Lead Auditor Witnessed). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training, which was held by National GMT, 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 Legal and SCCS</p> <p>3. Septian Maulana (Auditor). Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Basic Fire Fighting and Basic First Aid; Awareness Integrated Management Systems (ISO 14001, and ISO 45001 in 2020); Awareness (ISO 19011, ISO 17065; and ISO 17021) in 2020; ISO 9001:2015 Lead Auditor in 2021, ISPO Lead Auditor in 2021, RSPO Lead Auditor in 2021, Awareness Social Audit SMETA in 2022 and RSPO ISH Standards Training in 2022. In this audit activity was verified worker welfare, social and transparency.</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. Johannes Kapri Pandiangan (Auditor Trainee). Bachelor of Agriculture, Department of Agricultural Social-Economics, Faculty of Agriculture. Has 7 years of experience working as operational staff in one of the leading private oil palm plantation companies in Indonesia. The training that has been attended includes Forest and land fire emergency response training by BKSDA Riau Province, IHT ISPO P&C Certification System, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPO, ISO 14001: 2015 Lead Auditor Training, and ISO 9001:2015 Lead Auditor Training During this audit he verify Best Management Practices and OHS under supervised by Lead Auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-4	<p>Number of auditors: 3 auditor, 1 Trainee Auditor and 1 Lead Auditor Witnessing</p> <p>Number of days for ASA-4 onsite audit: 5 days</p> <p>Number of working days for ASA-4 onsite audit: 15 Working days</p>
2.2.2	Assessment Process

ASA-4	<p>The assessment was conducted by measuring the implementation of certification system and standard conducted by PT Inecda 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 Inecda consist of one mill (Inecda Mill) and two estate (Inecda Estate 1 and Inecda Estate 2).</p> <p>The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-4 by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from ASA-3 findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of this ASA-4.</p> <p>The opening meeting was held on 08 May 2023. As for the participants who attended the opening meeting included the Regional Controller, Estate and Mill Managers, Support Team from Jakarta and other staff at Inecda POM. Closing meeting was held on 12 July 2023 attended by the same participants as the opening meeting. Management of PT Inecda accept all this audit results.</p> <p>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.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates through teleconference. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.</p> <p>The assessment program please find Appendix 2.</p>
2.2.3	Locations of Assessment
ASA-4	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Inecda POM</p> <ul style="list-style-type: none"> • WWTP. Field observation related POME management. • Warehouses (Chemical, Lubricant, Material). Field observation related OHS, Environment and worker welfare aspects. • Workshop. Field observation related OHS, Environment and worker welfare aspects.

- **Temporary Hazardous Waste Storage.** Field observation related hazardous waste management.
- **Hydrant Simulation.** Field observation related condition of emergency equipment.
- **Loading Ramp Station.** Field observation related OHS, Environment and worker welfare aspects.
- **Boiler Station.** Field observation related OHS, Environment and worker welfare aspects.
- **Sterilizer Station.** Field observation related OHS, Environment and worker welfare aspects.
- **Press Station.** Field observation related OHS, Environment and worker welfare aspects.
- **Engine room.** Field observation related OHS, Environment and worker welfare aspects.
- **Clarification Station.** Field observation related OHS, Environment and worker welfare aspects.
- **Hydrant.** Simulation related to firefighting facilities and infrastructure.
- **Weighbridge.** Observation and interview related FFB source, supply chain and worker welfare aspect.
- **CPO Storage Tank and Kernel Storage.** Observation related capacity of storage.
- **Grading Station.** Observations related to the implementation of OHS and technical aspects of work.
- **Security post.** Observation and Interview with security related to work procedure, emergency response, worker welfare, OHS implementation in mill, and supply chain aspect.
- **Weighbridge station.** Observation and Interview with worker related to supply chain aspect and worker welfare.
- **Grading station.** Observation and Interview with worker related to work procedure, emergency response, worker welfare, and OHS implementation in mill.
- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **Empty Bunch Area.** Observation of the management of EFB.
- **CPO dispatch station.** Observation OHS implementation and supply chain aspect.
- **Hoisting Crane.** Observation and Interview with worker related to work procedure, emergency response, worker welfare, and OHS implementation in mill.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Mill Drainage.** Observations mill effluent lines, sanitation mill and flow of leaching mill.
- **Spare part Warehouse.** Field observations and interview related spare part management, OHS, and environmental aspect.
- **Quality Laboratory.** Observations and interviews related to sampling, testing time and handling related to test results that exceed the standard.
- **Water intake.** Observations and interviews related to water management and contaminant of environmental management.
- **Land Application Block B01.** Observations related to implementation management procedures of POME for land application.

Estate 1

- **Housing Complex Block F14 Division II.** Field observations related to the condition and adequacy of employee welfare facilities and infrastructure.
- **Day care facility.** Observation and interview about facility and interview about worker welfare, gender committee, and facility for worker.
- **Housing Complex Block H03 Division III.** Field observations related to the condition and adequacy of employee welfare facilities and infrastructure.
- **Landfill Block G23.** Observation the conditions, position and management related to domestic waste.
- **Generator house.** Observations and interviews related to the implementation of OHS, employment and waste management.
- **PPE Storage.** Observation about facility and PPE stock.
- **Landfill Block G23 Division I.** Field observations related to domestic waste management.
- **Warehouses (Chemical, Lubricant, Material).** Field observation related OHS, Environment and worker welfare aspects.
- **Hazardous waste storage.** Observation and interview about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Fire Drill.** Field observation related condition of emergency equipment.

- **Spraying. Block G26. Division I.** Field observation related OHS, Environment and worker welfare aspects.
- **Logger. Block I18. Division I.** Field observations related to the management of peat areas.
- **Piezometer. Block I19. Division I.** Field observations related to the management of peat areas.
- **Nursery.** Field observation related OHS, Environment and worker welfare aspects.
- **Circle raking. Blok G25.** Field observation related OHS, Environment and worker welfare aspects.
- **Harvesting. Blok J16. Division IV.** Field observation related OHS, Environment and worker welfare aspects.
- **Fire watch tower.** Observation related to firefighting facilities and infrastructure.
- **Nurseries.** Observations and interviews with nursery workers related to OHS, work practices and also worker welfare.
- **Firefighting simulation.** Observation about condition about the firefighting facilities and equipment and preparedness.
- **Rinse House.** Observation and interview related to OHS and environmental aspects.
- **Clinic.** Observation about facility for worker, OHS implementation and work procedure.
- **Workshop.** Observation and interview related to work procedure, OHS and workers welfare aspect.
- **Replanting Area planting 2023.** Observations related to environmental and zero burning management.
- **Enclave Block F14.** Observations related to boundaries management.
- **HGU Pole No. BPN 12 Block C04.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 11 Block C04.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 07 Block C03.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 10 Block C04.** Observation the conditions and position of legal boundary.
- **HCV Area Air Hitam POM River Block E8.** Observations related to HCV management and potential pollution.

Estate 2

- **Replanting Area Planting Year 2023 Division IX Block K19.** Field observations related to the mechanism of land clearing without burning and the application of soil and water conservation in planting.
- **Subsidence Pole Block N24 Division VIII.** Field observations related to peatland management.
- **Piezometer Block K21 Division IX.** Field observations related to peatland management.
- **Spraying. Block N24/N25. Division XI.** Field observation related OHS, Environment and worker welfare aspects.
- **Pole Subsidence. Block N24. Division IX.** Field observations related to the management of peat areas.
- **Piezometer. Block K21. Division I.** Field observations related to the management of peat areas.
- **Nursery.** Field observation related OHS, Environment and worker welfare aspects.
- **Circle raking. Blok G25.** Field observation related OHS, Environment and worker welfare aspects.
- **Harvesting. Blok J16. Division IV.** Field observation related OHS, Environment and worker welfare aspects.
- **Fire watch tower.** Observation related to fire extinguisher facilities and infrastructure.
- **Barn Owl. Block O24.** Field visits related to biological pest control.
- **Manuring. Block K20/K21. Division IX.** Field observation related OHS, Environment and worker welfare aspects.
- **Housing complex and Facilities Afdeling VII and IX (Mosque, Clinic, daycare, etc).** Observation and interview regarding facilities and infrastructure housing area.
- **Chemical mixing warehouse and bathroom.** Observation and interview to store keeper related to OHS, waste management and worker welfare aspect.
- **Generator House.** Observations related to OHS and environmental aspect.
- **HCV Area Air Hitam River Block C18.** Observations related to HCV management and potential pollution.
- **HCV Area Air Hitam Belilas River Block N27.** Observations related to HCV management and potential pollution.
- **HGU Pole No. BPN 056 Block P31.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 057 Block P29.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 059 Block P27.** Observation the conditions and position of legal boundary.

2.3 Stakeholder Consultation and Stakeholders Contacted

2.3.1 Summary of stakeholder consultation process.

ASA-4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Inecda was held by:</p> <ul style="list-style-type: none"> • Public consultation with NGOs (by email) on 3 May 2023 • Public consultation meeting with government institution (Manpower office of Riau and Environmental Service of Indragiri Hulu) 9 May 2023 • Public consultation meeting with communities (Talang Sei Limau Village, Talang Sungai Parit Village, Pematang Jaya Village and Talang Suka Maju Village) on 8-9 May 2023 • Public consultation meeting with internal stakeholders and contractor 9 May 2023 <p>Numbers of input from stakeholders were clarified by PT Inecda.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (RC) will be conducted eight (8) months to twelve (12) months after of certificate

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Inecda POM - PT Inecda subsidiary of S&G Biofuel PTE Ltd operation consisting of one (1) mill and two (2) oil palm estates, namely Inecda POM, Estate I and Estate II.

During the assessment, there were one (1) Nonconformities were assigned against Major Compliance Indicator; three (3) nonconformities were assigned against Minor Compliance Indicators; and one (1) opportunity for improvement were identified.

Further explanation of the non-conformities raised, and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (document record/photographic/etc). Those corrective action(s) taken that consist of one (1) Major non-conformity had been closed out and two (2) Minor non-conformities shall be verified during next assessment.

MUTUAGUNG LESTARI found that Inecda POM – PT Inecda subsidiary of S&G Biofuel PTE Ltd 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	The list of documents that can be accessed by the public has been included in SOP for Communication, Consultation and Participation Number. FRM-ISP-P 004/04 dated 2 January 2014 and approved by the plantation and mill managers. The documents include: HGU Certificate, ANDAL, HCV/HCS, SIA, Vision and Mission, Sustainability Policy, Environmental Policy, OHS Policy, Quality and CSR, HCV Policy, Environmental work program, OHS work program, SOP for Handling External Conflict, SOP Completion of Industrial Relations, Results and Certification Assessment Reports and Information Logbook Reports of incidents of land fires.	
1.1.2	Companies can show evidence of delivering information to stakeholders, for example:	
	Worker Welfare Aspects	
	<ul style="list-style-type: none"> • Proof of delivery of the Mandatory Manpower Report monthly report for March 2023 to the Indragiri Hulu District Manpower Office on March 30, 2023. • Proof of delivery of the April 2023 manpower reporting mandatory monthly report to the Indragiri Hulu District Manpower Office on April 30, 2023. • Evidence of registration of 2 (two) temporary workers (heavy equipment operators) to the Indragiri Hulu District Manpower Office on May 4, 2023. 	

Environmental Report

- Receipt of Hazardous and Toxic Waste Management Report PT Inecda for Fourth Quarter of 2022 to Environmental Agency of Indragiri Hulu Regency and Environment and Forestry Agency of Riau Province on 27 February 2023.
- Receipt of Hazardous and Toxic Waste Management Report PT Inecda for Fourth Quarter of 2022 to Ministry of Environment and Forestry with electronic receipt No. 1677744317-1703.
- Receipt of POME Management and Monitoring Report for January 2023 to Environmental Agency of Indragiri Hulu Regency on 06 March 2023.
- Receipt of POME Management and Monitoring Report for February 2023 to Environmental Agency of Indragiri Hulu Regency on 24 March 2023.
- Receipt of POME Management and Monitoring Report for April 2023 to Environmental Agency of Indragiri Hulu Regency on 24 March 2023.
- Receipt of Management and Monitoring Implementation Report PT Inecda for Second Semester of 2022 to Environmental Agency of Indragiri Hulu Regency on 27 February 2023, as well as Ministry of Environment and Forestry with electronic receipt No. 1677744317-1703.

OHS

The company shows that OHS implementation reports are reported every 3 (three) months to the Manpower Office, including the following:

- OHS Committee Report for the 1st quarter of 2023 which was reported to the Indragiri Hulu Manpower Office on 27 April 2023.
- OHS Committee report for the fourth quarter of 2022 which was reported to the Indragiri Hulu Manpower Office on 8 February 2023.

BMP

Report on the development of PT Inecda's plantation business for Semester 2 of 2022 which was reported to the Department of Agriculture and Fisheries of Indragiri Hulu Regency on January 23, 2023. The receipt for the report has been affixed with the service's stamp.

Legal

- Evidence of Reporting on Investment Activities (estate) report number LK1909010 for the first quarter of 2023 has been received by the Ministry of Investment on 10 April 2023.
- Evidence of Reporting on Investment Activities (Mill) number LK1972558 for the first quarter of 2023 has been received by the Ministry of Investment on 10 April 2023.
- Report on the utilization of land title Number 011/LGL/INC-PKU/I/2023 dated 18 January 2023 to Land Agency Indragiri Hulu Regency for the 2022 reporting period.
- Report on plantation business activities for the second half of 2022 which was submitted to the Agriculture and Fisheries Service of Indragiri Hulu Regency on 26 January 2023.

1.1.3

Companies can show response documents or information services to requests for information from stakeholders, for example:

- Incoming Letter from *SPPP-SPSI* regarding bipartite negotiations dated 1 February 2023 and has been responded to by the company on 2 February 2023.
- Incoming letter from FFB supplier Wahyu Sudarti dated 1 February 2023 regarding a request for solid fertilizer and was responded to on 2 February 2023.

1.1.4

The company has a procedure for providing information to stakeholders in the Communication, Consultation and Participation SOP document Number 004-SOP-ISP which was ratified on January 2, 2014. The document explains the person in charge of receiving information, namely the company leadership. In this procedure it is stated that the period of management through the relevant department will respond to requests for information from external parties no later than 10 (ten) days from the date the request for information is received.

Based on interviews with representatives of surrounding villages, and Indragiri Hulu Regency government agencies, information was obtained that stakeholders already knew about the information delivery mechanism.

1.1.5

Companies can show a list of stakeholders which informs the PIC. Addresses, institutions, positions and contact numbers that can be contacted include all PT Inecda (Mill and Estate) stakeholders. Identified stakeholders include:

- Government agencies
- Village and sub-district officials
- Community leaders/traditional leaders and religious leaders
- Occupants and Previous Land Owners
- NGO
- Labor union
- Education/ Academics
- Vendor/ Supplier/ Contractor (including laboratories and hazardous waste carriers)

In the ASA-3 assessment, the company has an opportunity for improvement to ensure that the stakeholder list contains all relevant stakeholders, especially Indigenous Batin. In ASA-4 activities, the list of stakeholders has included information on Indigenous Batin, for example Indigenous Batin Nayan, Indigenous Batin Tiyau, Indigenous Batin Larisan, etc.

In addition, during the audit activities, the auditor team has conducted samples and can carry out consultations either by telephone or in person with stakeholders identified by the company.

	Status: Comply	
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1.2

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

1.2.1

The company already has policies related to the code of conduct for business conduct, prevention and eradication of money laundering, eradication of corruption and prevention and eradication of corruption which were ratified by the CEO on 01 October 2021.

Based on the results of interviews with workers at both Mill and Estate, Labor Unions as well as contractors and suppliers, it is known that the parties already have an understanding regarding the company's code of ethics such as the absence of fraud, corruption and others.

Thus, it is concluded that the company has owned and declared an honest and corruption-free business code of ethics that has been disseminated to the public.

1.2.2

In order to monitor compliance and implementation of ethical business policies and practices as a whole, the company has SOP No. 036-SOP-ISP procedures regarding internal audit which describes the internal audit process which aims to assess the effectiveness and efficiency of the internal control system, compliance with regulations, policies, operational and financial procedures. In addition, the company has also conducted a company financial audit conducted by a Public Accounting Firm to ensure that there is no fraud in the preparation of financial reports.

	Status: Comply	
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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

Worker Welfare Aspects

- The company has ensured that workers with *PKWT* status and casual daily workers do not work on permanent position.
- The company has registered all employees in the Health and Employment *BPJS* program.
- All workers have copies of employment relations documents.
- The company has ensured that workers receive wages not lower than the minimum wage.

Compliance with Agronomy Regulations:

In term of best management practices, it was known that estate and mill management has implementing several pursuance with Indonesia laws and regulations, for example has conducting mechanical or zero burning method during land clearing, palms planted were derived from seeds (DxP) producers, recognized by the government of Indonesia. Furthermore, estate (each unit management) has implementing integrated pest management, biological control and only used pesticides listed on government website pesticide.id, for example the use of the trademark pesticide Basta 150 SL, with the active ingredient Ammonium Glyphosate with a permit number RI.103011992111 which is valid until 12 November 2023.

Compliance with Social and Environmental Regulations:

- Environmental Impact Analysis (ANDAL) and RKL-RPL documents in 2008 for Oil Palm Plantation Activities covering an area of ±9,466.05 Ha and Palm Oil Processing Factory with a capacity of 60 Tons FFB/Hour on behalf of PT Inecda in Seberida District, Indragiri Hulu Regency, Riau.
- Environmental Feasibility Decree Number 84 of 2008 dated June 13, 2008, based on the decision of the Regent of Indragiri Hulu for PT Inecda's Oil Palm Plantation in Seberida Subdistrict, Indragiri Hulu Regency for Oil Palm Plantation Activities covering an area of ±9,466.05 Ha and Palm Oil Processing Factory with a capacity of 60 Tons of FFB/Hour.
- Hazardous and Toxic Waste Management Permit Document in accordance with DPMPTSP Decree of Indragiri Hulu Regency Number 16/DPMPTSP/BP-LB3/XI/2020 dated 23 November 2020. This permit is valid for a period of 5 years. The permit refers to the Recommendation for Hazardous Waste Management Permit for Storage activities given by the Head of the Environmental Service of Indragiri Hulu Regency Number 660/DLH-INHU/308 on November 3, 2020. The permit is valid for 1 (one) hazardous waste storage warehouse located in factory area.
- Land Application Permit Document based on the Decree of the Environmental Service of Indragiri Hulu Regency Number 22 of 2018 dated December 18, 2018, concerning Permit for Utilization of Wastewater for Application to Land for Oil Palm Plantation of PT Inecda. The permitted area is in Estate 1 covering an area of 290.08 Ha which is spread over 9 blocks (blocks A, B and C). The permit is valid for 5 years from the date of stipulation.
- Domestic Waste Permit Documents for Factory Number 2/DPMPTSP/BL-IPAL/III/2020 and Estate Number 3/DPMPTSP/BL-IPAL/III/2020, based on the decision of DPMPTSP Indragiri Regency dated March 17, 2020. The permit is valid for 5 years from date set.

The Compliance with Legal Aspect

- The company has land rights of 8,600.92 Ha which is divided into 8 HGU certificates (Detailed explanation in 4.4.1).
- Already has a Plantation Business Permit in accordance with the Decree of the Regent of Indragiri Hulu, number: Kpts 400/VII/2015, dated July 27, 2015, for an area of 9,466.047 Ha and Palm Oil Processing 30 tons of FFB/hour for unit I and 45 tons FFB/hour for unit II.
- Has a plantation class assessment result with category II (good) according to the Decree of the Regional Secretary of Indragiri Hulu Regency, number 870/ Distankan-Bun/ I/ 2020.

2.1.2

The unit of certification has a list of legal regulations contained in the Summary and Review of Conformity with Regulations and Legislations and Other Requirements. The regulations cover aspects of agribusiness, employment, environment, and other regulations related to the company operational activities i.e:

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

Hari Tua

Evaluation of law registers for contractors is explained in more detail in 2.2.2.

2.1.3

The company has procedures for maintaining HGU boundaries in the Boundary Marking Procedure document/ Boundary Mark No. 040-SOP-AGR 2nd revision dated October 3, 2019. The procedure describes the inventory of HGU stakes, monitoring of HGU pole, maintenance of HGU pole, and boundary marking standards. Monitoring of HGU pole is carried out every 3 months by monitoring officers/foremen who have received instructions from their respective supervisor. The maintenance of the HGU pole is carried out by numbering the HGU pole, painting the boundary pole, and cleaning the location of the pole.

Based on the results of monitoring the HGU pole which were last carried out in April 2023, it is known that all the conditions of the HGU pole are in good condition for all estate.

Based on the results of field visits to HGU INC 11 & 12 Block C04, HGU INC 07 block C1 and INC 71 block 04, it is known that the condition of the stake is in good condition according to the monitoring results. Thus, it can be concluded that the company has carried out the maintenance of HGU boundaries.

Status: Comply

2.2

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

2.2.1

The company already has a list of contractors included in the list of stakeholders. The list of contractors includes all third parties who work with PT Inecda, such as hazardous waste transport contractors, FFB transport contractors, EFB transport and stacking, contractors for plant maintenance work and others.

In addition, the company also has a list of workers employed by contractors, for example, there are 9 workers at PT Delta Garda Persada.

2.2.2

Separate clauses regarding fulfillment of relevant legal obligations are included in all contracts with contractors and FFB suppliers, for example in the Work Agreement Letter between PT Inecda and PT Macan Sejahtera Cahaya Number: 009/TK/INC-PKU/HRD/PT.MSC/II /2023; Number: 355/P/INC-MS/II/2023 dated 22 February 2023. In addition, companies can show evidence of evaluating compliance with regulations. As an example:

- Specific Time Agreement Letter between PT Macan Sejahtera Cahaya and workers with the initial "T" with a period of 22 February 2023 - 21 May 2023.
- Salary slips for the period 21 February - 21 March 2023 for workers with the initial "T" with a wage of IDR 3,364,511.
- Proof of payment for Employment *BPJS* by PT Macan Sejahtera Cahaya in April 2023 with a total of 225 participants.

2.2.3

All contracts, including those with FFB suppliers, have separate clauses that prohibit practices involving child, forced or trafficked labour. For example, the contract between the company and PT Macan Sejahtera Cahaya Number: 009/TK/INC-PKU/HRD/PT.MSC/II/2023; Number 355/P/INC-MS/II/2023 dated 22 February 2023 in Article 27 Paragraph 6 states "Second Parties are prohibited from employing minors, carrying out forced labor practices, and trading in human labor (Human Trafficking)."

Status: Comply

2.3

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

2.3.1 & 2.3.2

Based on the document review, it is known that the direct FFB supplier for Inecda POM is KKPA as follows :

1. Jasa Pesikaian Sukses Bersama Cooperative
2. Petalongan Makmur Jaya Sejahtera Cooperative
3. Pematang Jaya Sejahtera Cooperative.

The Company also obtains FFB indirectly through a third party (Agent). The FFB from the third party (Agent) is obtained from the surrounding community/Farmers. The agents are Bukit Karang Sawitri and Nuryani. The company can show geolocation information from FFB and proof of land ownership status from the community/Farmers who sell FFB to the agent. The list of suppliers is as follows:

1. Liana
2. Nuryani
3. Wahyu Sudarti.

The company uses the Koltiva application to record geolocation information data and proof of ownership of the FFB originating land. In the application can also be seen a map of the polygons of the farmer plantation. The company has shown examples of legal documents from Liana direct suppliers, including SHM, overlay with Forest Area Map and geolocation from Liana plantation, namely S 0°32'42.275" / E 102°15'15.227".

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 shows a long-term planning document that is described in a 5 (five) year plan for the period 2021 to 2025 which projects the planting area, FFB production, CPO, Kernel, Replanting, OER, KER and so on. The long term plan includes projections for partnerships/plasma (smallholders) as well as third party FFB suppliers. For example, in the following table :

DESCRIPTION	UNIT	YEAR				
		2021	2022	2023	2024	2025
FFB Processed	Ton	197,340	198,660	270,000	270,000	270,000
CPO Production	Ton	42,428	42,712	58,050	58,050	58,050
OER	%	21.50	21.50	21.50	21.50	21.50
Production PK	Ton	9,867	9,933	13,500	13,500	13,500
KER	%	5.00	5.00	5.00	5.00	5.00
FFB Production in own estate	Ton	142,839	164,312	163,863	163,584	162,142

The company has conducted regular evaluations every year to review the achievements of the plans that have been prepared by the company. Evaluation of the 2022 work plan was evaluated on February 7, 2023, which was attended by company management.

3.1.2

The company has shown a document of the oil palm replanting activity plan for the period 2022 – 2027, which is as follows:

- Year 2022: 325.55 Ha
- Year 2023: 172.76 Ha
- Year 2024: 115.81 Ha
- Year 2025: - Ha
- Year 2026: - Ha
- Year 2027: 170.30 Ha

The company has conducted regular evaluations every year to review the achievements of the plans that have been prepared by the company. The evaluation of the 2022 work plan (including the replanting plan) was evaluated on 7 February 2023 which was attended by the company's management.

3.1.3

The company shows Management Review SOP No 037-SOP-ISP which explains the management review process and its implementation which is carried out periodically. The management review was last conducted on June 27, 2022, which was attended by 22 people who discussed the results of internal audits, customer feedback, process performance and product conformity, status of preventive and corrective actions, follow-up of management reviews, changes that may affect the management system and recommendations for improvement.

The company has conducted regular evaluations (management Review) every year to review the achievements of the plans that have been prepared by the company. The evaluation of the 2022 work plan (including the replanting plan) was evaluated on 7 February 2023 which was attended by the company's management.

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

Best Management Practice

The company has conducting mechanical or zero burning method during land clearing, palms planted were derived from seeds (DxP) producers, recognized by the government of Indonesia. Furthermore, estate (each unit management) has implementing integrated pest management, biological control and only used pesticides listed on government website pesticide.id.

Based on the results of field visits and interviews with company management, it was found that oil palm replanting had been carried out mechanically. In addition, the company no longer uses paraquat active pesticides for weed control in accordance with the company's commitment. In controlling pests and diseases, the company actively cultivates beneficial plants such as *Turnera subulata* and *Atigonon leptopus* as breeding grounds for natural enemies of leaf caterpillars. As well as monitoring owls as natural enemies of rat. In addition, the company also carried out several monitoring using drones such as a basic census, mapping and monitoring of hot spots in the management of land fires.

3.2.2

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

Name of RSPO Member	: S&G Biofuel PTE. LTD
RSPO Membership Number	: 1-0238-17-000-00
Name of Certified Unit	: Inecda POM
Name of Certification Body	: Mutu International
RSPO PalmTrace ID Number	: CB139807
Number of Mills	: 1
Number of Estates	: 2
Production Area (ha) - Estate	: 7133,20
Certified Area (ha) - Estate	: 8,600.92
High Conservation Value (HCV) Area (ha)	: 41,71
Peatlands - Planted (ha)	: 5118,95
Peatlands - Unplanted (ha)	: 25,82
Freshwater Usage per PO produced tonne	: 5,32
Average LTIFR	: 5,80
Total Workers	: 107

% of Local Workers of Total Workers	: 100%
% of Non-Local Workers of Total Workers	: 0%
% of Contract Workers of Total Workers	: 2,8%
% of Female Workers of Total Workers	: 1,9%
% of Young Workers	: 0%

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has procedures related to plantation and mill operations, including the following:

Agronomy SOP

The company has agronomic procedures that are approved by the Chief Financial Officer (CFO) and Chief Operating Officer (COO), for example as follows:

- SOP for Land Suitability Survey No. 001-SOP-AGR/Rev01.
- SOP for Nursery Management - Site preparation and selection No 002-SOP-AGR/Rev01.
- SOP for Land Clearing and Replanting No. 015-SOP-AGR.
- SOP for Mature Weed Control No 022-SOP-AGR.
- SOP for Standard Harvesting No 035-SOP-AGR/Rev01.
- SOP for Transportation and Delivery of FFB to Mills No. 036-SOP-AGR/Rev01.

Processing/Mill SOP

The company also has procedures for palm oil mills starting from the receipt of FFB, processing to the delivery of CPO & PK for mill operations, for example as follows:

- SOP for FFB Receipt No. 001-SOP-POM.
- SOP for FFB Pricing No. 002-SOP-POM/Rev01.
- SOP for Sterilizer - Sterilization No. 003-SOP-POM.
- SOP for Measurement of CPO Quality No. 009-SOP-POM.
- SOP for Delivery of CPO, PK, or PKO No. 013-SOP-POM.

Product Traceability SOP

The company also has product traceability procedures, including the following:

- SOP for ISPO Supply Chain No 015-SOP-POM.
- SOP for RSPO Supply Chain No 016-SOP-POM/Rev-04.

3.3.2

The company shows SOP No. 036-SOP-ISP on internal audit which describes the internal audit process which aims to assess the effectiveness and efficiency of the internal control system, compliance with regulations, policies, operational and financial procedures.

