

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

**[ ] Stage-1    [ ] Stage-2    [✓] Surveillance    [ ] Re-Certification**

Name of Management : 02 Palm Oil Mill – PT Dharma Satya Nusantara Tbk  
 Organisation : PT Dharma Satya Nusantara Tbk  
 Plantation Name : PT Dharma Agrotama Nusantara (Puhus 1 Estate, Puhus 2 Estate, Puhus 3 Estate)  
 Location : Village of Benhes, Sub District of Muara Wahau, District of Kutai Timur Kalimantan Timur, Indonesia  
 Certificate Code : **MUTU-RSPO/056**  
 Date of Certificate Issue : 25 March 2014      Date of License Issue : 25 March 2016  
 Date of Certificate Expiry : 24 March 2019      Date of License Expiry : 24 March 2017

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
<b>ASA-2</b>	11 January, 16 - 19 January 2016	Bukti Bagja, Sandra Purba, Rudi Ramdani, Rasytio Puspanjana	Octo Nainggolan	Taufik Margani

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA - 02</b>	15 February 2016

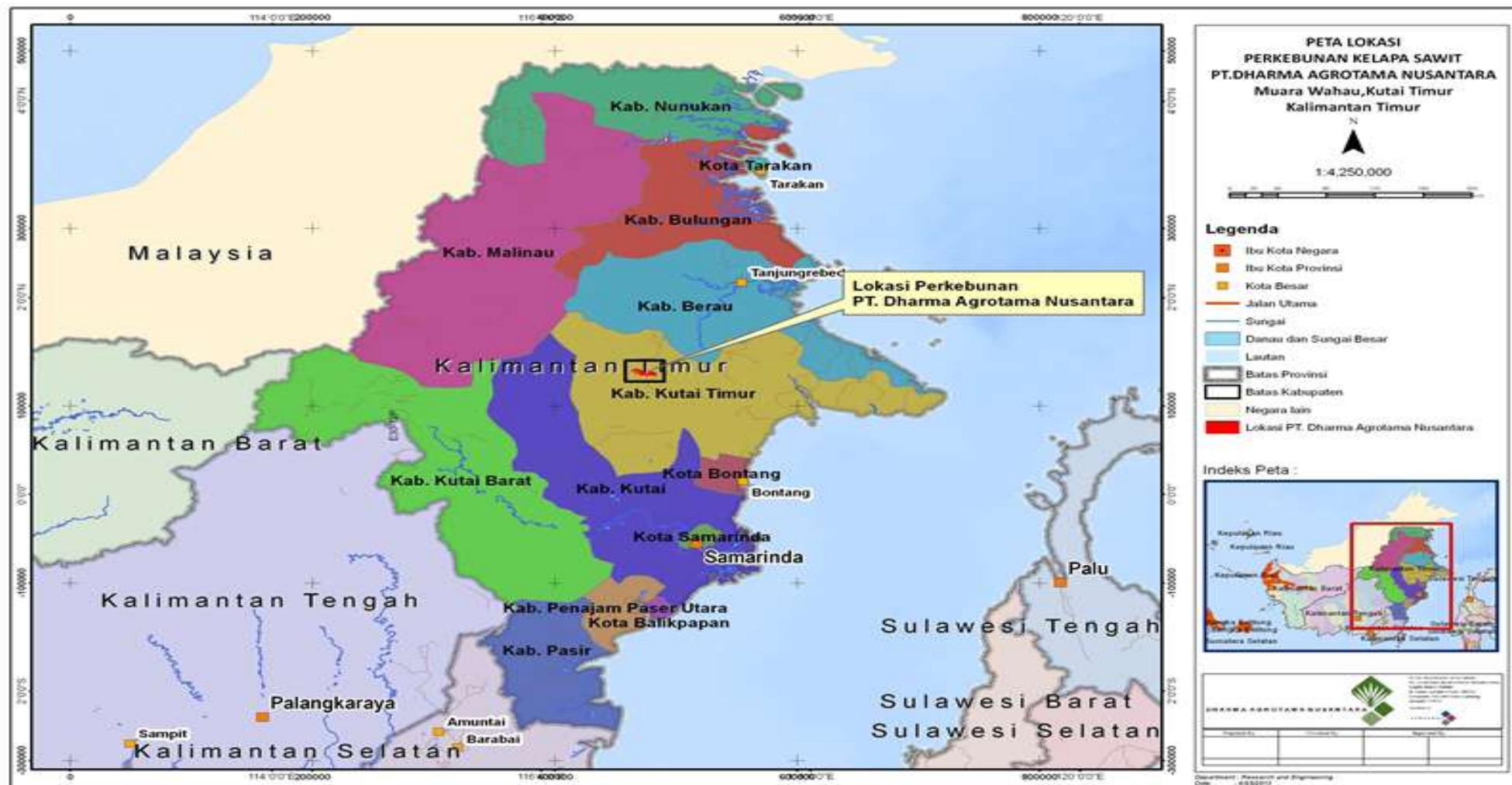
PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia  
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: [agri@mutucertification.com](mailto:agri@mutucertification.com) • [www.mutucertification.com](http://www.mutucertification.com)  
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### TABLE OF CONTENT

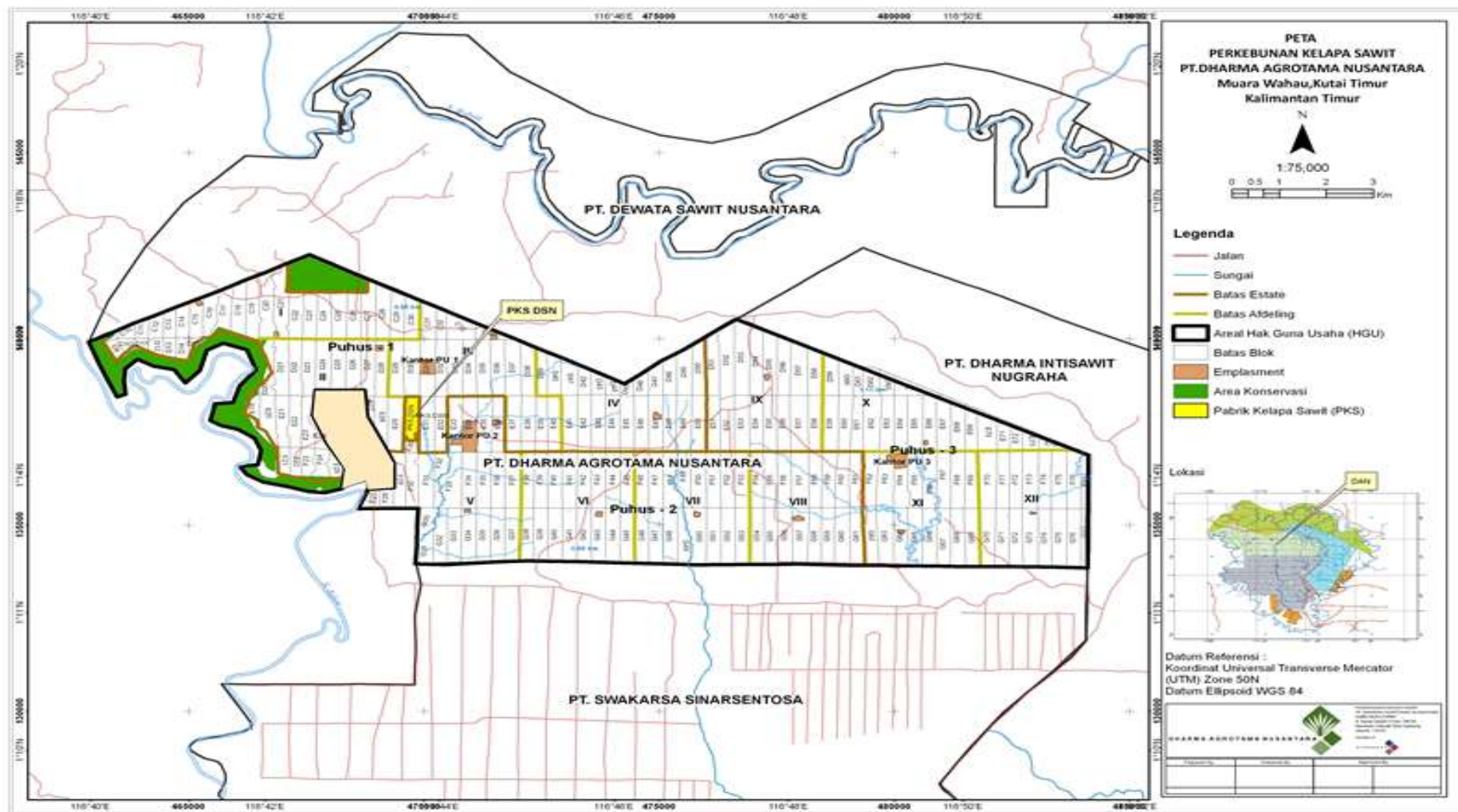
<b>FIGURE .....</b>	<b>1</b>
Figure 1. Location Map of PT DSN and PT DAN .....	1
Figure 2. Operational Map of <b>PT DAN</b> .....	2
Glossary.....	3
<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT .....</b>	<b>5</b>
1.1 Assessment Standard Used .....	5
1.2 Organisation Information.....	5
1.3 Type of Assessment.....	5
1.4 Locations of Mill and Plantation .....	5
1.5 Description of Area Statement .....	6
1.6 Planting Year and Cycles.....	6
1.7 Description of Mill and Supply Base .....	6
1.8 Estimate Tonnage of Certified Product.....	7
1.9 Other Certifications .....	8
1.10 Time Bound Plan .....	8
<b>2.0 ASSESSMENT PROCESS.....</b>	<b>10</b>
2.1 Assessment Team.....	10
2.2 Assessment Methodology, Assessment Process and Locations of Assessment .....	10
2.3 Stakeholder Consultation and Stakeholders Contacted.....	12
2.4 Determining Next Assessment.....	13
<b>3.0 ASSESSMENT FINDINGS .....</b>	<b>13</b>
3.1 Summary of Assessment Report of the RSPO Certification .....	14
3.2 Summary of Assessment Report of Supply Chain Requirements .....	56
3.3 Conformity Checklist of Certificate and Logo Use ( <i>only apply for Surveillance Assessment Report</i> ) .....	61
3.4 Summary of RSPO Partial Certification .....	62
3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components .....	64
3.6 Summary of Arising Issues from Public, Management and Auditor Response .....	66
<b>4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY .....</b>	<b>74</b>
4.1 Formal Sign-off of Assessment Findings.....	74
<b>APPENDICES .....</b>	<b>75</b>
Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process.....	75
Appendix 2. Assessment Program .....	77

### FIGURE

Figure 1. Location Map of PT Dharma Satya Nusantara dan PT. DAN



**Figure 2. Operational Map of PT Dharma Agro Nusantara**





**Glossary**

AMDAL	:	Environmental Impact Assessment
APAR	:	Fire Extinguisher
APD	:	Personal Protective Equipment
B3	:	Hazardous Material
BLH	:	Environment Bodies
BOD	:	Biological Oxygen Demand
BPN	:	National Land Agency
CD	:	Community Development
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
DAS	:	Watershed
EWS	:	Early Warning System
FFB	:	Fresh Fruit Bunch
HCV	:	High Conservation Value
HGU	:	Land Use Title
HIRAC	:	Hazard Identification Risk Assessment And Risk Control
IK	:	Job Instruction
IPAL	:	Waste Water Treatment Plant
IUP	:	Plantation Business Permit
IUP-B	:	Plantation Business Permit – For Cultivation
IUP-P	:	Plantation Business Permit – For Processing
JAMSOSTEK	:	Labour Social Assurance
K3	:	Occupational Health & Safety Management System
KER	:	Kernel Extraction Rate (Rendemen Kernel)
LA	:	Land Application
LB3	:	Hazardous Waste
LC	:	Land Clearing
MN	:	Main Nursery
HCV	:	High Conservation Value
OER	:	Oil Extraction Rate (Rendemen Minyak Kelapa Sawit)
P2K3	:	Guiding Committee Of Occupational Safety & Health
IPM	:	Intergrated Pest Management
PK	:	Palm Kernel (Inti Sawit)
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PN	:	Pre Nursery
CR	:	Company Regulations
PT.DAN	:	PT. Dharma Agrotama Nusantara
PT.DSN	:	PT. Dharma Satya Nusantara
PT.DWT	:	PT. Dewata Sawit Nusantara
PT. SWA	:	PT. Swakarsa Sinarsentosa
PU-1, PU-2, PU-3	:	Puhus-1 Estate, Puhus-2 Estate, Puhus-3 Estate
RKL/RPL	:	Environmental Management Plan / Environmental Monitoring Plan
RSPO	:	Roundtable Sustainability Palm Oil
SKU	:	Syarat Kerja Umum
SMK3	:	Occupational Health & Safety Management System
SOP	:	Standart Opeartional Prosedur
FFB	:	Fresh Fruit Bunch
TPSA	:	Landfill

UMR	:	Regional Minimum Wage
UMSP	:	Minimum Wage In The Agricultural Sector
PU 1	:	Puhus 1 Estate
UPDKS	:	Leaf Eater Ceterpillars

<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b>			
<b>1.1 Assessment Standard Used</b>		<ul style="list-style-type: none"> <li><i>RSPO Principles and Criteria (P&amp;C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013.</i></li> <li><i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i></li> </ul>	
<b>1.2 Organisation Information</b>			
1.2.1	Organisation name listed in the certificate	PT. Dharma Satya Nusantara – PT. Dharma Satya Nusantara	
1.2.2	Contact person	Agustinus Triwibowo	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li>Kantor Pusat yang terdaftar di RSPO: Jl. Rawa Gelam V, Kav. OR/3B, Kawasan Industri Pulo Gadung, Jakarta Timur</li> <li>Pabrik &amp; Estate Muara Wahau, Benhes, Dabeq &amp; Diak Lay Village, Muara Wahau subdistrict, Kutai Timur Regency, East Kalimantan Province, Indonesia</li> </ul>	
1.2.4	Telephone	021-4618135	
1.2.5	Fax	021-4606942	
1.2.6	E-mail	<a href="mailto:agustinus.triwibowo@dsngroup.co.id">agustinus.triwibowo@dsngroup.co.id</a>	
1.2.7	Web page address	<a href="http://www.dsn.co.id">www.dsn.co.id</a>	
1.2.8	Management Representative who completed the application for certification	Agustinus Triwibowo	
1.2.9	Registered as RSPO member	<b>1-0135-12-000-00</b> <b>(4 Desember 2012)</b>	
<b>1.3 Type of Assessment</b>			
1.3.1	Scope of Assessment and Number of Management Unit	POM : PKS 2 PT. Dharma Satya Nusantara and its supplay base: Puhus 1 Estate, Puhus 2 Estate Puhus 3 Estate (PT. Dharma Agrotama Nusantara)	
1.3.2	Type of certificate	<b>Single</b>	
<b>1.4 Locations of Mill and Plantation</b>			
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Bujur (Longitude)</b>
	Mill – 02 PT Dharma Satya Nusantara	Village Benhes, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	01° 15' 02.9"N
			116° 43' 44.1" E
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>

	Estate Puhus 1	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	01 <sup>o</sup> 14' 23.3" N	116 <sup>o</sup> 44' 20.8" E			
	Estate Puhus 2	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	01 <sup>o</sup> 15' 39.9" N	116 <sup>o</sup> 43' 51.5" E			
	Estate Puhus 3	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	01 <sup>o</sup> 14' 17.9" N	116 <sup>o</sup> 49' 16.2" E			
1.5 Description of Area Statement							
1.5.1	Tenure						
	• State	10,002 Ha					
	• Community	Ha					
1.5.2	Area Statement						
		PT DSN (Ha)	PT DAN (Ha)	TOTAL (Ha)			
	• Total area	47	9,955	10,002			
	• Mature Area	-	9,000	9,000			
	• Immature Area	-	-	-			
	• Mill	47	-	47			
	• Infrastruktur	-	281	281			
	• Occupation	-	-	-			
	• HCV		674	674			
	• Other	-	-	-			
1.6 Planting Year and Cycles							
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Puhus 1	Puhus 2	Puhus 3	Total		
	2005	189	2,230	-	2,419		
	2006	1,155	548	-	1,703		
	2007	214	168	2,964	3,346		
	2008	1,451	-	-	1,451		
	2012	81	-	-	81		
	TOTAL	3,090	2,946	2,964	9,000		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle				
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	POM 2	60	257,836.93	60,514.33	23.47	8,431.27	3.27



* Production data source from 12 months before assessment (January 2015 s.d December 2015)							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Puhus 1	3,776.04	3,090	86,483	28	83,714	96.80
	Puhus 2	3,128.12	2,946	87,794	30	85,366	97.23
	Puhus 3	3,051.09	2,964	81,402	27	40,333	49.55
	TOTAL	9,955.25	9,000	255,679	28.42	209,413	81.90
*Production data source from 12 months before assessment (January 2015 s.d December 2015)							
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	Long Jenew 1 (RSPO Certified)	PT Swakarsa Sinarsentosa	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	43,271.18			
	Melenyu 2 (RSPO Certified)	PT Swakarsa Sinarsentosa	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	306.00			
	Melenyu 3 (RSPO Certified)	PT Swakarsa Sinarsentosa	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	4,845.41			
	Melenyu 4 (RSPO Certified)	PT Swakarsa Sinarsentosa	Viilage Muara Wahau, Sub District Muara Wahau, District Kutai Timur, Province Kalimantan timur	1.34			
	TOTAL					48,423.93	
Production data source from 12 months before assessment (January 2015 s.d December 2015)							
1.7.4	Jenis Produk			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 25 Maret to 24 Maret 2016 (tonnes/year)		Actual certified product 25 Maret 2015 to 10 Januari 2016 (tonnes/year)	
	• FFB Production			457,178.85		257,821	
	• CPO Production			70.938,24		60,520	
	• Palm Kernel (PK) Production			9.633		8,426	
1.8.2	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)		Yield (tonnes/ha/year)	
	Puhus 1	3,776.04	3,090	89,942		29	
	Puhus 2	3,128.12	2,946	91,306		31	
	Puhus 3	3,051.09	2,964	84,658		29	
	TOTAL	9,955.25	9,000	265,906		30	
	*Projected FFB production for 12 months of certificate (January 2016 – December 2016)						

1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Mill - 02	60	265,906	66,477	25	9,307	3.5
	<i>*Projected FFB production for 12 months of certificate (January 2016 – December 2016)</i>						
1.9	Other Certifications						
	ISO 9001:2008			-			
	ISO 14001: 2004			-			
	OHSAS 18001:2007			-			
	ISCC			-			
	Others			ISPO PKS2 - Certifikat No.: 82450113006, Dated 25 March 2015			
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					
	PKS 1 (PT. SWA)	Juni 2012	Jabdan 2 (PT SWA)	June 2012	Kutai Timur district, East Kalimantan province	Certified	
			Smallholder (KM 5.9)	2015		Has been audited stage 2 on Nov 2015	
	PKS 2 (PT. DSN)	Juni 2013	Puhus 1, Puhus 2, Puhus 3 (PT DIN)	June 2013	Kutai Timur district, East Kalimantan province	Certified	
	PKS 3 (PT. DSN)	Agustus 2013	Longkejiak 1, longkejiak 2, longkejiak 3	August 2013	Kutai Timur district, East Kalimantan province	Certified	
			Smallholder (KM 3)	2016		Non certified	
	PKS 4 (PT. DSN)	Nov 2014	Jabdan 1, Long Jenew 1, Long Jenew 2 (PT SWA)	Nov 2014	Kutai Timur district, East Kalimantan province	Certified	
	PKS 5 (PT. DSN)	2016	Bukit Pandunlangan 1, Bukit Pandulangan 2, Bukit Pandulangan 3	2016	Lamandau district, Middle Kalimantan province	Non certified	
	PKS 6 (PT DSN)	2016 (Nonertifi ed)	Melenyu 1, Melenyu 2, Melenyu 3 dan Melenyu 4 (PT Dewata Sawit Nusantara)	Certified	Kutai Timur district, East Kalimantan province		
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard						
	PKS2 not receive FFB from outsider						