The company has shown the results of the RSPO internal audit which was carried out on 13 – 16 February 2023 as a form of implementation of its procedures.

3.3.3

The company has shown PT Inecda's RSPO internal audit activity documents which were carried out in February 2023. Based on these documents it is known that there were 14 non-conformance findings and 3 opportunities for improvement. The company has determined the deadline for compliance with non-conformances on April 3, 2023.

In addition, monitoring of procedures is carried out during the implementation of work through supervision from the Foreman, Assistants and Managers.

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

Unit of certification already has several documents related to social and environmental impact studies carried out independently or participative by involving affected stakeholders in collaboration with accredited independent experts. Some of the records held by unit of certification are as follows:

Environmental Impact Assessment (EIA)

Unit of certification already has Environmental Impact Assessment (EIA) document that has covered all areas that fall within the scope of certification and can be proven based on environmental documents as described in indicator 2.1.1 with an environmental permit owned are as follows:

- Environmental Impact Analysis (*ANDAL*) and *RKL-RPL* documents in 2008 for Oil Palm Plantation Activities covering an area of ±9,466.05 Ha and Palm Oil Processing Factory with a capacity of 60 Tons FFB/Hour on behalf of PT Inecda in Seberida District, Indragiri Hulu Regency, Riau.
- Environmental Feasibility Decree Number 84 of 2008 dated June 13, 2008, based on the decision of the Regent of Indragiri Hulu for PT Inecda's Oil Palm Plantation in Seberida Subdistrict, Indragiri Hulu Regency for Oil Palm Plantation Activities of ±9,466.05 Ha and Palm Oil Processing Factory with a capacity of 60 Tons of FFB/jam.

In the document above there is information related to environmental aspects and parameters that must be monitored and managed along with information on targets and implementation times contained in environmental management and monitoring matrix. The document has also covered all aspects of plantation and mill activities as well as their changes throughout the operational activities. The sampling methodology used is also participatory involving external stakeholder groups for the purpose of identifying impacts. Based on the verification of these documents, it can be concluded that all environmental impacts from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

Social Impact Assessment (SIA)

Unit of certification already has a social impact identification document listed in the 2017 PT Inecda Oil Palm Plantation Social Impact Assessment document by PT Sonokeling which was conducted in September-October 2017. There is a Social Impact Assessment (SIA) socialization meeting/Public Consultation on 19 – 23 September 2017 with 104 participants, including representatives from surrounding villages, community leaders and representatives from PT Inecda. Evidence of community involvement in the form of attendance lists, photos of implementation and examples of questionnaire attachments in the SIA document for 10 surrounding villages. The assessment method is carried out using a list of questionnaires that have been prepared through an interview system and data measurement.

The SIA study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the village communities around the company, environmental management efforts in the social, economic and cultural fields by PT Inecda and community perceptions of the existence and benefits of PT Inecda. Social impact assessments are included as part of the complement of all environmental impact assessments. The assessment involved all affected parties, both internal and external stakeholders, including employees, trade unions, village heads around the plantation, local NGOs and plasma farmers with a total of 76 representatives of relevant stakeholders. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. In addition, the SIA study has also been disseminated to villagers and stakeholders in the affected area with evidence of an invitation to the Socialization conducted on 23 September 2017.

Community representatives who became resource persons in this assessment were village heads and traditional leaders. The types of data collected are primary data and secondary data. Primary data collection for monitoring the management of social impacts is obtained from relevant stakeholders as affected parties as well as local village officials who represent the community and as verifiers. Secondary data or indirect data collection is carried out by means of literature studies through various references such as environmental assessment documents, HCV assessment documents, local government literature, CSR implementation records, company internal data, correspondence between companies and affected parties, local news and news national and so on. All of these data sources are used as consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social

impacts from plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

High Conservation Value Assessment (HCVA)

Unit of certification already has Report on Identification and Analysis of the Presence of High Conservation Value (HCV) in the Permit Area of PT Inecda, Indragiri Hulu Regency, Riau Province in collaboration with PT Sonokeling Akreditas Nusantara in 2013 and has been peer reviewed by Siti Badriyah Rushayanti. The methodology for identifying HCV areas refers to the Guide to Identification of High Conservation Value Areas in Indonesia (the Indonesian Consortium for the Revision of HCV Toolkit, 2008). In the document, a Map of High Conservation Value Areas with a scale of 1:80,000 is available. This activity is carried out for the scope of PT Inecda where there are 2 Estates in it. Based on this study, it is known that the HGU area of PT Inecda is $\pm 9,443.386$ Ha with a total HCV area of 2,540.72 Ha in the form of river borders, mixed gardens, reservoirs, sacred places, and peat areas. The report also contains a matrix of High Conservation Value Area Management and Monitoring Plans which contains recommendations for the management of all identified HCV areas.

Unit of certification again verified all HCV areas as identified by internal assessors on 20 August 2018 and externally on 19 February 2019. The final results of the identification of the conservation areas with the latest total HCV area of 41.71 Ha. Regarding changes in these areas, it is explained in more detail in indicator 7.12.2. Based on the verification of these documents, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended with reference to the relevant environmental management guidelines.

3.4.2

Social Impact Management Plan for 2022 of PT Inecda:

- Social Impact Management Program (SIA) 2022, which includes external and internal impact management.
- The program has been prepared in a participatory manner by involving affected stakeholders as described in the results of public consultation & Forum Group Discussion (FGD) documents conducted in Sibabat Village, Tani Makmur Village, Sungai Parit Plantation Village, Talang Sungai Limau Village, Talang Sungai Parit Village, Talang Suka Maju Village, Titian Resak Village, Pematang Jaya Village, Bukit Petaling Village, Kota Lama Village, Petala Bumi Village, and Petalongan Village which were carried out in September – October 2021. However, the public consultation has not yet contained evidence of its implementation of community representatives Talang Mamak indigenous people.
- The company implements the management program, which is described in several documents, for example:
 - Cooperation Agreement with Plasma Cooperative (Successful Joint Cooperation Cooperation)
 - Recapitulation of CSR assistance in terms of granting scholarships to indigenous peoples and road repair assistance for indigenous peoples
- The company has conducted an evaluation of the implementation of Social Impact Management Program (SIA) 2022 which contains the results of implementing the management program in a sustainable manner including strategic issues in changing cropping patterns from rubber to oil palm plantations, roads damaged by FFB car activities, unemployment, attention to the Talang Mamak indigenous people, etc.

Social Impact Management Plan for 2023 of PT Inecda:

- Based on the evaluation results above, the company prepared Social Impact Management Program (SIA) 2023 document which contains external and internal impact management.
- The program has been prepared in a participatory manner by involving affected stakeholders as described in the results of public consultation & Forum Group Discussion (FGD) documents conducted in Sibabat Village, Tani Makmur Village, Sungai Parit Plantation Village, Talang Sungai Limau Village, Talang Sungai Parit Village, Talang Suka Maju Village, Titian Resak Village, Pematang Jaya Village, Bukit Petaling Village, Kota Lama Village, Petala Bumi Village, and Petalongan Village. The public consultation contains requests proposed by each village which are contained from the results of filling out a questionnaire with the surrounding community in September 2022. However, this public consultation has not yet included evidence of its implementation against representatives of the Talang Mamak indigenous people.

Social Impact Monitoring Plan

- The company already has a social monitoring plan contained in the *RKL-RPL* matrix, including:
 - Business opportunities (social, economic and cultural changes)
 - Increased revenue
 - The emergence of public unrest
- The implementation of the social monitoring plan is included in the *RKL-RPL* report for semester 2 of 2022, things to monitor include:
 - Monitoring the emergence of unrest by distributing questionnaires in September 2022
 - Monitoring business opportunities and increasing income in the form of local employee data tabulation from PT Inecda
- The results of the review of the *RKL-RPL* Matrix document and the 2022 and 2023 Social Impact Management Program Plan have explained the social management plan for the impact of changing cropping patterns from rubber to oil palm plantations, roads damaged by FFB car activity, unemployment, and concern for the Talang Mamak indigenous people. However, the document does not yet contain a monitoring plan according to the latest identification (2022 and 2023).
- The social impact management and monitoring plan is not yet participatory involving representatives of the Talang Mamak indigenous people.

Based on the explanation above, company has not shown any evidence that it has developed a participatory social management and monitoring plan involving representatives of Talang Mamak customary community as well as a social impact monitoring plan that includes identified impacts. **This is nonconformity No. 2023.01 with minor category.**

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. Some documentary evidence of the efforts that have been made are as follows:

Environmental Impact Assessment (EIA)

The company involves the Department of Environment and the Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents 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. Monitoring and updating related to environmental impact management is also carried out in conjunction with an evaluation of HCV management which is described in more detail in indicator 7.12.4. However, in general, all recommendations from the evaluation of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

Social Impact Assessment (SIA)

Based on the analysis of the 2021 Social Impact Management Report document, the social impacts in this assessment are divided into positive impacts and negative impacts. The social impact assessment is carried out based on the perceptions of community representatives at the assessment location who represent the community. the company has analyzed the positive and negative impacts arising from each activity specifically, for example physical assets for production activities that have positive and negative impacts on both external and internal levels, and so on as described in indicator 3.4.2. The company conducts annual evaluations to harmonize data collection related to public perceptions regarding the SIA Management Plan and adjust it to the latest needs according to conditions in the field.

In September 2022 the company has reviewed the management of social impacts for the period 2022 and developed a social management plan for the period 2023, in which the process has been participatory by involving relevant stakeholders. In the review activity, the company applied the 7 principles of the RSPO regarding plantation development that is responsible for social and environmental aspects with reference to the Free, Prior, Informed and Consent (FPIC) Principles. The principle of FPIC which is the basis for the company in carrying out the process of developing oil palm

plantations, among others, involves women's representatives, village heads, land owners around the company's area, independent smallholders, and all affected parties.

3.4.2	Status: Nonconformity No. 2023.01	Minor
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3.5

A system for managing human resources is in place.

3.5.1; 3.5.2

The company has an HR management system that aims to manage the workforce in accordance with the provisions of the existing laws in Indonesia as follows:

Recruitment, Selection and Promotion

The procedure for hiring employees with document number 001-SOP-HRD revision number 01 effective April 1, 2018, was ratified by the Chief Finance Officer (CFO) and Chief Operation Officer. This SOP aims to ensure that the employee recruitment process is carried out properly in order to meet the needs of qualified human resources as expected by the company. This SOP provides several forms related to the employee hiring process, namely:

- Manpower requirement planning form (FRM-HRD-P 001/01), for example: labor request form dated 19 August 2013 from Afdeling 2 Kebun 1 for 2 harvesting workers and 2 maintenance workers.
- Manpower request form (FRM-HRD-P 001/02).
- Interview results form (FRM-HRD-P 001/03).
- New employee orientation attendance list form (FRM-HRD-P 001/04).
- New employee handover form (FRM-HRD-P 001/05).
- New employee recruitment process reporting form (FRM-HRD-P 001/06).
- Applicant's personal data specimen.
- Sample letter of notification of graduation and job offers.
- Sample work agreement.

Companies can show documentation of the implementation of recruitment, for example:

- Job vacancies, for example for harvest workers that state the requirements that there should be no workers under 18 years of age, and that there is no indication of discrimination.
- Complete Job Applications for harvest workers with the initials "MA" and "JD".
- Work Agreement for harvest workers with the initials "MA" and "JD" on January 31, 2023, with a probationary period of 3 months (February 1 - May 1, 2023). On the work agreement letter, proof of handing over a copy of the work agreement by the worker can be shown.
- The Non-Staff Performance Assessment Form for harvest workers with the initial "MA" received a B grade, and harvest workers with the initial "JD" received an A grade.
- Application letter for promotion of harvest trial employees to SKU for harvest workers with the initials "MA" and "JD" on April 26, 2023.
- Decision Letter from the General Manager on April 29, 2023, concerning Appointment of Permanent Employees for harvest workers with the initials "MA" and "JD".

Pension/ Termination

- Submission of severance pay for pension employees aged 55 years on April 8, 2023, for workers with the initial "S" NIK 1311611.
- Letter from HRD which was approved by the General Manager on April 8, 2023, regarding notification of termination of employment due to retirement age for workers with the initial "S" NIK 1311611.
- Termination of Employment Agreement due to retirement dated 8 April 2023 between the company and the employee with the initial "S" NIK 1311611. The document informs the compensation received by the worker.

	Status: Comply	
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3.6

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

3.6.1

The company has a policy signed by the Chief Operational Officer, Chief Financial Officer and Chief Executive Officer on

27 June 2013 regarding Establishment of Quality, Occupational Health and Safety (K3) and Environmental and Social Responsibility Policies that apply.

The company have also demonstrated procedures 001-SOP-ISP regarding ASDAM (Aspects of Impact) and HIRAC (Hazard Identification Risk Assessment Control). The SOP describes hazard identification, environmental impact analysis and all activities/activities/work, work processes, work methods/methods, work places/locations, work equipment and materials/materials by using Hazard Identification Forms, Environmental Impact Analysis and environment and OHS Risk Assessment and consider things such as routine activities, normal conditions, abnormal, and emergencies. Preparation of Hazard Identification, Environmental Impact Analysis and occupational health, safety and the environment Risk Assessment is made before work is carried out in all sections/departments and must be reviewed (evaluated and corrected) at least once a year.

The company shows the Hazard Identification Form, Environmental Impact Analysis and occupational health, safety and the environment Risk Assessment updated in 2022, which was prepared by the OHS Expert and approved by the Plantation Manager. During the audit activity, the company showed records of Hazard Identification, Environmental Impact Analysis and occupational health, safety and the environment Risk Assessment in each work unit including in the Plantation, updated in March 2023, with work activities/processes including land clearing, nursery, planting, land maintenance, harvesting and transportation, fertilizing, spraying, warehouse, fuelling station, LB3 warehouse, polyclinic, electrical installation, generator house, lawn mower, infrastructure (heavy equipment, road maintenance), infrastructure (civil), estate office, workshop, mechanization harvesting, housing, fire patrols, environmental monitoring, owl monitoring, installing Oryctes nets and thorn fences for Antigonon.

The results of risk identification and the implementation plan are disseminated to management and workers, while the examples are as follows:

- HIRADC socialization, which was held on April 11, 2023, which was attended by 8 fertilizer workers from section IX.
- HIRADC outreach, which was held on March 7, 2023, which was attended by 49 participants.

Based on the results of interviews with boiler and engine room operators, it is known that workers already know and understand documents related to hazard identification, risks and control plans, and are able to implement them in the field. Based on the explanation above, it is known that there are results of risk identification and implementation plans that are disseminated to management and employees.

3.6.2

The company has been monitoring the effectiveness of the OSH plan to address OSH risks to people. The monitoring carried out is contained in PT Inecda's OHS Committee Quarterly Routine Report document and the report is submitted to the Riau Province Manpower and Transmigration Office. The examples are:

1. OHS Committee Report for the 1st quarter of 2023 which was reported to the Indragiri Hulu Manpower Office on 27 April 2023.
2. OHS Committee report for the fourth quarter of 2022 which was reported to the Indragiri Hulu Manpower Office on 8 February 2023.

The company has shown SOP No. 005-SOP-HRD concerning employee/MCU health checks which explains in point 6.2 point 1 that the company through HRD is required to carry out periodic checks every year on employees. The company also shows the results of the last health check (general periodic health checks, spirometry and audiometry) on December 12, 2021, which was attended by 104 Mill employees and 1,232 plantation employees.

In addition, the minutes of the implementation of the Cholinesterase examination were also shown on March 15, 2023, which were attended by 115 participants from the Estate and 2 participants from Mill.

The company has also shown the results of the medical examinations that have been carried out by the company, based on these documents it is known that there are several employees who experience work-related health problems. The company has also shown follow-up of the medical examination, for example, PT Inecda's decision letter Number 160/HRD/INC-KBN/IV/2023 dated 12 May 2023 regarding employee transfers on behalf of RD. These workers were

transferred from spray workers to manual maintenance workers starting May 21, 2023.

Status: Comply

3.7

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

3.7.1; 3.7.2

The company has employee training procedures (Document No. 004-SOP-HRD) which was approved by Chief Operation Officer (COO) Hendry Tan on 2 January 2014. This SOP aims to (a) ensure that the company has identified the needs of each employee, (b) ensure that every employee of the company has received adequate training in accordance with their functions, duties and responsibilities.

In addition, the company also has a training program for all employees, including contractor workers, taking into account gender-specific needs, and which covers applicable aspects of P&C Principles based on the results of identification of training needs, then the company also has a record of training on all activities that have been carried out. For example, the Minutes of Outreach to new PT Macan Sejahtera Cahaya employees on February 21, 2023, which include prohibition of child labor, gender committees, sexual harassment, drugs, use of PPE and complaint contact numbers.

3.7.3

The company showed the SCCS socialization and training minutes on June 29, 2022, which was attended by a total of 20 participants from staff representatives, sorting officers, cranes, weighing officers, security, and contractor representatives. Based on the results of interviews with weighing and security officers and because of production, it is known that the personnel who handle the supply chain already have a good understanding, especially about the source of FFB. Based on the results of interviews with Harvesting foreman block J16 estate 1, the officer can demonstrate how to record FFB originating from certified and non-certified areas and they admit that they have been trained in SCCS.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

Inecda POM applies the MB module because it still receives FFB from uncertified sources.

3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year production. The data are shown in the following table:

Product	Estimate Production period of 28 October 2022 – 27 Agustus 2023 (+extension volume)	Actual Production (MT) of previous audit (May 2022 to April 2023)	Estimate Production for 12 months (MT)
FFB	162,000	155,303.25	175,000
CSPO	37,250	32,542.96	38.500
CSPK	7,300	7,123.60	7.875

**Estimated production is obtained from actual production one year prior to the assessment (May 2022 – April 2023).*

3.8.4

The mill has met the requirement regarding to the reporting of its supply chain, as it has been registered as RSPO member and on RSPO IT Platform :

- Member Name: Inecda Palm Oil Mill - PT Inecda
- License ID: CB87143
- Core Product: Palm Oil
- Member ID: RSPO_PO1000004128
- RSPO Membership Number: 1-0238-17-000-00 (S&G BIOFUEL PTE. LTD)

- Type of Business: Oil Mill
- Supply chain model: Mass Balance

3.8.5

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain (No. 016-SOP-POM, revision 04 dated 1 July 2020). These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

Based on interviews in Inecda 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. The last SCCS training was held on June 29, 2022.

3.8.6

In the procedure of RSPO Supply Chain (No. 016-SOP-POM, revision 04 dated 1 July 2020) it is explained that the internal audit activity for SCCS is carried out at least once a year. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 10 – 11 April 2023. Based on result of internal audit, concluded that all of SCCS indicators has been complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 20 April 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process performance and product compliance, follow up of previous management review, actions taken regarding the findings and recommendation for improvement.

3.8.7

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

Product	Estimate Production period of 28 October 2022 – 27 Agustus 2023 (+extension volume)	Actual Production (MT) of previous audit (May 2022 to April 2023)
FFB	162,000	155,303.25
CSPO	37,250	32,542.96
CSPK	7,300	7,123.60

Based on the table above, it is known that there has been no overproduction between the license quota and the actual production. Related for handling non-conforming oil palm products, has been set in SOP of RSPO Supply Chain (No. 016-SOP-POM, revision 04 dated 1 July 2020).

3.8.8

Based on document verification, interview with management representative as well as verification Palm trace it was known during period May 2022 – April 2023 there are 32,479.74 MT CSPO product and 7,090.66 MT CSPK sold under RSPO certified product information. The selling documentation shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card and delivery note. Those document cover information of delivery date, description of product and supply chain model, product quality, identification number (unique code), certificate number, sender name and address of the seller. For example, CSPO certified delivery on 4 March 2023 with shipping announcement TR 3bee3de9-0403. The information provided on invoices are:

- The name and address of the buyer (PT Ivomas Tunggal Lubuk Gaung refinery).
- The name and address of the seller (Inecda Palm Oil Mill).
- The loading or shipment / delivery date (27 February 2023 - 11 March 2023).

- A description of the which the documents were issued (27 February 2023).
- The quantity of the product delivered 250,000 kg.
- Any related transport documentation (transporter by CV Mestika Jaya).
- A unique identification number 17/DO/CPO/INC/II/2023.
- Rspo certificate number MUTU-RSPO/132.
- Membership 1-0238-17-000-00.
- Etc.

3.8.9

The unit of certification has legal ownership of CPO and PK and did not outsource its milling activities. Only transportation of certified products (CPO and PK) is outsourced to the third parties. Currently, there are 7 contractors for CPO and PK transport, for instance as shows through several Work Agreement as follows:

- Agreement with CPO Transporter of CV Mestika Jaya No. 041/KPPCPO/MKT/MKT/INC-CV. MJ/V/2022 dated 23 May 2022, valid thru 31 May 2023.
- Agreement with PK Transporter of CV Mitra Sarana Sejahtera No. 042/KPPCPO//MKT/INC-CV MSS/V/2022 dated 23 May 2022 valid thru 31 May 2023.

Base on document verification in article 6 of the agreement it is also written that the second party is willing to provide access for the benefit of the company audit, both internal and external. Based on interview with other CPO transporter PT Marga Dinamika Perkasa and PT Wijaya Manggala Premier Lestari, it is known that the contractor has understood the obligations towards supply chain standards and is willing to be accessed by CB.

3.8.10

The physically handling of product are conducted by mill itself since FFB receive in grading station and processed to CPO and PK, except the transportation of product to third party, which bonded by the agreement. The Mill has the record of details of the contractor's period 2023, covers the contractor company profile, address, contact person, email and phone number, contract agreement and period, and list of vehicles. The following are the details of the transporters in collaboration with the company i.e:

- CV Liliana Jaya Sejati, CPO transporter
- CV Mestika Jaya, CPO transporter
- PT Wijaya Manggala Premier Lestari, PK & CPO transporter
- PT Mitra Sarana Sejahtera
- PT Cahaya Timur Sarana Mandiri, PK transporter
- CV Shaqila Artha Jaya, PK transporter
- PT Marga Dinamika Perkasa, CPO transporter.

3.8.11 & 3.8.12

The Mill has reported to CB related the new contractors before the opening meeting of ASA-4, as for the new contractor referred to as described in indicator 3.8.10. 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 1 years.

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

CSPO

Month	CPO Production (MT)			CPO Delivery (MT)			
	Certified	Non certified	Total	Certified	Other Scheme	Non certified	Total
Opening	414.07	314.24	728.30				
May-22	2,451.85	410.40	2,862.24	2,700.47	0	500.00	3,200.47
Jun-22	2,820.94	598.04	3,418.98	2,515.18	0	594.06	3,109.24

Jul-22	2,938.74	414.58	3,353.32	3,227.60	0	405.94	3,633.54
Aug-22	3,363.92	515.13	3,879.05	3,128.83	0	500.00	3,628.83
Sep-22	3,227.88	506.12	3,734.01	3,450.07	0	500.00	3,950.07
Oct-22	2,993.37	277.24	3,270.61	3,000.00	0	250.00	3,250.00
Nov-22	2,910.70	271.36	3,182.06	3,005.92	0	419.15	3,425.07
Dec-22	2,913.22	392.23	3,305.45	2,744.08	0	330.85	3,074.93
Jan-23	2,432.62	311.57	2,744.19	2,640.85	0	250.00	2,890.85
Feb-23	2,023.23	215.12	2,238.35	1,943.41	0	250.00	2,193.41
Mar-23	2,328.20	284.03	2,612.23	2,415.74	0	333.34	2,749.08
Apr-23	1,724.22	267.80	1,992.02	1,707.59	0	251.33	1,958.92
Total	32,542.96	4,777.85	37,320.81	32,479.74	0	4,584.67	37,064.41

CSPK

Month	PK Production (MT)			PK Delivery (MT)			
	Certified	Non certified	Total	Certified	Other Scheme	Non certified	Total
Opening	204.78	187.13	391.91				
May-22	506.49	93.29	599.78	600.00	0	100.00	700.00
Jun-22	560.38	136.41	696.79	540.66	0	200.00	740.66
Jul-22	588.41	94.38	682.79	600.00	0	100.00	700.00
Aug-22	726.25	120.02	846.26	717.76	0	100.00	817.76
Sep-22	720.27	117.36	837.63	739.47	0	100.00	839.47
Oct-22	718.51	62.74	781.25	742.77	0	100.00	842.77
Nov-22	641.52	61.11	702.62	660.92	0	-	660.92
Dec-22	620.54	94.69	715.23	600.17	0	160.22	760.39
Jan-23	532.84	73.82	606.66	548.91	0	39.78	588.69
Feb-23	426.33	50.05	476.38	420.00	0	69.51	489.51
Mar-23	502.93	67.68	570.61	555.10	0	30.49	585.59
Apr-23	374.36	68.32	442.68	364.90	0	100.00	464.90
Total	7,123.60	1,039.86	8,163.46	7,090.66	0	7,090.66	14,181.32

3.8.13

The company conducts sounding sampling measurements, namely measuring the yield level for each certificated and non-certified product so that it is used as a reference in the formulation of % of certified and non-certified products produced from certified and non-certified FFB accurately.

3.8.14

The Sounding sampling measurements are carried out regularly every day and evaluated every 3 months. Sounding CPO is a process of measuring oil which includes the process of measuring CPO level and temperature as items to obtain CPO mass. Sounding is carried out for certified and non-certified CPO, including CPO produced from other sources such as plasma and agents. As an example of the CPO sounding results on March 30, 2023, it was found that OER CPO certified was 21.4%, while OER CPO Non-certified was 18.6% from suppliers. While OER KER certified 4.8% and certified namely from suppliers 4.2%.

3.8.15 & 3.8.16

The Mill only applying RSPO Supply Chain Module of Mass Balance. RSPO IT Platform member registration number for Inecda Palm Oil Mill is RSPO_PO1000004128. 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 CSPK sold to PT Ivo Mas Tunggal dated 4 March 2023 for 249.36 MT and transaction creates in IT Palm Trace dated 16 March 2023.
- Certified CSPK sold to PT WNI dated 21 March 2023 for 249.42 ton and transaction creates in IT Palm Trace dated 27 Maret 2023.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example, Transaction ID: TR-a0baaf90-d731 for CSPO with volume 100 MT and the shipping date is 5 April 2023 while confirmation date on 14 April 2023. No removing stock conducted by UoC.

3.8.17

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

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1 & 4.1.2

The company has a human rights policy as stated in the Human Rights of PT Inecda. The policy covers the protection of people's rights, respect for human rights, respect for human rights, overcoming the impact of human rights and recovery. Based on the document review and consultation with the Trade Union Management, it was found that there were no complaints related to human rights violations.

The company has also conducted socialization to employees, FFB suppliers and contractors, for example, as stated in the minutes of socialization to FFB suppliers on January 24, 2023, with 10 participants and the minutes of socialization to mill employees on February 14, 2023 with 23 participants.

Based on interviews with employees, FFB suppliers and contractors, it can be concluded that they understand human rights policies.

Based on the results of interviews with management, interviews with stakeholders such as village representatives (Pematang Jaya and Talang Suka Maju village), representatives of workers and related agencies, it was found that the certification unit did not initiate acts of violence or any form of intimidation in its operations.

The company also does not use security forces for extra-judicial acts of interference (nuisance) and intimidation.

Status: Comply

4.2

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

4.2.1

The company shows the External Party Complaint Procedure, document number 005-SOP-LGL, Revision number 00, effective date 1 September 2020 and approved by COO and CEO. The last revision was made on 30 June 2021. The procedure has outlined several systems related to resolving disputes, complaints and complaints in an effective, timely and appropriate manner, which are briefly explained as follows:

- Complainants can ask the company to keep their identity confidential.
- The company will maintain anonymity/identifiable information.
- Provide protection to complainants, human rights defenders, community representatives and also to whistleblowers/reporters.
- The company will try to prevent retaliation or intimidation by the company in any form.

In addition, the company also has a Complaint Handling Procedure, document number 007-SOP-HRD, revision number 02, and effective date March 20, 2018, which was approved by the COO (Chief Operation Officer). The procedures include explaining the protection of the identity and security of the reporter. If the settlement at level 3 has not been resolved, then the parties can bring it to the RSPO complaint system (RSPO Complaints System).

4.2.2

The company has an External Party Complaint Procedure, document number 005-SOP-LGL Revision 01 (30 June 2021), effective date 1 September 2020, which among other things explains the following:

- The Public Relations Section or Team appointed by the unit head, must ensure that the dissemination of the procedures carried out has been agreed upon and can be understood by stakeholders / affected parties including those who cannot read or write.
- Submission/dissemination to parties who cannot read and write is carried out using the method of empowering visual abilities and hearing abilities.

4.2.3

- External Party Complaint Procedure No. 005-SOP-LGL (Revision 3) dated 16 November 2022, briefly explains, among others:

- The deadline for responding to incoming complaints is a maximum of 7 (seven) working days after the report/complaint/complaint is received.
- If the report/complaint/complaint by the complainant has legal validity to the problem reported, then it can be processed/followed up and the public relations unit in the unit informs the complainant of the stages of settlement that will be passed to resolve the complaint submitted.

- Based on the results of interviews with Batin in Talang Sukamaju Village (Batin Tiya and Batin Nayan), information was obtained that Batin had submitted complaints related to the realization of plasma development through a letter dated January 30, 2023, but the company had not yet responded.

- Based on the results of a review of the External Complaints Log Book document, information was obtained that a letter had been received from Talang Sukamaju Village on February 16, 2023, with number 43/2016/TSM/II/2023 dated January 30, 2023 regarding the Request for Follow-up on the Recommendation of the Special Committee on DPRD Riau Province. The settlement actions contained in the Log Book include:

- Coordination with leadership for follow-up responses, so that an answer is immediately given from the company.
- Humas sent an email to the COO, GM Legal and Assistant Manager Legal.

- Based on the results of interviews with company representatives, it was conveyed that the follow-up that had been carried out by the company to date, namely forwarding the letter to management but had not submitted a response to the reporting party.

- Apart from that, in the ASA-3 assessment, this has become an opportunity for improvement for the company to maintain active and documented communication with interested parties and develop a measurable timeframe.

Based on the explanation above, it is concluded that the Company has not been able to show evidence that it has informed the parties on the progress of complaint handling, including the agreed time frame, and the results are available and communicated to the relevant stakeholders in accordance with established procedures. So, this is a nonconformity **NCR No. 2023.02 with Minor Category**.

4.2.4

The company shows the External Party Complaint Procedure, document number 005-SOP-LGL, Revision number 00, effective date 1 September 2020 and approved by COO and CEO. The procedure has outlined several systems related to resolving disputes, complaints, and grievances in an effective, timely and appropriate manner. Including a conflict resolution mechanism to obtain legal and technical assistance from an independent party, in which the reporting party has the freedom to choose a person or group that can support it and/or act as an observer. The parties may choose the option of involving a third-party mediator. This is explained in point 6.6 of the complaint handler, where it is stated that the problem is resolved through a mediation forum involving a third party that is neutral and does not side with one of the disputing parties. Third parties who act as mediators can come from local government agencies, religious leaders, traditional/traditional institutions, NGOs, and other people, as long as they are accepted by both parties. For mediators,

more than one third party may be invited to the mediation forum as long as both parties agree.

In the previous assessment there was an OFI related to rice allowance. The update on the current assessment is as follows:

- The Collective Labor Agreement between the company and the Chairman of the *PUK-SPS/PT Inecda* on October 13, 2022, regarding the settlement of disputes regarding Natura Rice and Housing Assistance by deliberation with this and the provision in brief as follows:
 - As of September 21, 2022, the company will provide Natura benefits and Housing Allowances for employees whose status is the head of the family.
 - The housing allowance is only given to employees whose status as the head of the family is proven and listed on a valid family card document.
 - The company will issue a Housing Placement Decree to employees.
 - If the availability of housing is not sufficient, the company will provide housing assistance to employees.
 - If the employee does not want to occupy the house provided, housing assistance will no longer be provided.
- Whereas with the approval and signing of this Mutual Agreement, the Natura Beras and Housing Fund Assistance issues have been thoroughly resolved where the parties agree and agree not to take any action and demands or lawsuits in any form in the future.

4.2.3	Status: Non-Conformity NCR No. 2023.02 With Minor Category
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4.3

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

4.3.1

The company has procedures related to fulfilling social responsibility in the SOP document for Governance of the Community Empowerment Program No. document 001-SOP-XSR effective January 2, 2014. The SOP determines and explains the responsibilities of the person in charge of CSR and the procedure for implementing CSR. CSR is carried out through observing villages or surrounding communities, conducting potential analysis, choosing program priorities, compiling programs, implementing programs, monitoring implementation, and evaluating programs.

Based on the results of interviews with village representatives around the company, information was obtained that the company had contributed to the development of the surrounding community in which the community had been involved in the preparation of the program.

Companies can show documentation of development implementation around their plantations through various activities that are contained in the CSR implementation recapitulation document for the period January – December 2022, for example:

- Financial assistance for the Republic of Indonesia Anniversary of the Sungai Limau Youth Organization, Sungai Parit Youth Organization in August 2022.
- Cost of empowerment program activities (sewing and knitting) in September 2022.
- School blackboard assistance in Talang Sungai Parit Village in October 2022.
- Teacher honorarium assistance in the villages of Talang Sungai Parit, Talang Sungai Limau and Talang Sukamaju every month.
- Assistance for empowering indigenous peoples in the villages of Talang Sungai Parit and Talang Sungai Limau in December 2022.
- Evidence of cash assistance to some of the indigenous people of Talang Sei Parit Village and Talang Sungai Limau Village.

Evidence of community involvement in the preparation of CSR programs:

- Meeting on medium-term development plans through village meetings at the Sibabat Village Meeting Hall on 23 June 2022.
- Public consultation at Tani Makmur Village Hall on 22 February 2022.
- Public consultation in the village of Talang Sungai Limau with program proposals such as the development of plasma plantations, road repair assistance, etc.

- Public consultation in Talang Sunagi Parit Village with program proposals such as community empowerment programs, assistance with traditional martial arts centres, etc.

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 Company already has land rights of 8,600.92 Ha with details as follows:

- HGU certificate number 19 issued on October 26, 2000 and valid until June 29, 2034. On April 15, 2021, the rights to part of the HGU were decrease so that the area of the HGU becomes 2,857.5726 Ha
- HGU Certificate No. 89 issued on June 16, 2021 and valid until December 31, 2045 with an area of 354 Ha
- HGU Certificate No. 90 issued on June 16, 2021 and valid until December 31, 2045 with an area of 777,1269 Ha
- HGU Certificate No. 91 issued on June 16, 2021 and valid until December 31, 2045 with an area of 17,2801 Ha
- HGU Certificate No. 92 issued on June 16, 2021 and valid until December 31, 2045 with an area of 381.2709 Ha
- HGU Certificate No. 93 issued on June 16, 2021 and valid until December 31, 2045 with an area of 3,355.45 Ha
- HGU Certificate No. 94 issued on June 16, 2021 and valid until December 31, 2045 with an area of 395,1699 Ha
- HGU Certificate No. 95 issued on June 16, 2021 and valid until December 31, 2045 with an area of 463.0859 Ha

In addition, there is also a plantation business permit in accordance with Decree of the Regent of Indragiri Hulu, number: Kpts 400/VII/2015, dated 27 July 2015 concerning Plantation Business Permit on behalf of PT INECDA with a type of oil palm cultivation business with an area of 9,466.047 ha and industrial palm oil mill plantation capacity of 45 tons FFB/ hour.

4.4.2; 4.4.4; 4.4.5; 4.4.6

As explained in the minutes of committee B No. 61 RSL/HGU/1999 and the minutes of committee B No. 26/RSL/HGU/1988 it is known that the land being applied for is derived from free state land and was previously the *HPH* (Forest Management Rights) of PT Harapan Baru and the PTPN V management area of Gunung Pamela and returned to the state. At the time of the inspection, it was found that the condition of the population was \pm 183.52 Ha and the area had been enclaved. Thus, there should be no land compensation process. However, over time there were claims from the people of Talang Sungai Limau and Talang Sukamaju Villages in 2007 until the decision of the Rengat District Court No. 08/Pdt.G/2007/PN.RGT dated June 25, 2008. In the decision, among other things, there is an explanation in the main case stating that the claim of the complainant to the convention/defendants to the convention is unacceptable (*Niet Ontvankelijke Verklaard*).

In addition, there was also a settlement on the claims of residents of Perkebunan Sungai Parit Village in 2015 over an area of 42 hectares located in Blocks G9, G10, G11 and G12 which ended with the signing of the land dispute settlement agreement on June 22, 2015, where the agreement was signed by the parties involved. claimed (5 people) and the management of PT Inecda and was known by the Chairman of the DPRD Indragiri Hulu, Sungai Laba sub-district head and the head of the Sungai Parit Plantation Village.

However, when ASA-4 was implemented, there was a claim from Batin Irasan as one of the traditional leaders of Talang Sei Parit Village stating that the company was operating illegally because it did not implement the principle of FPIC when controlling the community's customary rights. A detailed explanation of this can be seen in the auditor verification in the 4.8.1 – 4.8.4.

4.4.3

The company can show a map showing legal rights in the form of a HGU boundary map with a scale of 1: 50,000 contained in the HGU certificate issued by the Land Office. Based on public consultation with village representatives from Perkebunan Sei Parit, Talang Sei Parit, Talang Sei Limau, and Sukamaju Village it is recognized that they know the legal boundaries owned by PT Inecda.

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

Until now, the company has not expanded the company's area. As explained in 4.4.1 when referring to legal documents, land acquisition is derived from free state land and previously was the *HPH* of PT Harapan Baru and the PTPNV Gunung Pamela Management area which was returned to the state. There is no mention of the existence of customary rights over the cultivated land. However, during assessment of ASA-4, it was discovered that there was a claim from Batin Irasan as one of the traditional leaders of Talang Sei Parit Village which stated that the company was operating illegally because it did not implement the principle of FPIC when controlling the community's customary rights. A detailed explanation of this can be seen in auditor verification at 4.8.1 – 4.8.4.

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

The company has procedure of Land Acquisition and Compensation, document No. 001-SOP-LGL dated 2 January 2014 related to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Suka Maju Village, Talang Sei Limau Village, and Talang Sei Parit Village know about the procedure through the socialization given. The compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

4.6.3

Based on the interviews with representatives of Talang Suka Maju Village, Talang Sei Limau Village, and Talang Sei Parit Village and Pematang Jaya village, it is known that both women and men have equal rights in land acquisition. There has never been any discrimination against it. One of the pieces of evidence that can be seen is land ownership that is not based on gender.

4.6.4

As explained in the minutes of committee B No. 61 RSL/HGU/1999 and the minutes of committee B No. 26/RSL/HGU/1988 it is known that the land being applied for is derived from free state land and was previously the *HPH* (Forest Management Rights) of PT Harapan Baru and the PTPNV management area of Gunung Pamela and returned to the state. At the time of the inspection, it was found that the condition of the population was \pm 183.52 Ha and the area had been enclaved. Thus, there should be no land compensation process. However, over time there were claims from the people of Talang Sungai Limau and Talang Sukamaju Villages in 2007 until the decision of the Rengat District Court No. 08/Pdt.G/2007/PN.RGT dated June 25, 2008. In the decision, among other things, there is an explanation in the main case stating that the claim of the plaintiffs to the convention/defendants to the convention is unacceptable (*Niet Ontvankelijke Verklaard*).

In addition, there was also a settlement on the claims of residents of Perkebunan Sungai Parit Village in 2015 over an area of 42 hectares located in Blocks G9, G10, G11 and G12 which ended with the signing of the land dispute settlement agreement on June 22, 2015, where the agreement was signed by the parties involved, claimed (5 people) and the management of PT Inecda and was known by the Chairman of the DPRD Indragiri Hulu, Sungai Laba sub-district head and the head of the Sungai Parit Plantation Village.

However, when ASA-4 there was a claim from Batin Irasan as one of the traditional leaders of Talang Sei Parit Village stating that the company was operating illegally because it did not implement the principle of FPIC when controlling the community's customary rights. Detailed explanation can be seen in 4.8.1 – 4.8.4.

Status: Comply

4.7

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

4.7.1; 4.7.2; 4.7.3

As explained in the minutes of committee B No. 61 RSL/HGU/1999 and the minutes of committee B No. 26/RSL/HGU/1988 it is known that the land being applied for is derived from free state land and was previously the *HPH* (Forest Management Rights) of PT Harapan Baru and the PTPNV management area of Gunung Pamela and returned to the state. At the time of the inspection, it was found that the condition of the population was \pm 183.52 Ha and the area had been enclaved. Thus, there should be no land compensation process. However, over time there were claims from the people of Talang Sungai Limau and Talang Sukamaju Villages in 2007 until the decision of the Rengat District Court No. 08/Pdt.G/2007/PN.RGT dated June 25, 2008. In the decision, among other things, there is an explanation in the main case stating that the claim of the plaintiffs to the convention/defendants to the convention is unacceptable (*Niet Ontvankelijke Verklaard*).

However, the company has procedure of Land Acquisition and Compensation, document No. 001-SOP-LGL dated 2 January 2014 related to identifying legal, customary or user rights, and for identifying people entitled to compensation. Based on public consultation with village representatives from Suka Maju Village, Talang Sei Limau Village, and Talang Sei Parit Village know about the procedure through the socialization given. The compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

Status: Comply

4.8

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

4.8.1; 4.8.2; 4.8.3; 4.8.4

As explained in the minutes of committee B No. 61 RSL/HGU/1999 and the minutes of committee B No. 26/RSL/HGU/1988 it is known that the land being applied for is derived from free state land and was previously the *HPH* (Forest Management Rights) of PT Harapan Baru and the PTPNV management area of Gunung Pamela and returned to the state. At the time of the inspection, it was found that the condition of the population was \pm 183.52 Ha and the area had been enclaved. Thus, there should be no land compensation process. However, over time there were claims from the people of Talang Sungai Limau and Talang Sukamaju Villages in 2007 until the decision of the Rengat District Court No. 08/Pdt.G/2007/PN.RGT dated June 25, 2008. In the decision, among other things, there is an explanation in the main case stating that the claim of the plaintiffs to the convention/defendants to the convention is unacceptable (*Niet Ontvankelijke Verklaard*).

In addition, there was also a settlement on the claims of residents of Perkebunan Sungai Parit Village in 2015 over an area of 42 hectares located in Blocks G9, G10, G11 and G12 which ended with the signing of the land dispute settlement agreement on June 22, 2015, where the agreement was signed by the parties involved, claimed (5 people) and the management of PT Inecda and was known by the Chairman of the DPRD Indragiri Hulu, Sungai Laba sub-district head and the head of the Perkebunan Sungai Parit Village.

However, when ASA-4 was implemented, there was a claim from Batin Irasan as one of the traditional leaders of Talang Sei Parit Village stating that the company was operating illegally because it did not implement the principle of FPIC when controlling the community customary rights.

Regarding the complaint stating that the company operates in the area belonging to the Luak Talang Parit Community without obtaining prior approval from the community, this can be said to be inaccurate because PT Inecda as referred to in the complaint has been operating since the 1980s and obtained its first HGU in 1992 and thereafter an additional HGU was issued in 2000. In the chronology of the complaint, it is stated that the demands by the community were first filed in August 1996. In the period from 1996 to 2022, there have been several agreements between the company and the village communities around the company (not only Talang Sei Parit Village), but such also as the demand for plasma development since 1996 where there are indications that this is the result of a mutual agreement between the community and PT Inecda (previous management). As well as several FPIC processes that have been carried out, such as the most recent one in

the extension stage of HGU No. 01 in 2020, which has now completed the extension process. In the HGU preparation activities, all villages that are within the scope of the company's HGU are also invited to become members of Committee B, and of course all aspirations and/or refusals can be submitted.

In addition, based on legal documents owned by the company such as Minutes of Committee B No. 26 and No. 61 and SK HGU No. 01 of 1991, SK HGU No. 19 of 1999 obtained the following information:

History and State of the Land:

- The land comes from the state land of the former HPH (Forest Management Concession) PT Harapan Baru; Part of it is land that will be managed for transmigration land; The land was also requested to be managed by PTPN V Gunung Pamela which in its development was returned to the state.
- The land has been controlled by the state since 1960.
- Land is a conversion production forest area and has been released from the Minister.
- At the time of the measurement, there was a population of ± 183.52 Ha and it had been used as an enclave.
- The requested land does not have any problems or disputes with cultivators or other parties in accordance with the Letter of the Head of Petalongan Village, Letter of the Village Head of Pasir Bongkal, and the Letter of the Head of Talang Sei Parit Village in 1998 and it is known by Sub-District of Pasir Penyu and Sub-District of Pasir Kelayang

The interests of others and the public interest:

- There are no objections to the application and except for the applicant, no party has the right to the land being requested.
- According to the beliefs of the surrounding population, the land is not considered sacred.

The community also filed an objection to the extension of the HGU issued in 2021 because PT Inecda is suspected of violating respect for community rights and human rights by seizing the customary land rights of Luak Talang Parit and has not facilitated the construction of community plantation. However, in the Decree on the Extension of HGU No. 29 of 2021 (an extension of SK HGU No. 01) it is stated that the objections are explained several points as follows:

- The land for which the extension of the term of the Cultivation Right Number 01 was requested was originally state land originating from a part of the forest area.
- Based on article 30 of the ATR Ministerial Regulation Number 7 of 2017 concerning the arrangements and procedures for determining the Cultivation Right, it is stated that in the case that the Cultivation Right has been issued in accordance with the provisions of the law and is actually controlled by the right holder, then another party who feels he has the right if within a certain time 10 (ten) years since the issuance of the certificate, do not file a written objection to the certificate holder and the Head of the Land Office concerned or do not file a lawsuit to the Court regarding the control of the land or the issuance of the certificate.

Regarding the objection to the extension of the HGU, there is no legal information regarding the lawsuit by Batin Irsan et al.

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

Based on document review, field observations and interviews with staff and management, it is known that the company obtains FFB supplies from third parties/FFB suppliers such as plasma, and FFB middleman suppliers. For cooperation with Plasma, the applicable FFB price refers to the decision of the Plantation Service every week and is routinely informed every week via email and communication media to plasma/cooperative management. The company shows an example of a payment for the period of April 2023 which is paid directly to the cooperative's account according to the current price. The company can also show the Minutes of Meeting Results of the FFB Purchasing Pricing Team for that period.

For cooperation with the middleman, the FFB price is determined in a work agreement agreed by both parties, several considerations in determining the FFB price such as the price of CPO, PK, transportation costs, and proposed prices from

suppliers. Prior to making a payment, the verification of the correctness of the payment calculation has been checked by both parties in the FFB sale and purchase calculation document, so that all complaints and confirmations related to payments have been completed before the payment is made. The pricing mechanism has been explained in the FFB sale and purchase agreement signed by both parties. Interviews with the management unit and FFB suppliers also stated that the FFB price that had been determined could be accessed by the supplier, and was informed every 3 days via email, online communication media and telephone from the PIC to the supplier.

5.1.2

As explained in indicator 5.1.1, the plasma FFB price refers to the price determined by the Plantation Service, while the FFB price for middlemen uses the calculated price for CPO and PK which is updated daily. The company also has a mechanism for conveying prices which is done using email and communication media. Based on the results of interviews with plasma cooperatives, it was stated that the price set by the company was in accordance with the price set by the local Plantation Service, where if there was an update on the price, the company immediately conveyed it through communication media and posted it on the bulletin board at the Cooperative's office.

The company can also show proof of plasma management transparency by showing details of production and costs for the period of June 2022 where in the document there is a table that explains FFB production data and details of management costs from discounted fees, maintenance costs, fertilization costs and others. This is conveyed to the plasma managing cooperative and has received approval from the cooperative management with proof of the stamp before payment is made. The results of the interview with the plasma administrator of the Pematang Jaya Sejahtera Cooperative also stated that the price distribution was quite clear and there were no complaints regarding payment, the value paid was divided into 2 types, including:

- Plasma in the form of KKPA, namely Plasma whose development and management are fully carried out by the company. Currently, KKPA is still in the Immature Crops stage, so there are no FFB sales activities. However, the sale and purchase scheme has been established, namely there is a 30% discount for debt repayment, 15% for replanting cost savings that will be allocated after the debt is paid off, 15% for maintenance costs and 5% for management fees.
- Plasma in the form of Associate, namely Plasma consisting of community-owned plantations that have entered the Mature Crop stage, and are managed independently by the community, but cooperate with cooperatives in the FFB buying and selling system to obtain high prices. In this scheme, the applicable discount is 5% for management fees and 15% for replanting savings.

When the ASA-4 audit was conducted, the company had collaborated with 3 cooperatives in managing plasma, and of the 3 cooperatives, all KKPAs were still in the Immature Plants stage, so that all forms of buying and selling that occurred between the cooperative and PT Inecda were sourced from Associate plantations.

5.1.3

The company has determined the fair price that has been agreed with the plasma management cooperative as outlined in the Cooperation Agreement, in the document there is a statement that the price set for the determination of the selling price of FFB is the price set by the Plantation Service, so the parties hereby declare that they will comply with the price fixing so that one party and the other party are not entitled to ask for a price increase or decrease. Meanwhile, the determination of prices with outside FFB suppliers refers to the calculation results of fluctuations in CPO and PK prices. There are also specifications and implementation requirements as well as sanctions that must be met by all parties, for example those contained in the Cooperation Agreement with the FFB supplier on behalf of Wahyu Sudarti, are as follows:

- The first party has the right to refuse FFB if the quality does not meet the criteria for ripe fruit set.
- If there is a difference in weighing between the seller and the buyer's books, the settlement will be carried out on the day of delivery/delivery to avoid discrepancies in the weighing results when payment is made.
- FFB sold does not come from partnership plasma plantations built by companies/groups of companies and is not stolen and/or from criminal activities.

Based on document review and interviews with FFB suppliers and Plasma Cooperatives, it can be concluded that the company has determined a fair price which explains all components including the determination of the premium value, savings, maintenance fee discounts and others, all of which have been agreed upon by all related parties and documented

in the form of a letter cooperation agreement and proof of payment.

Based on an interview with FFB supplier, it is known that the price of FFB is determined by the company by considering the average weight of FFB and prices from surrounding companies. The determination of the price has also been explained in the cooperation contract. In addition, based on field visits to the Inecda POM area, it was found that FFB prices were available in the information media in the Mill area.

5.1.4

The company can show evidence that representatives of FFB suppliers and cooperatives as plasma administrators are involved in drafting the contract. The document contains agreements such as maintenance financing, loans/credits, repayments through FFB deductions for the replanting program and/or other support mechanisms that have been signed by all representatives of the cooperative, witnesses and the company. This shows that all relevant parties have been involved in the decision-making process and understand the contents of the contract. One example of a MoU with plasma is the Pematang Jaya Sejahtera Cooperative, Number 04/PJS-PKS/XI/2020 which was made on November 6, 2020.

The development of plasma plantations is also carried out to improve the welfare of the communities around the plantations where currently management related to plantations is still carried out entirely by company management by assigning Managers and Assistants to help manage plasma within the scope of the KKPA and carried out independently by land owners but with monitoring and assistance from companies for those within the scope of "Plasma Swadaya". Cooperatives play a role in managing the finances obtained from the sale of FFB and distributing them to all members. Cooperative members consist of the community around the company who want to be involved, not limited to men or women. Regarding the involvement of women in decision-making, it can also be proven from the results of interviews with the head of the cooperative which stated that plasma land was given to all communities living in the designated village, not limited to men or women. The informant stated that the contract was made with the agreement of both parties without any coercion, intimidation and discrimination.

5.1.5

As explained in indicators 5.1.1 - 5.1.4 related to Cooperation Agreements with Cooperatives and independent smallholders, the results of the verification of the Cooperation Agreement Letter document indicate that all existing contracts have been made fairly, in accordance with applicable laws, are transparent and have a predetermined time period agreed together. The results of the interview with the Cooperative Management stated that all members have understood the stipulated provisions such as the determination of FFB prices, management fees, management fees, loans, disputes, and others. The agreement has also been made in accordance with applicable laws in a fair, transparent, and has a clear time frame.

In addition, the company can also show a Statement of Cooperation for the purchase of FFB from the middleman supplier FFB, for example, a statement letter on behalf of Wahyu Sudarti on October 24, 2022. In the agreement, the obligations and rights discussed in the agreement include ensuring that the FFB sent does not come from theft, FFB produced from nucleus plantations and plantations of other companies fostered by other companies, FFB does not come from plantations located in the Teso Nilo Protected Forest area or from conservation forests. other matters, quality of goods, procedures for delivery of goods, sorting and sanctions, supervision and acceptance of goods, prices, payments, OHS conditions, legal status, force major and others. In the statement made, it is stated that several FFB requirements include FFB source location, FFB criteria, FFB repatriated, fines, 3% tax deduction and FFB delivery to the mill. Based on this explanation, it is known that the management unit has a contract that is made fairly, in accordance with applicable law, and is transparent, and has an agreed term.

5.1.6

The Cooperation Agreement Letter explains the procedure/system for paying the net proceeds from FFB sales, both for independent FFB suppliers, collectors and plasma. Payment is made based on the Minutes of the FFB sale and purchase which has been agreed and signed by all parties. Based on the results of the study of the proof of FFB payment documents to the Pematang Jaya Sejahtera Cooperative as well as the minutes of the presentation of the results and an explanation of the operational costs for the period of April 2023, it shows that the payment has been made on time and can be proven through a receipt for payment. The plasma fruit payment is valid for the period 1-30 April 2023. The payment has been completed with income from each farmer group, fruit tonnage, and price according to the period. Based on the results of

the verification of the Plasma FFB price and proof of calculations from the payment recapitulation data, it is known that the payment has been in accordance with the price set by the Plantation Service. The proof of payment document also explains the details of production and weekly period costs, FFB production data and details of management costs, maintenance costs and fertilization costs. The document is also submitted to the cooperative through a meeting attended by representatives of the cooperative and has been approved with proof of stamp.

As for examples for fruit payments for outside FFB suppliers, for example, proof of FFB payment to Wahyu Sudiarti dated April 11, 2023, for the FFB delivery period on Juli 3-7, 2023 The invoice is explained in the form of the amount of FFB received, the price applicable on the delivery date, and total payment after tax of 3%. Each payment data has been equipped with weighing data, grading reduction data and proof of transfer. Based on this explanation, it is known that the management unit has made fruit payments to plasma and the middleman supplier FFB in accordance with the contract it has, either the payment period or the specified price.

5.1.7

The company has tested the electronic weigh bridge for PT Inecda by the Head of Metrology Legal Department of Trade and Industry Pekanbaru, with evidence among others:

- Test Result Certificate for Inecda POM, which was carried out on September 10, 2021, and valid until September 10, 2022, with serial number P58173A1611 and maximum capacity 60,000 Kg.
- Test Result Certificate for Inecda POM, which was carried out on April 11, 2022, and valid until April 11, 2023, with serial number G000238 and maximum capacity 60,000 Kg.

The results of observations and interviews with weigh bridge operators obtained information that the certification unit has routinely performed the calibration of weighing equipment by third parties.

5.1.8

The company has conducted socialization related to RSPO certification to independent smallholders and plasma farmers through regular meetings. The company shows the Minutes of the annual meeting on March 10, 2022, which was submitted to FFB suppliers attended by 7 participants about the benefits of RSPO, and the recommendation to register for the RSPO. In this socialization activity, the certification unit also introduces the RSPO principles that must be applied by suppliers. Based on the results of the socialization carried out to FFB suppliers, it was concluded that the certification activities had not been realized. This is due to difficulties in establishing cooperatives and farmer groups to coordinate certification activities. The results of interviews with the company stated that they are currently assisting in the socialization phase to all suppliers who cooperate with the company.

5.1.9

The company also has procedures related to communication, consultation and coordination contained in the SOP for Complaints from External Parties number 005-SOP-LGL which is valid on September 1, 2020. The procedure explains technically the guidelines for receiving various complaints submitted by stakeholders or other parties. and how to solve it. Companies through their respective departments have recorded requests for information and responses. The deadline for responses to requests for information or conflicts is 1 week after the letter is received (from the Unit Head to the relevant Department). Responses are made no later than 3 weeks after the letter is received. In addition, there is a clause that guarantees the confidentiality of the whistleblower and the reporting witness. Based on the results of the document review, it is known that for the 2021 period there were no complaints from FFB suppliers. The company has also appointed officers who act as communicators between the company and the community so that people who cannot read/write can be informed by the relevant communicators.

In addition, to accommodate and resolve complaints, the company has a Grievance Handling procedure number 007-SOP-HRD which is valid on March 20, 2018. An indirect mechanism is also carried out by providing a suggestion box as a means of submitting complaints that can be submitted anonymously. The complaint flow can be done by writing down the problem in the complaint book available at the main office, then at least 2 weeks the unit leader must seek a resolution first. If it cannot be resolved, it will be forwarded in writing to the head of the representative. Each stage of completion is documented and kept by the head of the representative. Based on the results of interviews with Cooperatives and FFB suppliers regarding the complaint handling mechanism, they stated that complaints can be submitted through letters or direct submissions through communication media and/or in regular meetings. The informant also stated that for the period

2021-2022 there were no complaints, the entire cooperation process that had been going on so far was going well.

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

The certification unit has conducted consultations with FFB supplying smallholders as indicated by evidence of socialization related to RSPO certification to independent smallholders and plasma smallholders through annual meetings between the company and FFB suppliers. The company shows the Minutes of the annual meeting on March 10, 2022, which was submitted to FFB suppliers attended by 7 participants about the benefits of RSPO, and the recommendation to register for the RSPO. In addition, there is also evidence of consultation activities with representatives of plasma smallholder regarding technical aspects of field work through socialization activities for BMP, handling pesticides and sprays on March 13, 2022, to 30 participants and March 29, 2022, to 18 participants. From the results of the meeting, it was stated that independent smallholders would follow the company's initiation to include their land in RSPO certification and would follow all existing requirements and regulations.