<b>2.0 ASSESSMENT PROCESS</b>	
<b>2.1 Assessment Team</b>	
<b>ASA-2</b>	<ol style="list-style-type: none"> <li><b>Bukti Bagja (Lead Auditor)</b> Master of Science majoring environment, Indonesia University. He had involved in RSPO assessment and HCV for GIS. The training he has followed namely . ArcGIS, MAPInfo, Global Mapper, ER MAPPER, ERDAS Imagine, Indonesian Sustainable Palm Oil auditor and Awareness RSPO, and Auditor/Lead auditor Management System Certification (ISO 9001-2008)</li> <li><b>Sandra Purba</b> Bachelor of Forestry, Department of Forest Products Technology, Faculty of Agriculture, University of North Sumatra. Have experience working in oil palm plantations Company. She had attended such training: Training Expert of OHSAS General, Training ISPO Auditor, Awareness RSPO, training ISO 22000-2009 Auditor/Lead auditor, Auditor Management System Certification (ISO 9001-2008) and training of RSPO Lead. Currently he worked as an auditor at Certification Body.</li> <li><b>Radytio Puspanjana</b> The Agriculture Scholar of Andalas University, Padang, West Sumatera. 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 GMIT, ISPO auditor training and RSPO Awareness In House Training. During the Surveillance program he is considered as Observer.</li> <li><b>Rudi Ramdani</b> Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty of Bogor Agricultural University. He has experienced more than two years as an operational staff in a private oil palm plantation company in Indonesia. He also followed training he namely: Indonesian Sustainable Palm Oil auditor, Awareness RSPO, Management System Certification (ISO 9001-2008) training and awareness OHSAS. Currently he works for Independent Certification Body.He had involved activities RSPO and ISPO certification assessment as an auditor.</li> </ol>
<b>2.2 Assessment Methodology, Assessment Process and Locations of Assessment</b>	
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-2</b>	Number of auditors : 4 auditor Number of days for <b>ASA-2</b> at site : 5 days Number of working days for <b>ASA-2</b> at site : 20 Working days
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-2</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT PT Dharma Satya Nusantara to the requirements of <b>RSPO Principles and Criteria (P&amp;C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013, and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill)</b>.</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) <i>interview</i>, 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.</p> <p>Some opportunities for improvement of the results <b>ASA-2</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase <b>ASA-2</b></p> <p>Improvement of findings from main assesment findings were observed by auditors at this <b>ASA-2</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-2</b></p> <p>The assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Location of Assessment</b>
<b>ASA-2</b>	<b>Public consultation, Agencies in Kutai Timur District</b> <ol style="list-style-type: none"> <li><b>Plantation Agency in Kutai Timur District.</b> Interview related to the responsibility for submitting plantation busisness report of PT DSN and others responsibilities, as well as other issues. For instance the CD/CSR program and training on field fire emergency response by Plantation Agency in Kutai Timur District.</li> </ol>

2. **Manpower Agency in Kutai Timur District.** Interview related to periodic responsibilities, for instance manpower report and other issues related to industrial relation between company and employee.
3. **Environment Agency in Kutai Timur District.** Interview related to periodic environment management report and environment monitoring report (semester) to Environment Agency and the impact from estate and mill's operation activities in PT DSN.
4. **National Land Agency in Kutai Timur District.** Interview related to company's legality status. (HGU, IUP, SPUP, etc.).
5. **Forestry Agency in Kutai Timur District.** Interview related to land double ownership status between PT DSN area and mining activity as well as forest fire report within PT DSN's surrounding.

#### Puhus 1 Estate

1. HGU Boundary stake at Puhus 1 Estate Block F27 ( DAN 22, DAN 27, DAN 28); HGU stakes are in good condition and well maintained, stakes' numbers are clearly identified and HGU stakes are in appropriate position based on the coordinate list of HGU stake from National Land Agency.
2. HGU Boundary stake at Puhus 2 Blok G81 (BPN 001): HGU stakes are in good condition and well maintained, stakes' numbers are clearly identified and HGU stakes are in appropriate position based on the coordinate list of HGU stake from National Land Agency.
3. HCV area in riparian area of Puhus River at Blok G81: HCV is well maintained, there is a board that prohibits chemical application within riparian area, boundary mark for riparian area in a form of marking on palm trees and HCV boundary stakes.
4. HCV area in secondary forest at Puhus 1: HCV is well maintained, there is an evidence over rehabilitation of conservation area such as *meranti* tree, signboard is available, and there is facility and officer in charge to conduct the patrol over conservation area.
5. Bendali (*bendungan air terkendali* controlled-water dam) and water treatment plan installation (WTP) in Afdeling 1. Based on field observation, it's known that the management and proficiency of clean water have run well. Water comes from controlled-water dam, thus flows to WTP installation. Furthermore, water from WTP will be flowed to personnel housing. Moreover, the quality of clean water from WTP has been examined.
6. Washing place for spraying tools, working tools storage and spraying teams' uniform in Afdeling 1. Based on field observation, it's known that washing facility, working tools storage and spraying personnel uniform are in good condition.
7. Block C20, Afdeling 1, Tellen River. Company has installed information board that prohibits the spraying and marking spraying boundary with red paint on palm tree for about  $\pm 20$  m (3 palm trees). Based on field observation, it's known that fertilization near to riparian area has been conducted by digging the fertilization hole beside the trees, hence the hole is covered by soil.
8. Block C23, Afdeling 1, TPSA. Based on field observation it's known that inorganic waste has been managed by covering in final landfill. Meanwhile organic waste from personnel housing is managed by composting the waste.
9. Block E24, Afdeling 2. Based on field observation and interview with fire monitoring officer, it's known that in 2015 there was no case of field fire in estate area, moreover personnel have been completed with adequate communication tools and fire monitoring tower is in a good condition.
10. Hazardous waste warehouse. Based on field observation and interview with personnel in charge, it's known that personnel could explain the work procedure, the hazard potential, and the completeness of working-uniform as well as PPE. Moreover, the symbols for hazardous and poisonous material are available and complete.

#### Puhus 2 Estate

1. Block F31, Afdeling 5, the location for water sampling pick up in Puhus Hilir River. The river water was receding. Company has conducted the installation of prohibition board for spraying application and marked the spraying boundary in a form of red paint on palm trees for about  $\pm 20$  m (3 palm trees). Based on field observation, it's known that fertilization near to riparian area has been conducted by digging the fertilization hole beside the trees, hence the hole is covered by soil.
2. Block F30, Afdeling 5, the location of liquid waste application block and controlling well. Based on interview and field observation, it's known that the latest liquid waste application has been conducted in September 2015. Moreover, during field visit, flatbed was dry. There was no liquid waste leakage on the outside of application block. Furthermore, based on visual observation to monitoring well in the block, the water was crystal clear.

3. Temporary landfill for hazardous material and warehouse for hazardous material. Based on observation and field interview with officer in charge in the aforementioned locations, its known that officers could explain the work procedure very well, the hazard potential, and the completeness of working-uniform as well as PPE. Moreover, the symbols for hazardous and poisonous material are available and complete.
4. Diesel fuel filling station. Observation shows that diesel container has been completed with sufficient second containment in case of leakage and spill over; moreover the location has been completed with PPE, work instruction as well as pavement.
5. Block 41, Afdeling 6 monitoring tower. Based on observation and interview with fire monitoring officer, it's known that in 2015 there was no case of field fire in estate area, moreover personnel have been completed with adequate communication tools and fire monitoring tower is in a good condition.
6. Bendali (*bendungan air terkendali*/ controlled-water dam) and water treatment plan installation (WTP) in Afdeling 6. Based on field observation, its known that the management and proficiency of clean water have run well. Water comes from controlled-water dam, thus flows to WTP installation. Furthermore, water from WTP will be flowed to personnel housing. Moreover, the quality of clean water from WTP has been examined.
7. Blok G44, Afdeling 6, TPSA. Based on field observation its known that inorganic waste has been managed by covering in final landfill. Meanwhile organic waste from personnel housing is managed by composting the waste.
8. Washing place for spraying tools, working tools storage and spraying teams' uniform in Afdeling 6. Based on field observation, it's known that washing facility, working tools storage and spraying personnel uniform are in good condition.
9. Generator hut in Afdeling 6. Based on field observation, its known that generator hut was in good condition and completed with adequate PPE, fire extinguisher and APAS.

**Mill 2:**

1. IPAL pond in Mill 2. Based on field observation, its known that the IPAL pond area is a restricted area and company has conducted greening activity in the area. IPAL pond was receding. There was no spill over or leakage of liquid waste to environment. Furthermore, IPAL pond has been completed with sufficient alternative-ponds in case of leakage. Apart from that, IPAL also completed with monitoring tower.
2. Mill and WTP installation. Based on field observation its known that the water condition was receding. Furthermore, the installation of WTP was good and completed with chemical mixing place, PPE for personnel are sufficient and completed with a well-functioning flow meter for water processing usage and domestic usage.
3. Temporary landfill for hazardous waste in Mill 2. Based on field observation its known that the temporary landfill building has been completed with PPE, fire extinguisher and other security tools. The temporary landfill building has been completed with second containment and hazardous waste symbols.
4. The building for stocking empty fruit bunches in Mill 2. Based on field observation, its known that the floor in the building has been paved with cement. Moreover, the *lindi* water from empty fruit bunches has been flowed to sludge pit, thus to sedimentation pond.
5. Sedimentation pond in Mill 2. Based on field observation, its known that used-water from house keeping activity in mill is flowed to sedimentation pond.
6. HGU Boundary stake at Puhus 1 Estate Block F27 ( DAN 22, DAN 27, DAN 28); HGU stakes are in good condition and well maintained, stakes' numbers are clearly identified and HGU stakes are in appropriate position based on the coordinate list of HGU stake from National Land Agency.
7. HGU Boundary stake at Puhus 2 Blok G81 (BPN 001): HGU stakes are in good condition and well maintained, stakes' numbers are clearly identified and HGU stakes are in appropriate position based on the coordinate list of HGU stake from National Land Agency.
8. HCV area in riparian area of Puhus River at Blok G81: HCV is well maintained, there is a board that prohibits chemical application within riparian area, boundary mark for riparian area in a form of marking on palm trees and HCV boundary stakes.
9. HCV area in secondary forest at Puhus 1: HCV is well maintained, there is an evidence over rehabilitation of conservation area such as *meranti* tree, signboard is available, and there is facility and officer in charge to conduct the patrol over conservation area.

**2.3 Stakeholder Consultation and Stakeholders Contacted**



<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-2</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Dharma Setya Nusantara was held by:</p> <p>Public Notification in website MUTU (<a href="http://www.mutucertification.com">www.mutucertification.com</a>) dated 10 December 2015.</p> <p>Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples dated 12 January 2016</p> <p>Numbers of input from stakeholders were clarified by PT Dharma Setya Nusantara.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit <b>ASA-3</b> will be determined one year after this <b>ASA-2</b> (January 2017).

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of PKS 02 – PT Dharma Setya Nusantara operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were two (2) nonconformity(s) were assigned against Minor Compliance Indicators and Five (5) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that PKS 02 – PT Dharma Setya Nusantara complied with the requirements of **RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill)**

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
	<p>Company has a policy that regulates the duration for storing documents, which is available in form FM-STD-18-R00 for each company. The document records the name of archive/ document, the duration as an active archive, whether it is needed to be stored in archive room: yes/no, the storage duration in archive room.</p> <p>Company has socialized related documents that could be accessed by public and local communities had known the document that could be accessed by public. Company conducted socialization for various stakeholders such as local villages and government institution. Each incoming information request to PT DAN will be delivered directly through CSR team for the entire unit in PT DSN, some form of information is summarized in incoming letter from external, for instance the proposal for grant request from government in Kutai Timur District, Muara Wahau Sub-district, Benhes Village on 20th April 2015 and will be responded by company on 25th April 2015 based on minutes of grant delivery as stated in proposal. Interview with local communities revealed that company has responded the grant proposal very well and on time.</p>	
	<b>Status: Fulfilled</b>	
<b>1.2</b>	<b>Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</b>	
	<b>Status: Fulfilled</b>	
<b>1.3</b>	<b>Growers and millers commit to ethical conduct in all business operations and transactions.</b>	
	<p>Company has a work plan in a form of work plan and budget in 2016-2019 for Mill 2 PT DAN. This document consists of information such as the statement of estate broad in 2015, profit and loss from local revenue, expenses projection, target projection, financial forecast, <i>management plan</i> for CSR 2015-2018, work program SHE dept 2015-2018. Each year, company is conducting evaluation over annual work plan along with drafting the budget for next year and comparing three-year work plan.</p> <p>Field observation over annual production data in 2015 shows that FFB, CPO and kernel production were exceeding the projection in 2014, which has been set by the management unit. Work plan and budget in 2016-2019 revealed that there</p>	

is no replanting activity.

Company has drafted and set its commitment related to integrity code and ethical conduct for the entire operation and transaction activities. This commitment is stated in quality guidelines document DSN Group, Document number PDM-AGR-R04, issued on 1<sup>st</sup> May 2015 and approved by Executive Director SBU Agro I. In clause 7.5 related to ethical conduct on the entire business transaction and operation. It is mentioned that:

- Every activity should reflect the obedience toward appropriate business practice.
- Prohibit the entire personnel to commit corruption, bribery and scam over budget and resources.
- Provide relevant information based on the applicable regulations and practice in palm oil industry.

Company has conducted socialization for its personnel related to company's regulation. The socialization evidence such as minutes of socialization and attendance sheet. For instance socialization on 3<sup>rd</sup> December 2015 for Pu2 with total 13 participants and Pu1 on 1<sup>st</sup> December 2015 with total 14 participants.

**Status: Fulfilled**

## **PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

### **2.1**

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

Evidence of company's obedience toward legal requirements, which is relevant to manpower and occupational health and safety regulation, such as:

- Company had registered the entire personnel into manpower social insurance scheme (*BPJS TK*) and manpower health insurance scheme (*BPJS Kesehatan*).
- Company pays personnel salary based on the latest decree form Governor of Kalimantan Timur No. 561/K.773/2015 related to minimum wage for Kutai Timur District for period 2016 amount, IDR. 2,276,312 that is valid since 1<sup>st</sup> January 2016
- The entire heavy equipment operators have followed the occupational health and safety training and have their operator license (*SIO*).
- Three-months report of guiding committee of occupational health and safety has been delivered periodically to related institution.

Written information related to legal requirement is available and well maintained. The documents are stored in each estate and mill's unit. List of legal requirement is stated in short summary of evaluation on the applicable regulation that covers the occupational health and safety aspect, environment, manpower, legal and operational. For instance document number DK-MS-01A-R01 has been updated in January 2016.

The document describes some information, such as: policy name and number, institution that issued the regulation, subject, related article, obedience (in the field and administration).

Based on document's review, it's known that company has updated the entire regulation that relevant with estate and mill's operations.

Mechanism to ensure the implementation of obedience toward relevant regulations in mill and estate is stated in SOP for legal identification and other legal regulation, document number SOP-AGR-024-R01 that was issued on 8<sup>th</sup> September 2014. Point 1.1 explaining the diagram for legal consideration that starts from operation requirement related to license/legal consideration, discussing and collecting information about compliance, preparing summary (consultation with consultant when needed), explaining the mechanism to submit report to user/BOD for further discussion and implementing the final decision. Furthermore, general regulation point 5 states that every 6 months, SHE/HCD/HCO/Legal department will conduct monitoring and evaluation toward the applicable legal regulation. The evaluation results such as minutes of meeting, report and checklist.

The company has had a SOP for tracking updates of the evaluation of compliance legislation in the SOP-AGR-024-R01. However, the tracking and the evaluation system has not been implemented properly so that there is a delay in updating in a long time (more than one year), for example: UU No 37/2014, PP No 66/2014 and PermenLH number 5/2014. **See**

**Nonconformance NCR No.2016.01**

**Status: Nonconformance NCR No.2016.01**

### 2.2

**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.**

The management unit can present its right to use the land, which can not be opposed by local communities. Based on audit result from previous stage, there were legal document that show legal ownership or rent, the history of land ownership, duration of ownership and the duration for management, such as:

#### 1. Mill 2 PT DHARMA SATYA NUSANTARA

- Building utilization (HGB) certificate No. 02, on 14<sup>th</sup> January 2008, Dabeg Village, Muara Wahau Sub-district, Kutai Timur District, Kaltim Province. Valid since: 13 January 2028. Number of measurement letter: 01/Benhes/2008, on 14<sup>th</sup> January 2008. Broad: 47,030 m<sup>2</sup> (47 Ha). Decree from National Land Agency of Kaltim No: 167-550.2-44-2007, on 27<sup>th</sup> December 2007.
- IUP-P PT DSN through Reagent Decree No. 500/171/Eko.2-V/2009, on 1<sup>st</sup> May 2009. Mill's capacity: **60 ton FFB/Hours**.

#### 2. PT. DAN Estate

- Forest conversion permit for PT Dharma Agrotama Nusantara: SK.129/MENHUT-II/05, on 23<sup>rd</sup> May 2005, Broad: 10,867 Ha.
- HGU certificate No. 42, on 27<sup>th</sup> January 2009. Benhes and Muara Wahau Village, Muara Wahau Sub-district, KUTIM District. Valid until: 30<sup>th</sup> December 2038. Decree from National Land Agency of Kaltim No: 85-HGU-BPN RI-2008, on 31<sup>st</sup> December 2008. Broad: 413.69 Ha. Measurement letter No: 05/Kutai Timur/2009, on 20<sup>th</sup> January 2009. NIB: 16.09.00.00.00024.
- HGU certificate No. 43, on 27<sup>th</sup> January 2009. Benhes and Muara Wahau Village, Muara Wahau Sub-district, KUTIM District. Valid until: 30<sup>th</sup> December 2038. Decree from National Land Agency of Kaltim No: 85-HGU-BPN RI-2008, on 31<sup>st</sup> December 2008. Broad: 9,541.565 Ha. Measurement letter No: 07/Kutai Timur/2009, on 20<sup>th</sup> January 2009. NIB: 16.09.00.00.00025.  
Total HGU: 9,955.25 Ha
- Business license for PT DAN based on Ministry of Forestry and Plantation Decree No. 1510/Menhutbun-II/99, on 27<sup>th</sup> September 1999. Broad: 10,000 Ha. Muara Wahau Sub-district, Kutai District.
- Reagent Decree No. 500/149/EK-V/2005, on 30<sup>th</sup> May 2005. Broad 10,000 Ha. Muara Wahau Village, Muara Wahau Sub-district. (The approval of IUP-B) – valid for 12 months.
- Reagent Decree: No. 432/02.188.45/HK/IX/2007, on 24<sup>th</sup> August 2007. Related to the extension of IUP PT DAN. Broad 10,000 Ha.

Legal boundary of PT. DAN area is set based on HGU boundary map from National Land Agency such as:

- HGU map as the attachemnt of HGU certificate number 42 and 43 in 2009
- Land map of PT DAN No: 056-16.09.2007 for two HGU certificate number 42 and 43 on 25<sup>th</sup> October 2007. The map consists of HGU boundary stakes in PT. DAN
- List of HGU stake coordinate in PT. DAN based on letter from National Land Agency number: 231/4-64.200/IX/2012, on 25<sup>th</sup> September 2012 related to the request of land map and coordinate data of HGU boundary spot of PT DAN. Based on that list, there are 107 HGU stakes within PT. DAN.