In this socialization activity, the certification unit also promoted the RSPO. Based on the results of the socialization carried out to FFB suppliers, it was concluded that the certification activities had not been realized. This is due to difficulties in establishing cooperatives and smallholder groups to coordinate certification activities. The results of interviews with the company stated that they are currently in the stage of socialization to all independent farmers. The results of the interview with the Plasma Cooperative stated that they were very interested in joining the RSPO certification because of the many benefits, but they still did not know about the certification system and its fulfillment because the socialization provided was not sufficiently deep and comprehensive. The company stated that all plasmas that cooperate with the unit will be included in the Time Bound Plan to participate in future certification.

5.2.2

The company has made improvements to the welfare of the communities around the plantations by building and managing plasma plantations in the form of KKPA and Associate as well as routinely conducting socialization related to RSPO certification. Currently, the management of Plasma in the form of self-help is managed entirely by the cooperative management, while the company only provides assistance to ensure that the management of oil palm cultivation is in accordance with RSPO standards. In addition, companies can also show socialization documents on best practices in oil palm cultivation, work safety, environment, fire, benefits of RSPO, and recommendations for registering RSPO which were submitted to cooperative members on January 28, 2022. In addition, evidence of consultation activities with representatives of plasma smallholder related to technical aspects of field work through socialization of BMP, handling of pesticides and sprays on March 13, 2022, to 30 participants and March 29, 2022 to 18 participants.

However, based on the explanation in indicator 5.2.1 which states that there are no independent smallholders who can participate in RSPO certification due to several obstacles, so far, the company has only implemented programs to improve livelihoods for smallholders, limited to providing socialization. The results of the interview with the middleman supplier of FFB on behalf of Wahyu Sudiarti stated that the farmers who supply FFB to them already know about RSPO from the results of the socialization by the company, but the obstacles experienced are difficulties in establishing cooperatives and farmer groups to coordinate certification activities.

5.2.3

Based on the explanation in indicator 5.2.1 which states that there are no independent smallholders who can participate in RSPO certification due to several obstacles, so far, the company has only implemented programs to improve the standard of living for farmers, limited to providing socialization. Regarding support to smallholder to encourage the legality of FFB production, only for Plasma smallholder, all smallholder already has legal documents where all document control is carried out in full by PT Inecda. As for independent smallholders, support is only done indirectly in the form of data collection on the legality status of land owned by all FFB suppliers in compliance with indicator 2.3.2 where companies are required to obtain FFB from legal sources.

5.2.4

When the audit was carried out, the cooperation between the certification unit and plasma was carried out with 2 management systems, namely for KKPA which was carried out in full management where the management of plasma plantations was fully carried out by the company and the self-help partnership pattern which was fully carried out by the land owner with assistance and supervision from the company. Because management is carried out by the company, all employees working in the plasma plantations are workers who have been trained by the company in handling pesticides, maintenance, fertilizing and others. The company also continues to provide assistance in plantation management according to RSPO standards.

The company has also shown documents of socialization activity reports to partnerships and the Joint Success Pesikaian Cooperative Plasma, which was held on July 1, 2022, with socialization material covering the management of plant pests and diseases (including the use of pesticides) which was attended by 29 participants.

5.2.5

The unit of certification can show evidence that it has publicly reported the support program for smallholders, especially plasma farmers regarding its development which is carried out regularly. The evidence shown is based on the receipt of the 2022 *LKUP* Semester 2 submission document to the Agriculture Service of Indragiri Hulu Regency on January 26, 2023, as well as the 2022 CSR Report which is publicly accessible.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS
6.1

Any form of discrimination is prohibited.

6.1.1; 6.1.2

The company already has a policy regarding equal opportunities and treatment to get employment opportunities (non-discrimination and equality) contained in the Sustainable Palm Oil Policy issued on 01 April 2014 and signed by the COO, CFO and CEO. As the Sustainable Palm Oil Policy states, everyone has the right, regardless of ethnicity, religion, race, or class, to get job opportunities.

Based on the results of interviews with workers at both the Mill and Estate as well as union representatives, information was obtained that the company has provided equal opportunities and treatment to workers to get employment opportunities.

In addition, based on the results of a review of the labor list document, it is known that workers come from various ethnicities and religions, which proves that there is no indication of discrimination by companies to obtain job opportunities and that there is no recruitment process that burdens workers with recruitment costs and the company also does not hold documents.

6.1.3

Companies can show documentation of recruitment of workers starting from job vacancies to hiring workers, for example:

- Job vacancies, for example for harvest workers that state the requirements that there should be no workers under 18 years of age, and that there are no indications of discrimination.
- Complete Job Applications for harvest workers with the initials "MA" and "JD".
- Work Agreement for harvest workers with the initials "MA" and "JD" on January 31, 2023, with a probationary period of 3 months (February 1 - May 1, 2023). On the work agreement letter, proof of handing over a copy of the work agreement by the worker can be shown.
- The Non-Staff Performance Assessment Form for harvest workers with the initial "MA" received a B grade, and harvest workers with the initial "JD" received an A grade.
- Application letter for promotion of harvest trial employees to *SKU* for harvest workers with the initials "MA" and "JD" on April 26, 2023.

- Decision Letter from the General Manager on April 29, 2023, concerning Appointment of Permanent Employees for harvest workers with the initials "MA" and "JD".

Based on the results of interviews with workers at both the Mill and Estate, Labor Union, and the Gender Committee, information was obtained that selection, recruitment, employment, access to training, and promotions were carried out on the basis of skills, abilities, quality, and medical eligibility in accordance with the jobs available.

6.1.4

Based on the results of interviews with clinical health officers and representatives of the gender committee, it was stated that the company does not conduct pregnancy tests for discrimination purposes. The pregnancy test is carried out to ensure workers who are pregnant do not do work related to chemicals.

6.1.5

The company already has a gender committee to address women's issues. The structure of the gender committee consists of male and female administrators. The structure of the gender committee consists of advisers, coaches, chairmen, deputy chairmen, secretary, treasurer, empowerment, service/consultation, legal, counselling and health.

Based on the results of interviews with workers, information was obtained that workers were aware of the existence and organizational functions of the gender committee and so far, there had been no complaints related to violations of gender equality.

Based on interview with gender committee, it is known that there were no complaints/issues related to sexual harassment, domestic violence, child labor and so on also the company provides support in the form of financial assistance for the implementation of gender committee activities.

6.1.6

One of the Collective Labor Agreement documents for the period 2022 – 2024 states that employers provide decent wages to employees in accordance with the company's capabilities provided that the wage is not lower than the minimum wage in the plantation sector stipulated by the Governor/Provincial Regional Head.

Governor of Riau Decree No. Kpts. 1783/XII/2022 concerning District/City Minimum Wages in Riau Province for 2023 dated 7 December 2022 informs the minimum wage in Indragiri Hulu Regency in the amount of IDR 3,364,511.42.

The company has also determined the wage scale structure contained in the Salary Increments – Year 2023 document which explains that workers who have worked for more than 1 year will receive a wage increase of IDR 7,000/year working period.

Based on the results of a study of the March 2023 Worker's Salary Slip document, for example workers with the initials "K" (Harvest), "BHK" (Harvest), "DH" (Spray) and "US" (Spray), it is known that workers have received no lower wages of the applicable minimum wage and long service allowance.

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 payroll system is regulated in PT Inecda's PKB document for 2022-2024 based on Decree of the Head of the Riau Province Manpower and Transmigration Service No. Kpts.1286/V/2022 dated 3 May 2022. Article 27 of the PKB has explained the Remuneration system. The document also explains about overtime. The calculation of overtime must follow the provisions stipulated in the applicable regulations, namely:

- Hourly overtime wages are calculated with the following details, Workers' Wages (Basic wages + Fixed allowances) divided by 173.

- Normal days: for the first hour of overtime, you are paid 1.5 times the hourly wage and for each subsequent hour of overtime you are paid 2 times the hourly wage.
- Weekly rest days/statutory holidays: for a working time of 6 working days/40 hours a week: the first 7 hours are paid 2 times the hourly wage, the 8th hour is paid 3 times the hourly wage, the 9th and 10th hours are paid 4 times the hourly wage.

The company has also determined the wage scale structure contained in the Salary Increments – Year 2023 document which explains that workers who have worked for more than 1 year will receive a wage increase of IDR 7,000/year working period.

Governor of Riau Decree No. Kpts. 1783/XII/2022 concerning District/City Minimum Wages in Riau Province for 2023 dated 7 December 2022 informs the minimum wage in Indragiri Hulu Regency in the amount of IDR 3,364,511.42.

Based on the results of a study of the March 2023 Worker's Salary Slip document, for example workers with the initials "K" (Harvest), "BHK" (Harvest), "DH" (Spray) and "US" (Spray), it is known that workers have received no lower wages of the applicable minimum wage and long service allowance.

6.2.2

Work agreements and related documents that detail wages and working conditions in accordance with national regulations are contained in the Collective Labor Agreement for the period 2022 – 2024.

Based on the results of interviews with workers at both the Mill and Estate, information was obtained that the workers had copies of the employment relations document in Indonesian and which explained, among other things, the duties and responsibilities as well as the scope of work.

Companies can show examples of work relations documents, for example:

- Work Agreement for harvest workers with the initials "MA" and "JD" on January 31, 2023, with a probationary period of 3 months (February 1 - May 1, 2023). On the work agreement letter, proof of handing over a copy of the work agreement by the worker can be shown.
- The Non-Staff Performance Assessment Form for harvest workers with the initial "MA" received a B grade, and harvest workers with the initial "JD" received an A grade.
- Application letter for promotion of harvest trial employees to SKU for harvest workers with the initials "MA" and "JD" on April 26, 2023.
- Decision Letter from the General Manager on April 29, 2023, concerning Appointment of Permanent Employees for harvest workers with the initials "MA" and "JD".

In addition, the company has also provided detailed wage information which is included in the monthly salary slip which is available in Indonesian.

6.2.3

Company can show proof of legal compliance with regular working hours, deductions, overtime, sick leave, vacation entitlements, maternity leave, reasons for termination, notice period before termination, and other employment conditions. For example:

- Overtime

Based on the results of interviews with representatives of trade unions and plantation and factory workers, it is known that the company has implemented the calculation and payment of overtime wages to workers in accordance with applicable laws and regulations. Workers also state that overtime pay is in accordance with the amount and the calculation is in accordance with the actual overtime worked and stated in the worker's *SPL* document. This is also in line with the employee's statement stating that the company provides the appropriate calculation and payment of overtime and that there is no compulsion in doing overtime work because the worker has agreed to work overtime according to the *SPL*.

In addition, based on the results of a review of attendance documents and the calculation of overtime pay, for example for the Engine Room Operator initial "S" and Warehouse Clerk initial "AIL" for the March 2023 payroll, information

was obtained that the number of overtime hours did not exceed the specified time limit as well as the implementation and the payment of overtime wages is in accordance with the regulations and the stipulated pay system.

- Leave
 - Employee Leave Application Form for an employee's annual leave application with NIK 1307100 with the initials "MT" for the period May 4-5, 2023. The form also informs the employee's leave rights for 12 days a year.
 - Application form for employee leave for requests for maternity leave for workers with NIK 1105226 with the initial's "N" for the period April 8 - July 6 2023. The form also informs the employee's maternity/childbirth leave rights of 90 days.

In addition, based on the results of interviews with representatives of trade unions, gender committees and workers both at the Mill and Estate (Harvesting, Spraying and Processing), information was obtained that the company had ensured that workers had the right to rest and leave and that there were no deductions from wages when workers take their leave rights.

- Pension/ Termination
 - Submission of severance pay for pension employees aged 55 years on April 8, 2023, for workers with the initial "S" NIK 1311611.
 - Letter from HRD which was approved by the General Manager on April 8, 2023, regarding notification of termination of employment due to retirement age for workers with the initial "S" NIK 1311611.
 - Termination of Employment Agreement due to retirement dated 8 April 2023 between the company and the employee with the initial "S" NIK 1311611. The document informs the compensation received by the worker.

6.2.4

The company has provided welfare facilities and infrastructure for workers such as housing, educational facilities, sports facilities, clinics, day care centres, prayer facilities, etc.

Based on the results of field observations it is known that the conditions of facilities and infrastructure are in adequate and proper conditions for workers, this is in line with the results of interviews with workers and trade union representatives, information is obtained that the company has provided facilities and infrastructure for workers that are proper and functioning properly. If there is a housing complaint, the company will immediately fix it.

6.2.5

The results of interviews with employees and labor unions, it is known that there are sellers of foodstuffs especially for vegetables and side dishes that enter the plantation area on a regular basis. Based on the results of interviews with housing residents and workers, it was stated that workers did not experience difficulties in obtaining adequate food sources at competitive prices. There are nearby markets that can be reached, namely the Tani Makmur Market (every Sunday), Sungai Baung Market (every Thursday), Binjai Market (every Tuesday), Sei Kemiri Market (every Saturday) and Belilas (every day).

6.2.6

The Company has calculated the prevailing wages and in-kind benefits based on the guidelines issued by the RSPO. Prevailing wages are taken from prevailing wages such as basic wages/ minimum wages. Meanwhile, in-kind benefits are taken from all costs incurred by the certification unit for the provision and maintenance of facilities provided by the certification unit to employees, such as electricity, housing, water, schools, health facilities, and baby care. For example, to calculate the in-kind benefit of housing, the costs considered in the calculation include building material costs, construction costs, and including maintenance costs for 25 years (technical considerations of buildings are feasible to use). The calculation result of prevailing wages and in-kind benefits received by employees is IDR. 9.395.893/ month.

6.2.7

Based on the results of a review of the labor list document and interviews with Bipartite Cooperation, information was obtained that there was no use of workers with *PKWT* (Temporary) and Harian Lepas status for permanent work (harvesting and processing at the mill). As for workers with *PKWT* (Temporary) status, one of them is for heavy equipment operator work.

Status: Comply	
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6.3 The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.		
6.3.1; 6.3.2; 6.3.3 Policies regarding organizing and association are available in the Sustainable Palm Oil Policy which was signed by the Chief Executive Officer, Chief Financial Officer and Chief Operational Office, April 1, 2014, at point 6 which states that the company will always provide opportunities for every employee to organize and associate in accordance with applicable regulations. Based on the results of interviews with workers at both Mill and Estate, information was obtained that workers were aware of a policy related to freeing workers from forming unions and that there was a workers' union at the company and that there was no intervention from the company in selecting union officials. The company has a workers' union that is part of the <i>PUK FS PPP-SPSI</i> forum as a forum for workers to convey their aspirations to the company. The following is a document for registering a Trade Union by the Manpower Office <ul style="list-style-type: none">• Estate: No. 01/PUK FS PPP – SPSI/DTKT.3/09/IX, dated 3 September 2009• Mill: No. 42/Dinsosnakertrans.04/PHI/IX/2013 dated 14 March 2013. In addition, companies can show recordings of meetings with trade unions, for example contained in the minutes of the meeting attended by Company Representatives and SPSI Representatives on March 9, 2023. The meeting discussed bonuses to employees.		
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6.4 Children are not employed or exploited.		
6.4.1; 6.4.2; 6.4.3; 6.4.4 The company has a policy regarding the age of workers described in the Sustainable Palm Oil Policy which was signed by the Chief Executive Officer, Chief Financial Officer and Chief Operational Office, April 1, 2014, at point 7 which states that the company will not employ children under the age of 18. In addition, the Company also has a Policy on Protection of Decency and Sexual Harassment which was ratified on December 16, 2017, by the Director of Operations, the Director of Finance and the Main Director. Based on the results of the field visit, it was found that the company had posted a warning regarding the prohibition of using workers under the age of 18 installed in an easily visible area. In addition, based on the results of a review of the labor list document for March 2023 as well as interviews with trade unions and the Rokan Hilir Regency Manpower Office, information was obtained that there was no use of workers under the age of 18 when they first entered work. In addition, the Company shows evidence of dissemination of policies to workers and contractors, including: <ul style="list-style-type: none">• Minutes of dissemination of company policies including the policy prohibiting the employment of minors to contractors on 4 July 2022 to 14 participants• Minutes of dissemination of NDPE, human rights, code of ethics, protection from sexual harassment and prohibition of employing children under the age of 25 February 2022 to 15 participants. Based on the results of interviews with local representatives and the Riau Province Manpower Office, information was obtained that so far there has been no indication of the use of child labor in the company's operational activities. Thus, it is concluded that the company already has and implements a policy regarding Prohibition of Employing Underage Children.		
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Status: Comply		

6.5
There is no harassment or abuse in the workplace, and reproductive rights are protected.
6.5.1

The policy regarding the protection of decency and sexual harassment dated 16 December 2017 was approved by the Director of Operations, the Director of Finance and the Main Director. The management of the company is committed and will take the necessary actions to prevent incidents of violations of decency norms and sexual harassment and act promptly and fairly on reports of sexual harassment in a prudent manner while maintaining confidentiality. If it is proven that there has been a violation of decency norms and sexual harassment experienced by employees, the perpetrator will be given strict sanctions regardless of rank in the company.

In addition, based on the results of interviews with representatives of trade unions and workers both at Mill and Estate, information was obtained that the parties had an understanding regarding the company's policies and so far there had been no incidents of harassment, threats, physical or mental abuse from fellow workers or Plantation Business Operators.

6.5.2

The company's policy regarding the protection of reproductive rights, especially for women, has been documented in the Reproductive Policy document (menstrual, maternity and breastfeeding leave rights), number 730/HRD/GHINC-PKU/XII/2017, December 12, 2017, which was signed Top Management. The policy, among other things, describes women workers who are menstruating, pregnant and breastfeeding and on maternity leave.

Based on the results of interviews with representatives of the gender committee and clinical medical officers, information was obtained that the company had and implemented reproductive rights protection policies such as granting menstrual leave rights to female workers and providing pre and postnatal leave rights, etc.

6.5.3

Based on the results of interviews with clinical medical officers and representatives of the gender committee, information was obtained that the company had identified the needs of mothers who had just given birth by asking for their opinion. For example, according to the minutes of events dated August 14, 2021, with the following results:

- Ask for special rules and times for breastfeeding workers.
- Ask to be provided space for pumping and storing breast milk.
- Asking for help with formula milk as auxiliary milk when the mother is working.
- For workers related to chemicals, they are transferred to jobs that are not related to chemicals.
- Ask for a refrigerator to be provided at the daycare.

Based on field observation on Housing Complex and interview with workers especially women, it has known that The Company has provided the needs of mothers such as: special time for breastfeeding, place to breastfeed, availability of adequate daycare for toddlers and babies.

6.5.4

The company has a complaint submission mechanism that guarantees the anonymity and protection of the complainant if requested, which is stated in the Complaint Handling Procedure document, document number 007-SOP-HRD, and revision number 02, effective date 20 March 2018, which was approved by the Chief Operating Officer (COO). The procedure includes a number of things such as:

- "The company will protect the identity of the reporter (anonymity) that relates to or concerns the security of each complainant and also relates to information provided by the reporter to the company against perpetrators who are unfair, corruptors and perpetrators who violate the rules and code of ethics in Company environment". Clause 6.1.4
- Procedure for resolving complaints.
- Flow Chart of Complaint Resolution Procedures.
- Etc.

The procedure also describes:

- Submission of complaints can be directly or indirectly through the complaint box.
- If the settlement at level 3 has not reached the resolution, then the parties can bring it to the RSPO complaint system

(RSPO Complaint System).		
	Status: Comply	
6.6		
No forms of forced or trafficked labour are used.		
6.6.1		
<p>The company shows a No Deforestation, No Peat, No Exploitation (NDPE) Policy document which has been in force since May 2, 2019, which was ratified by the COO, CFO and CEO. The document explains that the company is committed to prohibiting any form of forced labor or slavery in carrying out its operational activities.</p> <p>Based on the results of interviews with the Indragiri Hulu District Manpower Office and the Workers' Union, information was obtained that so far there have been no complaints or complaints related to acts of forced labor or slavery carried out by the company in its operational activities.</p>		
6.6.2		
<p>Based on the results of a review of the labor list document and interviews with Bipartite Cooperation, information was obtained that there was no use of workers with <i>PKWT</i> and Daily Workers status for permanent work (harvesting and processing at the mill). As for workers with <i>PKWT</i> status, one of them is for heavy equipment operator work where work procedures, obligations and responsibilities are contained in the work agreement document between the worker and the company.</p>		
	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		
<p>PT Inecda has formed a OHS Committee organization for plantations and factories which is responsible for the implementation of K3 in the field, which includes among others:</p> <ul style="list-style-type: none"> Decree of the Head of the Riau Province Manpower and Transmigration Office No. KEP.230/Disnakertrans-PK/SK-P2K3/X/2018 dated 4 October 2018 concerning the revision of OHS Committee at the provincial level at PT Inecda PKS which includes the OHS Committee organizational structure with the initials AP as secretary. Decree of the Head of the Riau Province Manpower and Transmigration Office No. KEP.391/Disnakertrans-PK/SK-P2K3/XII/2021 dated 30 December 2022 concerning ratification of OHS Committee at PT Inecda (Estate) which includes among others the OHS Committee organizational structure with the initials H. <p>Based on the results of interviews with company management, it is known that the Letter of Appointment of an OHS Expert for OHS Committee OM and Estate is in the process of being extended. A statement letter from PT Berkarya Sukses Gemilang (PJK3) has been shown regarding the extension of the <i>SKP</i>, which is as follows:</p> <ol style="list-style-type: none"> Statement letter number: 130/AK3U/BSG-PKU/V/2023 dated 9 May 2023 on behalf of AP for PT Inecda POM. Statement letter number: 128/AK3U/BSG-PKU/V/2023 dated 9 May 2023 in the name of H for PT Inecda (Estate). <p>The company has also shown recordings of regular OHS Committee management meetings, both Estate and POM, for example as follows:</p> <ul style="list-style-type: none"> PT Inecda's monthly OHS Committee meeting, which was held on April 11, 2023, with discussions on K3L evaluation, evaluation of work accidents, routine OHS inspection activities, increasing hazard and risk identification in the workplace and others. PT Inecda POM OHS Committee monthly meeting, which was held on April 10, 2023, with discussions including progress reports following up on safety patrol findings for the March 2023 period, forming a safety patrol inspector team for the April 2023 period, preparing for Eid holidays, etc. the activity was attended by 17 member. 		
6.7.2		
<p>The company has established an emergency response system referring to the Emergency Preparedness and Response procedure with document number 024-SOP-ISP signed by the company COO and effective since January 2, 2014,</p>		

regarding the General Emergency Preparedness and Response Team and specifically refers to company documents.

The company also has emergency response facilities and infrastructure, including:

- Stretcher
- APAR
- Oxygen Medical
- Siren
- Ambulance
- Firefighter's facilities and infrastructure (referring to Minister of Agriculture 5 of 2018)
- First aid kit
- Etc.

Based on the results of field visits and interviews with company management, it is known that there are First Aid officers who have received both external and internal training. In addition, the first aid kit carried by the officer consisted of 21 items and none of the items had expired.

Based on the results of interviews with company management (in this case a General OHS expert), it is known that all work accidents are recorded in the LTA (explained in indicator 6.7.5) and will be reviewed every month concurrently with PT Inecda's monthly OHS Committee meeting.

6.7.3

The company has shown documents related to the provision of PPE in the SOP document for Management of Personal Protective Equipment (PPE) Document Number 019-SOP-ISP Revision 001 which has been in effect since 18 February 2019. The guideline states that PPE that has been damaged/ cannot function properly before the frequency replacements that have been determined, may request replacement by bringing the old PPE and obtaining approval from their respective superiors.

In the context of implementing these regulations, the Company provides adequate Personal Protective Equipment (PPE) according to its designation for each worker, for example as shown below:

1. Minutes of submission of PPE in the form of goggles, helmets, shoes, earmuffs/earplugs on April 4, 2022.
2. Minutes of PPE submission in the form of earmuff to operators at boiler stations, engine rooms, sterilizers, kernels, clarifications, WTP, press and hoper on August 19, 2022, with a total of 32 operators.
3. Minutes of handing over PPE on March 20, 2023, to 13 spray workers, 1 spray foreman, and 1 TUS Afdeling VI car operator in the form of respirators, uniforms, and rubber gloves.
4. Minutes of replacing PPE dated March 8, 2023, to 10 section VIII fertilizer workers in the form of rubber gloves.

In line with the results of document verification, based on interviews with boiler operators, engine room operators, and harvest workers in plantations 1 and 2, it is explained that employees have received PPE free of charge by the company and understand the mechanism for replacing PPE if PPE is damaged/lost. The PPE used by workers is currently in good condition and ready to use.

The auditor made field observations in the storage warehouse, it was found that the company had provided sufficient spare PPE such as helmets, shoes, goggles, cloth gloves, rubber gloves and aprons.

Based on the explanation above, it is known that the company provide adequate Personal Protective Equipment (PPE) in accordance with its designation for each worker.

6.7.4

Companies can show a list of employees participating in the *BPJS* Employment and Health programs, for example in March 2023 as follows:

Unit	Description	Workers
Estate	Number of Worker	1.178

	BPJS Employment Participants	1.144
	BPJS Health Participants	1.144
	Number of Worker	103
PKS	BPJS Employment Participants	91
	BPJS Health Participants	91

Based on the table above, it was found that there was a difference between the number of workers and the number of *BPJS* Health and *BPJS* Employment participants both in the Estate and Mill, this was due to staff workers whose payments were made by the head office.

In addition, companies can show recordings of BPJS claims, for example for Joko Purnomo's work accident:

- Certificate of Heirs dated 12 May 2022
- The Collective Agreement on Termination of Employment due to death between PT Inecda and the heirs dated June 30, 2022, one of which informs the rights received by workers.
- Determination of work accident insurance from BPJS on September 2, 2022.
- Proof of payment of employee rights for termination of employment due to death on July 14, 2022.

6.7.5

The company has shown a statistical document on the company's OHS performance in 2023. Based on this document, it is known that there were no work accidents overnight for the 2023 period. The records of work accidents have used LTA, namely:

- FR : 69.02
- SR : 162.35
- IR : 1,23
- ALTR : 2,35

Status: Comply

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

7.1

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

7.1.1

The company shows the SOP for pest observation and control approved by the COO which is listed in:

- Pests and Diseases Procedure No. 023-SOP-AGR, Revision 1 which has been in effect since October 3, 2019. This SOP aims to:
 - Know the basic principles of pest and disease management.
 - Understanding the life cycle of pests that can help in their control strategies.
 - Understand the disease infestation needed to carry out the control response.
 - Assist in understanding the presence of pests/diseases, identifying their location and distribution.
- Biological Pest Control Procedure No. 024-SOP-AGR, Revision 1 which has been in effect since October 3, 2019. This SOP aims to:
 - Effective pest control.
 - Creating conservation of the presence of natural enemies in the field by cultivating host plants for their habitat.

As a form of implementation of the above procedure, it is known that the company has planted beneficial plants such as *Turnera subulata* and *Antigonon* and utilized owls as natural enemies of rat pests.

7.1.2

Based on the results of a review of beneficial plant monitoring documents and interviews with company management, it

is known that the company uses owls and *Turnera subulata* as biological control agents. Based on the regulations in force in Indonesia, it is known that this species is not an invasive species.

7.1.3

Based on the results of a review of pest and disease control documents for the period 2022 – 2023 as well as interviews with management and workers, it is known that so far there has been no use of fire for pest and disease control. Pest and disease control is carried out chemically or biologically by utilizing the natural enemies of these pests.

Status: Comply

7.2

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

7.2.1

The company has procedures related to controlling plant pests and diseases as well as weed control, which are listed in:

- Immature Weed Control Procedure No. 021-SOP-AGR.
- Mature Weed Control Procedure No. 022-SOP-AGR.
- Pest and Disease Procedure No. 023-SOP-AGR Revision 01.
- Biological Pest Control Procedure No. 024-SOP-AGR Revision 01.

The company has shown a list of pesticides used by PT Inecda for 2022 - 2023. The document describes the type of pesticide, active ingredient, pesticide class, target, as well as the registration number and distribution permit period of the pesticide. Based on these documents it is known that there are 21 types of pesticides used by the company with details of 12 types of herbicides, 8 types of fungicides and insecticides, and 1 type of rodenticide. The examples are:

- Selontra, the active ingredient Cholecalciferol, Registration number RI.01010119961279. This pesticide works for rat control.
- Phostene, the active substance Asefat, Registration number RI.01010120031814 with a distribution permit period of 25 September 2023. This pesticide works to control bagworms.
- Kenly 20WG, active ingredient Methyl metsulfuron, RI registration number. 01030120062432 with distribution permit period October 18, 2025. This pesticide works to control broadleaf weeds.