To ensure the condition of legal boundary, PT DAN has a documentation of HGU boundary stake, such as:

- In Puhus 1 estate there are 63 stakes, the entire stakes are in good condition based on monitoring result on 1<sup>st</sup> December 2015.
- In Puhus 2 estate there are 25 stakes, the entire stakes are in good condition based on monitoring result on 1<sup>st</sup> December 2015.
- In Puhus 3 estate there are 20 stakes, the entire stakes are in good condition based on monitoring result on 1<sup>st</sup> December 2015.

Field visit in Puhus 1 Estate (block F 27) and Puhus 2 Estate (block G 81) revealed that the HGU boundary stake is in good condition and well maintained. For instance National Land Agency stake 001 Puhus 2), DAN 28, DAN 27 and DAN 22 (Puhus 1), as well as supporting stakes.



Picture 1. Sample of HGU stake PT. DAN:

Interview and field verification in PT. DAN show that until audit ASA-02, there were no land conflict within PT. DAN area (Puhus 1, Puhus 2, and Puhus 3). *hectare statement* document in 2015 show that there entire HGU area has been effectively owned and managed by company with detail:

- Planted area: 9,000 hectare
- Building: 84 hectare
- Road: 197 hectare
- Conservation: 128 hectare
- Buffer zone: 546 hectare

Confirmation over the the aforementioned information comes from:

- Public consultation with local communities (Benhes and Muara Wahau Village) states that there was no land conflict between communities and PT. DAN from land clearing to audit ASA-02.
- Public consultation with National Land Agency of Kutai Timur District and local communities surround estate area confirm that there is no on-going conflict between PT DAN with local communities.

For HGU PT. DAN area, there is no compensation process because the entire estate area comes from forest area (ex HPH) with a status of HPK that has been released by Ministry of Forestry through forest release permit PT Dharma Agrotama Nusantara: SK.129/MENHUT-II/05, on 23<sup>rd</sup> May 2005, Broad: 10,867 Ha.

To ensure conflict resolution (if there is a case), there is a conflict/ complaint/claim resolution mechanism that has been explained in SOP for communication and consultation No. 215B/SWA-CSR-WHU0VI02912 on 7<sup>th</sup> June 2012 that has been approved by village representatives and company's representative. Moreover, the village representative also has the copy of the SOP.

Field verification and public consultation ensure that there is no indication of abuse and third party to solve problem. Moreover, there is no land conflict within PT. DAN, and company has drafted the SOP for communication and conflict resolution by using discussion process and legal process.

Company has appointed person in charge and special team, which is dedicated for company's CSR activity, communication for social-conflict resolution.

<b>Status: Fulfilled</b>
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### 2.3

**Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.**

Document's verification and field visit show that land utilization by PT. DAN does not destruct local communities' traditional and legal right. During the estate clearing, there is no compensation process because the entire estate area came from forest area (Ex HPH) with the HPK status that has been released by Ministry of Forestry through forest release permit PT Dharma Agrotama Nusantara: SK.129/MENHUT-II/05, on 23<sup>rd</sup> May 2005, Broad: 10,867 Ha.

Based on Social Impact Assessment (SIA) document and public consultation with National Land Agency Kutai Timur District and local communities, its known that estate clearance has considered traditional right of local communities. Location that belong to traditional right has been excluded from company's operation activity (the location became the HCV area) such as ancient site of dayak ancestor in Puhus 1 has became the HCV 6 area.



Confirmation over the aforementioned information also comes from:

- Public consultation with local communities (Benhes and Muara Wahau Village) stated that company does not take traditional right from local community from land clearing to audit ASA-02 activity.
- Public consultation with National Land Agency in Kutai Timur District and local community in surrounding estate area confirm that there is no conflict between PT DAN and local communities in estate area.

Status: Fulfilled

### PRINCIPLE #3 Commitment to long-term economic and financial viability

#### 3.1

**There is an implemented management plan that aims to achieve long term economic and financial viability.**

Company has a work plan in a form of work plan and budget in 2016-2019 for Mill 2 PT DAN. This document consists of information such as the statement of estate broad in 2015, profit and loss from local revenue, expenses projection, target projection, financial forecast, *management plan* for CSR 2015-2018, work program SHE dept 2015-2018. Each year, company is conducting evaluation over annual work plan along with drafting the budget for next year and comparing three-year work plan.

Field observation over annual production data in 2015 shows that FFB, CPO and kernel production were exceeding the projection in 2014, which has been set by the management unit. Work plan and budget in 2016-2019 revealed that there is no replanting activity.

Status: Fulfilled

### PRINCIPLE #4 Use of appropriate best practices by growers and millers

#### 4.1

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

Company has work instruction or SOP for the entire estate operation activity. Work instruction/ SOP covers the entire estate activity, from land clearing, nursery practice, palm oil cultivation, cultivation of LCC, maintenance and fertilization, pest and disease management, harvesting to fruit dispatch to mill. After passing the aforementioned process, FFB will be delivered to mill and will be managed by Standard Operational Procedure and work instruction that encompasses the entire procedure in mill from FFB acceptance to CPO & PKO dispatch and the quality of production.

Based on field observation and interview with harvesting personnel and supervisor in Puhus 1 Afdeling 3 block E 39 PT DAN revealed that personnel have understood the applicable work procedure as well as the visit to Mill 2, where personnel have understood the work procedure and fruit criteria.

Company has Operasional Audit Departemen, which in charge on evaluating estate and mill's operation activity through OA (operasional audit) department. The evaluation over estate is conducted every 6 months, while for mill every 2 weeks. There is an example of audit observation result in Puhus 1 estate, Puhus 2 estate. Moreover, Mill 2 PT DSN has conducted improvement over the previous audit finding. As an implementation, the entire operation activity of company has been recorded in monthly report both for estate and mill (Mill 2). There is the latest Monthly Report in December 2015 that consists of:

1. Monthly Report Mill, which covers fruit monthly report and production, report over the accepted fruit, comparison between plan and the implementation of processed FFB, the generated production up to FFB's acceptance, recapitulation of daily report, the utilization of chemical material up to operation hours data and percentage of mill's operation.
2. Estate report explains the comparison between plan and realization of operation activity, the achievement of FFB's production, operation cost and GA cost.

Mill has recorded the origin of the entire incoming-FFB. Since May 2015, there is no incoming fruit from third party based on company's policy to implement the supply chain with Identity Preserve model, based on memorandum number 0041/MS/V/2015 on 13th May 2015 from the Management Representative to Mill, Plantation, Department, Region Head SBU Agro I.

Based on data of FFB's supply for the last one year (Jan – Dec 2015), total incoming FFB was 312,454.360 ton with the FFB's source, such as:

1. PT. Dharma Agrotama Nusantara



<ul style="list-style-type: none"> <li>- Long Kejiak 1(Certified) : 81,506 ton (26%)</li> <li>- Long Kejiak 2 (Certified) : 87,291,870 (28%)</li> <li>- Long Kejiak 3 (Certified) : 55,780,100 (18%)</li> </ul> <p>2. PT. DWT</p> <ul style="list-style-type: none"> <li>- Melenyu 1(Certified) : 7,265,090 ton (2%)</li> <li>- Melenyu 2 (Certified) : 85,440 ton (0.1%)</li> </ul> <p>3. PT. SWA</p> <ul style="list-style-type: none"> <li>- Jabdan 1(Certified) : 23,068,940 ton (7%)</li> <li>- Jabdan 2 (Certified) : 5,767,690 ton (2%)</li> <li>- LJ 1 (certified): 3,474,380 (1%)</li> <li>- LJ 2 ((certified): 5,155,870 (2%)</li> </ul> <p>4. PT. DAN</p> <ul style="list-style-type: none"> <li>- PU 3 (Certified) : 35,810,740 ton (11%)</li> </ul> <p>5. Sumber Afiliasi</p> <ul style="list-style-type: none"> <li>- Kemitraan KM 3.1. : 3,962,690 ton (1 %) (terminated until May 2015)</li> <li>- Kemitraan KM 3.2. : 2,741,430 ton (1 %) (terminated until May 2015)</li> <li>- Kemitraan KM 6.1. : 543,780 ton (0.05 %) (terminated until May 2015)</li> </ul> <p>However, fruit supply from partnership has been converted to Mill 1 PT. DSN since May 2015</p>		
	<b>Status: Fulfilled</b>	
<b>4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>		
<p><b>4.2.1</b></p> <p>Company has the recommendation for fertilization based on leaf analysis in previous year and the latest soil analysis. Based on IK sampling pick-up technic (IK-AGR-OLP-25-R01) on 1st February 2014 that was approved by Operation Director, the work instruction pat explains tht the leaf sample pick-up and the analysis of soil physical and chemical character are conducted to set the recommendation for fertilization. Moreover, the IK for palm oil fertilization IK-AGR-OLP-09-R03 that has been approved on 03rd November 2014 regualtes the fertilization, the preparation before application, manual fertilization, the implementation of fertilization, mechanical fertilization. In order to implement the recommendation of fertilization, PT DAN conducted prior leaf analysis.</p> <p><b>4.2.2</b></p> <p>Company has the recommendation for fertilization based on leaf analysis in previous year and the latest soil analysis. For instance, recommendation for palm oil fertilization in 2015 that based on leaf analysis in 2014 and and the latest soil analysis (2011-2012). Based on IK for smapling pick-up technic (IK-AGR-OLP-25-R01) on 1st February 2014 that was approved by Operation Director, the work instruction pat explains tht the leaf sample pick-up and the analysis of soil physical and chemical character are conducted to set the recommendation for fertilization. There is fertilization's monitoring report in 2015, which explains type of fertilizer, recommendation, implementation and percentage. For instance the utilization of fertilizer such as borate with recommendation amount 121,631 kg and the implementation amount 121,631 kg with 100 % application on estate area.</p> <p>There is a recapitulation for lac cover crop cultivation with a nut vegetation type Mucuna bracteata in 2015 PT DAN for Puhus 1 with total broad of 11.49 Ha, Puhus 2 9.96 Ha meanwhile the total distribution of vegetation in PT DAN 2015 covers an area of 32.23 Ha, which distributed along the collection road, logging road and HGU boundaries.</p> <p>Company has a data for empty fruit bunches application for period January – December 2015 with a description such as Puhus 1 estate: planning 23,421,180 kg, implementation 20,241,450 kg meanwhile Puhus 2 with implementation 12,540,900. This has been inline with the SOP for empty fruit bunches application IIK –AGR- OLP-11-R02 by utilising 30 – 40 ton/ha/year.</p> <p>Based on field visit and interview with fertilization personnel and fertilization supervisor in Puhus 1 estate, Afdeling 3 block E 39 and Afdeling 8 F55, its known that personnel have understand the work procedure and the recommendation of fertilization that has been set by company.</p> <p><b>4.2.3</b></p> <p>There is leaf analysis result (Foliar Analysis Report) that has been conducted in April 2015 by Research &amp; Development</p>		

Centre PT.Nusa Pusaka Kencana Analytical & QC Laboratory, which has been accredited by KAN. For instance in Puhus 2 estate, the leaf analysis result explains the need of N 25.8 % DM, P 0.157 % DM, K 1.68 % DM, Mg 0.32 DM %, Ca 0.45 % DM and B 25 ppm.

PT DAN also has the examination result over soil survey by taking the sample from soil with a depth between 0 and 150 cm. It gets the analysis result such as soil texture, acidity, organic material, the Ca level, Mg level, K level, Na level, KTK level and soil water level. Agriculture Department of Agriculture Research and Development of Soil Survey Bureau, which has been accredited by KAN conducted the analysis on 19<sup>th</sup> March 2012.

#### 4.2.4

Based on document's review for PT DAN, the oldest crop was the one that has been cultivated in 2005, meanwhile the youngest crop was the one that has been cultivated in 2012 with replanting circle every 25 years. Subsequently, during the surveillance 02, there was no replanting activity.

<b>Status: Fulfilled</b>
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### 4.3

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

##### 4.3.1

PT DAN has soil map with a scale of 1:70,000 that inserted in detail soil survey report, which was drafted by R&I DSN Group in 2012. This map reveals that the entire soil within company's area is soil with USDA subgroups such as Typic Kanhapludults, Typic Kandudults, Plinthic Kandudults and Aquic Udifluvents. Based on soil map evaluation, it is known that most of soil characteristic within PT DAN area has a solum with clay texture, drainage is well with low soil fertility level. Moreover PT DAN has implemented some efforts to improve soil fertility. Most of the soil within PT DAN area (>90 %) is located in S2 soil class for about 8,233 Ha and S3 for about 767 Ha (9%).

##### 4.3.2

there is a contour map based on PT DAN survey result with a scale of 1:100,000, which explains the cultivation related information in hilly area. The map explains the certain area and special treatment.

There is a management strategy for cultivation in sloping area that stated in SOP for land clearing (IK-AGR-OLP-01-R01) for instance, in sloping area for about 0 – 12°, the cultivation is using standard cultivation distance, no need for terrace/horse hoof, meanwhile for area with sloping for about >12-25°, the cultivation should at least have a broad for about 3 m depends on soil condition/ soil depth, and finally for sloping area for about >25°, company does not recommend cultivation on this area.

There is a record of estate maintenance in 2015, which explains the maintenance over contour terrace within 39 Ha area within PT DAN, treatment and strategy for sloping area's management that covers: there is terrace establishment by developing horse hoof; arranging midrib with U shape frond stacking system in a form of arranging midrib with U shape around palm oil crop; letting soft weed such as *Nephrolepis* sp to grow as land cover crop; applying empty fruit bunches in estate area.

##### 4.3.3

PT DAN has road maintenance program in 2016, which has been explained in Bar chart that starting from January to December 2016. Road maintenance is conducted manually and cover an area for about 8,567 m. Within a year, there are various road maintenance with different intensity based on road condition and road requirement.

There is grading and road compacting activity in 2016, which was started from January to December 2016, for Puhus 1 work plan is 298,306 m and the implementation is 311,344 m meanwhile in Puhus 2 work plan is 325,980 m and the implementation is 307,768 m.

Based on field visit in Puhus 2 Afdeling 8 along the road toward blocks in Afdeling 8, it is known that the road is in good condition and well maintained.

##### 4.3.5

PT DAN has not conducted replanting. The oldest cultivated crop is the one that has been cultivated in 2005 meanwhile for the youngest cultivated crop is the one that has been cultivated in 2012 with replanting circle of every 25 years.

##### 4.3.6

Based on PT. DAN topography map with a scale of 1:100,000 source: Data from SRTM (Shuttle Radar Topographic Mission)

Indonesia) sheet N01E116, its known that for sloping area between 0-25% company will make improvement efforts such as by utilising the terrace countour and management strategy for certain sloping area, based on SOP for land clearing IIK- AGR – OLP – 01 – R02. Beside, company also applies additional organic material to estate area by using empty fruit bunches based on SOP for empty fruit bunches application IIK –AGR- OLP-11-R02 by utilizing 30 – 40 ton/ha/year.

**Status: Fulfilled**

#### 4.4

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

##### **Indicator 4.4.1 minor :**

Company has water management plan for its estate and mill as stated in environemnt management plan and environemnt monitoring plan as well as management plan for riparian area and other water soources.

Water management program for estate scope such as:

- Identification of river's flow in estate scope reveales that Wahau River as the biggest river in the aea does not flow within estate area, instead the Puhus River is the one that pass and flow within estate area. There i a creek and company has set the boundary area for fertilization application for about  $\pm 20$  m from the edge of river based on reccommendation from HCV consultatnt. Moreover, the application of fertilizer has been conducted by digging the hole beside palm oil tree.
- Company conducted greening activity in riparian area by cultivating hardwood vegetation such as *angsana* and erosion control crop such as vetiver grass.
- The examination over water wuality in headwater and downstream of Puhus River is conducted every 6 months as stated in environment management plan and environment monitoring plan. There is an example of evaluation on river's water quality in headwater and downstream of Puhus River on 21st September 2015 from Succofindo with refered to the East Kalimantan Governor Regulation No.02 of 2011, class II. Evaluation from company's occupational health and safety and environment team reveals that rain fall data and the number of rainy day in August 2015 were 46 mm and 5 rainy days (dry month), the river's water was deceding, which caused the increase on BOD and COD.

Based on observation to block F31, Afdeling 5, the location of sample pick-up in the downstream of Puhus River was deceding. Moreover, company has installed information board, which prohibit spraying application and it has marked the boundary for spraying activity in a form of red paint in palm oil trees for about  $\pm 20$  m (3 palm oil trees). Based on field observation, its known that fertilization for tree near to riparian area was conducted by digging a hole beside the palm oil tree, hence the hole will be covered with soil.

- The source of clean water for personnel in Afdeling comes from bendali (contolled-dam), which furthermore undergo the purification process in water treatment plan installation. Clean water from WTP also undergo the examination of water quality that was conducted by Succofindo. There is an evaluation sample for water quality from WTP on 21st September 2015, which refers to Ministry of Health Decree No.416 in 1990 with a result still below of the set threshold.
- Company presents the monitoring document on WTP Afdeling 6 from January 2016 to 15th January 2016 for the monitoring of alum's utilization and the change in water acidity in WTP before and after treatment by using ash soda and alum, where the earlier acidity score is around 5-5.5 da and after treatment the score is about 6.5-7.

Company presents documentation:

- Minutes of monitoring result from Sucofindo on 20th August 2015, where 3 sucofindo staff and 1 witness from company SHE staff took the water sample from the headstream and downstream of Puhus River. Minutes of meeting is completed with photos during water sample pick-up process in Puhus River, where the river was deceding.
- Based on field visit to sampling spot in downstream of Puhus River at block F31, Afdeling 5, Puhus 2 revealed that river water was deceding.

Water management and water monitoring program for mill's area, such as:

- Periodic examination over river water's quality every 6 months.

- Water dam in mill comes from creek dam, furthermore the water from creek will undergo the purification process in WTP installation. Hence water from WTP will be flowed for processing need in mill and other domestic requirement. Water utilization for processing and domestic usage have been monitored through the installation of flowmeter.
- There is a sample of clean water examination from Succofindo on 21st September 2015, based on Ministry of Health Decree No.416/1990, the result are under the standard threshold.
- For the same period, there is also a result for plankton and benthos examination on headstream and downstream of Wahau River, where the result indicate that there are only plankton and benthos being identified.
- Based on field visit to mill, its known that waste water from house keeping process in mill is flowed through drainage to sedimentation pond within IPLA pond area, subsequently, there is no contamination to environment.
- Other water saving program within mill area, such as: water from water cooler turbine/ turbine cooler is brought back to water basin with total mark of 50 l per minutes, which previously being directly thrown; company is using steam trap, where water gas condensates in heater and turn into water, hence the water being reuse in steam.
- Based on field visit in IPAL pond area and mill's surrounding, its known that company has conducted greening activities in IPAL pond area by cultivating hardwood crop such as *trembesi* and *angsana*.
- Company periodically conducts soil water examination in monitoring well area based on its permit. There is an examination result sample from monitoring well as part of company's responsibility to apply liquid waste on 21st September 2015 from Succofindo. The test results still meet the parameters set by the Minister of the Environment No 28 and 2009, 2003.
- Along with plankton and benthos examination result in headwater and downstream of Puhus River at the same period where there were plankton in headwater while there is no benthos being identified.

Based on observation at block F30, Afdeling 5, the location for application block in liquid waste and controlling well, its known that the latest liquid waste application was conducted in September 2015, during the visit, flatbed was deciding. There is no liquid waste leakage outside the application block. Furthermore based on physical observation to monitoring well, its known that the condition of monitoring well is clean and the water is crystal clear.

### Indicator 4.4.2 major :

Company presents the HCV document of PT DIN that was taken from Final Report HCV Assessment document in 2012 for DSN Group Muara Wahau. The document explains the distribution of river within company's area along with its river's distribution.