7.2.2

The company has shown a list of pesticides used by PT Inecda for 2022 - 2023. The document describes the type of pesticide, active ingredient, pesticide class, target, as well as the registration number and distribution permit period of the pesticide. Based on these documents it is known that there are 21 types of pesticides used by the company with details of 12 types of herbicides, 8 types of fungicides and insecticides, and 1 type of rodenticide. The examples are:

- Selontra, the active ingredient Cholecalciferol, Registration number RI.01010119961279, LD50 5000mg/Kg, with a total use of 1,700 kg and an area of use of 607.14 ha
- Phostene, the active ingredient Asefat, Registration number RI.01010120031814 with a distribution permit period of 25 September 2023, LD50 2,674 – 5,000mg/Kg, with a total use of 2,758 kg and an area of use of 1,970 ha
- Kenly 20WG, active ingredient Methyl metsulfuron, RI registration number. 01030120062432 with distribution permit period October 18, 2025, LD50 >5000mg/Kg, with a total use of 1,455 kg and an area of use of 207,857.14 ha

7.2.3

Regarding the commitment to reduce the use of pesticides, it has been stated in the Pesticide Use Policy document dated 10 July 2018 signed by the Director of Operations which explains the following:

- Stop purchasing and using all pesticides containing Paraquat.
- Stopping or reducing and limiting the use of pesticides belonging to categories 1A and 1B, or pesticides that are prohibited as listed in the Stockholm Convention or the Rotterdam Convention. These pesticides are only used in special situations or during extraordinary conditions which have previously been preceded by identification and analysis of the impact of their use.
- An integrated pest control program, if possible, will prioritize the use of biological and non-chemical methods that are environmentally friendly and more efficient.

- Work procedures and standards starting from purchasing pesticides, storing pesticides, using or applying pesticides, washing work equipment, to handling pesticide packaging waste are carried out in a managed and documented manner.
- Maintenance of expertise and improvement of training for workers related to pesticides is provided by the company on an ongoing basis.
- Periodic medical supervision or health checks are carried out continuously as a means of monitoring the health of workers associated with pesticides.
- For the health of mothers and their children, the company prohibits any female workers who are pregnant or breastfeeding from doing work related to pesticides.

Based on the results of a review of pesticide use documents during the 2020 - 2023 period, PT Inecda found that there was no longer the use of the pesticide with the active ingredient paraquat.

7.2.4

Based on the results of a review of pesticide use documents for the period 2020 – 2023 and interviews with company management, it is known that there was no prophylactic use of pesticides. The use of pesticides for pest control must refer to the results of pest and disease census.

7.2.5

Regarding the commitment to reduce the use of pesticides, it has been stated in the Pesticide Use Policy document dated 10 July 2018 signed by the Director of Operations which explains the following:

- Stop purchasing and using all pesticides containing Paraquat.
- Stopping or reducing and limiting the use of pesticides belonging to categories 1A and 1B, or pesticides that are prohibited as listed in the Stockholm Convention or the Rotterdam Convention. These pesticides are only used in special situations or during extraordinary conditions which have previously been preceded by identification and analysis of the impact of their use.
- An integrated pest control program, if possible, will prioritize the use of biological and non-chemical methods that are environmentally friendly and more efficient.
- Work procedures and standards starting from purchasing pesticides, storing pesticides, using or applying pesticides, washing work equipment, to handling pesticide packaging waste are carried out in a managed and documented manner.
- Maintenance of expertise and improvement of training for workers related to pesticides is provided by the company on an ongoing basis.
- Periodic medical supervision or health checks are carried out continuously as a means of monitoring the health of workers associated with pesticides.
- For the health of mothers and their children, the company prohibits any female workers who are pregnant or breastfeeding from doing work related to pesticides.

Based on the results of a review of pesticide use documents during the 2020 - 2023 period, PT Inecda found that there was no longer the use of the pesticide with the active ingredient paraquat.

7.2.6

The company has Pesticide Management Procedure No. 025-SOP-AGR which informs regarding the handling of work related to pesticides including storage, mixing, application, handling of used pesticide containers, handling of pesticide poisoning and the obligation to use PPE (personal protective equipment). Apart from that, the company periodically conducts internal training for employees who come in contact with chemicals, for example socialization on the use of PPE and the period for changing PPE to chemical workers which was held on March 28, 2023, which was attended by 8 participants.

The company has also shown PPE handover documents to workers according to their designation. One example is the Minutes of PPE submission on March 20, 2023, to 13 Spray workers, 1 Spray foreman, and 1 TUS Afdeling VI car operator in the form of respirators, uniforms, and rubber gloves.

Based on the results of field visits and interviews with spray workers in block G26 Estate 1, it is known that workers have been able to explain pesticide handling procedures. It was explained by the workers that workers must use the appropriate PPE when spraying, spraying must be done in the direction of the wind, PPE and work tools are cleaned in the rinse house and are not allowed to be brought back to the worker's house. It was also explained by the workers that pregnant women and breastfeeding women are not allowed to work in jobs that come into contact with chemicals.

7.2.7

Based on field observations in pesticide storage warehouses, it can be concluded that pesticide storage is placed on shelves that have been labelled with trademark names and other facilities such as MSDS, entry and exit records of goods and symbols of hazardous and toxic materials. The pesticide storage warehouse is also equipped with ventilation as well as hand washing and eyewash areas as one of the first aids in the event of a work accident. In addition, the warehouse officer stated that periodically used pesticide packaging was sent to temporary storage of hazardous and toxic materials or reused for the same type of chemical.

In line with this, from field visits to residential areas and landfills, there were no traces of pesticide packaging that were reused and disposed of carelessly.

7.2.8

The company can show the procedures for managing used agrochemical packaging and agrochemical contaminated water Document Number 014-SOP-ISP which has been approved by the Chief Operation Officer (COO) effective January 2, 2014. In addition, the company also has SOP for Pesticide Management Number 025-SOP- AGR. The SOP explains, among others:

- As a guide in the management of used chemical packaging and used fertilizer sacks produced.
- Reuse (reuse) of waste water from washing and used chemical packaging and washing sacks, the aim is to minimize the impact of environmental pollution on the soil and water media at the activity location.
- There is no longer any practice of mixing chemicals in the field by workers, this is to minimize the impact of environmental pollution.
- Make sure all used pesticide containers are returned to the warehouse after the work day is over, then the warehouse staff is obliged to manage the pesticide packaging waste.
- Management of used pesticide packaging can also be done by handing over the used packaging to the supplier.
- Pesticides should not be loaded, stored and placed in containers commonly used for household use, such as used mineral water bottles.

Based on field observations at agrochemical warehouses and hazardous waste storage areas, it is known that pesticide storage areas are well managed, oil traps are available, air ducts are quite an isolated. The large packages of used pesticides are partly reused as a place for mixing pesticides, and some are returned to the hazardous waste warehouse, while the small ones are not reused and stored in a well-monitored hazardous waste storage warehouse which is then handed over to a licensed collector. Unit of certification shows last hazardous waste was transported on 09 February 2023, which PT Mitra Jaya Pertiwi did as a licensed hazardous waste transporter. Based on interviews with pesticide application officers, it was found that all small pesticide packaging containers were returned and sent to the Hazardous Waste Warehouse and were not used for any other purpose other than pesticide application activities. All used packaging containers, work tools and work clothes are stored in a special storage area, so that no contaminated items are taken home. The results of observations in the employee housing area showed that there was no reused pesticide packaging.

7.2.9

Based on interviews with management representatives, it was informed that there was no airborne application of pesticides. This was also conveyed by trade unions and community representatives, who stated that the company did not spray pesticides through the air.

7.2.10

The company has SOP No. 005-SOP-HRD regarding employee health checks which explains in point 6.2 point 1 that the company through HRD is required to conduct periodic checks every year on employees.

As an implementation of this procedure, the company has carried out health checks for workers who come into contact with chemicals (including pesticides). The health examination carried out was a cholinesterase examination on March 15, 2023 which was attended by 115 workers.

The company has also shown the results of the medical examinations that have been carried out by the company, based on these documents it is known that there are several employees who experience work-related health problems. The company has also shown follow-up of the medical examination, for example, PT Inecda's decision letter Number 160/HRD/INC-KBN/IV/2023 dated 12 May 2023 regarding employee transfers on behalf of RD. These workers were transferred from spray workers to manual maintenance workers starting May 21, 2023

7.2.11

Based on the results of interviews with spray workers, it is known that pregnant and lactating women are not allowed to do spraying activities. This is also socialized to workers through morning briefings or socialization provided by the gender committee.

Status: Comply

7.3

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

7.3.1

The company has identified waste resulting from operational activities, the identification is grouped based on activities that generate waste, name of waste, waste code, type of solid or liquid, and its management. The determination and classification of waste codes uses the reference to Government Regulation number 101 of 2014. The company also has several procedures related to waste management and utilization which are listed in several documents, including:

- SOP for Hazardous and Toxic Waste Management Number 012-SOP-ISP revision 2 dated October 1, 2018.
- SOP for Management of Hazardous and Toxic Materials Number 011-SOP-ISP dated January 2, 2014.
- SOP for Monitoring the Quality of POME Number 029-SOP-ISP dated January 2, 2014.
- SOP for Management and Utilization of Factory Waste Number 014-SOP-POM dated May 5, 2014.

In the realization of waste management, it is divided into several types based on the characteristics of the waste it produces, including:

Hazardous and Toxic Waste

In the management of hazardous and toxic waste, the company does not reuse it but only temporarily stores it in one warehouse. The company also has a hazardous waste storage area that has a Hazardous and Toxic Waste Management Permit in accordance with the Decree of the DPMPSTP of Indragiri Hulu Regency Number 16/DPMPSTP/BP-LB3/XI/2020 dated November 23, 2020. This permit is valid for a period of 5 years. The permit refers to the Recommendation for Hazardous Waste Management Permit for Storage activities given by the Head of the Environmental Service of Indragiri Hulu Regency Number 660/DLH-INHU/308 on November 3, 2020. The permit is valid for 1 (one) hazardous waste storage warehouse located in factory area.

The waste stored in the temporary storage warehouse will then be transported by a licensed party every 3 months. The latest transportation is proven through the Electronic Manifest document and the official report of the transportation carried out on February 09, 2023 by PT Mitra Jaya Pertiwi which is a licensed party. The company can show a cooperation agreement with the carrier, which is based on the document of the Cooperation Agreement Number 304/SPT-MJP/XI/2022 which was made on October 30, 2022. The company can also show the legality documents of the carrier, such as a transportation permit from the Ministry of Environment and Forestry which is still valid, a valid permit for the operation of special goods transportation from the Ministry of Transportation, a valid Business Identification Number and a Cooperation Agreement between the carrier and the licensed processor and/or beneficiary.

Companies can also show documents for storing and handling Hazardous Waste in accordance with their SOPs and Government Regulation Number 22 of 2021. These documents include Manifest, balance sheet, and logbook. Based on the results of the document review by comparing the Manifest, balance sheet and logbook, it can be seen that the data on waste transported on February 09, 2023 was in accordance with the data recorded in the balance sheet and logbook

for the period before the transportation was carried out. Similarly, the comparison between the date after the transportation was carried out (February 2023) starting from empty. The company records all waste that enters and leaves the storage warehouse properly so that waste management data can be tracked easily and there are no recording differences.

The results of field visits to hazardous waste storage warehouses at Inecda POM and Estate also show that the company has carried out hazardous waste management quite well. All obligations listed in the waste storage permit have been fulfilled, such as the availability of fire extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labelling. In addition to good lighting and air ventilation, the company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. The results of interviews with warehouse managers also show that managers fully understand the SOP for hazardous waste management and mitigation actions in the event of potential pollution. The company has also reported the results of the hazardous waste management carried out on a quarterly basis as described in indicator 1.1.2.

Non-Hazardous and Toxic Waste

Non-hazardous waste such as domestic waste and used fertilizer sacks is managed in the form of reuse as described in indicator 7.2.8. In addition, waste that cannot be reused will be collected, if it still has economic value such as scrap metal and used tires, it will be sold to parties who cooperate with the company. Non-hazardous waste that cannot be reused will be disposed of in landfills. Transportation of non-hazardous waste from employee housing or emplacement areas is carried out once a week and immediately disposed of in a landfill, and when the landfill is full, it will be stockpiled and put-up signboards marking the opening and closing dates. The company has a policy regarding the prohibition of burning waste, including in landfill areas.

The results of field observations in the landfill and emplacement area showed that there were no traces of combustion, all domestic waste was disposed of in waste collection tanks scattered throughout the building with the classification of organic and inorganic waste types. The results of interviews with residents of the emplacement also stated that the company routinely carried out socialization related to domestic waste management, either directly through meetings, or indirectly by installing signboards prohibiting burning garbage and littering.

Liquid, Solid and Air Waste

Solid waste from the FFB processing process in the form of shells, fiber and EFB is reused by the company as a substitute for fossil fuels (Solar) for power generation in boilers, while for most of the EFB it is used to substitute fertilizer applied to the land. Some of the solid waste in the form of shells is also shipped or sold. Data on solid waste utilization is explained in more detail in indicator 7.9.1. In domestic waste management, the company also has a Domestic Waste Permit for Factory Number 2/DPMPSTP/BL-IPAL/III/2020 and Estate Number 3/DPMPSTP/BL-IPAL/III/2020, based on the decision of DPMPSTP Indragiri Regency dated March 17, 2020. The permit is valid for 5 years from the date of stipulation.

The company utilizes POME by applying it to the Land Application and not dumping it into water bodies. The regulation and management of POME are explained in more detail in indicator 7.8.3. As for air waste, the company has not made a common use for air waste, namely the Biogas Plan, so far, the management related to air waste has only been limited to measuring air quality from waste-producing sources such as WWTP, Boilers and Gensets.

7.3.2

Based on an interview with the Hazardous Waste Warehouse Officer and Inecda POM Manager, it is known that they have understood the handling of waste disposal, especially hazardous waste and domestic waste as well as hazardous waste management in accordance with the procedures owned by the company sent to a landfill which is then stockpiled (without burning). The results of interviews with workers living in the company's area also stated that the waste management carried out by the company was very good and regular. Trash cans are provided properly, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins that will be replaced if damaged, hazardous waste warehouses and landfills. The resource persons also understand very well how to separate the types of waste they produce and what types of waste should not be reused. Field observations in the Estate housing area and POM also indicated that the housing conditions were quite clean and there was not a lot of garbage lying around.

7.3.3

The company does not do open burning to destroy waste, this can be proven from field observations in residential areas and Landfill Estate and Mill where no traces of burned waste were found. Observations were also made at locations that were previously found, and in all these locations no traces of waste burning were found. The results of interviews with employees also stated that they have never burned waste again, because they know the prohibition on burning activities and the sanctions they will receive if they burn. Organic and inorganic waste from housing is disposed of in the bins provided, then transported once a week and disposed of in landfills and then buried when it is full. The results of field observations in employee housing areas also show many warnings to prohibit waste burning activities as well as the dangers that can arise from burning activities. Interviews with management also explained that the regulations regarding the prohibition of burning have been understood by all workers and strict action would be taken if they violated them.

Status: Comply

7.4

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

7.4.1

The company has fertilization procedures, including the following:

- Procedure for Fertilization in Nurseries No. 011-SOP-AGR.
- Procedure for Inorganic Fertilization No. 026-SOP-AGR.
- Procedure for Organic Fertilization No. 027-SOP-AGR.
- Procedure for Land Application No. 028 - SOP-AGR.

The procedure includes fertilization planning based on soil and leaf tissue analysis, programming, application, and monitoring. The goal is to meet the nutritional needs of plants, good plant growth, contribute organic matter to the soil, and good production.

Based on the results of interviews with fertilizer workers in Estate 2, it is known that workers are able to explain the technical aspects of fertilizing activities in accordance with the procedures they have.

7.4.2

The procedures for analyzing leaf and soil samples are presented in document no. 043-SOP-AGR regarding leaf sampling and No. 044-SOP-AGR on soil sampling issued on 01 April 2018. Both procedures state that fertilization recommendations should be based on leaf and soil sample analysis. Leaf sampling is carried out once a year, while soil sample analysis is carried out every five years.

The company has also provided documents on the results of analysis of soil and leaf samples which form the basis for preparing fertilizer recommendations, which are as follows:

- Soil Analysis Number 1445/CPS/II/2021 dated 20 January 2021 issued by the Central Plantation Services Lab for a total of 52 samples with the parameters analyzed including PH, Organic C, N, P Bray 2, Al, K Mg, Ca CEC.
- Leaf Analysis Number B1227/CPS/VIII/2022 dated 26 August 2022 issued by the Central Plantation Services Lab for a total of 116 samples, with the parameters analyzed including N, P, K, Mg, Ca, B, Cu and Zn.

7.4.3

The company has shown documents on the use of processed waste from POM as a form of recycling plant nutrients. An example is the utilization of liquid and empty waste as follows:

- EFB : 16,932 ton
- POME : 8,804 M3

7.4.4

The company has shown documents recording PT Inecda's fertilization activities for the 2023 period. Examples of activities are as follows:

No	Fertilizer Type	TOTAL		
		Plan (Kg)	Realization (Kg)	%
1	UREA	1.270.398	583.259	46
2	RP	473.750	350	0
3	TSP	437.047	-	-
4	MOP	1.581.599	182.650	12
5	DOLOMITE	474.800	306.750	65
6	KIESERITE	373.649	355.550	95
7	HGFB	59.200	-	-
8	CUSO4	22.657	-	-
9	ZNSO4	23.522	-	-
10	KAPTAN	32.000	24.100	75
11	NPK 15.15.6.4.TE	3.600	-	-
12	NPK 12.12.17.2.TE	109.542	-	-
13	MICORIZA	3.578	-	-
14	TRICODHERMA	5.964	-	-
Total		4.871.306	1.452.659	30

Status: Comply	
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7.5
Practices minimise and control erosion and degradation of soils.

7.5.1
Based on the topographic map of PT Inecda with a scale of 1: 50,000, it is known that the majority of the area managed by local companies is flat. The class of vulnerabilities at PT Inecda are as follows:

Slopes	Area (Ha)
0-8 % (flat)	9.242,68 (97,87%,)
8-15 % (sloping)	183,66 (1,94%)
15-25 % (Hill)	17,05 (0,18%)

The company also shows a soil map of soil types and a peat soil survey in 2018 which informs the type of soil consisting of 85.54% peat soil and 14.46% mineral soil with peat depth from <3 m to a depth of >3 m.

7.5.2
Based on data from the 2018 land survey study, it is known that PT Inecda does not own land with a slope of more than 40 degrees.

7.5.3
Based on data from the 2018 land survey study, it is known that PT Inecda does not own land with a slope of more than 40 degrees. And the results of a study of the statement area documents as well as interviews with the company's management found that the company was not in any new oil palm planting activities.

Status: Comply	
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7.6
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

7.6.1
The company has shown a soil map of soil types and a peat soil survey in 2018 which informs the type of soil consisting of 85.54% peat soil and 14.46% mineral soil with peat depth from <3 m to a depth of >3 m.

Based on the topographic map of PT Inecda with a scale of 1: 50,000, it is known that the majority of the area managed by local companies is flat. The class of vulnerabilities at PT Inecda are as follows:

Slopes	Area (Ha)
0-8 % (flat)	9.242,68 (97,87%,)
8-15 % (sloping)	183,66 (1,94%)
15-25 % (Hill)	17,05 (0,18%)

Based on the results of a study of the statement area documents as well as interviews with the company's management found that the company was not in any new oil palm planting activities.

7.6.2 7.6.3

Based on the results of a study of the statement area documents as well as interviews with the company's management found that the company was not in any new oil palm planting 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

Based on the results of a study of the statement area documents as well as interviews with the company's management found that the company was not in any new oil palm planting activities in peat land area.

7.7.2

The company shows a map of PT Inecda's soil types dated May 4, 2022, with a scale of 1:50,000 with the following details:

Map Reg.	Note	Peat Soil Area (Ha)
No. INC_IS_22_006a	Certified	5,118.95
No. INC_IS_22_006c	Non-certified	53.02
Total		5,171.97

The above data has also been reported to the RSPO via email to the RSPO GHG unit (ghg@rspo.org) on 18 May 2022 as a peat inventory report and until the audit is conducted there has been no response from the RSPO secretariat. Based on the results of interviews with company management, it is known that the area of peat that was submitted to the RSPO secretariat and which was inputted into was peat area that was included in the scope of certification.

7.7.3

The company already has procedures for managing high peat soil layers as stated in water management procedure No 019-SOP-AGR dated May 5, 2014, which explains, among others:

Water level sign

- A water level mark can be attached to a box culvert or using a wooden/iron stake or PVC pipe with a diameter of 10 -15 cm equipped with a water depth gauge.
- Installation of water level marks is made on the main drain at intervals of 800 – 1,000 m.
- The water level in the peat area is maintained at a level of 50 -70 cm from the soil surface.

Peat Subsidence

- Installing stakes at several points representing the type and depth of peat
- The location for installing peat subsidence monitoring markers or monitoring points is marked with a fence and a notice board informing the number of monitoring point markers and the coordinates of their location. At the entrance to the monitoring location, directions are given to make it easier to find out the location of the

monitoring point.

Piezometer

- To monitor the water level in the peat area, a piezometer is placed at a ratio of 1:25-50 ha.
- Piezometer pipe size 50 – 75 mm in diameter, 180 cm long with 3 rows of perforations 10 cm apart diagonally (3 side diagonals).
- The piezometer pipe is placed in the soil with a 30 cm section above the soil surface. The water level mark is checked from a scale mark of 1-105 cm starting from the ground surface downwards.

Based on a study of the distribution map documents for subsidence markers, piezometers, water gates, and water levels, it is known that the company already has a total of 24 subsidence markers and 22 piezometers.

Based on a study of subsidence monitoring documents for the 2022-2023 period, it is known that the subsidence of the peat soil layer during that period is 0.1 cm – 0.5 cm. Based on the results of field visits (subsidence stakes, piezometer, water gate/stop bund, water level), for example in block N14 Afdeling X Estate 2, it is known that the infrastructure is in good condition.

Based on the results of interviews with water management officers, it is known that these personnel understand and can explain the mechanism for regulating the subsidence of peat soil layers.

7.7.4

The company shows records of monitoring peatland management including:

- Monitoring subsidence for the 2022-2023 period, it is known that the subsidence of the peat soil layer during that period is 0.1 cm – 0.5 cm.
- Monitoring the water level for the period March 2023, it is known that the average water level in that period is 52.83 cm.
- Piezometer monitoring for the period March 2023, it is known that the peat ground water level in that period is an average of 30 - 50 cm.

The company also opens and closes the Watergate to adjust the water level, for example when the water level is high, the floodgate will be opened and in a dry position, the floodgate will not be opened. In addition, the company also showed the minutes of oil palm replanting and planting dated April 11, 2023, which explained the completion of the replanting and oil palm planting work in Block K16 – K21 Afdeling IX which explained land clearing activities for oil palm replanting by mechanical means.

Based on the results of field observations in block N14 Afdeling X Estate 2, the water level stakes/monitoring wells/subsidence stakes are in good condition and functioning as they should according to the SOP set by the company. In addition, the company did not spray the intercrops to maintain the land cover vegetation in the peat area.

7.7.5

Based on a review of the RSPO Drainability Assessment Version 2.0 document published on 26 October 2021, it is explained in point 1.1 that "The procedure requires a drainage assessment to be carried out 15 years after the initial planting (approximately 5 years before the planned replanting) of plantations on peatlands. DA reports need to be prepared prior to clearing or replanting of oil palms cultivated on peatlands. No replanting can take place until the DA report has been submitted, reviewed and approved by the RSPO. Companies must complete all the requirements specified in the Submission Checklist (Section 6)."

The company has shown documents. Based on the results of a study of PT Inecda's areal statement documents for the 2023 period, information was obtained that the year of planting in the peat area included the distribution of planting years including: 1990-1992, 1995-1998, 2001, 2003-2009 and 2013-2020 and 2022-2023 with an area of 5,118.73 ha.

The company has shown documents related to PT Inecda's Peat drainability study, including:

- Drainability study in 2020 dated March 17, 2021, to prepare a replanting plan for Blocks H24, I24, J25-J26, L27-L29 and M24 with an area of 191.64 Ha.

- Study on drainability in 2021 on 9 November 2021 to prepare a replanting plan for Blocks J21-J24 and K25-K26 with an area of 174.19 Ha.
- Study on drainability in 2022 on 1 July 2022 to prepare a replanting plan for Blocks K22-K24, L23-L24, K16-K21 with an area of 325.45 Ha.
- Study on drainability in 2023 on 5 April 2023 to prepare a replanting plan for Blocks K10-K15 with an area of 109.64 Ha.

From the results of field visits to blocks K20 and K21 Afdeling IX Estate II and interviews with company management it was explained that replanting activities in blocks K20-K21 will be carried out in 2022 while oil palm planting will be carried out in 2023, this is in accordance with the Minutes of replanting and planting coconuts oil palm on 11 April 2023 which explained that from 5 September 2022 to 31 March 2023 replanting and planting of oil palm had been completed in Block K16 – K21 section IX of the peat area.

Based on the results of field visits to Block J22 Afdeling V Estate I and interviews with company management, it is known that replanting activities will be carried out in 2021 and planting will be carried out in 2022 on peat areas.

The company has shown the Minutes of replanting and planting oil palm dated 30 January 2023 explaining that from 6 August 2022 to 21 December 2022 replanting and planting of oil palm has been completed in Blocks L23-124, K22-K24 section VIII of the Peat Area.

Based on the results of interviews with the management of PT Inecda, information was obtained that the Drainability Assessment was prepared using the method owned by the company, but there was no evidence that the method used to carry out the Drainability Assessment and the Drainability Assessment report had been submitted and approved by the RSPO prior to the clearing or replanting activities. **NCR 2023.03**

7.7.6

The company has managed the peat area under cultivation by measuring the groundwater level, subsidence rate, and monitoring the water level in the ditches. Based on the results of a 2018 survey in the field as many as 1,018 points were known that the soil layer under the peat for the criteria of peat, shallow peat, medium peat and deep peat is mineral soil and sandy soil (which is dominated by alluvial).

Based on the results of a field visit to the subsidence stakes in block J19 Afdeling IV Estate I that the subsidence stakes have been equipped with a protective fence with a size of ± 40 cm x 40 cm and a height of 50 cm and the subsidence stakes in block N24 Afdeling XI Estate II it is known that the subsidence stakes have been equipped with a protective fence with a size of ± 40 cm x 40 cm and a height of 50 cm (inside) and a protective fence of ± 1 m x 1 and a height of 1 m. From the results of field visits it is also known that the subsidence stakes are prone to disturbances (for example during harvesting activities).

In the RSPO Manual on Best Management Practices (BMPs) For Existing Oil Palm Cultivation on Peat in the Measurement of Peat Subsidence section it is explained that "An area of 2 m x 2 m around the subsidence stakes must be securely fenced to prevent disturbance which will result in inaccurate readings."

Based on the explanation above, the company has the opportunity to evaluate the prevention of disturbance of the subsidence stake which will result in inaccurate readings according to the RSPO Manual on Best Management Practices (BMPs) For Existing Oil Palm Cultivation on Peat. **OFI**

7.7.7

Based on a review of PT Inecda's Peat Inventory documents, it is known that there is a high conservation area of 25.82 ha. Areas that have been designated as conservation areas are no longer subject to operational activities. From the results of the field visit it is known that there are information boards related to HCV areas and prohibitions on activities in HCV areas such as logging, hunting and so on.

7.7.5	Status: Non-Conformity No.2023.03
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Major

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

Based on the 2008 AMDAL Addendum document, the results of the 2013 HCV identification, as well as river flow maps and water sources, it can be seen that there are several water sources in the company's operational areas. Based on the document, it is known that the water source management plan is to test the quality of surface water at the upstream and downstream of the river every 6 months and drill wells every 1 year. All tests were carried out by a KAN accredited laboratory (LP-894-IDN). Related to this, the company shows the results of testing the quality of surface water for the period of semester 2 of 2022. The company tested surface water with 44 indicators carried out at 2 sample points, namely Upstream and Downstream of the Air Hitam River because the water source used for POM processing comes from the Air Hitam River. There are also 7 rivers flowing through the company's plantation area, namely the Tani Makmur River, Siri River, Buluh River, Air Hitam PKS River, Air Hitam Belilas River, Parit River and Talang Perigi River which are all identified as HCV areas.

Based on the test results data for the Semester 2 period of 2022, there are no parameters that are not in accordance with the quality standards. The results of the analysis of test data during 2021 showed that there were several parameters that experienced fluctuations such as pH and BOD at the downstream of the Air Hitam PKS River and were not in accordance with the quality standard used, namely Government Regulation Number 22 of 2021 Class 2 regarding surface water quality standards. Based on the results of interviews and document review, the following conclusions were obtained:

- For pH and BOD, this is due to settlements and industries around the river border, the character of the river is also a peat water river where normally the pH value is lower than the quality standard and the BOD value is higher than the quality standard.
- The results of an interview with the Environmental Agency of Indragiri Hulu Regency stated that there were never any complaints related to river pollution around the company's area.
- The results of interviews with villages around the company also stated that there were no complaints of river pollution, nor did the community use the river for consumption.
- The results of interviews with management stated that the level of these parameters is influenced by the character of the peat river so that the pH and BOD levels are not in accordance with the quality standard.
- Physically, based on the results of field observations, it does show that the color of the river is relatively darker, but no indication of pollution is found because the river is also used by the company as a source of water for FFB processing.