The management program for riparian area of Puhus River. PT DAN presents some document, such as:

- Barchart of riparian area in 2015 for manual trench maintenance activities that covers an area of 84 Ha for tree for about 11,881 trees with 6 times of activity rotation in 2015.
- Barchart of riparian area in 2015 for manual disc maintenance activities that covers an area of 84 Ha for tree for about 11,881 trees with 4 times of activity rotation in 2015.
- Based on field visit to Tellen Creek in Afdeling 1, its known that company restricts spraying application area for about 3 trees from creek, company installs spraying prohibition board as well as applies fertilizer application technic by immerse the fertilizer into 8 spots surround the trees in riparian area.

Based on field visit to riparian area of Puhus River, its known that company cultivated *trembesi*, *angsana*, *veitver* grass as well as marked the spraying activity boundary by putting red paint on palm oil trees for about 2-3 trees based on recommendation from HCV analysis result.

### Indicator 4.4.3 minor :

Company has conducted periodic monitoring over BOD of liquid waste in IPAL ponds every month. The examination was conducted by Succofindo laboratory. Below is the examination result over BOD of liquid waste for period July - December 2015. Monthly examination result over liquid waste in outlet Mill presents the BOD score is still under the applicable standard threshold.

Company has Kutai Timur Reagent Decree number 658.31/K.1186/2013 regarding the extension of permit and attachment

revision from Kutai Timur Reagent Decree number 658.31/K.254/2013 regarding to the revision of attachment from Kutai Timur Reagent Decree number 658.31/K.797/2011 related to liquid waste utilization to soil within palm oil plantation in PT DSN in Muara Waha Sub-district, Kutai Timur District, which first was about 475 Ha turn into 880 Ha (the permit does not have duration for its validity) on 31st December 2013. The permit consists of various responsibilities, such as: point 5 regarding to soil analysis within rorak application area, between rorak application area, and in each controlling area with a depth of 0-20, 20-40, 60-80, 80-100, 100-120 cm with annual responsibility for examination.

Company presents the document of soil analysis result at location block in liquid waste application from Succofindo on 5th March 2015 with location of soil analysis distribution is inline with liquid waste application attachment.

**Indicator 4.4.4 minor :**

Company present the monitoring document of water utilization in Mill for period 2015, based on the monitoring note that the total efficiency of water use in the Mill reached 0.75 m3 from the budget of 1.16 m3 per tonne of FFB.

<b>Status: Fulfilled</b>
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**4.5**

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

**4.5.1**

Company has a documented holistic pest management program, such as:

- Work instruction for early detection on pest and disease (IK-AGR-OLP-14-R02), which explains the monthly early-detection activity for the entire block as well as the observation on leaf eater caterpillar.
- Work instruction for early detection on pest and disease (IK-AGR-OLP-14-R02), which explains pest management activity and rat critical threshold as well as termite critical threshold.
- Company controls pest by using *Beneficial Plant* with type of crops, such as *Turnera subulata*, *Antigonon leptopus* and *Casia tora*.

Based on recapitulation of fire and pocket caterpillars at Afdeling 9 in December 2015 at Block D 51 with total area 49 Ha /total 448 censuses-tree, there was no attack. Based on SOP for holistic pest management, the attack was under the standard threshold for chemical treatment. However company still conducted management effort by using biological approach by cultivating beneficial plant. Company cultivated the beneficial plant at Puhus 1 estate that covers an area of 12.11 Ha and Puhus 2 estate with a broad of 9.96 Ha that have been explained in recapitulation document of beneficial plant of PT DAN in 2015. The management unit controls rat by using natural predator such as owl, moreover there is owl nursery plan for PT DAN 2015 that has been explained in monitoring map of barn hut owl distribution in 2015. Apart from that, company also has monitoring data and monitoring data over *Tyto alba* in each afdeling within PT DAN estate such as in Puhus 1 there is 78 barn hut that has been introduced 5 barn hut, and Puhus 2 there are 43 barn hut that has been introduced of 5 barn hut.

There is a report in January 2016 related to pest and disease detection that explains fire caterpillar attack, pocket caterpillar attack, and rat attack in Puhus 1 estate and Puhus 2 estate, however the attack level is under the standard threshold.

**4.5.2**

PT DAN could present the evidence related to training on pest and disease control, such as:

- Training on holistic pest management in Puhus 1 Afdeling I on 17<sup>th</sup> April 2015, which was attended by 8 personnel from SKU maintenance with training material about pest and disease detection for SKU personnel and socialization of IK – HPT.
- Training on holistic pest management in Puhus 2 Afdeling 1 on 21<sup>st</sup> April 2015, which was attended by 12 personnel from SKU maintenance with training material about pest and disease detection for SKU personnel and socialization of IK – HPT.
- Training on holistic pest management in Puhus 1 Afdeling 3 on 20<sup>th</sup> April 2015, which was attended by 12 personnel from SKU maintenance with training material about pest and disease detection for SKU personnel and socialization of IK – HPT.

<b>Status: Fulfilled</b>
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**4.6**



**Pesticides are used in ways that do not endanger health or the environment**
**4.6.1**

Company could present the utilization of various types of pesticides in PT DAN. These pesticides have been registered in green book of pesticide commission, such as Garlon (RI.695/9-2008/T) with target is weed and valid until 25th March 2018, Racumin (RI. 01120120124381), which is valid until 17<sup>th</sup> October 2017.

Based on interview with management, the selection of pesticide is inline with study from research center and considering the utilization of pesticide with narrow spectrum, which has a function to control certain pest/disease. For instance, the utilization of agristic pesticide every 6 months (July – December 2015) for amount 169.15 liter with toxicity of 0.019 l/kg/ha with the broad of application for about 9,000 Ha and the monthly average utilization of chemical material is about 0,003 l.

**4.6.2**

Company has a documentation of pesticide utilization with its active material, LD50 with its active material, the targetted area, total of active material per ha and total of active material that has been applied, some sample of pesticides that are used by company such as Ally 20 WDG with an active Metilmetasufuron with maximum limit LD dermal >2000 mg/kg, with maximum oral limit BB >5000 mg/kg BB with the applicable permit RI. 1027/4-2009/T.

**4.6.3**

Company can present the chemical budget material in 2015:

Type of Material	Unit	PT DAN	
		Plan	Actual
Ally	kg	166.35	77.00
Garlon	litr	-	114.00
Round Up	litr	10,210.80	5,708.10
Starane	litr	925.86	400.20
Agristic	litr	1,021.08	400.25
Racumin	kg	-	78.00

Pesticide utilization in 2015 has always been decreased. This statement comes from the graphic of comparison trend of annual pesticide utilization. There is a relatively annual decreased comparison with graphic component of toxicity/ Ha, toxicity/ Ha, volume, broad and production.

Company has monitoring and observation data for tyto alba in each afdeling within PT DAN estate, such as in Puhus 1 there are 78 barn hut that has been introduced 5, and Puhus 2 there are 43 barn hut that has been introduced 5 barn hut, these activities are part of company's effort to reduce the number of rat attack, which is still under the standard threshold.

PT DAN has a data of beneficial plan cultivation in 2015 Puhus 1 total 11.49 Ha, Puhus 2 total 9.76 Ha and Puhus 3 total 28.13 Ha with total cultivation area is 28.13 Ha.

**4.6.4**

based on field visit to chemical warehouse and document's review, its know that company no longer using chemical with an active paraquat material. Moreover, there is an Internal Correspondence No 0091/OPS/XXI/2012 from Kaltim Region Head 1 & 2 for the entire Plantation Head and Estate head on 30th November 2012 related to the termination of utilization of chemical material with paraquat starting from 2013. Based on monitoring document over agrochemical utilization and material's toxicity in 2015, company is using pesticide with class category of 1 B from World Health Organization. The utilization of racumin (coumatetraly) material in November and December was due to the increase on rat attack and the utilization was accidental. However, the utilization has been reduced, for instance in November, total utilization was 67.0 kg meanwhile in December was only 6.0 kg.

For evaluating rat attack, company continuously conducting monitoring and observation on tyto alba in each afdeling that distributed in PT DAN estate, such as at Puhus 1, there are 78 barn hut that has been introduced 5, and Puhus 2 there are 43 barn hut that has been introduced 5 barn hut. These activities can be interpreted as company's effort to reduce rat attack.

**4.6.5**

Company has MSDS document (Material Safety Data Sheet) for the utilized-chemical material such as Starane and Round



up. The MSDS explains the identity of product, specification, information of medical hazard, and first aid direction in case of poisonous, management and storage, leakage management, environment information and using direction. Company has delivered training for spraying personnel in PT DSN, such as training on Thursday 13th August 2015 that located in main room II – PTC with training material about pesticide.

#### **4.6.7 and 4.6.8**

Based on work instruction number IK-AGR-OLP-16 related to the decision to use certain type pesticide along with its dose and application, which has been approved on 01<sup>st</sup> February 2012. The work instruction explains company's efforts to reduce the negative risk, improving affectivity and efficiency on pesticide utilization within PT DAN operation activities. Meanwhile the utilization and implementation in the field, such as: the implementation on selecting type of pesticide; pesticide dose per Ha that has been utilized to control weed is really depend on the type and density of the targeted-weed; in order to make it easier to control weed in the field, the dose should be converted into concentrate and liquid spray volume, the implementation of calibrating the spraying tools, nozzle, the speed to identified the required-spraying volume per Ha; liquid concentrate for spraying will be calculated and calibrated and using the dose data per Ha and the required liquid-spraying volume per Ha; the broad of spraying area; spraying rotation; spraying technic; spraying unit/spraying organization; work stage; spraying tools.

The procedures to minimise risk and negative impacts, such as:

- Posting the MSDS in material warehouse, and information in pesticide warehouse.
- Providing adequate and complete PPE for personnel and working tools should be in good condition.
- Delivering training for pesticide operator and conducting periodic morning briefing, supervisor checks the completeness of PPE and operator's working tools.
- Mixing material in warehouse for further distribution to the field
- Further activities after the work is done such as washing working tools and PPE in washing station, and collecting those tools in warehouse and not to bring working tools back home.

Based on field visit on chemist work in Puhus 2 estate block F.36 has understood the prohibited boundaries for spraying activities, such as riparian area, water point and has understand the area that could be sprayed. Moreover, spraying personnel at Puhus 1 estate Afdeling 4 Block D39 also could wear a complete PPE based on the applicable SOP in order to reduce the negative impact from pesticide spraying activity. Based on interview with PT DAN personnel, its known that company does not spray pesticide through air.

#### **4.6.9**

PT DAN has the evidence record and periodic documentation for a correct and appropriate spraying technic for SKU personnel and plasma smallholders, for instance spraying training at Puhus 1 and Puhus 2 estate on 29th May 2015 in main room of training center. Based on interview with spraying personnel, its known that personnel have understand the proper and safe work procedure as well as the prohibited location for spraying activity, such as riparian area and water point. Spraying personnel are using PPE based on company's recommendation, which is regulated in work instruction for pesticide applicator Np. IK-AGR-OLP-16- R01.

#### **Indicator 4.6.6 major :**

Based on field visit to working tools warehouse and spraying tools warehouse and personnel washing station, its known that there is no used pesticide packages. Moreover, observation at temporary hazardous waste landfill in emplacement complex in main estate at Puhus 1 & 2 shows that the place has been completed with fire extinguisher, first aid box, and PPE for personnel. The generated waste only temporarily transit during the afternoon before further deliverance to temporary hazardous waste landfill in Mill 2.

Based on field observation at chemical warehouse in Estate Puhus 1 and Puhus 2, its known that company is managing and storing pesticide and other chemical material very well. The warehouse has been completed with fire extinguisher, first aid kits box, eyewasher, spill trap, chemical pallet, moreover, the chemical material has been categorised based on its characteristic, complete MSDS as well as work uniform for personnel and complete PPE (workpack uniform, mask, goggles, helm, gloves, safety shoes).

Used pesticide packages are kept in licensed temporary hazardous waste landfill, furthermore the waste will be handed over to licensed third party, which is CV. Surya Agung. Refers to Major Indicator 5.3.2.

Based on field observation to working and spraying tools' washing station in Afdeling 6 revealed that washing station, working tools storage and uniform for praying team are in good condition.

**Indicator 4.6.10 minor:**

Company has:

- SOP for waste disposal such as SOP-AGR-035-R02 on 1st May 2015 related to SOP for waste management, which covers the organic, inorganic and hazardous waste.
- Revision on IK for hazardous waste management (number IK-AGR-SHE-09-R02, on 19th October 2015, such as the revision by adding the hazardous waste balance form as attachment).
- Appropriate training for personnel and manager on proper waste disposal. There is a documentation in a form of attendance sheet for hazardous waste socialization (IK and SOP for hazardous waste) in Puhus 1 estate on 6th January 2015 that was attended by 28 participants from personnel and management staff.

Based on interview with hazardous waste schedule and agrochemical warehouse clerk known that the personnel may explain the flow of hazardous waste handling.

The implementation evidence of a proper waste disposal by company, such as: company presents sample document of hazardous waste balance sheet in temporary hazardous waste landfill at Puhus 1 & 2 estate for period December 2015 that shows the incoming and acceptance flow of hazardous waste from waste producer at Afdeling to temporary hazardous waste landfill. Furthermore, company also presents the mechanism for hazardous waste handover from estate to temporary hazardous waste landfill in Mill 2 at the same day.

**4.6.11 and 4.6.12**

Special examination for pesticide applicators and personnel who work closely with chemical material has been conducted by Nur Asih laboratory in Samarinda on 30<sup>th</sup> November 2015. Document review indicates that the entire pesticide applicators do not expose to chemical material and their CHE level is normal, with detail: 82 personnel PU1 and 134 personnel PU2. Company's physician will conduct evaluation on special medical examination result if there is an abnormal finding. Based on interview with spraying personnel at Pu1 and Pu2, it is known that company conducted periodic and special medical examination, the examination result has been socialized. There is no complaints related to the health of spraying personnel.

Commitment toward reproductive right has been listed in Memorandum HRA Dept No. 010/HRA/VII/2011 on 12<sup>th</sup> July 2011, which mentions that company puts serious attention on its pregnant and lactating female personnel by prohibit them to work with chemical material and other heavy work. Company's paramedics conduct monitoring on pregnancy.

The implementation evidence over company's commitment can be seen from the H1 and H2 monitoring (menstrual and maternity leave). PU1 and PU2 can present the H1 and H2 monitoring book, for instance for period November and December 2015. There is a sample of periodic medical examination for spraying operator No. 002/Pu2/IM/X/2015 on 27<sup>th</sup> October 2015 where 2 pregnant personnel are prohibited to work with chemical material.

Personnel understanding over the reproductive protection are good and sufficient. Moreover, interview with personnel, for instance PU1 and PU2 spraying personnel revealed that they could explain the maternal and menstrual leave and the prohibition of work with chemical material when personnel are pregnant and/or lactating.

<b>Status: Fulfilled</b>
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**4.7**
**An occupational health and safety plan is documented, effectively communicated and implemented.**

There is no revision over company's occupational health and safety policy since ASA-1:

The occupational health and safety policy has been set on 1<sup>st</sup> December 2010 by CE AGRO in Jakarta, which consists of commitment to create a healthy and safe environment, such as by:

- Ensuring the entire activity has been inline with the applicable regulation
- Actively monitoring and improving the performance system in quality management, occupational and environment health and safety.
- Sustainable improvement as part of company's culture.

The occupational and environment health and safety procedure (K3L) DSN Group (SOP-AGR-037-R01) on 01<sup>st</sup> November 2013 has been approved by Executive Director of SBU Agro I, which explains: the occupational and environment health

and safety plan in estate and mill, identification on risk aspect, assessment and risk control-occupational and environment health and safety impact, accident management and accident report, evaluation & follow up and the management of emergency situation.

Occupational and environment health and safety work program in 2015 and 2016.

- PT DAN (Pu1 and Pu2): periodic meeting of occupational and environment health and safety, periodic report on guiding committee of occupational health and safety activities to related agencies, emergency preparedness, compliance on traffic regulation program and occupational health and safety campaign and training program.
- Mill 2:  
Safety program: conducting inspection on work environment and personnel attitude, safety talk, occupational health and safety induction, socialization, first aid training and in class training.  
Health program: Fogging, socialization and outreach, healthy food program, monitoring over clean water quality, periodic medical examination, periodic inspection at personnel housing.

Company has conducted identification related to hazard source and potential impact/risk due to estate and mill's operation activity. The entire identification result has been explained in hazard aspect identification document, assessment and the management on occupational, environment health, safety risk, and impact. The document explains: type of activity, risk/ aspect, risk/ impact, condition (N/AN/E), risk evaluation (impact, opportunity, risk level), operation control, risk impact control (elimination, substitution, engineering, administration and PPE), description, evaluation of the remaining risk (impact, opportunity, risk level), action (P/T/L) and PIC.

Based on interview with the secretary of guiding committee of occupational health and safety and document's review on the SOP for occupational health and safety (K3) document number SOP-AGR-037-R01, it states that revision and review over risk-aspect identification document, assessment and occupational and environment health and safety risk impact has been conducted on the management system, procedure, work facilities, modification of working tools and the emergence of new activities. PT DAN (Pu1, Pu2 and Pu3) has revised/ updated its risk identification document on 16<sup>th</sup> November 2015 by adding the activity such as transportation FFB's with a semi mechanic technic using wintor. The activities, such as: lifting fruit and empty fruit bunches to wintor container, fruit and empty fruit bunches transport to THP and spill fruit from unit. The entire activities have been identified and controlled with a low (L) remaining risk. Mill 2 updated its risk and impact identification document on 02<sup>nd</sup> Jan 2016 by adding the non-routine activities into the document.

Based on interview with personnel, for instance turbine operator in mill 2, its known that company has delivered socialization on work risk. Moreover personnel could mention and explained type of potential risk on certain work activity.

Company delivered sufficient occupational health and safety training to its personnel. Trainings for personnel in PT DSN, PT DIN and PT DAN were under the Learning Centre Department.

Company could present its training activities for personnel, such as:

- First aid training for Pu2 personnel on 22<sup>nd</sup> May 2015 with total 56 participants.
- Occupational and environmental health and safety trainings, the implementation of IK harvesting and maintenance, socialization of PP, which has been conducted on 24<sup>th</sup> November 2015 with total 43 participants.
- First aid training in Mill 2 has been conducted on 7<sup>th</sup> May 2015 with total 34 participants
- Training on PT DAN was conducted on 6<sup>th</sup> May 2015 with total 33 participants.
- Training for heavy equipment operator has been conducted on 11<sup>th</sup> June 2015 with total 26 participants and on 15<sup>th</sup> June 2015 with total 27 participants, the certificate is available, for instance certificate number 12084/OPK3/PAA-LT/VIII/2015.

Company has identified person in charge on occupational health and safety, which is stated in company's guiding committee of occupational health and safety structure. The structure has been approved by Manpower and Transmigration Agency in Kutai Timur:

- Mill 2: SK Manpower and Transmigration Agency of Kutai Timur District Decree No.: 566/1034/P2K3/Was related to the approval on guiding committee of occupational health and safety structure of Mill 2 on 13<sup>th</sup> May 2014. Secretary of guiding committee of occupational health and safety structure had the occupational health and safety expert certificate with registration number. 254/Pk3/AJ/2/2015-P1 and appointment decree number 254/MDJPPK/II/2015 on 9<sup>th</sup> February 2015.
- PT DAN (Puhus 1 and Puhus 2): Manpower and Transmigration Agency of Kutai Timur District Decree No.:

566/1374/P2K3/WAS related to the revision of guiding committee of occupational health and safety PT DAN on 22<sup>nd</sup> September 2015. The structure consists of chairman: Suyitno SR, secretary: Dian Benny setiawan assisted by 15 members. Secretary of guiding committee of occupational health and safety structure had the occupational health and safety expert certificate with registration number: 13.14408/AK3/U/VII/2015.

Periodic meetings related to occupational health and safety have been conducted every month, for instance meeting in December 2015:

- PT DAN, guiding committee of occupational health and safety meeting was conducted on 29<sup>th</sup> December 2015 and discussing the work accident, regulating the children under age, evaluating work program from previous period, environment and current occupational health and safety issues. Total meeting participants were 9 persons.
- Mill 2, guiding committee of occupational health and safety meeting was conducted on 26<sup>th</sup> December 2015 with total 13 participants. The meeting was discussing: analyzing the work accident, discussing safety patrol findings and agreement for the next meeting.

Guiding committee of occupational health and safety report has been sent periodically every three months, for instance the first three-months report of PT DAN has been delivered on 29<sup>th</sup> December 2015 and Mill2 was sent on 2<sup>nd</sup> January 2016 to Manpower and Transmigration Agency of Kutai Timur District.

Procedures related to emergency and work accident have been drafted and set by company. The procedures have been stated in SOP for occupational health and safety, document number SOP-AGR-037-R01.

Company's physician and paramedics who has the hyperkes certificate have delivered the first aid training, company could present the first aid training report for supervisor, such as:

- First aid training mill 2 has been conducted on 7<sup>th</sup> May 2015 with total 34 participants
- Training on PT DAN has been conducted on 6<sup>th</sup> May 2015 with total 33 participants.

The entire training activity records are stored in learning center division, and based on document's review, its known that until December 2015, supervisor had received first aid training for mill 2 and PT DAN with total 89 participants.

Based on interview with personnel, its known that company manages work accident very well. First aid kits are sufficiently available in the field. Company appointed person in charge and trained as the same level with supervisor. Moreover, interview indicates that harvesting supervisor and spraying supervisor have understood the procedure for first aid in case of emergency.

Company had provided accident insurance for the entire personnel, which is the manpower social and accident insurance (BPJS-TK). Company can present the monthly payment receipt of BPJSTK, for instance the payment receipt for period December 2015 through Bank BNI on 12<sup>th</sup> January 2016, such as:

- BPJSTK PKS2 with total 163 personnel
- BPJSTK PU1 for 373 personnel
- BPJSTK PU2 for 370 personnel

The entire work accidents have been reported to get accident insurance claims to Social Security (BPJS TK), for example, an accident on 21 September 2015 have been investigated and reported to the Social Security to get a work accident claims. Reporting Phase I was performed on September 21, 2015. Based on interviews with staff PGS PKS2 known that the medical process (outpatient) is still ongoing.

Company has a commitment to provide medical treatment for its personnel. Moreover, company has provided and registered its entire personnel into manpower medical insurance program (BPJS), beside, company also provided medical facility like medical clinic to treat personnel, pregnant women, and baby and accident cases.

In order to monitor personnel's health and as an early detection on a potential disease due to work activity, company has conducted periodic medical examination as well as special medical examination for high-risk personnel.

Company's physician and paramedics conduct periodic medical examination for the entire personnel. Type of examinations, such as physical examination, blood pressure, temperature, head, neck, eyes, nose-ear-throat examination, Gi-Lut examination, thorax, abdomen, back, extermis and consultation. The medical examination report has stated the summary and recommendation from physician.



Special examination for high-risk personnel was conducted in collaboration with Nur Asih Samarinda Laboratory. Detail of examination report, such as:

Estate/Mill	CHE		Audiometry		Spirometer		Examination Result
	Date	Total	Date	Total	Date	Total	
Mill 2	25 <sup>th</sup> May 2015	18 persons	21 <sup>st</sup> April 2015	64 persons	28 <sup>th</sup> October 2015	123 persons	Entirely is normal
PU1	30 <sup>th</sup> November 2015	82 persons	10 <sup>th</sup> March 2015	14 persons	28 <sup>th</sup> October 2015	8 persons	Entirely is normal
PU2	30 <sup>th</sup> November 2015	134 persons	10 <sup>th</sup> March 2015	12 persons	28 <sup>th</sup> October 2015	9 persons	Entirely is normal

Company's physician will carry out evaluation over medical examination result, particularly in abnormal cases.

Based on interview with personnel, for instance with spraying personnel in Pu1 and Pu2, its known that company has conducted periodic and special medical examination, moreover the examination result has been socialized. There are no complaints related to spraying personnel health status.

The entire work accident including the calculation of lost time accident within estate and mill operation area has been recorded and well maintained. The work accident record has been inserted in recapitulation of work accident case report of PT DAN and Mill2, which informs the name, status, type of accident, accident grade and lost time. Recapitulation of work accident for period 2015 has been explained as below:

- **PT DAN**, number of work accident for instance for period July-Sept 2015 was about 15 cases (heavy category 1 case, medium category 1 case and mild category 13 cases), lost time about 124 days. PT DAN had investigated the work accident especially for medium to heavy category. Moreover, company can present the investigation report over the accident, for instance over the accident on 1<sup>st</sup> August 2015 as well as manpower social insurance (jamsotek) stage I, which is under the medical monitoring stage.
- **Mill 2**, monitoring on work accident is recorded in work accident document, which informs the period/ month, number of accident, name and personnel number, status of personnel, work unit, location/ area, date, type of accident (code), type of work, factor, the level of accident and chronology of the accident. Furthermore, all the data will be inputted into FR & SR report. In 2015 there were 5-work accident case with total lost time of 11 days. Related to this fact, Mill 2 conducts periodic evaluation on work through occupational health and safety meetings. For instance work accident on 21<sup>st</sup> September 2015, which has been investigated and reported to manpower social insurance in order to get the work accident claim. Report stage I to insurance company (BPJSTK) has been submitted on 21<sup>st</sup> September 2015. Based on interview with PGS PKS2 staff, its known that the medical process is on-going.

**Status: Fulfilled**

#### 4.8

#### **All staff, workers, smallholders and contractors are appropriately trained.**

In order to improve personnel' competency, company provided and made training programs based on personnel need. Training for PT DSN, PT DIN and PT DAN personnel are centered under the Learning Centre Department. The development of training program is based on training need analysis from each unit that had been submitted by the end of year. Training program in 2015, such as:

- Training on analysis technic for laboratory scale (IHT), has been planned in March 2015
- Training on maintenance (IHT), has been planned in Oct. 2015
- Training on the basic of electricity (IHT), has been planned in Feb, Mar, May, August 2015
- Training on investigation (ex) has been planned in August 2015
- Introduction on OS Windows and Ms Office (IHT) has been planned in Jan, Mar, Jul, August, Oct 2015
- Training on water management has been planned in May 2015
- Training on SAP has been planned in August and September 2015

Moreover, company has drafted training program for 2016, such as:

- Training on filling data and archives, which has been planned in March and August 2016
- Training on IT and preventive maintenance hardware, which has been planned in April and Sept 2016

- Training on the basic of security guard, which has been planned in October 2016
- Training on payroll
- Training on mapping
- Training on leadership for supervisors
- Training on technical administration
- Training on SKU harvesting, chemist, maintenance and HPT, which will be conducted for 3 times for a year.

The entire record on personnel capacity building activities and trainings in PT DSN Group (PT DAN, PT DIN and PT DSN) have been well stored and maintained in Learning Centre Department. Company could present the records to auditor team, for instance training record for period 2015, such as:

- Training on OS Windows and ms office application (introduction) for administrative personnel, which had been conducted on 9<sup>th</sup> January 2015 with total 23 participants.
- Training on certification for heavy equipment operator, which has been conducted on 11<sup>th</sup> June 2015 with total 26 participants and on 15<sup>th</sup> June 2015 with total 27 participants, training certificate is available, for instance certificate number 12084/OPK3/PAA-LT/VIII/2015.
- Training on SAP that has been conducted on 19<sup>th</sup> November 2014 with total 57 participants.
- Training on analysis method for scale laboratory in mill, which has been conducted on 24<sup>th</sup> March 2015 with total 12 participants.
- Training on first aid for personnel Pu2, which has been conducted on 22<sup>nd</sup> May 2015 with total 56 participants.
- First aid training in Mill2, which has been conducted on 7<sup>th</sup> May 2015 with total 34 participants.
- Training on PT DAN, which has been conducted on 6<sup>th</sup> May 2015 with total 33 participants.
- Training on occupational and environment health and safety, refreshing session for IK harvesting and maintenance, PP socialization, which has been conducted on 24<sup>th</sup> November 2015 with total 43 participants.
- Training on Wintor utilization for transportation, which has been conducted on 23<sup>rd</sup> November 2015 with total 18 participants.

**Status: Fulfilled**

## **PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**

### **5.1**

**Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

#### **Indicator 5.1.1 major:**

The management unit has the impact analysis document, such as:

- Estate management unit can present the environment document such as environment impact assessment for estate and mill's development on behalf of PT. Dharma Agrotama Nusantara that located in Benhes Village, Diak Lay Village, Dabeq Village and Muara Wahau Village, Muara Wahau Sub-district, Kutim District, Kaltim Province. Environment impact assessment commission has approved this document on 23<sup>rd</sup> October 2009 with number 188.4.45/674/HK/X/2009. The developer of environment document consists of polytechnic team from Samarinda agriculture polytechnic with chief Mr. Ir. Wartomo, MP.
- Mill management unit has environment document such as environment management plan and environment monitoring plan in order to develop mill with a capacity of 60 ton FFB/Hours in Dabeq Village, Muara Wahau Sub-district, Kutim District. This environment document has been approved by commission in Kutim District on 16<sup>th</sup> March 2009 with decree number 332/660.1/2.1/LH/III/2009. The developer of environment document consists of polytechnic team from Samarinda agriculture polytechnic with chief Mr. Ir. Wartomo, MP.

#### **Indicator 5.1.2 minor:**

- The implementation report of environment management plan and environment monitoring plan for semester 1 in 2015 for palm oil estate of PT DAN on 22<sup>nd</sup> September 2015 that has been submitted to Environment Agency in Kaltim Province, BLH of Kutim District, Manpower and Transmigration Agency, Plantation Agency, Forestry Agency, Trade Agency, Forestry Agency and Fishery Agency in Kutim District.
- The implementation report of environment management plan and environment monitoring plan for semester 1 in



2015 of Mill 2 PT DSN has been submitted on 25<sup>th</sup> August 2015 Environment Agency of Kaltim Province and on 24<sup>th</sup> August 2015 to Environment Agency of Kutim District.

- Submission receipt of IPAL pond management (waste monitoring result and so forth), three-months monitoring result over the generator emission, vibration, noise, smell, the management of hazardous waste on first three-month = 13<sup>th</sup> May 2015, second three-month = 9<sup>th</sup> July 2015, third three-month = 5<sup>th</sup> November 2015. And the forth report of three-month is under the drafting process.

Based on document's review on the implementation of environment management plan and environment monitoring plan of Mill 2 and environment management plan and environment monitoring plan of PT DAN, its known that the entire parameters have been discussed the entire parameters' management and monitoring as well as the implementation evidence.

**Indicator 5.1.3 minor:**

- Mill 2 shows that the two-year environment management and monitoring document within the implementation of environment management plan and environment monitoring plan of Mill 2 PT DSN for period 2014-2015, which was developed by occupational and environment health and safety assistant and approved by Mill Head of Mill 2. The document indicates the review over environment management and monitoring matrix that covers: the management of solid waste, liquid waste, gas, noise, vibration, dust and other aspects (traffic accident, work opportunity), the on-going implementation as well as company's follow up action. Company concludes that the management and monitoring aspect are still relevant with field condition, subsequently company will maintain and improve the result from the on-going program based on the pointed period.
- PT DAN present the evaluation document related to environment management plan and environment monitoring plan in PT DAN estate for period 2014 - semester 1 in 2015, that has been drafted on 12<sup>th</sup> January 2015 by occupational and environment health and safety team and approved by Estate manager that covers the evaluation over environment management plan and environment monitoring plan with a conclusion that there is no need for revision over the management and monitoring aspect.

**Status: Fulfilled**

**5.2**

**The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced**

The management unit has identified HCV within operation area of PT DSN and PT DAN that has been conducted in 2012 through collaboration with Daemeter Consulting. Members of study team are *RSPO approved HCV assessor*.

The identified-HCV area within PT DAN such as:

- NKT 1.1 Buffer zone (riparian area of Telen River) with approximately broad of 368 Ha in Puhus-1 Estate (PU-1).
- NKT 1.2 and 1.3: various endangered and rare wildlife and natural vegetation, such as: 44 species of mammals, 113 birds (43 protected priority), 29 species of natural vegetation (8 endangered species).
- NKT 3: forest conservation area (128 Ha) at Block C21-27, PU-1).
- NKT 4.1: water flow, which has been set as river with a broad of < 10 meter. S. Puhus-1, S. Kenden Kecil, S. Kenden Besar.
- NKT 4.3: none.
- NKT 6: Egun Long Puhus cite (Wehea community cite, in a form of wood fossil, which is sacred for the community).

There are 8 wildlife species which are included in HCV 1.2 that consists of: *Dipterocarpus cornutus*, *Dipterocarpus grandiflorus*, *Dipterocarpus cf. validus*, *Dryobalanops aromatic*, *Hopea sangali*, *Shorea balangeran*, *Shorea blumutensis*, *Shorea singkawang*.

There are 23 types of mammals and 43 types of bird been identified, some of them are included in protected category: Beruang madu (*Helarctos malayanus*), Trenggiling (*Manis javanicus*), kancil (*Muntiacus muntjak*), Rangkong badak (*Bucheros rhinoceros*), Elang walaceae, punai besar, and so forth.



Picture 1. The evidence of wildlife presence in PT. DAN: (a) Enggang bird and footprints of *beruang madu* been identified during the field visit; (b) Riparian area of Puhus River; (c) HCV of riparian area of Telen River and local communities activity in Telen River.

The outline of management plan for HCV area, such as:

- Periodic socialization every year.
- Forest security patrol.
- Wildlife inventory and monitoring in HCV 1.3 every 6 months.
- Rehabilitation of HCV area, which has been degraded and the management of invasive species (resam)
- Installation/ maintenance of boundary stake in HCV area every 6 months
- Monitoring the quality condition of river's water every 6 months
- Applying fertilizer and prohibiting spraying in riparian area in order to reduce pollution into river.

Implementation of HCV management plan record that is available, such as:

- The implementation of socialization
- The implementation of wildlife and natural vegetation in a form of wildlife and natural vegetation's observation that has been drafted every month.
- Monitoring result over river's water quality by third-party laboratory
- Installation of marks and information board, such as: the prohibition to apply pesticide, boundary mark of riparian area and conservation area. There are 21 *sign boards* including the protection of riparian area.
- enrichment/ rehabilitation of conservation area with local hard wood vegetation, especially *meranti*.
- Patrol in HCV area based on monthly patrol implementation report that is conducted by conservation crew (3 persons).



Picture 2. The amnagement of HCV area in PT. DAN: (a) rehabilitation on dayak cultural site in Puhus 1, (b) signboard of riparian area of Telen River in Puhus 1, (c) the developemnt of patrol facility in conservatin area at Puhus 1

As a follow up action over the identification and analysis of HCV, company has periodically drafted personnel capacity building program for PT. DAN especially related to wildlife and natural vegetation protection and HCV area, which are conducted annually in each afdelling.

In 2015, compnay has conducted 17 socializations in each PT. DAN afdeling from April to May 2015. Record over the socialization program such as:

- The implementation report of HCV socialization in each afdelling
- Attendance sheet of the entire participants (supervisor, maintenance officers, harvesting officers and so forth).
- Socialization materi, which covers the protection of wildlife and natural vegetation within PT. DAN and completed with evaluation over participant's understanding on the socialization.
- Photos of the socialization implementation.

For monitoring requirement, company had have the monitoring mechanism for HCV, wildlife and natural vegetation, which area stated in SOP: monitoring, perusahaan telah memiliki mekanisme monitoring HCV dan flora-fauna di dalam SOP

1. SOP-AGR-052-R00 on 1st December 2012 realted to wildlife protection procedure
2. IK-AGR-SHE-03-R00 on 2nd October 2012 related to vegetation inventory

3. IK-AGR-STD-02-R00 related to work instruction for riparian area
4. Apart from the SOP and work instruction, there is also HCV management program, which was drafted based on HCV identification in 2012.

Company has drafted the annual evaluation over HCV implementation, which is stated in evaluation report of HCV management program in PT. Dharma Agrotama Nusantara in 2015. This report consists of HCV management and monitoring activities that base don the plan.

OFI. Better and quantitative evaluation are needed in order to improve the management plan.

Inline with the explanation on the previous indicator 2.3.1, there is no traditional right becomes estate area in PT DAN. The entire are in PT. DAN comes from ex-HPH, which has been released from Ministry of Forestry. Subsequently, omprnay does not compensate anything for there is no local communities plantation.

HCV identification and analysis document presents that the entire HCV area is located in HGU and no over lap with local communities right. In order to ensure this matter, company has delivered HCV, wildlife and natural vegetation socialization for local communities, such as:

- 4<sup>th</sup> October 2014: to traditional organization Nehas Liah Bing, which was followed by 12 participants. There is a socialization report, attendance sheet and documentation of the activities.
- 24<sup>th</sup> Nov 2014: to traditional organization Nehas Liah Bing, which was followed by 9 participants. There is a socialization report, attendance sheet and documentation of the activities.
- 10<sup>th</sup> December 2014: to traditional organization Nehas Liah Bing, which was followed by 15 participants. There is a socialization report, attendance sheet and documentation of the activities.
- Documentation on informal HCV socialization activity, for instance on 28<sup>th</sup> Feb 2014; 16<sup>th</sup> January 2014 and 14<sup>th</sup> July 2014.

Confirmation about this issue during public consultation on 12th January 2016 indicates taht there is no over lap between local communities plantation and company's HGU area, including the HCV area.

**Status: Fulfilled**

### 5.3

**Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.**

#### Indicator 5.3.1 major :

##### Mill 2 & PT DAN :

Identification on waste source in Mill 2 remains the same with solid waste source identification during S1.

Meanwhile for waste source identification of PT DAN, such as:

- Generator in a form of used-waste-filter, used-oil, contaminated majun fiber.
- Vehicle unit in a form of used-waste-filter, used-oil
- Spraying operation in a form of used-pesticide-can, used-cup
- Fertilization operation and fertilizer warehouse in a form of used-fertiliser-sack
- 
- Workshop in a form of used-oil-waste, used-filter and contaminated majun fber
- Herbicide storage place in a form of used-pesticide-package/ used-jar
- Clinic operation in a form of used-glove, used syring, spult, ampul and vial.

Meanwhile for domestic organic waste, company develops composting activities in each Afdeling.

#### Indicator 5.3.2 major:

##### Mill 2:

Company has a decree from Kutai Timur Reagent number 658.31/K.775/2011 related to temporary warehouse permit for hazardous waste in PT DSN on 27th December 2011 that valid for 5 years with hazardous waste taht can be temporarily stored, such us: used-oil, accu/used accu, used-oil-filter, used greese, contaminated majun fiber, used printed ink, used-toner, used TL bulb, PCB, used-filter, diesel fuel, used chemical package and used chemical-fertilizer sack an clinical

waste.

Company has collaboration with licensed hazardous waste transporter and collector in a form of work agreement on 2nd January 2015 between PT DSN and CV Sumber Agung that valid from 2nd January 2015 to 31st December 2016. The agreement number: SPK 009/DSN/JKT/2015 related to mill's hazardous waste collection and transportation in PT DSN, with a location in Muara Wahau, Kutim, Kaltim.