The results of interviews with workers from Estate and Mill stated that there were never any complaints about river water, they only used the water for fishing and not for consumption or daily needs, while for other rivers it was not used specifically. The results of interviews with the community around the company and related agencies also did not reveal any negative issues related to the condition of the river water. In addition, the company has also made efforts to control potential pollution through protection of the entire water border by designating it as an HCV area and prohibiting the application of chemicals in all water border areas.

The unit of certification also does not limit access to clean water, and all workers also have access to adequate clean water. Based on the results of field observations in the Estate and Mill housing areas as well as interviews with fertilizer workers, spraying workers, and harvest workers, information was obtained that clean water facilities for housing were obtained from artificial reservoirs. Clean water testing is also carried out by the company to see the quality of clean water taken from reservoirs carried out by a accredited laboratory (LP-894-IDN). The results of testing the quality of clean water also show that all parameters of the test results are still in accordance with quality standards The applicable regulation is the Regulation of the Minister of Health Number 32 of 2017.

The company also has a river border management plan which is described in the SOP procedure for monitoring surface water quality No. 32-SOP-ISP which was approved by the Chief Operation Officer on January 2, 2014. Based on the results of document verification and field observations to several sampling locations, it shows that the company has carried out activities in an effort to improve water quality, among others:

- Conduct socialization to all employees and the surrounding community to maintain water quality.
- Maintain the cleanliness of the environment around water sources so that sources of pollution can be minimized.
- Create a program to improve water quality gradually with the provisions of the applicable laws and regulations.
- Report the results of the examination in accordance with the provisions of the applicable laws and regulations.

- Testing the quality of river water and boreholes listed in the RKL/RPL report.
- Management of erosion and surface water runoff, management of water in the lowlands and monitoring of surface water quality as stated in the implementation of RKL-RPL every semester.
- Waste water management using WWTP and Land Application.
- Monitoring the use of water for palm oil processing and evaluating its use.

The company's revegetation efforts in river border areas have also shown results, with evidence that the river border vegetation has been overgrown with dense forestry plants in several locations. The company can also show data on the results of planting activities where the annual target is 1800 trees, and for the first semester of 2022, 1,136 trees have been planted. Forestry plants such as *Sengon*, *Trembesi*, Mahogany, *Matoa* and *Durian* with a total planted area of 0.45 Ha located in 7 rivers within the company's operational area.

7.8.2

The company has procedures related to identification, management and maintenance of water sources and quality which are listed in the SOP for Management of Erosion-Prone Areas and River Borders Number 022-SOP-ISP revision 01 dated 10 February 2015 and SOP for Surface Water Quality Monitoring Number 32-SOP-ISP dated January 22, 2014. The SOP explains several things related to the management of river borders and other water sources, for example in order to protect water resources, determining the width of river borders following Presidential Decree no. 32 of 1990, carried out border protection, carried out socialization to all parties involved in plantation operational activities to participate in carrying out water protection activities, making boundary markings, and monitoring water resources. Until the ASA – 4 audit was conducted, the company had not yet replanted the peat river area.

The company also has topographic data in the form of maps with a scale of 1:50,000 which includes the scope of certification sourced from the Data Area Statement. Based on the map, it shows that there are flowing rivers, lakes/reservoirs and springs within the company area. The results of document review and interviews as well as verification of the company's area through satellite imagery also show that there is a water source within the company's area. In addition, the company shows a semi-detailed survey of the land map of the PT Inecda area with a scale of 1:50,000. Based on the map, the slope in PT Inecda is dominated by 0° – 8° with a total area of 97.87% of the total operational area. As for some locations that have slopes between 15° - 25° only about 0.18% of the total operational area.

The company also makes efforts to manage water sources such as periodically monitoring river conditions from potential pollution and fires every month, testing surface water quality standards to ensure water quality is still within normal limits every semester, and marking chemical application area boundaries with yellow and yellow colours, chemical application boundary markers. In addition, the company also conducts socialization to employees and the surrounding community in conservation efforts which can be proven based on the minutes of socialization to workers on 6 - 11 March 2022 and to the community on 14 - 17 March 2022. Results of interviews with spraying and fertilizing workers in some Afdeling also stated that they were aware of the rules regarding chemical application limits, prohibitions on washing chemically contaminated goods in water bodies and other activities that have a negative impact on water sources.

7.8.3

All palm oil mill effluent produced by Inecda POM are processed at waste water treatment plant before it distributed to estates as land applications. Before being transferred to the land, all POME is included in the WWTP which consists of 13 ponds consisting of 1 Colling Pond, 3 Acidification Ponds, 4 Primary Anaerobic Ponds, and 5 Anaerobic Secondary Ponds with a total volume of 31,722 m³. This POME applications were conducted based on Decree of Regent of Indragiri Hulu Number 22 of 2018 dated December 18, 2018, concerning Permit for Utilization of Wastewater for Application to Land for Oil Palm Plantation of PT Inecda. The permitted area is in Estate 1 covering an area of 290.08 Ha which is spread over 9 blocks (blocks A, B and C). The permit is valid for 5 years from the date of stipulation.

The company can show evidence regarding the results of POME quality measurements in the form of test results documents carried out by an accredited laboratory (LP-894-IDN) with reference to the Decree of the Minister of Environment Number 28 of 2003. Based on the results of the analysis of test results documents for the period January-March 2023 that all parameters are in accordance with the applicable quality standards. For example, POME quality in March 2023 in pH is 7.6 (threshold 6-9) and BOD is 921.73 mg/L (threshold 5,000 m/L) This shows that POME produced

from FFB management activities is feasible to be applied to land. The company has also tested the quality of monitoring wells located at Monitoring Well Block C15 in LA area, Monitoring Well Block B13 in non-LA area, and Monitoring Well Block B 17 conducted by accredited Laboratory (LP-894-IDN) with the Quality Standard of the Minister of Health of the Republic of Indonesia. Number 32 of 2017. Based on document verification, it is known that the test results are still in accordance with the stipulated Quality Standards.

In addition, the company also has procedures related to liquid waste management based on the SOP for Monitoring POME, Monitoring Wells, Control Wells and Population Wells with the number 029-SOP-ISP dated January 2, 2014, which explains the methods and procedures for sampling and testing procedures. The company has also reported the results of liquid waste management every month as described in indicator 1.1.2.

7.8.4

Unit of certification already has Surface Water Utilization Permit for PT Inecda unit based on Surface Water Concession Permit based on the Decree of the Minister of Ministry of Public Works and Public Housing Number 1646/KPTS/M/2022 dated 25 November 2022 and is valid for 5 years. This permit concerning Granting of Water Resources Concession Permits to PT Inecda for Industrial Businesses in Air Hitam River with the permitted debit quota is 17.361 liters/second or 45,000 m³/month. Unit of certification can also show documents for recording daily water use, as well as the results of the recapitulation of water use for palm oil processing units every month. For example, unit of certification can show recapitulation of water use for January-March 2023 period. Based on those data, it can be obtained that average water use for FFB processing is 17,223 m³/month while the total water use is 51,670 m³/month. Based on these data, the use of water is in accordance with provision in its permit.

Result of field observation in Water Treatment Plan (WTP) and water intake also show that the flowmeter used is still functioning properly. Result of interview with officers responsible for WTPs also show that operators are very understanding about how WTPs work and recording flowmeter data. Officers can also show data in and out of water which is recorded every day.

Status: Comply

7.9

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

7.9.1

Unit of certification has made efforts to improve the efficiency of the use of fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a document Conversion of Biofuel to Solar at Inecda POM for the period 2022. The biofuel in question is solid waste in the form of shells and fiber which used for substitution of fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization for the period January-December 2022 shows that from 185,721 Tons of FFB processed, it can produce biofuel in the form of 30,539 Tons of shells, 7,635 Tons of fiber and 907 Tons of EFB, all of which are used for the combustion process in boilers or equivalent to 21% of the total FFB processed.

Based on data analysis on the use of diesel fuel for FFB processing, information on the estimation of diesel fuel needed to generate electricity in the factory area is 793,834 liters/year or 4.5 liters/ton FFB. However, due to the efficient use of diesel fuel, which is substituted with biofuel, it can reduce the use of diesel to only 60,724 liters/year or equivalent to 0.31 liters/ton of FFB. This shows that the use of biofuels can reduce the use of diesel by 99% for the years 2022.

Status: Comply

7.10

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

7.10.1

Unit of certification has carried out an inventory of GHGs contained in the 2023 Greenhouse Gas Emissions Mitigation Program document, based on document analysis, it can be concluded that the company has identified the source of GHG produced by the Inecda POM unit and its suppliers. Identification of significant sources of GHG emissions are identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and

transportation. The mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of the GHG calculation to the public which was submitted to the RSPO GHG website.

Reduction of fossil fuels at Inecda POM has been carried out by using fiber and shells for fuel substitution. The company also uses POME to be applied to land with test results from the monitoring period January-December 2022 which show that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it was found that accurate data had been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January – December 2022 is as follows:

General Information

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	2	159,192.94	7,899.78
Group Plantation	3	7,691.01	344.24
3rd Party	8	24,881.33	0.00
Total	13	191,765.28	8,244.02

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	9.22	tCO ₂ e/tProduct	Oil palm planted on mineral soil	3072.04	Ha
PK	9.22	tCO ₂ e/tProduct	Oil palm planted area on peat	5171.97	Ha
PKO	0	tCO ₂ e/tProduct	Total oil palm planted area	8244.02	Ha
PKE	0	tCO ₂ e/tProduct	Conservation area (Forested)	41.71	Ha
OER	19.76	%	Conservation area (non-Forested)	0.00	Ha
KER	4.26	%	FFB Production per hectare	23.26	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO ₂ e	tCO ₂ e/t FFB	Emission Source	tCO ₂ e
POME	29928.23	0.16	PK from own mill	0.00
Fuel Consumption	188.84	0.00	PK from other sources	0.00
Grid Electricity Utilization	0.00	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00	Total Crusher Emissions	0.00
Sale of PKS	-1592.71	-0.01		
Sale of EFB	0.00	0.00		
Total	28524.36	0.15		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	37831.79	2228.35	0.00	40060.14
CO2 Emissions from Fertilizer	8258.23	0.00	0.00	8258.23
N2O Emissions from Peat	38319.31	0.00	0.00	38319.31
N2O Emissions from Fertilizer	7916.72	0.00	0.00	7916.72
Fuel Consumption	1593.71	0.00	0.00	1593.71
Peat Oxidation	279495.22	2894.86	0.00	282390.08
Sinks				
Crop Sequestration	-58036.48	-2907.01	0.00	-60943.49

Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	315378.51	2216.20	78376.19	395970.90

Palm Oli Mill Effluent Treatment		
Description	Unit	Value
POME Produced	t/yr	181,237
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0

**POME is only processed in WWTP*

Based on the results of the above data analysis, it can be seen that the emission value from CPO and PK production is quite high at 9.22 tCO₂e/tProduct, this is because there are peat areas that have been planted with oil palm.

7.10.2

Unit of certification did not carry out new developments after 2014, but the company continues to manage GHG by conducting an inventory of emission sources. They can show identification documents of activities that generate emissions for the period 2022 for Mills and Plantations. This is done to estimate the carbon stock in the management area along with potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is drawn up and implemented.

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel, performing maintenance on operational equipment on a regular basis, and utilizing POME in Land Applications. Companies can show records of GHG mitigation for Estate and Mill units, for example the use of fertilizers according to the dose, routine maintenance of operational vehicles, socialization of the prohibition of burning waste, implementation of efficient use of electricity and integrated pest control to minimize the use of pesticides.

7.10.3

Unit of certification has identified source of pollution and mitigation plan contained in identification and evaluation form document of Form Document Number FRM-ISP-P023/01 and SOP for Greenhouse Gas Mitigation Number 023-SOP-ISP dated January 2, 2014. Unit of certification has also carried out management and monitoring related to results of identification and mitigation plans as evidenced through Report of Management and Monitoring Implementation of Semester II 2022 and has reported it to Environmental Agency of Indragiri Hulu Regency on 27 February 2023.

Based on verification of the document, it shows that in the management of air pollution, the certification unit has tested air emissions on boilers and generators as well as ambient air. The test is carried out by accredited laboratory (LP-625-IDN) on 07-20 October 2022. Based on the analysis of the test results, it can be concluded that there is no value above the applicable quality standard, namely Environment Ministry Regulation Number 07 of 2007 for Boilers, Environment Ministry Regulation Number 11 of 2021 for Gensets and Government Regulation Number 22 of 2021 for ambient air.

In addition, unit of certification has also carried out management for interference from immovable sources. The tests were carried out by accredited laboratory (LP-625-IDN) on 07-20 October 2022. The tests carried out by unit of certification included testing for odor, vibration, and noise in the work area and housing. Based on the results of document verification, it shows that all test results are in accordance with the quality standards set for each applicable statutory regulation.

Result of interview with boiler and generator officers stated that there was never any hearing loss experienced by the informants or other factory workers. Unit of certification has also carried out routine health checks. The resource person also explained that the obligation to use PPE in the work area is an obligation that must not be violated, warnings about the use of PPE and checking the completeness of PPE are also applied in the company.

Status: Comply	
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7.11
Fire is not used for preparing land and is prevented in the managed area.
7.11.1

The Inecda POM certification unit can show Fire Prevention and Handling SOP Number 025-SOP-ISP revision 1 dated March 15, 2022. The scope of the SOP includes planning, prevention, response, post-fire management and reporting and coordination of firefighting and land preparation work, where the procedure explained that land clearing was done by mechanical means and Zero Burning. The land clearing procedure is carried out by not burning but by doing it mechanically.

The company also has SOP for Land Clearing and Replanting number 015-SOP-AGR dated May 5, 2014, which shows the work process regarding land preparation by not burning in land clearing activities. In addition, S&G Biofuel as the parent company of PT Inecda also has a social and environmental policy which explains that the company will implement Zero Burning in all plantation development activities including preparation for new planting, replanting or other development activities.

Based on the results of a field visit to the 2022 replanting area right in block I 22 Division IV Estate 1, it is known that there is no indication of land clearing by burning. Based on interviews with management, it was stated that all land clearing activities were carried out mechanically.

7.11.2

The company already has SOP Number 025-SOP-ISP revision 1 dated March 15, 2022. Based on the review of the document, it is known that the fire control technique owned by the company refers to the laws and regulations in force in Indonesia, including Law No. 18 of 2004, Law Number 32 of 2009, PermenLHK Number 32 of 2016 and Minister of Agriculture Number 5 of 2018. The fire control and prevention program has been included in the Fire Fighting Facilities and Infrastructure Monitoring program for the 2022 period, for example, among others monitoring APAR, monitoring firefighting equipment and fire simulation. The company has also managed, monitored, prevented and controlled land and forest fires, including the following:

- Formation of a firefighting team equipped with the necessary equipment.
- Minutes of socialization regarding K3 policy and how to use fire extinguishers at PT Inecda, which was held on January 11, 2023, which was held at Afdeling VIII Estate II PT Inecda which was attended by 54 participants.
- Minutes of Karhutla outreach to KTPA Sungai Limau, KTPA Sungai Parit, KTPA Petalongan, KTPA Tani Makmur, KTPA Sibabat, and KTPA Titian Resak which was held on 28 March 2023.
- Providing firefighting equipment referring to the Regulation of the Minister of Agriculture Number 05 of 2018.
- Routinely carry out inspections of fire extinguishing equipment such as monthly APAR monitoring with the results of inspections at the installation locations of powder, foam and CO2 extinguishers in plantations and factories in a ready-to-use condition.

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use 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

Based on management information and a review of the area statement, it was found that all land clearing for plantations was carried out after November 2005. The results of interviews with management indicate that land clearing began in 1994. The results of the document review also show that the HCV assessment was only carried out in 2012 with the final document on 2013 while planting activities between 2005-2021 are replanting activities. In this regard, the company can show a series of communications between the company and the RSPO which shows that on October 13, 2018, the company sent a Disclosure of Liability to the RSPO, and on October 18, 2018, the RSPO responded that *"there is no non-compliant land clearance"* and is considered clear for the RaCP indicator. Based on this information, it can be concluded that the RaCP procedure is not applicable to PT Inecda.

7.12.2

Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company does not have an obligation to conduct a High Carbon Stock (HCS) study. The Company already has a Report on Identification and Analysis of the Presence of High Conservation Value (HCV) in the Permit Area of PT. Inecda, Indragiri Hulu Regency, Riau Province in collaboration with PT Sonokeling Akreditasi Nusantara in 2013 and has been peer reviewed by Siti Badriyah Rushayanti. The methodology for identifying HCV areas refers to the Guide to Identification of High Conservation Value Areas in Indonesia (the Indonesian Consortium for the Revision of HCV Toolkit, 2008). In the document, a Map of High Conservation Value Areas with a scale of 1:80,000 is available. This activity is carried out for the scope of PT Inecda where there are 2 Estates in it. Based on this study, it is known that the HGU area of PT Inecda is ±9,443.386 Ha with a total HCV area of 2,540.72 Ha in the form of river borders, mixed gardens, reservoirs, sacred places, and peat areas.

In the development of its management, it turns out that there are some differences between the results of the HCV delineation carried out by previous assessors and the actual conditions in the field and there is a misinterpretation of the HCV area in the form of peat. These differences will affect the HCV management and monitoring activities that will be carried out by the company, including in terms of cost planning, surveys and evaluation activities. In addition, there is also a misinterpretation from outsiders, where the peat area identified must be managed as a protected area, namely by not planting, whereas when referring to the results of the verification of the HCV document, the recommendation for managing peat areas is water management. To avoid this issue and to ensure the scope of HCV management, PT Inecda took the initiative to carry out further verification to ensure the results of the HCV delineation carried out by the company internally. On 20 August 2018 the company identified an internal HCV area, namely the GIS department of agronomy. The identification results have been approved by the management unit in accordance with Decree No. 494/SUS/INC-PKU/VIII/2018, and signed by COO, CFO and CEO. Based on the results of the study, the HCV area was 99.75 Ha.

However, on 19 February 2019 the company issued a letter explaining the change in HCV area with the number 097/SUS/INC-PKU/II/2019 which aims to redefine the HCV area again due to a misperception of the assessment team in 2018. The error occurred because of the Decree issued by Management regarding the determination of the width of the river border conservation area where management determined an area of 7.5 meters from the river border for the HCV area that does not border the road, while for the river border area bordering the road, the designated HCV area which is 5 meters in accordance with PermenPUPR Number 28 of 2015. However, in the 2018 study, the company determined the river border area to be 11.5 meters so that the HCV area is wider than the actual conditions in the field. In addition, the company also added an area of 1.50 Ha which was not previously identified as an HCV area. To strengthen the justification for this, the company involved an HCV assessor on behalf of Kresno Dwi Santosa who is an ALS license assessor with number 15009KS. After a re-assessment and delineation in 2019, the HCV area changed again from 99.75 Ha to 41.71 Ha. The following is a conservation area at PT. Inecda for the scope of certification, among others:

HCV Location	Area (ha) 2013	Area (ha) 2018	Area (ha) 2019	HCV Type
Riparian River				
Tani Makmur Riparian River	43.73	12.15	4.68	4.1
Siri Riparian River	37.18	16.36	6.39	4.1
Buluh Riparian River	96.45	14.19	5.19	1.3; 1.4; 2.3; 4.1; 5
Air Hitam PKS Riparian River	45.23	11.61	4.41	4.1
Air Hitam Belilas Riparian River	63.33	15.74	6.44	4.1
Talang Perigi Riparian River	27.92	9.67	4	4.1
Parit Riparian River	84.44	15.69	4.99	1.3; 1.4; 2.3; 4.1
Forest				
Mixed Forest	105.98	0	0	1.3; 1.4; 2.3
Sil pit				
Sil pit Blok F1	3.47	3.88	3.65	1.4; 2.3; 4.1
Reservoir				
Reservoir Mill	2.67	0.46	0.46	4.1
Swamp area Block F4	0	0	1.50	1.3; 1.4; 2.3; 4.1
Peatland area				
Peat (>3 m)	2,030.28	0	0	4.1
Sacred area				
Petilasan Datuk Darah Putih	0.03	0	0	6
Total	2,540.72	99.75	41.71	1.3; 1.4; 2.3; 4.1; 5; 6

Based on the data above, it can be concluded that the company already has the results of identification of protected areas and high conservation value areas with a total area of 41.71 Ha when the ASA-3 audit was conducted. This has also been legalized by the company with evidence of a Decree from the COO dated February 25, 2019, Number 012/SUS/INC-PKU/II/2019 regarding the area of PT Inecda which has been identified as an HCV area of 41.71 Ha. Regarding the loss of HCV areas in the form of forests and sacred areas, the company explained that the area has now been removed from the Land permit (HGU) area on December 8, 2020 (final document) because it is a community occupation area. However, the company continues to maintain and monitor flora & fauna in the area because it is directly adjacent to the company area.

7.12.3

Indicator 7.12.3. currently irrelevant to Indonesia, until further decisions from the RSPO.

7.12.4

Based on the results of HCV identification, it is known that there is an HCV area within the scope of the certification unit covering an area of 41.71 Ha which is HCV 1, 2 and 4 and several types of RTE species consisting of Mammals, Aves and Herpetofauna identified as HCV 1.2. The Company has also prepared an integrated management plan which was developed in consultation with relevant stakeholders and covers the areas that are managed directly and taking into account the relevant wider landscape level contained in the Long-Term Plan for Management of HCV Areas for the period 2022 –2026. In addition to the management plan 5 years, the company also has a management plan prepared every year which aims to update management and monitoring needs. The company has compiled and determined the HCV management plan in the 2022 HCV Management Activity Plan Form document with the management scope and targets every month with several programs owned, including:

- Socialization on the Management of HCV Areas and Management of Critically Endangered, Threatened, and/or Protected Species which is conducted every month.
- Monitoring of hardwood tree nurseries, tree insertion, and provision of border stakes which is conducted once a year.
- Maintenance of HCV attributes by maintaining signboards, river border markers and carrying out monitoring and maintenance of information boards that are carried out every month.
- Monitoring of HCVs by conducting monthly surveys for flora and fauna inventory.
- Maintenance of reservoir areas, reservoirs and sacred areas which is carried out every 3 months.

The implementation of HCV management and monitoring for Second Semester of 2022 and January-April 2023 is carried out in accordance with the 2022-2023 HCV Management Plan where the timing and intensity of implementation are also appropriate, which can be demonstrated based on the following documents:

- HCV Monitoring for July 2022-April 2023 period. For example, patrols conducted on December 2022 & April 2023 to ensure signboard and condition of HCV areas as well as management for revegetation in riparian areas (Sungai Buluh, Sungai Talang Perigi, and Waduk PKS).
- Minutes of the planting of wood plants shown from May 2022-September 2022. This shows that there are several wood plants planting of mahoni on 07 April 2022 in Sungai Talang Perigi and on 28 June 2022 in Sungai Buluh Afd VI Blok B12, in February 2023 of Sengon, and January 2023 of Sengon and Matoa.

The company also has a map of the HCV area and topography with a scale of 1:80,000, the map is also equipped with information about: map title, cardinal directions, map legend, map update date, and map source. The company also conducts a review related to management and monitoring activities in 2022 as evidenced in the 2021 HCV Management Plan Review Report which contains evaluation and management and monitoring recommendations as an effort to improve HCV management activities in 2023.

7.12.5

The company has identified the needs of the community as well as the areas needed by the affected community to meet their basic needs, taking into account the potential for positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the additional HCV area in the form of swamp in block F4 covering an area of 1.50 Ha because this area is an area that according to customary beliefs is usually used as a place for rituals. In addition, the company has also removed HCV areas in the form of mixed forest and sacred areas from the Land Permit (HGU) because these locations belong to the community and do not want to be under company management. However, in actual fact, the company is currently collaborating with the land owner to monitor and install the HCV signboard because the community and company's goals are considered to be in line, namely to protect the area. This can be proven based on the following documents:

- Letter Number INC/V/2021 dated 27 May 2021 regarding the application for the installation of mixed garden signboards and monitoring of mixed gardens to land owners (Subadri). The letter has been agreed upon by the land owner.
- Letter Number INC/V/2021 dated May 27, 2021, regarding requests to carry out maintenance activities for the sacred area (Petilasan Datuk Darah Putih), grave monitoring, signboard installation and signboard maintenance. The letter has been agreed upon by the land owner.

The company has identified and carried out activities to minimize risks and impacts both for the community and for the environment, for example by providing regular socialization to the community and workers not to apply chemicals in the canal area to avoid pollution, not to clear land by burning, and so on. The company has also considered various land tenure and management options to protect HCV areas in a way that also protects the rights and livelihoods of local communities. Since the area managed by the company is entirely already planted with oil palm, which is not directly adjacent to the settlement, the level of potential conflict between the HCV area and the community is quite low.

The results of field observations in the area that was previously HCV 6 in the form of a sacred site where cultural rights and important places for the surrounding community have been identified in the company area. The company's environmental conditions both within the scope and in the community, area is almost entirely planted areas of plantation plants. Currently, the company also has an agreement with the community who are members of the Fire Alert Community, for example for monitoring and patrolling activities, the company has also made an agreement with the community who are active in the company's area not to hunt and trade wildlife. The company has also approached relevant stakeholders, including:

- Submit a list of protected species found in the BKSDA area.
- Provide executive summary to relevant parties such as the Environment Service, Agriculture Service, and Sumatra Ecoregion.
- Socialization on HCV is conducted periodically to find out the extent of community understanding of the existence of HCVs in the PT Inecda area.

- Make an agreement with the surrounding village to maintain the HCV area in the plantation area.

Regarding local culture, the company has tried to apply conservation principles without contradicting the hunting culture of the Talang Mamak community. Hunting activities are the daily activities of local people, it cannot be eliminated by various forms of socialization that have been carried out by the company. Based on the results of interviews with the company, it is stated that currently the hunting culture has begun to decrease due to the current condition of land cover, most of which have been turned into oil palm plantations and the level of public awareness has increased because they are aware of the criminal law related to hunting activities.

7.12.6

Based on OFI on ASA-3, it was found that nets were used to control *Oryctes* pests (horn beetles) in the replanting area during field observations. This has the potential to become a threat to wildlife species, especially bird species. The company has been monitoring the area with nets installed and will evacuate if there are animals that are entangled.

The results of field observations on ASA-4 to the replanting area in Block K19/K20/K21 Division 9 Inecda Estate 2, found the use of nets to control horn beetle pests (*Oryctes*). In addition, based on field observations on ASA-4 in the company's area, the species of shrubby kingfisher (*Halcyon smyrnensis*) is still found. Interviews with workers in the replanting area show that there are special officers who patrol to monitor the area where the nets are placed so that there are no animals that become entangled. However, the results of a document review in HCV Semester 2 2022 Management Report show that efforts to manage RTE have not been discussed from the use of nets in controlling the horn beetle (*Oryctes*).

Then, the company has shown the *Oryctes* Netting Identification document dated February 5, 2023, which stated that the consideration for setting nets was based on the high attack of *Oryctes* on immature plants, insecticides used that were not exposed to controlled *Oryctes*, and alternatives to reducing pesticide use. As for the anticipation that if there are animals outside *Oryctes* caught in the nets, daily monitoring is carried out by designated officers, daily recording and monitoring, and monitoring is carried out in the morning and evening. If any animal other than *Oryctes* gets caught in the net, then the animal is released.

Results of Daily Monitoring of *Oryctes* Catcher Nets in Division 8 and 9 of the Inecda Estate 2 showed that there were shrike/shrubs caught in the nets. Animals caught in the form of shrike/shrub occurred 25 times in Division 8 Inecda Estate 2 for the period March-April 2023 and occurred 46 times in Division 9 Inecda Estate 2 for the period January-April 2023 which were finally released.