Apart from that, there is also work agreement between PT Swakarsa Sinarsentosa and PT Kaltim Medika Utama regarding the clinical waste management number 001/OS-BP/SWA/MHU/VII/2014 and number 026A/KMU-KSU/PKS-LK/VII/2014 that is valid for 2 years from 1st September 2014 – 31st August 2016 for clinical waste management and the burning procedure.

There is a sample of documentation of hazardous waste management, such as:

- Minutes of hazardous waste handover to CV Sumber Agung on 10th December 2015 with total solid hazardous waste about 1,518 and liquid hazardous waste for about 791, with liquid waste manifest number UB 0001599 and solid waste UB0001598.
- The document of hazardous waste manifest with number UB 0001599 and number UB 0001598 on 10th December 2015.
- Hazardous waste balance in Mill 2 until 10th December 2015.
- Hazardous waste balance on 11th January 2016 for temporary hazardous waste landfill in Mill 2 with status such as: 3 used jar (valid until 4th March 2016), 2 used jar (until 21st March 2016), 1 used jar with storage duration until 2nd April 2016).
- The balance of hazardous waste on 31st December 2015 from Puhus 1 Estate to main polyclinic in KBB, furthermore being delivered to temporary hazardous waste landfill in Mill 1 for medical waste.

**Estate:**

Available:

- Sample of minutes of hazardous waste handover on 13th January 2016 from Estate Puhus 2 PT DAN to temporary hazardous waste landfill Mill 2: starane waste 3 pieces and Round Up package 1 pieces along with estate hazardous waste balance sheet.
- Sample of hazardous waste balance sheet from Puhus 2 estate to main polyclinic, furthermore to temporary hazardous waste landfill in Mill 4 on 31st October 2015 for about 31 pieces handscoen amount 0.1 kg.

Company presents the document of environment communication, safety and certification to contractor or work partner (number 027/P2K3-DAN/IX/2015) on 26th October 2015 in Estate Puhus 2. The document mentions some information, such as: controlling organic waste, inorganic, hazardous waste (used oil, used filter, used battery, majun fiber and so forth) in PT DAN that was attended by 15 participants from contractor along with the documentation of suggestion/response from contractor.

Company through occupational and environment health and safety assistant also presents the information about hazardous waste control to contractor on 21st July 2014 where it is prohibited to change the oil in a filling area, instead oil should be changed on licensed warehouse, and for periodic service in Workshop Central Estate Puhus 2.

Based on observation to temporary hazardous waste landfill and hazardous material warehouse and field interview with person in charge in 2 locations, it is known that: personnel can explain the work procedure very well along with the hazard risk, the completeness of work uniform, PPE, hazardous waste and hazardous material symbols are clearly visible.

**Indicator 5.3.3 minor:**

Hazardous waste management plan is stated in:

- Identification document on waste sources and pollution in PT DSN (Mill 2) that explains waste management plan from production, including the waste that is categorized as hazardous waste.
- Work instruction for hazardous waste management DSN Group BU Agro number IK-AGR-SHE-09-R00, 15th January 2014. Work instruction explains the hazardous waste storage requirement, hazardous waste management in site and hazardous waste storage standard, Standard sign for hazardous waste that refers to the applicable regulation, such as: government decree 18 in 1999 related to hazardous waste management, Head of

Environment Management Agency No. 1 in 1995 related to technical requirement for hazardous waste collection and storage, as well as Environment Management Agency Decree No 255 in 1996 related to used-oil storage and collection.

- Environment impact analysis document for mill and estate in PT DAN and PT DSN (Mill 2), which explains the waste management plan and pollution from mill and estate
- Identification document on hazard-aspect, assessment (HIRA) and the management to control the impact from occupational and environment health and safety risk as stated on the type of activities, the generated waste, and risk level. The stated type of waste such as: domestic waste from housing, hazardous waste from agrochemical utilization, green house gas emission and so forth.

The implementation of waste management in the field, such as:

- Identify and monitor the source of disposal and pollution: conducting identification over the generated-waste source from mill and estate, periodic monitoring and examination of mill's liquid waste, quality examination on clean water, noise examination, vibration and generator emission as well as boiler in both mill and estate.
- The utilization of shell and fiber as turbine fuel, composting activities from domestic organic-waste, and the utilization of empty fruit bunches as organic fertilizer in estate
- Hazardous waste management, which has been managed based on SOP and inline with the hazardous waste storage license.

Based on document's review and field visit, it is known that waste management plan has been implemented very well. Refers to indicator major 5.3.2.

Based on interview result with estate personnel, the fire tower staff and field visit, it is known that in 2015, there was no field fire case.

Company presents the environment communication document, safety and certification toward contractor and partner (number 027/P2K3-DAN/IX/2015) on 26th October 2015 in Estate Puhus 2. The document mentions some information, such as: controlling organic waste, inorganic, hazardous waste (used oil, used filter, used battery, majun fiber and so forth) in PT DAN that was attended by 15 participants from contractor along with the documentation of suggestion/response from contractor.

**Status: Fulfilled**

#### 5.4

**Efficiency of fossil fuel use and the use of renewable energy is optimised.**

**Indicator 5.4.1 minor :**

Mill 2 PT DSN has monitored the energy consumption in 2015 for processing FFB into CPO, such as:

No	Month	Processed FFB (kg)	CPO production (kg)	The utilization of fuel for generator	Liter/ton CPO	Liter/ton TBS
1	January	17,034,739	3,754,378	39,983	10.65	2.35
2	February	14,145,674	2,765,994	31,196	11.28	2.21
3	March	18,001,942	3,985,018	33,440	8.39	1.86
4	April	22,089,039	5,142,260	29,232	5.68	1.32
5	May	24,186,259	5,272,321	25,454	4.83	1.05
6	June	23,779,643	5,536,856	30,636	5.53	1.29
7	July	23,900,298	5,730,349	29,721	5.19	1.24
8	August	22,429,294	5,457,799	24,595	4.51	1.10
9	September	26,091,970	6,459,200	18,891	2.92	0.72
10	October	26,182,582	6,500,438	16,237	2.50	0.62
11	November	23,169,513	5,636,930	11,828	2.10	0.51
12	December	24,835,321	5,857,891	18,146	3.10	0.73



	Total	438,456,599	62,099,434	309,359	4.98	1.16
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Moreover, shell and fiber have been used as the alternative energy source. Recapitulation on shell utilization in 2015 such as:

Month	Processed FFB	Fiber production (kg) SBI	to Boiler (kg) SBI
January	17,034,739	936,910.645	913,487.879
February	14,145,674	1,714,922.715	1,672,049.647
March	18,001,942	2,705,029.525	2,637,403.787
April	22,089,039	3,919,926.670	3,821,928.503
May	24,186,259	5,250,170.915	5,118,916.642
June	23,779,643	6,558,051.280	6,394,099.998
July	23,900,298	7,872,567.67	7,675,753.478
August	22,429,294	9,106,178.84	8,878,524.369
September	26,091,970	10,541,237.190	10,277,706.260
October	26,182,582	11,981,279.200	11,681,747.220
November	23,169,513	13,255,602.415	12,924,212.355
December	24,835,321	14,621,545.07	14,290,155.010
Total	438,456,599	88,463,422.135	86,285,985.148

\*Shell stock for boiler is 2,177,436.987 kg.

Recapitulation of shell usage in 2015:

Month	Processed FFB	Fiber production (kg) SBI	to Boiler (kg)
January	17,034,739	2,163,411.853	2,109,326.557
February	14,145,674	3,959,912.451	3,860,914.640
March	18,001,942	6,246,159.085	6,090,005.108
April	22,089,039	9,051,467.038	8,825,180.362
May	24,186,259	12,123,121.931	11,820,043.883
June	23,779,643	15,143,136.592	14,764,588.177
July	23,900,298	18,178,474.438	17,724,012.577
August	22,429,294	21,026,994.776	20,501,319.907
September	26,091,970	24,340,674.966	23,732,158.092
October	26,182,582	27,665,862.880	26,974,216.308
November	23,169,513	30,608,391.031	29,843,181.255
December	24,835,321	33,762,476.798	32,918,414.878
Total	438,456,599	204,270,083.84	199,163,331.74

\* Shell stock for boiler is 5,106,752.096 kg

PT DAN Estate:

Company presents the monitoring data ver diesel fuel utilization in 2014-2015 from estate activities, such as: generator, water pump, tractor pump, bachoe loader, A2B, light unit askep, light unit EH, school bus, contractor rent-truck, contractor FFB-truck with total utilization for about: in 2014 amount 205,480 liter, and in 2015 amount 184.201 liter.

The monitoring document for recapitulation of effluent application from January to December 2015 has been applied amount 1,568 ha (3 rotation in a year) with applied volume for about 243,255 m3 from effluent populatio amount 212,677 m3.

**Status: Fulfilled**

**5.5**

**Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

**Indicator 5.5.1 major:**

Based on document's review on work plan and budget in 2015-2018, its known that there will be a replanting activity for 3 years ahead. Until the urveillance activity, there was no replanting activity.

The quality guideline document No. PDM-AGR-R03 page 9 point 7.3.1 related to quality policy, it states that company implements the zero burning principle on its entire estate management.

**Indicator 5.5.2 minor:**

For PT.DIN, the altest cultivation was conducted in 2008 and until the implementation of ASA-2 activity, there is no replanting activity.

Meanwhile, for PT.DWT, the altest cultivation was conducted in 2014. There is a land clearing document that indicates that process was using the sero burning principle, such as:

- Work agreement with third party No 011/DWT/ME1/2011 that explains the work contract for cutting the treesand the prohibition to use fire (implementing the zero burning principle).
- There is a recapitulation for mland clearing monthly report, which explains that in 2014, there was tree cuting activity in ME1 with the 145 Ha area.
- Based on observation and interview with fire controller at Block 41, Afdeling 6 monitoring tower, its known that in 2015, there was no fire in estate area and personnel were equipped with adequate communication tools and well functioning fire tower.

**Status: Fulfilled**

**5.6**

**Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.**

**indicator 5.6.1 major:**

The assessment of emission source in Mill remains the same with S1.

Estate unit has identified the emission source in estate, which covers: genset afdeling and estate, motorbike, light unit/ car, truck, farm tractor, electric welder, cooking activity, oxigent welder. Moreover, company has identified the source of anorganic waste in housing.

There is also an examination on emission source in estate and mill, such as:

Mill 2 PT DSN: There is a document from SUCCOFINDO on 18th September 2015 with reference number 0080/DIN-SHE-JKT/VII/2015 for air ambient examination, clean waterm river's water, plankton and benthos such as:

Examination on air ambient :

No	Parameters	Unit	NAB	Result from	
				Personnel mess in MII 2 PT DSN	Front office PKS 2 PT DIN
1	CO	Ug/nm3	30000	241.86	680.74
2	NO2	Ug/nm3	400	54.75	102.13
3	SO2	Ug/nm3	900	111.23	102.34
4	O2	Ug/nm3	235	<0.01	<0.01
5	Hydrocarbon (HC)	Ug/nm3	160	<0.01	<0.01
6	PM10	Ug/nm3	150	79.18	109.78
7	Dust	Ug/nm3	230	52	169
8	Lead	Ug/nm3	2	<0.01	<0.01

9	Dustfall	Ton/Km2/bulan	10	1.72	1.52
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Based on Decree No.41 in 1999 regarding the management of air pollution.

Plankton and benthos in the headstream and downstream of Wahau River of PT DAN, in October 2015 by Succofindo revealed that there was plankton in the headstream and downstream of Wahau River, but no benthos been identified.

Mill 2:

There is a document from SUCOFINDO on 18th September 2015 with reference number 0074/DSN-SHE-JKT/VII/2015 for the examination of generator's emission, boiler, noise, vibration, air ambient and smell, such as:

Smell:

No	Parameter	Unit	NAB	Area LA Mill 2 PT DSN	Local communities residence that close to LA Mill 2 PT DSN
1	Ammonia (NH3)	ppm	2	2	<0.01
2	Metil merkaptan (CH3SH)	ppm	0.002	0.002	Ttd
3	Hidrogen sulfide(H2S)	ppm	0.02	0.02	<0.01
4	Metil sulfide (CH3)SS	ppm	0.01	0.01	Ttd
5	Stirena (C6H5CHCH2)	ppm	0.1	0.1	Ttd

Based on Ministry of Environment Decree No.50/MENLH/11/1996

Vibration:

No	Location	Unit	Examination Result	Description
			A(<1)	Does not distracting
1	Panel Boiler	Mm/se	0,1000	Does not distracting
2	Machine room	Mm/sec	1,05 (B(1-7))	Does not distracting

Based on Ministry of Environment Decree Kep-49/MENLH/11/1996.

Kebisingan:

No	Location	Unit	Threshold		Result
			Min	Max	
1	Boiler area Mill 3 PT DSN	dBA	n/a	70	93.1
2	Generator area Mill 3 PT DSN	DbA	n/a	70	97
3	Nut plant area Mill 3 PT DSN	DbA	n/a	70	93.3
4	Clarification area Mill 3 PT DSN	DbA	n/a	70	85.6
5	Press area Mill 3 PT DSN	DbA	n/a	70	91.6
6	Tippler area Mill 3 PT DSN	DbA	n/a	70	91.5

7	Sterilizer area Mill 3 PT DSN	Db	n/a	70	89
8	Loading ramp area Mill 3 PT DSN	Db	n/a	70	85.5

Based on Ministry of Manpower and Transmigration Decree No.13/MEN/X/2011.

Based on field visit to Mill's operation, its known that personnel in each station have been equipped with adequate PPE, including earplug.

Generator emission 02 Mill 2 PT DSN such as:

No	Parameter	Unit	NAB	Generator emission result - 02 PKS 2	Generator-03 PKS 2
1	Ammonia	Mg/m3	0.5	<0.01	<0.01
2	Gas chlorine	Mg/m3	10	<1	<1
3	Hydrogen chloride	Mg/m3	5	<0.1	<0.1
4	Hydrogen fluoride	Mg/m3	10	<0.1	<0.1
5	Nitrogen dioxide	Mg/m3	1000	975	344
6	Opacity	%	35	20	15
7	Particulate	Mg/m3	350	102.6	39.03
8	Sulfur dioxide	Mg/m3	800	43	2
9	Hydrogen sulfide	Mg/m3	35	<0.01	<0.01
10	Mercury	Mg/m3	5	<0.0005	<0.0005
11	Arsenic	Mg/m3	8	<0.001	<0.001
12	Antimony	Mg/m3	8	<0.01	<0.01
13	Cadmium	Mg/m3	8	<0.001	<0.001
14	Zinc	Mg/m3	50	<0.05	<0.05
15	Lead	Mg/m3	12	<0.01	<0.01

Based on Ministry of Environment Decree No.13/MENLH/III/1995 regarding the standard quality for static emission.

Boiler emission on 21st September 2015 Mill 2 from PT Succofindo such as:

No.	Parameter	Unit	NAB	Boiler examination result- 01 Mill 2	Boiler examination result- 02 Mill 2
1	Particulate	Mg/m3	300	31.06	40.2
2	SO2	Mg/m3	600	10	26
3	NO2	Mg/m3	800	241	118
4	HCL	Mg/m3	5	<0.1	<0.1
5	CL2	Mg/m3	5	<1	<1
6	NH3	Mg/m3	1	<0.01	<0.01
7	HF	Mg/m3	8	<0.1	<0.1
8	Opacity	%	30	10	10

Based on Ministry of Environment Decree No.07/MEN-LH/I/2007 regarding the standard threshold for static emission source.

#### Indicator 5.6.2 major:

##### Mill 2:

Identification & mitigation program for emission GRK Mill, such as:

- Static emission source; generator room 955,153.68 kg CO<sub>2</sub> eq/th, energy efficiency program by reducing diesel fuel utilization and converting with fiber and bunches, followed by monitoring the energy efficiency.
- Dynamic emission source (smoke from vehicle) in mill's location, through greening activity by cultivating trembesi, sirsak and angkana tree, as well as to increase the collection of CO<sub>2</sub> gas, followed by monitoring the growth of the aforementioned vegetation.

- Emission source from dynamic source, such as CPO truck amount 399,569.50 through the efficiency of diesel fuel utilization and vehicle examination.
- Liquid emission source from IPAL Mill 2 amount 52,110.372 through the conversion of empty fruit bunches into compost (experimentation plan) in order to reduce the emission of methane gas. Based on field visit, the mill unit has prepared the location for composting, however the experiment has not been run because of the lack of empty fruit bunches.

**Mill 2:**

- Company presents the emission calculation result from Mill 2 in 2015 -15,260.423 kg CO<sub>2</sub> eq/th or 245,741.73 kg CO<sub>2</sub> eq/t CPO and -1,788,570.64 t CO<sub>2</sub> eq/t PK.
- Based on field visit in Mill 2 location and estate of PT DAN, it is known that the greening activities were using trembesi and angsa crop.
- Company is also recording the applied-liquid waste to field. nevertheless, company also conducted study on methane capture development.
- Estate Assistant, production supporting assistant, occupational and environmental health and safety assistant and mill head are in charge for the aforementioned program and monitoring.

**Estate :**

Monitoring over the mitigation of estate's green house gas emission program

No.	Emission Source	Location	Emission calculation Result	Program	Target	Implementation	Remarks
1	BBM	PUHUS 1	472,362 Kg CO <sub>2</sub> eq/kg FFB/year	Reducing generator operation hour in main from the first plan: 720 hours into 704 hours/ month	Reducing diesel fuel consumption from utilization target plan 3,796 liter/month	1,942 liter	Reducing green house gas
		Puhus 2	696,477 Kg CO <sub>2</sub> eq/kg FFB/year	Reducing generator operation hour in main from the first plan: 720 hours into 704 hours/ month	Average utilization of diesel fuel per month 4200 l	Average 1,946 liter/ month	Reducing green house gas
3	Pesticide	Puhus 1	24,258 Kg CO <sub>2</sub> eq/ha/th	The utilization of herbicide with a selective weeding	Pengurangan volume pestisida sebanyak 10% dari rencana pemakaian 2015 rata-rata per bulan 443 l/bulan	157 kg/ month	Reducing the broad of application area
		LK3	30,933 kg CO <sub>2</sub> eq/thn	Selective weeding	Pemakaian pestisida per bulan rata-rata	Rata-rata 235 kg/bulan	



					maksimal 352 kg/bulan		
Estate Head and Plantation Head approved the document.							
<b>Indicator 5.6.3 minor:</b> Calculation and monitoring over GRK emission was conducted by occupational and environment health and safety department. GRK calculation is using GHG calculator Revision 3, 2014. <b>However company could not present the evidence that GRK has been reported to RSPO secretariat. Subsequently, based on the aforementioned findings, there is non-compliance NCR No.2016.02.</b>							
5.6.3 minor		Status: non-compliance NCR No.2016.02.					
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>							
<b>6.1</b> <b>Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.</b>							
<b>Indicator 6.1.1 major:</b>  The management unit has environment impact assessment document for its estate development that covers an area of 10,000 ha as well as palm oil mill with capacity for about 60 ton FFB/Hours, which have been approved by Head of Environment Commission in Kutai Timur District with number: 1888.4.45/674/HK/X/2009 on 23rd October 2009. The document consists of environment management plan and environment monitoring plan, including social monitoring for developing the palm oil management.  Apart from that, the management unit has Social Impact Assessment (SIA) document that has been implemented by PT Daemeter Consulting in December 2011 that located in Bogor. The report explains company's impact on local communities, personnel and local government as well as positive and negative impact with an evidence of local communities' participation as well as the relevant stakeholder. The report describes local communities relocation, land clearing and handover, occupational health and safety, communities perception on the existence of company, communities health, work opportunity for local communities, the potential of social conflict, improvement approach, improvement on human resource capacity as well as empowering independent smallholder.							
<b>Indicator 6.1.2 major:</b>  In order to develop both documents, company involved local community by using <i>Indepth Interview</i> method, question and <i>Focus Discussion Group</i> . There are 7 sample villages, which are distributed within and around the management unit.  Based on 3 years work plan document, it is known that company does not have the replanting work plan for the current plantation is under the age for replanting.							
<b>Indicator 6.1.3 major:</b>  Company presents the work plan for social impact management and monitoring of PT DIN in 2015 and 2016, which was developed by Head of CSR that covers activity plan along with its time allocation, such as: land clearing and land preparation, accidental and health risk, local communities perception, communities health, work opportunity, marginalization of minor group, social conflict, livelihood improvement, capacity building for human resource, strengthening organization, behavioral change and environment change as well as the development of plasma plantation scheme. Moreover, social management program in 2016 will absorb cost for about IDR 1,482,287,950.							
<b>Indicator 6.1.4 minor:</b> Company through CSR department (Head of CSR Kaltim Wahau) has reviewed the social impact management program over company's existence as well as the monitoring by involving local communities participation in a form of quarterly, including the land preparation and land clearing and land preparation, accidental and health risk, local communities							

perception, communities health, work opportunity, marginalization of minor group, social conflict, livelihood improvement, capacity building for human resource, strengthening organization, behavioral change and environment change as well as the development of plasma plantation scheme. Subsequently, based on review on 4th and 6th January 2016, it can be concluded that company conducted a relevant social management activities.