Based on the explanation above, company has not shown evidence of evaluating RTE protection from using nets to control the horn beetle (*Oryctes*) to ensure the presence of RTE species is maintained and protected. **This is nonconformity No. 2023.04 with minor category.**

7.12.7

Monitoring of the HCV area in the 2022 period is carried out regularly every month to ensure the security of the area. Monitoring activities are carried out in several river border locations and all areas of the company's management. This monitoring is carried out to see the progress of HCV management results from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every month by showing the HCV Monitoring Form Document Number FRM-SP-P021/04 which was carried out in June 2022. The results of observing fauna in the plantation area still found several protected species that enter the forest. under protection status according to IUCN, CITES and PermenLHK Number 106 of 2018 include Simpai Monkey (*Presbytis melalophos*), Long Tailed Monkey (*Macaca fascicularis*), Pangolin (*Manis Javanica*), Monitor Lizard (*Varanus salvator*), Cobra Snake (*Naja sumatrana*), Crocodile (*Tomistoma schlegelii*), Python reticulatus (*Python reticulatus*), Nepenthes (*Nepenthes gracilis*), Heron egret (*Ciconiidae*), Brontok Eagle (*Spizaetus cirrhatus*), Rat eagle (*Elanus caeruleus*) and Kingfisher (*Halcyon smimensis*). Based on the results of field observations in several HCV areas, direct encounters of some of these species have also been found, such as the Simpai Monkey (*Presbytis melalophos*), Long-tailed Monkey (*Macaca fascicularis*), monitor lizard (*Varanus salvator*), heron egret (*Ciconiidae*), Kingfisher (*Halcyon smimensis*) and Nepenthes (*Nepenthes gracilis*).

The company also conducts annual monitoring and evaluation for the management of HCV areas where this activity aims to identify risks and impacts on conservation areas and improve protection efforts. The company also follows up on the

improvement of the HCV area management plan which is made every 5 years by involving all relevant stakeholders in the company's operational areas such as the surrounding community, especially the surrounding community and law enforcement. The company also conducts a review related to management and monitoring activities in 2021 as evidenced in the 2021 HCV Management Plan Review Report which contains evaluation and management and monitoring recommendations as an effort to improve HCV management activities in 2022. Based on the results of the review, several management recommendations were obtained, including:

- Increase socialization activities for staff, plantation employees and the community around the plantation to increase the level of understanding of HCV, especially for employees and staff.
- Conduct various action plans for corrective actions based on management and monitoring recommendations that have been carried out.
- Improved the writing on faded HCV area markers and put-up signboards for animal monitoring paths in areas that have been designated as monitoring paths in each Estate.

All evaluation results will be reviewed and will be adjusted to the HCV management program in the 2022 period. The evaluation results also show an increase in species encounters. In addition, the management and monitoring of HCVs has been carried out in a participatory manner, namely by involving the community around the plantation, one of which is an agreement with the community to jointly protect the HCV area. If we refer to the 2021 HCV Management Program, 2021 HCV Management Report, 2021 HCV Management Review and actual conditions in the field, it can be concluded that the company has managed well as stated in the document. Vegetation conditions in the HCV area are also dense and without any indication of chemical application.

7.12.6	Status: Nonconformity No. 2023.04	Minor
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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or √
ASA-4	The company has logo license under S&G BIOFUEL PTE. LTD No. 1-0238-17-100-00	✓
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or √
ASA-4	The company has logo license under S&G BIOFUEL PTE. LTD No. 1-0238-17-100-00	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product.	X or √
ASA-4	The company has logo license under S&G BIOFUEL PTE. LTD No. 1-0238-17-100-00	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA-4	The company has logo license under S&G BIOFUEL PTE. LTD No. 1-0238-17-100-00	✓
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of S&G Biofuel 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.

Time Bound Plan (TBP) of S&G Biofuel is explained in table section 1. S&G Biofuel has run two (2) mills and six (6) management unit estates. All mills and estates are operated in Indonesia. S&G Biofuel has informed the TBP progress through head office in Indonesia.

MUTU has verified partial certification for un-certified unit's subsidiary of S&G Biofuel based on their Time Bound Plan. . There are three (3) uncertified management unit of S&G Biofuel. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from other 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 labor 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.
- Auditors verify via the internet to look for issues related to units that have not been certified. From the results of the review, the units that have not been certified are still experiencing problems related to the acquisition of land rights. The company has followed up on occupational issues by applying for the release of HGU which the auditor has described in the summary of indicators 4.4.1.

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?	Company statement: The company are already doing internal audits. Auditor verification: Yes, internal audit conducted every year. Positive assurance is produced for these units.
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)	Company statement: The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO. Auditor Verification: Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.
2.1.3	Any new plantings since January 1 st , 2010, must comply with the RSPO New Plantings Procedure.	Company statement: There is no new planting after 2010. The last new planting was conducted in 2009. Auditor Verification: The company didn't conduct new land clearing after 2010.

2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>Company statement: There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p>Auditor verification: The company has procedure for resolving external conflicts which explain that problem solving of conflict area is conducted by negotiation which involves leader of dispute area and determine the compensation done by negotiation until they reach agreement.</p> <p>There is evidence of documented land dispute resolution for the uncertified units.</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>Company statement: There are no labor disputes.</p> <p>Auditor verification: There is no information from public source and RSPO website on any labor conflict for uncertified unit of the group subsidiaries.</p> <p>The company has a mechanism for dealing with complaints and dissatisfaction in the SOP of Complaints Handling (No. Documents: 007-SOP- HRD validity date 03 January 2018). This procedure also protects the whistleblower's identity (anonymity) relating to or relating to the security of each complainant and also concerning information - information provided by the complainant</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>Company statement: PT Inecda is still on progress to obtain HGU for an areal 135.65 Ha and PT Gandaerah still on progress to obtain HGU for an area covering 765.80 Ha</p> <p>Auditor verification: PT Inecda has compensated the land on 2015 and now on process to obtain the HGU.</p>

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-3 Assessment

NCR No.	:	2022.01	Issued by	:	Haikal Ramadhan Kharismansyah
Date Issued	:	15 July 2022	Time Limit	:	13 October 2022
NC Grade	:	Major	Date of Closing	:	10 October 2022
Standard Ref. & Requirement	:	3.6.2 The effectiveness of the H&S plan to address health and safety risks to people is monitored.			
Evidence observed (filled by auditor): <ul style="list-style-type: none">SOP No. 005-SOP-HRD regarding employee health checks/MCU which explains in point 6.2 point 1 that the company through HRD is required to conduct periodic checks every year on employees.The company showed the results of the last medical examination on November 29 – December 3, 2021, which was attended by 104 mill employees and 1,027 estate employees, but no Fixed Period Working Agreement workers had a medical examination.Based on the field visit, it was found that a number of Fixed Period Working Agreement employees were found in maintenance work at Estate 1 as many as 2 people with a work period of 10 months and in fertilizer work at Estate 2 as many as 2 people with a working period of 4 years, but the personnel stated that there had never been a health check while working at the company. <p>Regulation of the Minister of Manpower and Transmigration No. 2 of 1980 concerning health checks for workers in the implementation of work safety, which explains in article 3 paragraph 2 that all companies must carry out periodic health checks for workers at least once a year.</p>					
Non-Conformance Description (filled by auditor): <p>The company has not been able to show evidence that regular health checks have been carried out for Fixed Period Working Agreement workers (especially those who work with chemicals) to monitor OHS risks to people.</p>					
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none">There is a difference in understanding in interpreting the language or content of SOPs or regulations related to the rules for periodic health checks for workers at least once a year, which the company interprets because Fixed Period Working Agreement employees in each work contract are never more than 1 (one) years, they have not been given regular health checks.For the implementation of periodic health checks in 2022, this has not been carried out, it is still waiting for the determination of the schedule for MCU activities.					
Correction (filled by organization audited): <ol style="list-style-type: none">Establish a schedule of periodic health checks for the period of 2022.Carry out periodic health checks for all workers/employees of the company, including employees with Fixed Period Working Agreement status.					
Corrective Action (filled by organization audited): <p>Will evaluate the conformity of the contents of SOP No. 005 – SOP – HRD on Periodic Health Examination (MCU) with its field implementation.</p>					

Assessor Evaluation and Conclusion (filled by auditor):

Perusahaan menunjukkan bukti perbaikan berupa :

1. Minutes, photos and attendance list of Fixed Period Working Agreement employees participating in MCU signed by the General Manager, HRD, Doctor and Training Officer on 27 August 2022.
2. Certificate from Prof Dr Tabrani Hospital with No. 001/RSTAB/KET-DIR/IX/2022 dated September 1, 2022 which explains that MCU has been carried out to Fixed Period Working Agreement employees on August 25-26 2022 as many as 160 employees with the type of examination, namely blood, urine, kidney, ECG, physical examination and chest x-ray examination.

However, there is no evidence of preventive action in the form of evaluating the conformity of SOP No. 005 – SOP – HRD, so that this discrepancy is declared unfulfilled.

Verification October 10, 2022

The company shows evidence of corrective action as indicated by:

- Minutes of the revision of the employee medical examination procedure / MCU No SOP-005-HRD on September 15 which explained that the procedure had been revised by adding several points, such as, related to periodic medical check-ups carried out on Fixed Period Working Agreement worker and permanent worker.
- Revised form and SOP for employee health checks / MCU No SOP-005-HRD.

Auditor Conclusion:

Based on the root cause analysis, corrections, and corrective actions for non-conformances on this indicator, it is stated that it has been fulfilled and will be re-observed in the next assessment.

Verified by	:	Haikal Ramadhan Kharismansyah
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3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

NCR No.	: 2023.01	Issued by	: Erika Lucitawati
Date Issued	: 12 May 2023	Time Limit	: Recertification
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 3.4.2 For the unit of certification, a SEIA is available and social and environmental management plan and monitoring have been developed with participation of affected stakeholders.		
Evidence observed (filled by auditor):			
Social Impact Management Plan for 2022 of PT Inecda:			
<ul style="list-style-type: none">• Social Impact Management Program (SIA) 2022, which includes external and internal impact management.• The program has been prepared in a participatory manner by involving affected stakeholders as described in the results of public consultation & Forum Group Discussion (FGD) documents conducted in Sibabat Village, Tani Makmur Village, Sungai Parit Plantation Village, Talang Sungai Limau Village, Talang Sungai Parit Village, Talang Suka Maju Village, Titian Resak Village, Pematang Jaya Village, Bukit Petaling Village, Kota Lama Village, Petala Bumi Village, and Petalongan Village which were carried out in September – October 2021. However, the public consultation has not yet contained evidence of its implementation of community representatives Talang Mamak indigenous people.• The company implements the management program which is described in several documents, for example:<ul style="list-style-type: none">- Cooperation Agreement with Plasma Cooperative (Successful Joint Cooperation Cooperation)- Recapitulation of CSR assistance in terms of granting scholarships to indigenous peoples and road repair assistance for indigenous peoples• The company has conducted an evaluation of the implementation of Social Impact Management Program (SIA) 2022 which contains the results of implementing the management program in a sustainable manner including strategic issues in changing cropping patterns from rubber to oil palm plantations, roads damaged by FFB car activities, unemployment, attention to the Talang Mamak indigenous people, etc.			
Social Impact Management Plan for 2023 of PT Inecda:			
<ul style="list-style-type: none">• Based on the evaluation results above, the company prepared Social Impact Management Program (SIA) 2023 document which contains external and internal impact management.• The program has been prepared in a participatory manner by involving affected stakeholders as described in the results of public consultation & Forum Group Discussion (FGD) documents conducted in Sibabat Village, Tani Makmur Village, Sungai Parit Plantation Village, Talang Sungai Limau Village, Talang Sungai Parit Village, Talang Suka Maju Village, Titian Resak Village, Pematang Jaya Village, Bukit Petaling Village, Kota Lama Village, Petala Bumi Village, and Petalongan Village. The public consultation contains requests proposed by each village which are contained from the results of filling out a questionnaire with the surrounding community in September 2022. However, this public consultation has not yet included evidence of its implementation against representatives of the Talang Mamak indigenous people.			
Social Impact Monitoring Plan			
<ul style="list-style-type: none">• The company already has a social monitoring plan contained in the <i>RKL-RPL</i> matrix, including:<ul style="list-style-type: none">- Business opportunities (social, economic and cultural changes)- Increased revenue- The emergence of public unrest.• The implementation of the social monitoring plan is included in the <i>RKL-RPL</i> report for semester 2 of 2022, things to monitor include:<ul style="list-style-type: none">- Monitoring the emergence of unrest by distributing questionnaires in September 2022- Monitoring business opportunities and increasing income in the form of local employee data tabulation from PT Inecda.			

- The results of the review of the *RKL-RPL* Matrix document and the 2022 and 2023 Social Impact Management Program Plan have explained the social management plan for the impact of changing cropping patterns from rubber to oil palm plantations, roads damaged by FFB car activity, unemployment, and concern for the Talang Mamak indigenous people. However, the document does not yet contain a monitoring plan according to the latest identification (2022 and 2023).
- The social impact management and monitoring plan is not yet participatory involving representatives of the Talang Mamak indigenous people.

Non-Conformance Description (filled by auditor):

Company has not shown any evidence that it has developed a participatory social management and monitoring plan involving representatives of Talang Mamak customary community as well as a social impact monitoring plan that includes identified impacts.

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):

Verified by :

NCR No.	:	2023.02	Issued by	:	Septian Maulana
Date Issued	:	12 May 2023	Time Limit	:	Recertification
NC Grade	:	Minor	Date of Closing	:	02 August 2023
Standard Ref. & Requirement	:	4.2.3 The unit of certification keeps parties informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.			
Evidence observed (filled by auditor):					
<ul style="list-style-type: none">External Party Complaint Procedure No. 005-SOP-LGL (Revision 3) dated 16 November 2022, briefly explains, among others:<ul style="list-style-type: none">The deadline for responding to incoming complaints is a maximum of 7 (seven) working days after the report/complaint/complaint is received.If the report/complaint/complaint by the complainant has legal validity to the problem reported, then it can be processed/followed up and the public relations unit in the unit informs the complainant of the stages of settlement that will be passed to resolve the complaint submitted.Based on the results of interviews with Batin in Talang Sukamaju Village (Batin Tiyau and Batin Nayan), information was obtained that Batin had submitted complaints related to the realization of plasma development through a letter dated January 30 2023 but the company had not yet responded.Based on the results of a review of the External Complaints Log Book document, information was obtained that a letter had been received from Talang Sukamaju Village on February 16, 2023 with number 43/2016/TSM/II/2023 dated January 30, 2023 regarding the Request for Follow-up on the Recommendation of the Special Committee on DPRD Riau Province. The settlement actions contained in the Log Book include:					

- Coordination with leadership for follow-up responses, so that an answer is immediately given from the company.
- Humas sent an email to the COO, GM Legal and Assistant Manager Legal
- Based on the results of interviews with company representatives, it was conveyed that the follow-up that had been carried out by the company to date, namely forwarding the letter to management but had not submitted a response to the reporting party.
- Apart from that, in the ASA-3 assessment, this has become an opportunity for improvement for the company to maintain active and documented communication with interested parties and develop a measurable timeframe.

Non-Conformance Description (filled by auditor):

Based on the explanation above, it is concluded that the Company has not been able to show evidence that it has informed the parties on the progress of complaint handling, including the agreed time frame, and the results are available and communicated to the relevant stakeholders in accordance with established procedures.

Root Cause Analysis (filled by organization audited):

Considering that the letter number 43/2016/TSM/I/2023 is a follow-up request from the Special Committee's recommendation, HUMAS is guided that the determination of the special committee's recommendation needs to be decided by central management so that a reply letter related to progress is not needed because it does not have a significant impact on the request from Talang Suka Maju village.

Correction (filled by organization audited):

The company provided a response with letter Number 162/LGL/GH-PKU/VI/2023 dated 9 June 2023 to the letter of Talang Suka Maju Village Number 43/2016/TSM/I/2023.

Corrective Action (filled by organization audited):

- Carry out guidance to HUMAS on the provisions that apply to SOP 005-SOP-LGL Rev.03 relating to the time of giving responses and the content of responses.
- Carry out further socialization to the community regarding procedures for submitting complaints, responses, and handling complaints in accordance with SOP 005-SOP-LGL Rev.03.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification August 1, 2023:

The company has shown the results of the identification of the Root Problem Analysis, Corrective Actions and Evidence of Corrections in the form of a reply letter Number: 162/LGL/GH-PKU/VI/2023 dated 9 June 2023 to the incoming letter from Talang Suka Maju Village Number: 43/2016/TSM/ I/2023 dated 16 February 2023. However, there are still things that the company needs to show again, including:

- Proof of letter Number: 162/LGL/GH-PKU/VI/2023 dated 9 June 2023 has been sent and received by stakeholders.
- Evidence of socialization implementation of SOP 005-SOP-LGL Rev.03 to the public and stakeholders.

Based on the explanation above, the non-compliance is stated to **have not been fulfilled**.

Auditor Verification August 2, 2023:

The company has shown additional evidence of improvement including:

- Letter Number: 162/LGL/GH-PKU/VI/2023 dated 9 June 2023 has been received and affixed with a wet stamp by the Head of Talang Suka Maju Village.
- Minutes of Socialization of SOP for External Complaints to stakeholders on 18 July 2023 covering procedures for submitting complaints, responding to information and handling complaints. The socialization was attended by 29 participants and was carried out in the Talang Sukamaju Village hall.

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

Verified by : **Septian Maulana**

NCR No.	: 2023.03	Issued by	: Johannes Pandiangan
Date Issued	: 12 Mei 2023	Time Limit	: 11 Agustus 2023
NC Grade	: Major	Date of Closing	: 10 August, 2023
Standard Ref. & Requirement	: 7.7.5 Drainability assessments are carried out on plantations planted on peat following the RSPO Drainability Assessment Procedure, or other RSPO-approved method, (at least five years or in accordance with the provisions of the RSPO Drainability Assessment Procedure) prior to replanting. The results of the assessment are used to determine the timeframe for replanting to be carried out, as well as to gradually replace oil palm cultivation for at least 40 years or two cycles, (whichever is longer), before reaching the natural gravity drainability limit for peat. If oil palm is replaced gradually, it is replaced by another commodity crop that is more suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none">Based on a review of the RSPO Drainability Assessment Version 2.0 document published on 26 October 2021, it is explained in point 1.1 that “The procedure requires a drainage assessment to be carried out 15 years after the initial planting (approximately 5 years before the planned replanting) of plantations on peatlands. DA reports need to be prepared prior to clearing or replanting of oil palms cultivated on peatlands. No replanting can take place until the DA report has been submitted, reviewed and approved by the RSPO. Companies must complete all the requirements specified in the Submission Checklist (Section 6).”The company has shown documents. Based on the results of a study of PT Inecda's areal statement documents for the 2023 period, information was obtained that the year of planting in the peat area included the distribution of planting years including: 1990-1992, 1995-1998, 2001, 2003-2009 and 2013-2020 and 2022-2023 with an area of 5,118.73 ha..The company has shown documents related to PT Inecda's Peat drainability study, including:<ul style="list-style-type: none">Drainability study in 2020 dated March 17 2021 to prepare a replanting plan for Blocks H24, I24, J25-J26, L27-L29 and M24 with an area of 191.64 HaStudy on drainability in 2021 on 9 November 2021 to prepare a replanting plan for Blocks J21-J24 and K25-K26 with an area of 174.19 HaStudy on drainability in 2022 on 1 July 2022 to prepare a replanting plan for Blocks K22-K24, L23-L24, K16-K21 with an area of 325.45 HaStudy on drainability in 2023 on 5 April 2023 to prepare a replanting plan for Blocks K10-K15 with an area of 109.64 HaFrom the results of field visits to blocks K20 and K21 Afdeling IX Estate II and interviews with company management it was explained that replanting activities in blocks K20-K21 will be carried out in 2022 while oil palm planting will be carried out in 2023, this is in accordance with the Minutes of replanting and planting coconuts oil palm on 11 April 2023 which explained that from 5 September 2022 to 31 March 2023 replanting and planting of oil palm had been completed in Block K16 – K21 section IX of the peat area.Based on the results of field visits to Block J22 Afdeling V Estate I and interviews with company management, it is known that replanting activities will be carried out in 2021 and planting will be carried out in 2022 on peat areas.Minutes of replanting and planting oil palm dated 30 January 2023 explaining that from 6 August 2022 to 21 December 2022 replanting and planting of oil palm has been completed in Blocks L23-124, K22-K24 section VIII of the Peat Area.			

- Based on the results of interviews with the management of PT Inecda, information was obtained that the Drainability Assessment was prepared using the method owned by the company, but there was no evidence that the method used to carry out the Drainability Assessment and the Drainability Assessment report had been submitted and approved by the RSPO prior to the clearing or replanting activities.

Non-Conformance Description (filled by auditor):

The company has not been able to provide sufficient evidence that PT Inecda's Drainability Assessment for replanting activities in peat areas in 2020-2023 complies with the RSPO Drainability Assessment Procedure (Version 2.0).

Root Cause Analysis (filled by organization audited):

Limited knowledge and coordination between departments both regarding the drainability method and key documents that have been issued by the RSPO as a guideline for drainability studies and have not received training regarding the implementation of Drainability Assessment according to standards determined or approved by RSPO.

Correction (filled by organization audited):

1. Participate in Drainability Assessment training using DAP Version 2 provided by RSPO.
2. Provide information on the success of replanting in 2020 and 2022 to RSPO
3. Provide information that there has been a drainability study using an independent method (unapproved method).
4. Create a Timeline for conducting a drainability study which includes socializing the results of the training, forming a team, collecting peat depth, recapitulating the outlet water level, processing GIS data, up to reporting and estimation of approval from RSPO for replanting 2020 to 2027 (existing plan 2023 to 2027)

Corrective Action (filled by organization audited):

Making the best management policy on peatlands as an affirmation of the company's commitment to sustainable management of oil palm plantations which contains an outline of compliance with applicable laws and regulations, implementation compliance, recording, evaluation, replanting planning, carrying out studies, reporting on the results of studies, conservation or paludiculture.

Assessor Evaluation and Conclusion (filled by auditor):
Verification, July 12, 2023.
Observed evidence:

- Evidence of communication via email between PT Inecda on 11 July 2023 and the RSPO Secretariat regarding oil palm replanting activities on PT Inecda's peatlands which have been carried out in 2020 - 2022, with the implementation of a Drainability Assessment at PT Inecda using the self-assessment method and not yet received approval from RSPO. The email received a response from the RSPO secretariat on 11 July 2023 explaining that "After clarifying this understanding, we will prioritize contacting you as soon as possible once we have reached internal consensus on the recommended course of action for your next steps.
- Meanwhile, we would appreciate it if you could provide us with information regarding the total area (hectares) that has been affected or affected. This information is important for our reference and will help us to better understand the scope and magnitude of the situation."
- Furthermore, the company has provided the information needed by the RSPO by sending data on the realization of the 2020-2022 replanting and the 2023-2027 replanting plan.
- Drainability Assessment training certificate on behalf of L. A and Y. M.
- Timeline for the implementation of the Drainability Study on PT Inecda's Peatlands. Based on the timeline, it is known that the target for making the Final Drainability Study Report is June 23, 2023 and submitting the Drainability Study Results Report on July 10, 2023, but the company has not shown evidence of the Final DA Report that has been made by PT Inecda and proof of submission of the DA Report to the RSPO in accordance with the Timeline submitted by the company.
- Peatland management policy signed by the Chief Sustainability Officer and published on 4 July 2023. In point 4 it states "No replanting in peat areas before the peat areas proposed in the drainability study are approved by the RSPO.

Verification, 10 August, 2023.
Observed evidence:

- Results of PT Inecda's Drainability Assessment study which was carried out from 9 May - 23 June 2023 with a total of 33 blocks and an area of study covering 905.73 ha. The assessment method used is the RSPO Tier 2 DAP. From the results of this study it is known that all areas to be replanted are "Go Areas".

- Replanting plan overlay map with soil type map with scale 1 : 48,487.
- Drainability study plan map with a scale of 1: 48,499.
- Drainability Projection Map with a scale of 1: 60,000.
- PT Inecda drainage flow map with a scale of 1: 60,000.
- Map of the depth of PT Inecda's Peat Area with a scale of 1: 60,000. Based on the map, it is known that PT Inecda's peat area is dominated by peat areas with a depth of more than 3 meters.
- Revised Drainability Study Timeline in PT Inecda's Peatlands. Based on the timeline, it is known that the submission of PT Inecda's Drainability Study Report is tentative because the company is still waiting for a response from the RSPO regarding the continuation of replanting without RSPO approval (adjudication).

Based on the study of root cause analysis, corrections and corrective actions as well as evidence of improvements that have been submitted by the company, the discrepancies have been declared fulfilled. Regarding the realization of submitting the DA report to the RSPO, it will be observed again in the next assessment.

Verified by : **Johannes Pandiangan**

NCR No.	:	2023.04	Issued by	:	Erika Lucitawati
Date Issued	:	12 May 2023	Time Limit	:	Recertification
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.			
Evidence observed (filled by auditor): Based on OFI on ASA-3, it was found that nets were used to control <i>Oryctes</i> pests (horn beetles) in the replanting area during field observations. This has the potential to become a threat to wildlife species, especially bird species. The company has been monitoring the area with nets installed and will evacuate if there are animals that are entangled. The results of field observations on ASA-4 to the replanting area in Block K19/K20/K21 Division 9 Inecda Estate 2, found the use of nets to control horn beetle pests (<i>Oryctes</i>). In addition, based on field observations on ASA-4 in the company's area, the species of shrubby kingfisher (<i>Halcyon smyrnensis</i>) is still found. Interviews with workers in the replanting area show that there are special officers who patrol to monitor the area where the nets are placed so that there are no animals that become entangled. However, the results of a document review in HCV Semester 2 2022 Management Report show that efforts to manage RTE have not been discussed from the use of nets in controlling the horn beetle (<i>Oryctes</i>). Then, the company has shown the <i>Oryctes</i> Netting Identification document dated February 5, 2023 which stated that the consideration for setting nets was based on the high attack of <i>Oryctes</i> on immature plants, insecticides used that were not exposed to controlled <i>Oryctes</i> , and alternatives to reducing pesticide use. As for the anticipation that if there are animals outside <i>Oryctes</i> caught in the nets, daily monitoring is carried out by designated officers, daily recording and monitoring, and monitoring is carried out in the morning and evening. If any animal other than <i>Oryctes</i> gets caught in the net then the animal is released. Results of Daily Monitoring of <i>Oryctes</i> Catcher Nets in Division 8 and 9 of the Inecda Estate 2 showed that there were shrike/shrubs caught in the nets. Animals caught in the form of shrike/shrub occurred 25 times in Division 8 Inecda Estate 2 for the period March-April 2023 and occurred 46 times in Division 9 Inecda Estate 2 for the period January-April 2023 which were finally released.					

Non-Conformance Description (filled by auditor):	
Company has not shown evidence of evaluating RTE protection from using nets to control the horn beetle (Oryctes) to ensure the presence of RTE species is maintained and protected.	
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):	
Verified by	:

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1.	7.7.6	<p>Based on the results of a field visit to the subsidence stakes in block J19 Afdeling IV Estate I that the subsidence stakes have been equipped with a protective fence with a size of ± 40 cm x 40 cm and a height of 50 cm and the subsidence stakes in block N24 Afdeling XI Estate II it is known that the subsidence stakes have been equipped with a protective fence with a size of ± 40 cm x 40 cm and a height of 50 cm (inside) and a protective fence of ± 1 m x 1 and a height of 1 m. From the results of field visits it is also known that the subsidence stakes are prone to disturbances (for example during harvesting activities).</p> <p>In the RSPO Manual on Best Management Practices (BMPs) For Existing Oil Palm Cultivation On Peat in the Measurement of Peat Subsidence section it is explained that "An area of 2 m x 2 m around the subsidence stakes must be securely fenced to prevent disturbance which will result in inaccurate readings."</p> <p>Based on the explanation above, the company has the opportunity to evaluate the prevention of disturbance of the subsidence stake which will result in inaccurate readings according to the RSPO Manual On Best Management Practices (BMPs) For Existing Oil Palm Cultivation On Peat</p>

3.4.4. Noteworthy Positive Components

No	Description
1	The company's commitment to implementing the principles of sustainable palm oil management
2	Teamwork, personnel competence and good companion
3	Good document presentation
4	Has got ISPO certificate

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
Riau Province Manpower Office Dated 09 May 2023 <ul style="list-style-type: none"> The agency last conducted a field visit in 2022 and there were cases of work accidents that have been investigated and reported. So far the company has been good at fulfilling its employment obligations. Regarding labor disputes, further information is available at the District Office. 	<p>There are no negative issues that need further verification.</p>
Indragiri Hulu Regency Environmental Service Dated 09 May 2023 <ul style="list-style-type: none"> The agency has conducted field visits in 2023 related to guidance and supervision. So far there are no records related to environmental disturbances, permits and land fires in the company's operational area. 	<p>There are no negative issues that need further verification.</p>
Bipartite Cooperation Institution Dated 09 May 2023 <ul style="list-style-type: none"> Bipartite Cooperation is a forum for communication between workers and companies and is the first stage if there are problems between workers and companies. So far there have been no unresolved labor-related complaints. The company has provided employee welfare facilities and infrastructure such as housing, educational facilities, etc 	<p>There are no negative issues that need further verification.</p>
FFB supplier Liana Dated 09 May 2023 <ul style="list-style-type: none"> Cooperation Contract on behalf of individuals where the FFB comes from their own plantations as well as the farmers' estate in the vicinity. The location of the plantation has been surveyed by PT Inecda. So far there have been no complaints regarding payment or grading. 	<p>There are no negative issues that need further verification.</p>
Jasa Pesikaian Sukses Bersama Cooperative (Scheme Smallholder) Dated 09 May 2023 <ul style="list-style-type: none"> The Cooperation Agreement between the Cooperative and the Company covers the maintenance and sale of FFB. 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> The price is in accordance with the MoU, namely the highest price set by the Plantation Service minus IDR 220 So far the cooperation has been well established and there have been no complaints regarding payment or grading. 	
CPO & PK Transportation Contractor PT Wijaya Manggala Premier Lestari Dated 09 May 2023 <ul style="list-style-type: none"> Cooperation between contractors and companies includes the transportation of CPO and PK, so far there have been no complaints regarding the cooperation that has been established. The company has carried out socialization such as code of ethics, implementation of OHS, etc. 	There are no negative issues that need further verification.
Plant Maintenance Contractor PT Macan Sejahtera Cahaya Dated 09 May 2023 <ul style="list-style-type: none"> The scope of cooperation includes plant care and maintenance where the workforce is the local community. Workers have been paid no lower than the minimum wage and have been registered in the BPJS program. The company has provided outreach such as working procedures and the use of PPE. So far there have been no complaints regarding the collaboration that has been established or payments. 	There are no negative issues that need further verification.
Gender Committee May 9, 2023 <ul style="list-style-type: none"> There were no complaints/issues related to sexual harassment, domestic violence, child labor and so on The company provides support in the form of financial assistance for the implementation of gender committee activities The gender committee routinely conducts outreach regarding sexual harassment and domestic violence 	There are no negative issues that need further verification.
CV Mulya Jaya (FFB Transport Contractor) May 9, 2023 <ul style="list-style-type: none"> Cooperation time is 3 months cooperation in terms of transporting FFB from the estate to POM there is a routine evaluation of contractor performance Worker PPE is the responsibility of the contractor workers have been registered in BPJS employment 	There are no negative issues that need further verification.

Public Issues (Institution/ NGO/Community)	Auditor Verification
Local Village Representative May 09, 2023 <ul style="list-style-type: none"> The company's relationship with the village community is quite good as indicated by the existence of a CSR program which is prepared based on village considerations so that it is in line with village development plans. Over the past year there have been no issues regarding land issues or environmental pollution Has routinely held outreach, for example regarding protected areas and fire hazard Has been informed and socialized about the mechanism for submitting complaints. So far, if there are questions or want to coordinate with the company, the fields to contact are Public Relations staff or CSR staff. 	<p>Overall, there are no negative issues that require further verification.</p>
Local Village Representative May 09, 2023 <ul style="list-style-type: none"> The company's relationship with the village community is quite good as indicated by the existence of CSR programs including in the education, health, economic and social sectors which are prepared based on village considerations so that they are in line with village development plans Over the past year there have been no issues regarding land issues or environmental pollution Has routinely held outreach, for example regarding protected areas and fire hazard Has been informed and socialized about the mechanism for submitting complaints. So far, if there are questions or want to coordinate with the company, the fields to contact are Public Relations staff or CSR staff. 	<p>Overall, there are no negative issues that require further verification.</p>
Employee Cooperative May 9, 2023 <ul style="list-style-type: none"> The cooperative is engaged in the supply of basic household needs The number of cooperative members is 404 members The company's support for employee cooperatives is by providing cooperative buildings and transportation assistance for shopping for cooperative goods 	<p>There are no negative issues that need further verification.</p>
Labour Union (Estate and Mill) May 9, 2023 <ul style="list-style-type: none"> There were no issues related to discrimination, child labour, and forced labor at PT Inecda The company provides support to the union in the form of providing office space for the union all workers have been registered with BPJS membership 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Village official of Pematang Jaya and Talang Suka Maju village</p> <p>There is no negative issues, land dispute issues or environmental pollution. The land compensation process has been carried out by involving various parties.</p> <p>The company has made efforts to develop the surrounding community through CSR programs, the use of local labor and local contractors.</p> <p>The relationship between the company and the community has run quite well and harmoniously. Communication between the company and the village is quite good.</p>	<p>The company has shown land compensation documentary evidence carried out referring to the concept of FPIC.</p>

Public Issues and Auditor Verification related to the complaint on the RSPO website
<p>Field observations and interviews related to social issues in the PT Inecda area</p> <p>The activity was carried out by conducting direct interviews with relevant stakeholders, namely the indigenous Talang Mamak community located in 3 villages around the company, namely Talang Suka Maju Village, Talang Sei Limau and Talang Sei Parit Village. Stakeholders that were sampled were representatives from the village government (3 village heads) and representatives from the indigenous peoples (3 people "Bathin"). Bathin is a traditional leader who serves as the leader of ceremonial events such as weddings, circumcisions, death, pond riding (religious rituals), and Gawai (traditional party rituals). In 1 village there are 2 Inners, so for the 3 villages sampled there are a total of 6 Inners. The mind sampled are Inner Irasan and Inner Larisan (Talang Sei Parit Village) and Inner Madi (Talang Sei Limau Village). Inner 3 sampling is determined based on the following considerations:</p> <ul style="list-style-type: none"> • Consideration to take a sample of 2 Inner people from Talang Sei Parit Village because the complainant to the RSPO. Is on behalf of the village so to get more specific information and know the viewpoints of both Bathins, face-to-face interviews are needed. • Inners from Talang Suka Maju were sampled to see the perspectives of traditional leaders from other villages. • Inners from Talang Sei Limau Village (Bathin Madi) were sampled to see the perspectives of traditional leaders from other villages. <p>Direct interviews were conducted using the in-depth interview method where the auditors visited each respondent's residence directly. Based on the results of the interviews, the following results were obtained:</p> <ul style="list-style-type: none"> • Head of Suka Maju Village The informant stated that there were no social issues that developed in the community related to customary land ownership rights, complaints related to PT Inecda or other negative news regarding PT Inecda. Respondents said that they were greatly helped by the existence of CSR which was quite large when compared to other companies around their village. Respondents are aware of social issues circulating in the name of the Talang Mamak tribe, but these issues do not come from the village community but from other villages. A social issue that had arisen in Talang Suka Maju Village had arisen regarding the development of a Plasma Plantation which occurred around 2010, but the issue had subsided when the community obtained the Plasma area from another company located in the vicinity of their village. <p>Actual conditions in the field as well as comparisons with satellite imagery show that Talang Suka Maju Village is ±3 km from the outermost boundary of PT Inecda's HGU and is not directly adjacent. The village is directly adjacent to PT Mega Nusa Inti Sawit and PTPN V. Respondents also explained that PT Inecda has established a fairly good</p>

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cooperative and communication relationship so far, all aspirations submitted by the village are always responded to and followed up either by informal channels, namely contacting the PIC directly or formally by submitting a proposal to the management of the company.

- **Village Head and Head of Talang Sei Limau Village Government Affairs**

The informant stated that the cooperative relationship was going well, the company also routinely provided CSR which was considered sufficient to help the development of the village. Respondents also explained that they had never received complaints from the community. However, there is 1 complaint from the village head, namely regarding the development of plasma. Respondents stated that the promised plasma plantation development covering an area of 250 hectares has not been realized even for the first phase of 90 hectares. This is constrained by the absence of 90 hectares of land in one stretch of the village. Currently the land owned by the village is scattered and the amount cannot reach 90 ha. Respondents asked to be given a solution regarding this matter, but until now there has been no follow-up from the company to resolve the problem.

Actual conditions in the field as well as comparisons with satellite imagery show that Talang Sei Limau Village is ± 5 km from the outermost boundary of PT Inecda's HGU and does not have a direct border, where the village is directly adjacent to PTPN V. The results of interviews and review of the recently extended HGU 01 document are indeed involving Talang Sei Limau Village because part of the company's HGU area is included in the administrative area of the village, but because the distance is quite far and the location of the land is not in one stretch, the company considers in realizing plasma development from a business perspective.

- **Village Head and Head of BPD Talang Sei Parit Village**

The informant stated that the cooperative relationship was going well and there were no complaints from the village community, the company has routinely provided assistance in the form of CSR that supports cultural, religious, educational and economic aspects such as building cultural heritage, rejuvenating schools, repairing places of worship and direct assistance to economically weak indigenous peoples. However, when responding to social issues related to the claim of customary land rights, the respondent cannot answer with certainty the problem, and directs him to directly question the matter to the Bathin concerned, because the claim originates from the Bathin who is in his village.

The results of direct field observations and analysis of satellite images show that the Talang Sei Parit Village area is directly adjacent to the PT Inecda HGU which is marked by a dividing ditch. The results of the interview and review of the recently extended SK HGU 01 document also involved Talang Sei Parit Village because part of the company's HGU area was included in the administrative area of the village, so the company had an agreement to develop plasma for that village. However, as is the case with Talang Sei Limau Village, the Talang Sei Parit Village area does not allow for plasma development because there is no land in the form of one stretch according to the requested area, so that the realization of plasma development is still hampered until the time the audit is carried out. Currently, the company has just reached the stage of measuring lands that have the potential to be used as plasma but there has been no follow-up on these activities.

- **Bathin Irsan (Traditional Leader of Talang Sei Parit Village)**

When the auditor made a visit to carry out a public consultation, Bathin Irsan refused to comment or provide information regarding the issues that were submitted to the RSPO portal and submitted to his attorney. which has not been realized since 1996. The community did not approve of the extension of the company's HGU but by the authorities the extension of the HGU was still issued.

- **Bathin Larisan (Traditional Leaders of Talang Sei Parit Village)**

The informant stated that the good relations that had been established so far could be improved and the company's presence more or less contributed to the community, for example through CSR. Bathin Larisan neither supports nor prohibits Bathin Irsan's decision to demand the return of customary land tenure. However, according to his view, conflict with the company provides no other benefits. Bathin Larisan also said that Bathin Irsan's decision to make a claim was influenced by several outside parties, such as the AMAN organization. Apart from the problem of the

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demands, it is hoped that the company can make a more tangible contribution to the community in the form of plasma plantation development or partnerships, which have been promised for a long time.

- **Bathin Madi (Traditional Leaders of Talang Sei Limau Village)**

The company has realized its social responsibility but what is expected by the community is the realization of the development of plasma plantations which since 1996 proceeded then in 2002 to 2018 and was last agreed in 2020 but there has been no follow up. Based on the agreement in 2002, the plasma area built is 1,506 Ha and 300 Ha. In its development, it was agreed to only be 250 ha and the community accepted this. However, until 2022 this has not been realized at all

The auditor also conducted interviews with several other parties to deepen the issue, namely with the Legal Counsel from Bathin Irsan as the party giving the complaint as well as company parties such as the Public Relations Afdeling, CSR division and Legal division. The results of the interview are as follows:

- **Lawyer for Bathin Irsan (Zulkifli SH) → Telephone Interview**

The informant said that he was the legal representative of the Talang Mamak community in Talang Sei Parit Village. The demands of the community according to the attorney Bathin Irsan are as follows:

- Indigenous land tenure that is not based on FPIC so that FPIC must be repeated regarding the willingness of the indigenous peoples whose land is used by the company.
- The existence of traditional/sacred sites that were damaged by the company (Danau Tiga) in the form of 1000 Ha of sacred forest and areas for looking for side dishes outside the 1000 Ha area as well as areas of community shifting cultivation.
- There was a plasma plantation development agreement covering an area of 860 Ha at the beginning of the plantation development in 1996 but until now there has been no realization.

- **Interview with the company**

stated that these social issues had emerged for quite a long time, even before S&G Biofuel took over PT Inecda, this was reinforced based on information from Bathin Intangan and Bathin Irsan which stated that there was a plasma development agreement for Talang Sei Limau Village since 1996, while S&G Biofuel only took over PT Inecda in 2008 (In accordance with the Deed of Transfer of deed No. 74 of 2008 dated July 10, 2008 regarding the transfer/sale and purchase of shares owned by Athena City Holding Limited and owned by PT Argacitra Kurnia to S&G Biofuel PTE.LTD). The respondents stated that currently S&G Biofuel as the parent of PT Inecda will continue to be committed to realizing the development of plasma plantations, because in addition to the agreement from the previous company, the company also entered into a plasma development agreement at the time of the extension of HGU Number 01 in 2020. The realization of plasma development has carried out for several villages namely Pangkalan Kasai Village, Petalongan Village, and Pematang Jaya Village, but for Talang Sei Limau and Talang Sei Parit villages it cannot be done because they have not obtained land that meets the plasma development criteria. This is also in accordance with what was conveyed by the Village Head of Talang Sei Limau regarding plasma development.

Regarding the complaint that there is a sacred area managed by the company, the auditors directly verify the area. The area in question is Datuk Darah Putih which was designated as an HCV area referring to the 2013 HCV study where the area is outside the company's HGU. Interviews with the company stated that the area is on community land which is currently an oil palm plantation. The land owner does not object to the management of the tomb because there is no indication of destruction. In addition, the company also collaborates with land owners to carry out daily routine maintenance on the grave area. The results of field observations also show that the site is well maintained with the installation of an HCV Signboard and a barrier foundation to keep the graves from being eroded by rainwater.

In the traditional strata structure of the Talang Mamak tribe, what is considered the head of the tribe is called "Patih" and the position of the Inner is under the Patih. Patih leads several Talang Villages, while Bathin leads a small group of people from a village and generally in one village consists of 2 Bathins. Bureaucratic, who is responsible and has the right to act on behalf of the village is the village head. Likewise for the tribal level, the Patih should have the right to act on behalf of the Talang Mamak Tribe.

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Auditor analysis:

- The party submitting the complaint is Bathin Irasan. The conclusion was obtained from the results of interviews with 6 samples of respondents and the confession of Bathin Irasan Himself, including those who claimed to be legal counsel.
- There is a third party that plays a role in this problem. This is reinforced by the results of a direct interview with Bathin Irasan who stated that he did not want to provide further information and the auditor was asked to contact his attorney. Meanwhile, Bathin Larisan stated that the parties that have been known to provide assistance include the AMAN organization.
- The problem arose from the existence of an agreement to grant plasma plantations in the past since 1996, at which time S&G Biofuel, which is currently the parent of PT Inecda, had not yet taken over the company. S&G Biofuel only took over PT Inecda in 2008 in accordance with the Deed of Transfer No. 74 of 2008 dated July 10, 2008 regarding the transfer/sale and purchase of shares owned by Athena City Holding Limited and owned by PT Argacitra Kurnia to S&G Biofuel PTE.LTD. Legally, S&G Biofuel PTE.LTD has no obligation to build plasma because the agreement for the previous year was made with the previous owner of the company. However, the community certainly does not know and does not care about the ownership transfer, so the promise from the old owner is still being demanded to this day (the plasma development agreement was delegated to S&G biofuels). In its development, S&G Biofuel also has a plasma development agreement (The chronology of the plasma agreement after the takeover by S&G Biofuel is explained in a separate column).
- Regarding the complaint stating that the company operates in an area belonging to the Luak Talang Parit Community without obtaining prior approval from the community, this can be said to be inaccurate because PT Inecda as referred to in the complaint has been operating since the 1980s and obtained its first HGU in 1992 and subsequently, an additional HGU was issued in 2000. In the chronology of the complaint, it is stated that the demands made by the community were first filed in August 1996. In the period from 1996 to 2022, there have been several agreements between the company and the village communities around the company (not only Talang Sei Parit Village), such as the demands for plasma development since 1996 where there are indications that this is the result of a mutual agreement between the community and PT Inecda. As well as several FPIC processes that have been carried out, such as the most recent one in the extension stage of HGU No. 01 in 2020, which has now completed the extension process. In the HGU preparation activities, all villages that are within the scope of the company's HGU are also invited to become members of Committee B, and of course all aspirations and/or refusals can be submitted.

In addition, based on legal documents owned by the company such as Minutes of Committee B No. 26 and No. 61 and SK HGU No. 01 of 1991, SK HGU No. 19 of 1999 obtained the following information:

- History and Land Condition:
 - The land comes from the state land of the former HPH PT Harapan Baru Wood; Part of it is land that will be managed for transmigration land; the land was also requested to be managed by PTNV Gunung Pamela which in its development was returned to the state.
 - The land has been controlled by the state since 1960.
 - Land is a conversion production forest area and has been released from the Minister.
 - At the time of the measurement, there was a population of ± 183.52 Ha and it had been used as an enclave.
 - The requested land does not have any problems or disputes with cultivators or other parties in accordance with the Letter of the Head of Petalongan Village, Letter of the Village Head of Pasir Bongkal, and Letter of the Head of Talang Sei Parit Village in 1998 and is known to the Sub-District of Pasir Penyau and Sub-District of Pasir Kelayang.
- The interests of others and the public interest:
 - There are no objections to the application and except for the applicant, no party is entitled to the land being requested.
 - According to the beliefs of the surrounding population, the land is not considered sacred.

The community also filed an objection to the extension of the HGU issued in 2021 because PT Inecda is suspected of violating respect for community rights and human rights by seizing the customary land rights of Luak Talang Parit and has not facilitated the construction of community gardens. However, in the Decree on the Extension of HGU No. 29 of 2021

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(an extension of the SK HGU No. 01) it is stated that the objection is explained several points as follows:

- The land for which the extension of the term of the Cultivation Right Number 01 was requested was originally state land originating from a part of the forest area.
- Based on article 30 of the ATR Ministerial Regulation Number 7 of 2017 concerning the regulation and procedure for establishing Cultivation Rights, it is stated that in the event that a Cultivation Right has been issued in accordance with the provisions of the law and is actually controlled by the right holder, then another party who feels he has the right if within a certain time 10 (ten) years since the issuance of the certificate, do not file a written objection to the certificate holder and the Head of the Land Office concerned or do not file a lawsuit to the Court regarding the control of the land or the issuance of the certificate.

Regarding the objection to the extension of the HGU, there is no legal information regarding the lawsuit by Bathin Irsan et al.

- Regarding the complaint stating that the company does not have an internal complaint mechanism that can be accessed by stakeholders. Based on the results of field observations and interviews as well as document review, the company has a clear system and mechanism for complaints, both internal and external. The results of interviews with all samples also stated that they knew who the PIC could be contacted to submit their complaints. The company also installed a complaint box at the village office to accommodate the aspirations of the people who wanted their identities to be kept secret. However, if you look at the conditions on the ground, the party giving the complaint cannot read and write, this may be an obstacle in submitting a written complaint. However, the company has mitigated this by providing the PIC contact numbers for the Public Relations (Public Relations) division and the CSR division. In addition, the company can show documents in the form of a questionnaire that is routinely asked to stakeholders every 3-6 months. Based on this, complaints related to the absence of an internal complaint mechanism are deemed irrelevant.

Plasma development chronology

- **Plasma due to the extension of HGU in accordance with SK No. 29/HGU/KEM-ATR/BPN/IV/2021**
 - Deed of cooperation agreement on oil palm plantation business between Pesikaan Sukses Bersama Cooperative and PT Inecda No. 23 dated 7 November 2020. The agreement is for oil palm partnership cooperation with a land area of 234.97 Ha.
 - Deed of cooperation agreement on oil palm plantation business between Petalongan Makmur Jaya Sejahtera Cooperative and PT Inecda No. 21 dated November 6, 2020. The agreement is for oil palm partnership cooperation with a land area of 825.17 Ha.
 - Deed of cooperation agreement on oil palm plantation business between Petalongan Makmur Jaya Sejahtera Cooperative and PT Inecda No. 20 dated November 6, 2020. The agreement is for oil palm partnership cooperation with a land area of 83.63 Ha.
 - Deed of cooperation agreement on oil palm plantation business between Pematang Jaya Cooperative and PT Inecda No. 22 dated November 6, 2020. The agreement is for oil palm partnership cooperation with a land area of 81.67 Ha.
 - Deed of cooperation agreement on oil palm plantation business between Pematang Jaya Cooperative and PT Inecda No. 22 dated 11 November 2020. The agreement is for oil palm partnership cooperation with a land area of 113.81 Ha.

The total partnership for oil palm development that should have been built by PT Inecda was due to the extension of the HGU covering an area of 1,339.25 Ha.

Until the time of recertification, the realization of the plasma development is as follows:

- **KKPA** → Provision of land by the company with a full managed management pattern TBM Area (TT 2022): **305.20 Ha**
- Plants of Independent Smallholders (partners) → The actual land already planted belongs to the community and is willing to be a partner:
 - PSB Cooperative: 223.26 Ha

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- PMJS Cooperative: 185.60 Ha
- PJS Cooperative: 48.96 Ha

So that the actual total land that has been cultivated is 763.02 Ha. In 2023, the plasma/partnership development is targeted to be 100% complete.

Plasma due to other agreements/agreements (After the change of company ownership)

- Letter from representatives of the Talang Sei Limau community dated July 3, 2015 regarding the request for KKPA development and a follow-up letter dated January 13, 2016.
- Letter Number: 02/IN-SBNE/HMS/I/2016 dated January 15, 2016 from Public Relations and GM of PT Inecda to COO of PT Inecda regarding the submission of the KKPA pattern development on the basis of the following request:
 - PT Inecda borders the village of Talang Sei Limau.
 - The purpose of the KKPA pattern partnership is to help the economy of the residents of Talang Sei Limau whose condition is still lagging behind.
 - Letter from the leadership of PT Inecda in 2006 ago.
 - This letter is the second submission from Talang Sei Limau Village.
- Letter Number 49/LGL/INC-PKU/I/16 dated January 21, 2016 from the legal manager with a reply that before the company considers it, it must obtain initial information from the Village Head in the form of:
 - Location map to find out the coordinates and land area.
 - The location of the plantation must be in accordance with the RTRW and its designation.
 - For areas originating from forest areas (*HPK*) approval for the release of forest areas is required from the Minister of Forestry of the Republic of Indonesia.
 - Certificate/proof of land ownership that has legal force.
 - Prospective farmers must be registered as members of the cooperative with the conditions set by the cooperative concerned.
- Letter from the community of Talang Sei Limau Village Number: 001/2014/VII/2018 dated 18 July 2018 to the Head of the Agriculture and Fisheries Service of Indragiri Hulu Regency regarding the follow-up to the letter from the Talang Sei Limau Village Community to PT Inecda for the development of oil palm plantations under the KKPA pattern and reply from Legal Manager PT Inecda No: 049/LGL/INC-PKU/I/16. The purpose of the letter is so that the department can immediately carry out field checks.
- Email dated August 1, 2018 from Public Relations of PT Inecda to Legal Manager of PT Inecda regarding the letter submitted by the people of Talang Sei Limau Village.
- Letter of mutual agreement dated November 30, 2020 between the company and Talang Sei Limau Village with the core agreement as follows:
 - The first party is willing to facilitate the development of plasma plantations in Talang Sei Limau Village on an expanse of ± 90 Ha in the first stage.
 - The plasma plantation development process will begin in early 2021, the CPCL is proposed by the Village Head who is known to the Camat and then processed at the Distankan of Indragiri Hulu Regency.
 - The second party provides community land so that it can increase the area of the plasma plantation plan at the next stage provided that the land is located in one stretch. The letter was signed by the Head of Talang Sei Limau Village and the Director of PT Inecda and acknowledged by Batin Adat, the Head of the Talang Sei Limau BPD and the Rakit Kulim Sub-district Head.

Based on the results of document review and interviews with representatives of Talang Sei Parit, Talang Sukamaju, and Talang Sei Limau villages as well as community leaders from these villages, it is known that until now the plasma agreements that have been agreed have not been realized. The company has actually started a plasma plantation development program covering an area of $\pm 1,300$ Ha but the development of plasma/partnerships arose due to the extension of the HGU (which is different from the previous plasma agreement). The listed CPCLs are also not from the three villages. Based on the explanations of the parties including management representatives, it was found that the realization of plasma for the villages of Talang Sei Parit, Talang Sei Limau, and Talang Sukamaju could not be implemented because of the unavailability of land in the form of stretches as stated in the agreement.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Inecda Management Representative</p>  <p><u>Lesmana Amiarsa</u> Thursday, 10 August 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Thursday, 10 August 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Inecda I Estate • 1 Warehouse Worker • 3 Spraying worker and 1 foreman • 1 nurse worker • 3 upkeep worker Anda 1 foreman • 2 harvester and 1 foreman	PT Inecda, Indragiri Hulu Regency, Riau Province	-	Direct Interview	10 May 2023	√	
2	Inecda II Estate • 7 Spraying Workers • 2 harvester and 1 foreman • 2 manuring worker and 1 foreman	PT Inecda, Indragiri Hulu Regency, Riau Province	-	Direct Interview	10 May 2023	√	
3	Inecda POM • 1 Warehouse Worker • 1 Workshop Worker • 1 Loading Ramp Operator • 1 Sterilizer Operator • 1 Boiler Operator • 1 Engine room Operator • 1 Press Station Operator • 1 Clarification Station Operator	PT Inecda, Indragiri Hulu Regency, Riau Province	-	Direct Interview	10 May 2023	√	
4	Riau Province Manpower Office	Riau Province	-	By Phone	9 May 2023	√	
5	Indragiri Hulu Regency Environmental Service	Indragiri Hulu Regency, Riau Province	-	By Phone	9 May 2023	√	
6	Bipartite Cooperation Institution	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	
7	Talang Sei Limau Village	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	
8	Talang Sungai Parit Village	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	
9	FFB supplier Liana	Indragiri Hulu Regency, Riau Province	-	By Phone	9 May 2023	√	
10	Jasa Pesikaian Sukses	Indragiri Hulu Regency,	-	By Phone	9 May	√	

	Bersama Cooperative (Scheme Smallholder)	Riau Province			2023		
11	CPO & PK Transportation Contractor PT Wijaya Manggala Premier Lestari	Indragiri Hulu Regency, Riau Province	-	By Phone	9 May 2023	√	
12	Plant Maintenance Contractor PT Macan Sejahtera Cahaya	Indragiri Hulu Regency, Riau Province	-	By Phone	9 May 2023	√	
13	CV Mulya Jaya (FFB Transport contractor)	Indragiri Hulu Regency, Riau Province	-	By Phone	9 May 2023	√	
14	Labour Union (Estate and Mill)	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	
15	Gender Committee	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	
16	Employee Cooperative	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	
17	Pamatang Jaya Village	Indragiri Hulu Regency, Riau Province	-	Direct Interview	8 May 2023	√	
18	Talang Suka Maju Village	Indragiri Hulu Regency, Riau Province	-	Direct Interview	9 May 2023	√	

Appendix 2. Assessment Program

DATE	8 – 13 May 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
MONDAY, 8 May 2023		
07.30 – 09.15 10.00 – 15.00	Jakarta (CGK) → Pekanbaru Pekanbaru → Site	All Auditor
15.00 – 16.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit). Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification). 	All Auditor
TUESDAY, 9 May 2023		
08.00 – 12.00	<ul style="list-style-type: none"> Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders. Stakeholder consultation to affected communities surrounding the plantations and previous land owner as well as Local NGO. Public consultation with stakeholder to relevant agency in Kutai Kartanegara by phone. Document review, basic info verification and metric template verification. 	SEP All Auditor
12.00 – 14.00	Break	
14.00 – 16.30 16.30 – 17.00	Field observation to INECDA POM: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Despatch CPO). (Processing Activity) Implementation of Employment Procedure, OHS and Mechanism Aspect. Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation). POME Pond and. Presentation of Daily Progress. 	TIO JON SEP ELU All Auditor
WEDNESDAY, 10 May 2023		
08.00 – 12.00	Field Observation to Estate 1 Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Environmental, Conservation/HCV. Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities, Waste Management). Implementation of Employment Procedure and Mechanism Aspect. Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application). Implementation of Occupational Health & Safety Aspect. 	TIO ELU SEP JON
12.00 – 14.00	Break	

DATE	8 – 13 May 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 16.30	Document review and completing audit checklist	All Auditor
16.30 – 17.00	Presentation of Daily Progress	
THURSDAY, 11 May 2023		
08.00 – 12.00	Field Observation to Estate 2 Aspect to be verified : <ul style="list-style-type: none">• Implementation of Legal Aspect (Land Ownership, Legal Boundaries);• Implementation of Environmental, Conservation/HCV.• Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities, Waste Management).• Implementation of Employment Procedure and Mechanism Aspect.• Observation of Workers Facilities (Housing, School, Worship Place).• Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application).• Implementation of Occupational Health & Safety Aspect.	TIO ELU SEP JON
12.00 – 14.00	Break	
14.00 – 16.30	Document review and completing audit checklist	All Auditor
16.30 – 17.00	Presentation of Daily Progress	
FRIDAY, 12 May 2023		
08.00 – 11.30	<ul style="list-style-type: none">• Continued field observation and Public Consultation if needed).• Document review and completing audit checklist.	All Auditor
11.30 – 14.00	<ul style="list-style-type: none">• Break	
14.00 – 15.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
15.00 – 16.00	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.	
17.00 – 23.00	PT Inecda → Pekanbaru	
SATURDAY, 13 May 2023		
10.45 – 12.45	Pekanbaru → Jakarta (CGK)	All Auditor