**Indicator 6.1.5 minor:**

Based on company's SIA document, it is known that the entire plasma smallholder have been involved in SIA analysis. Moreover, based on document's review over the points of social impact management of PT DIN in 2011-2013 that has been developed on 6th January 2014 by CSR Kaltim Wahau Head and Monev & OM Head CSR, it is known that the document has been reviewed and focus on impact management that covers some aspects such as: land preparation and land clearing and land preparation, accidental and health risk, local communities perception, communities health, work opportunity, marginalization of minor group, social conflict, livelihood improvement, capacity building for human resource, strengthening organization, behavioral change and environment change as well as the development of plasma plantation scheme. Subsequently, it can be concluded that company conducted a relevant impact management activities.

<b>Status: Fulfilled</b>
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**6.2**

**There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.**

Based on audit finding on previous audit, company could demonstrate the available communication and consultation procedure as can be found in SOP number 0215B/SWA-CSR-WHU/VI 2012 related to communication and consultation.

SOP consists of the description on communication procedure to request information, complain submission or objections, conflict resolution mechanism, complain/ demands, land identification mechanism, calculation and disbursement of land compensation, reporting mechanism for violence act, advice and consultation procedure.

In general, the implementation of communication and consultation have been conducted by:

- Oral submission or written submission to company's contact person, which has been socialized.
- Responses should be granted within 3 work days (max)
- For conflict resolution, there will be a meeting conducted by both parties.
- Except for government agency, the involvement of third party should be based on pact
- Company protects the anonymity of reporter in case of legal violation

The development of the aforementioned mechanism has been conducted together with the affected-local communities on 7th June 2012. Each village was represented by 2 participant, such as head of village and traditional leader. List of villages, which agreed to the communication procedure such as: Behes Village, Dik Lay Village, Deabeq Village, Nehas Liah Bing Village, Muara Wahau Village and Miao Baru Village.

Company also appoints officer in charge to manage social issue in PT. DAN, which is under the Corporate Social Responsibility & Environment Division with below organization:

**Officer in charge in Head Office:**

- CSR Head HO: Petrus Loekito
- CSR Planning and review: Bodie Wibowo
- CSR Operation Group Head: Rekso Pramono

**Officer in charge in the field (Muara Wahau) PT. DAN:**

- CSR Wahau – Kaltim: Kokok Budianto
- Relation & Partnership: Maradu Panjaitan, Taufik, W. Omat, Pandu SW, Damas
- Com. Development & Entrepreneurship: N. Yordan, Dahlia, Ratna S, Rahayu, Ramli Junaini, Ismail Adi, Paulus M. Kristianto
- Monev & Office management: Ignatius Sunandar, Pia Alfia,

- Community infrastructure: Suryansyah

There is sufficient and clear *job description* for each position and responsible party. Moreover, company implements the one door system for communication with local community. Social issues related to estate operation is handled by CSR division and environment. Person incharge for communication has been equipped with phone number and complete address and beed distributed in each affected-village.

Company has a latest list of stakeholder, which was issued on 12th January 2016. The list is completed with address and contact number (mobile phone) of stakeholder. Detail of stakholder's data such as:

1. Benhes Village with 16 stakeholders, which consists of Head of village, village secretary, Wehea Besar traditional leader, traditional leader, head of BPD, community leader, head of KSU SWTS, head of KSU MSL
2. Diak Lay village with 13 stakeholders, which consists of Head of village, village secretary, traditional leader, head of BPD, community leader, head of KSU Gerdabang Agri Centre
3. Dabeq Village with 15 stakeholders, which consist of Head of village, village secretary, traditional leader, head of BPD, community leader, head of KSU Min Bea Giang Mandiri
4. Muara Wahau Village with 16 stakeholders, which consist of Head of village, village secretary, traditional leader Besar Kutai, traditional leader, head of BPD, community leader, head of KSU Karya Etam, head of KSU Generasi Pemuda Wahau, head of Benua Etam laour, head of KSU Wahau Sehati, head of KSU Harapan Baru (at interm).
5. Nehes Liah Bing Village with 18 stakeholders, which consist of Head of village, village secretary, traditional leader (Led Ji Taq), traditional secretary, head of BPD, BPD's members, community leader, head of KSU Usaha Baru, head of KSU Kombeng Lestari, head of KSU Kolean Blom Kejah, and Jagawana/Petqui Mehui.
6. Jabdan Subvillage with 11 stakeholders, which consist of Head of Subvillage, BPD's members, community leader, head of KSU Jabdan Bersatu
7. Long Bau Subvillage with 11 stakeholders, which consist of Head of Subvillage, community leader, head of KSU SUTS.
8. Miao Baru Village with 17 stakeholders, which consist of Head of village, traditional leader, Head of BPD at interm, community leader, head of KSU SSB, head of KSU Karya Sejahtera, head of KSU Lai Sejahtera.
9. SP with 6 stakeholders, which consist of Head of Wanasari Village/ SP 1 Wahau, Head of Wahau Baru Village/ SP 2 Wahau, Head of Makmur Jaya Village/ SP 3 Wahau, Head of Suka Maju Village/ SP 4 Wahau, and Head of Karya Bhakti / SP 1 Pantun Village.
10. Muspika with 6 stakeholders, which consist of Head Police office in Muara Wahau Sector, Head of Armi in Muara Wahau Sector, Head of Wahau Sub-district, Head of Kongbeng Sub-district, Secretary of Muara Wahau and Komben Sub-district.
11. Head of personnel union/ worker union in PT DSN and DSN for about 9 stakeholders
12. The Nature Conservancy/TNC (desa Nehas Liah Bing) dan Restorasi orang utan (Desa Diak Lay)

**Status:**

### 6.3

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

Company has a communication and consultation system, which has been documented on SOP No. 0215B/SWA-CSR-WHU/VI 2012. This document explains and regulates the mechanis for communication with local community or NGO and organization, including complain submission and objection submission.

The development of this mechanism was conducted by using a participatory process, which involving the affected communities on 7th June 2012. Each village was represented by 2 participants, which consist of Head of Village and Head of traditional leader. Villages who agree on the communication procedure are Behes Village, Dik Lay Village, Deabeq Village, Nehas Liah Bing Village, Muara Wahau Village and Miao Baru Village.

Moreover, company also has a complain mechanism, such as procedure number SOP-AGR-054-ROO. The objective of this SOP is to ensure the entire personnel receive proper treatment based on company's regulation as well as the application legal regulation and reducing dissatisfaction and injustice among personnel.

**Status: Fulfilled**

**6.4**

**Any negotiations concerning compensation for loss of legal or customary 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.**

Company has identification, calculation and compensation for land release mechanism, which are stated in SOP for communication and consultation number 0215B/SWA-CSR-WHU/VI/2012. This procedure explains some stages, such as:

1. Land identification by collective measuring with local communities by using measurement tools, subsequently verification over land legality will be based on the measurement result.
2. Calculation of land compensation is calculated based on company's agreement with land owner, which is inline with the appropriateness.
3. Compensation for the vegetation will be based on the applicable government's regulation.
4. Compensation will be disbursed after the agreement being reach and minutes of meeting issuance.
5. In case there is no agreement, hence it will requires mediation from the third party and if the agreement still cannot be reached, then the case will be proceeded to court law.

Based on document review in PT. DAN, field verification and public consultation, its known that there was no land compensation for local communities for the HGU of PT. DAN. The entire HGU area came from forest area (Ex production forest) that has been released by Ministry of Forestry through Decree number SK.129/MENHUT-II/05, on 23<sup>rd</sup> May 2005, with a broad for about 10,867 Ha.

<b>Status: Fulfilled</b>
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**6.5**

**Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.**

PT DSN and PT DIN pay their personnel salary based on the applicable regulation, such as Governor decree and Company's decree. Moreover, company could present documents related to salary for personnel, such as:

- Head of Manpower and Transmigration Decree No 561/20137/HIJ on 23<sup>rd</sup> December 2014 regarding to Kaltim governor decree number: 561/K.776/2014 on 1<sup>st</sup> December 2014, which states that the minimum wage for Kutai Timur District is IDR 2,117,500 that valid since 1<sup>st</sup> January 2015
- Company's decree over the revision of minimum wage number 014/DIR/I/2015 on 2<sup>nd</sup> January 2015, which revise the minimum wage into IDR 2,117,500 along with rice allowance for about 0.5 kg per day based on attendance. Moreover, daily wage becomes IDR 84,700 per day.

During the audit, Kaltim governor has issued decree number 561/K.773/2015 regarding to minimum wage for Kutai Timur District for period 2016, which becomes IDR 2,276,312 that valid since 1<sup>st</sup> January 2016. Based on government decree, subsequently company issued Decree No. 002/DSN/HCO/I/2016 regarding the revision for SKU salary becomes IDR 2,276,315. Moreover, company stated that this decree is under ratification process. The implementation of the decree will be conducted in January 2016. Based on document's review, list of personnel salary in 2015 revealed that company has paid its personnel salary based on the applicable regulation. List of personnel salary, for instance salary payment in December 2015 informs the work location, name, personnel number, grade, income (salary, overtime, allowance, incentive and total salary), deduction (manpower social insurance, manpower health insurance, tax, total deduction), and total paid and personnel signature.

Company presents sample of salary receipt for employee number 0008115 from maintenance division, for period Dec 2015. The receipt consists of detail income and deduction. Moreover, company has paid the salary based on the applicable regulation.

During the audit, auditor interviews personnel randomly. For instance spraying personnel and harvesting personnel (Pu1 and Pu2) mentioned that personnel receive salary based on the applicable regulation. Moreover payment disbursement is on time based on company's regulation and work agreement. Overtime payment and allowance have been inline with national regulation and company's policy.

Manpower regulation and agreement describe the payment and work condition, which have been stated in company's

regulation (PP) PT DAN and PT DSN for period 2015-2017 that has been approved by Ministry of Manpower, directorate general PHI JSK. The regulation has been approved by decree No.KEP.714/PHIJSK-PKKAD/VI/2015 on 19<sup>th</sup> June 2015. The document explains various information, such as:

- Recruitment, placement, transfer and work promotion.
- Regulation (working hours, confidentiality, responsibility, discipline/ penalty and protection against sexual harassment)
- Payment (system and salary review/ position, overtime, sick allowance and scorching cost)
- Social insurance and personnel welfare (manpower social insurance, medical insurance, hospitalized insurance, duty travel, married allowance, grievance allowance, PPE, women and child protection, cooperative)
- Holiday, leave and permit to leave work
- Education and training
- Personnel relationship and termination.

Socialization of government regulation to personnel was conducted on 24<sup>th</sup> November 2015 with total 43 participants. There is an agreement with SP Mandiri PT DAN, PT DIN and PT DSN on 8<sup>th</sup> September 2015. The document states that SPM PT DAN, PT DIN and PT DSN acknowledge that the current regulation is still relevant and has accommodated personnel' interest and there is no discrepancy with manpower law.

Apart from company's regulation, there is also work agreement/ personnel contract, which explains work condition, both parties entitlement and responsibility. The working contract can be divided into:

- Work agreement with personnel contract, for instance work agreement No 104/DAN/PU2/IX/2014
- Decree for personnel promotion, for instance No 007/SK/HRD-DAN/PU2/IX/2014 on 21<sup>st</sup> September 2015.
- Work agreement AKAD, for instance mutual work agreement No. 072?SPK-AKAD-DAN/SMD/2015

Company provides public facilities and infrastructure in order to improve personnel' wellbeing. Moreover company can present list of facilities and infrastructures in PT DAN and Mill 2, such as:

- Housing G10: 91 units
- Housing type 70/72: 28 units
- Housing type 120: 3 units
- Generator hut 17 units
- Mosque 3 units
- Church 1 unit
- Polyclinic 3 units
- Elementary school 3 units
- Volley field 4 units
- Badminton field 3 units
- Soccer field 1 unit
- Futsal field 3 units
- Clean water supply from company which can be transported for about 12,000 liter/afdeling/day
- TPA 1 unit/afdeling

Based on field observation and interview with personnel, its known that company has provided facilities to improve personnel wellbeing. Moreover there is no objection or complain from personnel related to company's facilities.

In order to monitor and improve personnel access to adequate food supply with reasonable price, company has provided and facilitated personnel central cooperative, named Mandiri Sejahtera Cooperative. This cooperative provides staple food for personnel.

Besides, company has provided transportation per month per unit for personnel procurement activity. Company can present the utilization report as below:

- LPU (unit utilization report) Pu1 for procuring staple food. For instance on 27<sup>th</sup> Dec 2015 with police unit number KT7403OB
- LPU Pu2 for instance on 27<sup>th</sup> Dec 2015 by using unit No B-09 to SP4.



	<b>Status: Fulfilled</b>	
<p><b>6.6</b>  <b>The employer respects the right 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.</b></p> <p>PT DAN and PT DSN regulation for period 2015-2017 has been approved by Ministry of Manpower, directorate general PHI JSK, with decree No.KEP.714/PHIJSK-PKKAD/VI/2015 (PT DSN) on 19<sup>th</sup> June 2015 which highlights the freedom to join and establish organization. This document is published in bahasa version, which can be understood by the entire personnel. The statement mentions in article 4 point (g) that personnel are entitle to establish organization and become a member and or leader of the organization based on the applicable regulation.</p> <p>During the audit, the Mandiri worker union (SPM) has been established, which become the place to hear personnel aspiration. There is a registration document of SPM to Manpower and Transmigration Agency:</p> <ul style="list-style-type: none"> <li>- SPM DSN registration No 07/02/SP-SB/Nakertrans-HIJ/I/2013 on 30<sup>th</sup> June 2013</li> <li>- SPM PT DAN registration No: 06/02/SP-SB/Nakertrans-HIJ/I/2013 on 30<sup>th</sup> Feb 2013, with total 1102 members.</li> </ul> <p>Based on interview with worker union, it is known that company grants freedom to establish and join union for its entire personnel. Moreover company supports and facilitates the entire SPM's activity.</p> <p>Meeting record and document in worker union internal unit has been well stored and archived. Based on interview with the board of (head) SPM PT DAN and Mill 2 it is known that meeting was conducted based on need when there was an issue or complain on manpower. Company presents minutes of SPM meeting, for instance on 19<sup>th</sup> December 2015, which describes:</p> <ul style="list-style-type: none"> <li>- Socialization on hygiene, security and work safety (article 7 of company's regulation)</li> <li>- Awareness rising and discussion on women and children protection (article 26)</li> <li>- There was no complaint from personnel for period November – December that has been reported to SPM.</li> </ul>		
	<b>Status: Fulfilled</b>	
<p><b>6.7</b>  <b>Children are not employed or exploited.</b></p> <p>Requirement of minimum age is stated on company's decree (PP) of PT DAN and PT DSN for period 2015-2017 article 5 Point b.2, which states that minimum age for recruitment is 18 years.</p> <p>The implementation of policy that related to minimum age has been verified through list of personnel for period January 2016. The document informs personnel name, number, position, company, recruitment date, office location, personnel' status and date of birth. Based on document's review its known that company does not recruit personnel under the age of 18 years old.</p> <p>Based on field observation at estate operation area, for instance on spraying and processing activity in Mill 2, its known that the entire personnel are above 18 years old, which is inline with minimum age requirement. Moreover personnel stated that company was very careful on candidate age during the recruitment process and company ensures that candidates had had their national identity card and birth certificate.</p>		
	<b>Status: Fulfilled</b>	
<p><b>6.8</b>  <b>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</b></p> <p>Company has developed and implemented its commitment related to human right. This commitment is stated in quality guideline for DSN Group, document number PDM-AGR-R04, which has been issued on 1<sup>st</sup> May 2015 by Executive Director SBU Agro I. Clause 10.2 highlights that DSN Group SBU Agro I does not tolerate discrimination act toward personnel based on their religion, ethnicity, gender, and origin. The entire personnel have been treated equally and just.</p> <p>Interview with personnel and company's SPM revealed that company's commitment and policy over equal opportunity and anti-discrimination have been well implemented. Moreover, personnel state that company does not discriminate</p>		

personnel and company gives equal promotion opportunity based on personnel qualification.

Based on document's review over list of personnel in Mill 2 and PT DAN period January 2016, its known that there was no indication of discrimination toward personnel based on their religion, ethnicity, gender, and origin. The entire personnel have been treated equally and just.

Interview with personnel and company's SPM revealed that company's commitment and policy over equal opportunity and anti-discrimination have been well implemented. Moreover, personnel state that company does not discriminate personnel and company gives equal promotion opportunity based on personnel qualification.

Personnel selection and recruitment process is described in SOP for recruitment, with document number SOP-AGR-012-R02, which was issued on 1<sup>st</sup> January 2015. The document has been signed and approved by Operation audit & management system head and executive Director SBU Agro I. the document explains that the entire recruited-personnel (in Jakarta office / representative office, local site recruitment and AKAD) were recruitment based on administrative requirement based on selection process (administrative and interview) and completed the process with information letter that states that candidate is fir to work. Based on selection result, hence candidate will be places in appropriate work unit based on their skill and competency.

Promotion process has been explained on document number SOP-AGR-017-R00 that has been issued on 15<sup>th</sup> February 2015. Promotion should be based on company's need and vacant position. Moreover the entire personnel who have qualification position will be periodically evaluated based on competency gap evaluation.

Sample of the implementation such as promotion decree number 053/DSN/SK-PRO/PKS2/X/2015 for personnel number 0031368 from warehouse crew into warehouse clerk, issued on 16<sup>th</sup> October 2015. Moreover, company also attaches personnel performance appraisal, which has been appraised by his immediate supervisor and learning center department as well as the competency gap assessment by HRD.

Interview with personnel by using sampling method revealed that recruitment has been conducted based on company's regulation and the entire personnel have been selected and placed base don their skill and qualification. Moreover company had announced vacant position transparently in village information board as well as on internet.

**Status: Fulfilled**

## 6.9

### **There is no harassment or abuse in the work place, and reproductive rights are protected.**

Company's commitment and policy related to sexual harassment and abuse prevention has been stated on company's policy in PT DAN and PT DSN for period 2015-2017 articles 12. The policy states that personnel are entitle to get protection against sexual harassment in work place.

In order to implement this policy, company has established gender committee, which became the place to collect aspiration from victim. Gender committee activities in PT DAN and Mill 2, such as:

- Policy meeting and socialization for gender committee and manpower in Pu1, Pu2 and Pu3 on 18<sup>th</sup> December 2015, with total 19 participants.
- Meeting to discuss complain from personnel of PT DSN, has been conducted on 17<sup>th</sup> April 2015, with total 12 participants.

Based on interview with personnel, its known that personnel understanding on sexual harassment are adequate. Moreover personnel could explain the mechanism for complain submission and sexual harassment report procedure. Personnel have understand that the existence of gender committee as a medium to collect and submit personnel aspiration especially on female related issue.

Company's commitment toward reproductive health protection has been stated in Memorandum from HRA Dept No. 010/HRA/VII/2011 on 12<sup>th</sup> July 2011, which highlight that company consider work risk on pregnant and lactating female personnel by prohibit them to work with chemical and heavy work. Moreover, company also monitors pregnant and lactating female personnel by providing paramedics.

Company's commitment over this issue can be traced into H1 and H2 monitoring (menstrual and pregnant leave). PU1 and PU2 can preset the H1 and H2 monitoring book, for instance for period November and December 2015. There is recommendation sample for periodic medical examination for spraying operator No. 002/Pu2/IM/X/2015 on 27<sup>th</sup> October 2015 where there are 2 pregnant personnel whom being prohibited to work with chemical material. Moreover, personnel understanding over the reproductive protection policy are adequate and sufficient based on interview result. For instance spraying personnel PU1 and Pu2 could explain maternity and menstrual leave as well as the prohibition for pregnant and lactating personnel to work with chemical material and perform heavy work.

Complaint mechanism related to prevention of harassment and abuse toward women. The diagram flow for reporting is starting from victim's report to gender committee, hence gender committee records the report in form FM-STD5-52-Rxx, gender committee thus clarifies with the alleged-perpetrator/ immediate supervisor of perpetrator for clarification, gender committee evaluates the case, if the alleged-perpetrator is proved to be guilty, subsequently gender committee will make a report to PGS, PGS settles the case and issues penalty, HRD dept Head gives sanction to perpetrator.

Apart from the aforementioned findings, company also has SOP for complaint management, document number SOP-AGR-054-R01 on 12<sup>th</sup> October 2015 explains the mechanism and diagram flow of manpower complain management. In general term, point 5 states that the identity of reporter should be protected. Moreover based on interview, its known that personnel understand the complain mechanism and company has a mechanism for complaint, which protecting the identity of reporter.

<b>Status: Fulfilled</b>
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#### 6.10

#### **Growers and mills deal fairly and transparently with smallholders and other local businesses.**

##### **Indicator 6.10.1 minor:**

Based on information from estate personnel, its known taht starting from April in 2015, where Mill 3 received the las fruit from third party in May 2015. This is based on memorandum from Mr. Bowo states that Mill 3 will implement the IP supply chain system. Based on memorandum number 0041/MS/V/2015 from Management Representatif on 13th May 2015, its known taht Mill 2 and Mill 3 accept non-certified FFB from partner estate and PT KPS estate starting from 18th May 2015.

##### **Indicator 6.10.2 minor:**

Based on information from company's staff, the partnership FFB price is based on the price from Provincial Plantation Agency. However start from June 2015, FFB from third party will be sent to Mill 1.

##### **Indicator 6.10.3 minor:**

Company present the sample of work appointment number 006/DSN/PKS2/2015 on 2nd January 2015 regarding the proficiency of dump truck between PT DSN and serba usaha Persatuan Benua Etam Cooperative, which valid from 2nd January – 30th June 2015.

##### **Indicator 6.10.4 minor:**

Company presents the sample of payment document to serba usaha Benua Etam Cooperation on 1st January 2015. The payment has been conducted based on payment submission from cooperative.

<b>Status: Fulfilled</b>
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#### 6.11

#### **Growers and millers contribute to local sustainable development wherever appropriate.**

##### **Indicator 6.11.1 minor:**

Based on the available data and report, the economic empowerment for period January – July 2015 was good.

Moreover, company through its CSR department presents the implementation document in 2015, such as:

- Economic transaction value in 2015 through FFB's transportation rent, light unit rent and dump truck as well as the establishment of building G10 logistic, FT rent and backhoe loader.

- Minutes of handover on 5th July 2015 for road maintenance in muara wahau village with a length for about 7500 m, broad 6 m.
- Minutes of handover on 10th August 2015 for soccer field renovation.
- Documentation of annual meeting of KSU Kel'ean Blom Kejah cooperative member in Nehas Liah Bing village on 27th May 2015, which has been attended by partner member and company's representatives.
- Documentation of supporting activity for KSU HB board on developing RAT on 1st September 2015.
- Documentation of socialization on palm oil cultivation with farmer group in Muara Wahau Village and KSU HB on 5th September 2015 that was attended by 22 participants.

Based on consultation result with local communities representatives surround company's operation area, audit team collected positive feedback over the on-going social program.

**Indicator 6.11.2 minor:**

As stated in criteria 6.10, since May 2015, Mill 2 does not receive FFB from partnership scheme and external sources. FFB from partnership will be relocated to Mill 1.

However, company still performs empowering activity for partnership plantation scheme, which can be seen from document, such as:

- Report on 31st September 2014 for comparative study on partnership cooperative DSN Group to PT Hindoli Cargill Lilin River, Sumsel which was conducted on 22nd-28th October 2013.
- Need assessment and capacity building training report for KSU Mitra DSN Group on 27th September – 2nd October 2014.
- Documentation of socialization on tax consultant assistance activity on 27th November 2015 in CSR office with 17 participants from cooperative and company.
- Documentation of socialization activity on the development of national palm oil plantation on 25th August 2015 which was attended by CSR team, and representative from cooperative for about 54 participants and discuss the development of CPO price and strategy for managing plantation with partnership scheme.
- Documentation of socialization activity on DSN award for highly performance cooperative on 28th April 2015, which was attended by 57 participants from company and representative from partner estate.
- Documentation of empowerment report on medical issue for period January - December 2015, which covers some villages, such as: Benhes, Diaklay, Dabeq, Wahau, Jabdan, Long Bau, Neh Liah Bing, Miao Baru and Long Sep.

**Status: Fulfilled**

**6.12**

**No forms of forced or trafficked labour are used.**

Company does not hire illegal personnel and trafficked or force labor. The entire personnel have work agreement with company, who come from local or other regions (AKAD). The work agreement is agreed and signed by both parties. Company can present the agreement letter, for instance:

- Work agreement with contract personnel, for instance work agreement number 104/DAN/PU2/IX/2014 that informs work location, duration, entitlements and responsibilities, working time, salary, insurance, leave, facilities, penalties, termination mechanism and procedure when personnel passed away.
- Promotion decree, for instance 007/SK/HRD-DAN/PU2/IX/2014 on 21st September 2015 highlights the name of personnel, personnel number, position, and personnel status.
- Work agreement AKAD, for instance SPKK No. 072?SPK-AKAD-DAN/SMD/2015 highlights regulation related to company and personnel responsibilities. Some highlighted points, such as: status and contract duration, transportation for departure and arrival, policy for contract extension, promotion procedure to become a permanent staff, working hours, salary, facility, allowance for religion commemoration, insurance, leave, penalties, abuse as well as termination mechanism.

Based on interview with personnel and consultation with Manpower and Transmigration Agency in Kutai Timur District, its known that the entire personnel who are working in DSN Group are legal labor. Moreover, company is periodically reporting its manpower status to Manpower and Transmigration Agency every year in a form of manpower mandatory report. For instance manpower report for period from 4<sup>th</sup> Jan 2016 – 4<sup>th</sup> Jan 2017 with registration number 0163/01134/wasnaker/I/2016 (PT DAN) and 047/36999/wasnaker/I/2016 (PT DSN), with total personnel is inline with the current list of actual personnel in PT DSN and PT DAN.

Interview with HRD (personalia) staff highlights that during the recruitment; company had explained the detail of work description to personnel. Once there is an agreement and selection process has been done, hence company will issue decree/work agreement for personnel and both parties will sign the document.

Based on interview with personnel in the field, its known that the explained work description during recruitment is inline with the actual work in the field. Moreover, the work description is mentioned in work agreement/ decree.

During the audit, company used temporary contractual personnel. Company has set a special manpower policy and its procedure, which has been implemented. A special policy and procedure are stated on the work agreement of staff, for instance work agreement number 072/SPK-AKAD-DAN/SMD/2015. The document explains policy related to responsibilities and entitlement for personnel. The described information such as: contract status and duration, transportation for departure and arrival, the procedure for contract extension and promotion to be a permanent staff, working hours, salary, facilities, religious commemoration allowance, insurance, leave, penalties, miss conduct and termination procedure. Directorate General of manpower empowering and placement issued the permit for PT DAN to hire temporary contractual personnel, based on decree No. B2298/PPTK-TKDN/XI/2014 on 11<sup>th</sup> November 2014 regarding the approval to hire temporary contractual personnel in PT DAN, which valid for a year. The document explains the legal number of temporary contractual personnel and PT DAN's responsibilities, for instance: wage disbursement should be base don the applicable regulation, personnel departure and arrival should use a appropriate transportation mode, company does not take any other cost, company provides orientation before departure and reports the placement of personnel to related agencies (Ministry of Manpower/ Manpower Agency). During the audit, company is registering the placement permit for period 11<sup>th</sup> Nov 2015-10<sup>th</sup> Nov 2016, which still under the process in Manpower and Transmigration Agency in Kutim. There is an approval request letter to recruit and bring temporary contractual personnel from Manpower and Transmigration Agency Prov Kaltim to *Dirjenbinapentasker*-Ministry of Manpower and Transmigration RI on 31<sup>st</sup> December 2015 No.562/4264/PTK/DTKT/2015. The document explains that Provincial Manpower and Transmigration Agency recommends the hiring of temporary contractual personnel by DSN group (PT DAN and PT DIN) and requests the *Dirjenbinapentasker* to issues the SPP TKAKAD for PT DSN Group.

<b>Status: Fulfilled</b>
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### 6.13

#### Growers and millers respect human rights

Company has drafted and set a commitment related to human right. This commitment is stated in quality guideline of DSN Group, with document number PDM-AGR-R04, which was issued on 1<sup>st</sup> May 2015 that has been approved by Executive Director SBU Agro I. Clause 10.2 states that DSN Group SBU Agro I respect human right as demanded by the applicable law. Moreover, company has socialized related human right policy to its personnel. The socialization evidence can be seen on minutes of socialization and attendance sheet, for instance socialization on 3<sup>rd</sup> December 2015 for Pu2 with total 13 participants and Pu1 on 1<sup>st</sup> December 2015 with total 14 participants.

<b>Status: Fulfilled</b>
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### PRINCIPLE #7 Responsible development of new plantings

#### 7.1

**A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

**Indicator 7.1.1 major: similar to S1.** Refers to criteria 6.1.

**Indicator 7.1.2 minor: similar to S1.** Refers to indicator 5.1.3 regarding the review over two-year environment



management and monitoring document, with a conclusion that until 2016, company does not need to change its environment management and monitoring aspect, since the entire environment management and monitoring aspect have been set in environment management and monitoring document and are still relevant. Moreover company is periodically reporting its environment management and monitoring report.

**Indicator 7.1.3 minor: similar to S1.** Refers to indicator minor 6.1.5 related to review on two-year SIA. Based on review over SIA documents, its known that partnership plantation scheme is part of company's priodic program along with its impact.

**Status:**

## 7.2

**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.**

### 7.2.1

Based on review on semi detail soil survey report from research department of PT DAN (No.R&E.SVY.0002-11-12) in 2012, there is a land class suitability map. Study ever the map reveals infomration about the topography, type of soil, soil distribution, status of organic material in the soil and climate. Soil analysis result in PT DAN consists of soil distribution over soil class S2 for about 8,233 Ha (91%) and S3 for about 767 Ha (9%). Based on the study, the entire area in PT DAN is suitable for palm oil cultivation.

### 7.2.2

Based on interview result with estate staff, its known that estate has been developed by considering the topography, drainage, road and infrastructure to support the environemnt impact study in 2000 over an area of 10,000 Ha and based on soil analysis, sloping level of PT DIN's area is categorized as flat to wave area (0 – 24%).

Land class map with scale 1: 100.000, which was issued by PT DAN reveales that company constructs roads such as national road, district road, and estate road. In addition, there is also infrastructure such as emplacement and other facilities and infrastructures.

**Indicator 7.1.1 major: similar to S1.** Refers to criteria 6.1.

**Indicator 7.1.2 minor: similar to S1.** Refers to indicator 5.1.3 regarding the review over two-year environment management and monitoring document, with a conclusion that until 2016, company does not need to change its environment management and monitoring aspect, since the entire environment management and monitoring aspect have been set in environment management and monitoring document and are still relevant. Moreover company is periodically reporting its environment management and monitoring report.

**Indicator 7.1.3 minor: similar to S1.** Refers to indicator minor 6.1.5 related to review on two-year SIA. Based on review over SIA documents, its known that partnership plantation scheme is part of company's priodic program along with its impact.

**Status:**

## 7.3

**New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.**

Similar to the previous audit ASA-01 explanation, company has the HCV management program in PT. DAN, which was drafted in 2012 based on HCV identification result. HCV management program states description, such as: HCV location, risks, management's objective, management's reccomendations, monitoring reccomendations and management activities plan.

Outline of HCV management plan such as:

- Periodic socialization every year
- Forest security patrol
- Inventory and monitoring of wildlife in HCV 1.3 every 6 months

- Rehabilitation of HCV area, which has been degraded as well as the management of invasive species (resam).
- Installation/ maintenance of boundary stake in HCV area every 6 months
- Monitoring the quality of river's water condition every 6 months
- Fertilization and prohibition to spray in riparian area in order to reduce pollution into river.

Implementation record over the available HCV management plan, such as:

- The implemetation of socialization (refers to indicator 5.2.4 and 5.2.5)
- Inventoring wildlife and natural vegetation in a form of wildlife and natural vegetation monitoring
- Observation on the quality of river's water
- Installation of signboard and prohibtio board, such as: prohibition of pesticide application, boundary of riparian area and conservatona area
- Enrichment/ rehabilitation of conservation area with hardwood crop especially with meranti crop
- Patrol in HCV area.

In order to identify the existance of primer forest and an open HCV area between 005 and 2008, company has conducted *Land Use Change Analysis* for PT. DAN in 2014 through collaboration with Forestry Faculty of Bogor Agriculture Institute.

Land use change analysis is conducted by using data saource from landsat image for period 2005, 2007, and in 2008. The analysis result indicates that PT. DAN's estate area, which was cleared from 2005 to 2008 was entireley came from forest area with forest production for conversion status with bush type, open area and shrubbery.

Coefficient of vegetation for the cleared-area, such as:

- Clearing for the first period with "0" in 5,394.33 hektar
- Clearing for the first period with vegetation coefficient "0.7" in 138.24 hektar,
- Clearing for the first period with coefficient "0" in 1,444.06 hektar.
- Clearing period with coefficient "0" in 64.93 hektar.

Summary over the analysis results indicates that there was no primary forest area or HCV, which was converted into plantation since 2005. Liabiliy disclosure for HGU area of PT. DAN has been developed and submitted to RSPO secretariat on 23rd April 2015 based on the availabele evidence, which is email submission.

HCV identification and analysis have beend conducted thorough an adequate public consultation. Public consultation process was conducted during the development of HCV and socialization of HCV identification result and protection on wildlife and natural vegetation, such as:

- 4<sup>th</sup> October 2014: to tradition adat Nehas Liah Bing foundation, which was followed by 12 participants. Implementation report, attendance sheet and documentation of the activity are available.
- 24<sup>th</sup> November 2014: to tradition adat Nehas Liah Bing foundation, which was followed by 9 participants. Implementation report, attendance sheet and documentation of the activity are available.
- 10<sup>th</sup> December 2014: to tradition adat Nehas Liah Bing foundation, which was followed by 15 participants. Implementation report, attendance sheet and documentation of the activity are available.
- Documentation on HCV socialization, which was informally conducted. For instance on 28<sup>th</sup> Feb 2014; 16<sup>th</sup> January 2014 and 14<sup>th</sup> July 2014.

The beggining date of land clearing is recored by each estate in *land clearing* development data and the utilization of heavy equipment for land clearing activity. In PT. DAN, the beggining of cultivation was conducted in January 2005 at Block G 32 and G 33.

Based on HCV identification result, company has drafted HCV management program in for PT. DAN, which was drafted by conservation staff in PT. DAN in 2012. The HCV management plance states information, such as: HCV location, risk, the objective of management, management reccomendation, monitoring reccomendation, management activity plan.

Inline with the previous indicator 2.3.1 explanation, there is no HCV area needed to fulfil local community's basic need. The entire PT. DAN area comes from ex production forestof PT. DSN, which has been released by Ministry of Forestry. Subsequently, company does not pay any compensation because there was no local communities planation within the

area.

HCV identification and analysis document indicates that the entire HCV area is located in HGU and there is no overlapping with local communities right. In order to ensure this finding, company has conducted HCV socialization and protection of wildlife and natural vegetation for local communities. Confirmation about this finding is collected during public consultation on 12th January 2016 which highlights that there was no overlapping area between local communities land and company's HGU area, including the HCV area.

**Status: Fulfilled**

#### 7.4

**Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.**

Based on review on semi detail soil survey from research department in PT DAN (No.R&E.SVY.0002-11-12) in 2012 and field observation in operation area, it's known that there is no peat area, but dominated by clay and sandy texture. Moreover, the entire area within company's operation is categorized into USDA sub-group, such as Typic Kanhapludults, Typic Kandiodults, Plinthic Kandiodut, Aquic Udifluvents and Typic Fragiorhods, which is the land with clay and sandy texture.

**Status: Fulfilled**

#### 7.5

**No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

As an estate area of PT DAN. Seluruh areal area of PT. DAN came from ex production forest HPH (land status was HPK), which has been released by Ministry of Forestry. Subsequently, company does not compensate the area because there is no local communities plantation within company's area.

HCV identification and analysis have been conducted through an adequate public consultation. Public consultation process was conducted during the development of HCV and socialization of HCV identification result and protection on wildlife and natural vegetation, such as:

- 4<sup>th</sup> October 2014: to tradition adat Nehas Liah Bing foundation, which was followed by 12 participants. Implementation report, attendance sheet and documentation of the activity are available.
- 24<sup>th</sup> November 2014: to tradition adat Nehas Liah Bing foundation, which was followed by 9 participants. Implementation report, attendance sheet and documentation of the activity are available.
- 10<sup>th</sup> December 2014: to tradition adat Nehas Liah Bing foundation, which was followed by 15 participants. Implementation report, attendance sheet and documentation of the activity are available.
- Documentation on HCV socialization, which was informally conducted. For instance on 28<sup>th</sup> Feb 2014; 16<sup>th</sup> January 2014 and 14<sup>th</sup> July 2014.

Confirmation regarding the aforementioned findings were collected during public consultation on 12th January 2016, which indicates that there is no overlapping between local communities and company's HGU area, including the HCV area.

**Status: Fulfilled**

#### 7.6

**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 free, prior and informed consent and negotiated agreements.**

Refers to Social Impact Assessment (SIA) and public consultation with National Land Agency in Kutai Timur District and local community, it's known that there is no traditional right within the operation of PT DSN and PT DAN. In the beginning of estate clearing, there was no compensation because the entire area comes from forest area (ex HPH), which has been released by Ministry of Forestry through decree number SK.129/MENHUT-II/05, on 23<sup>rd</sup> May 2005, with a broad of: 10,867 Ha.

Confirmation over the aforementioned findings comes from:

- Public consultation with local communities (Benhes and Muara Wahau Village) which states that there is no traditional right being converted to company's area from land clearing to audit ASA-02.
- Public consultation with National Land Agency of Kutai Timur District with local communities surround estate confirms that there is no conflict between PT DAN and local communities.

However, the procedure to calculate and distribute a just compensation has been stated in SOP number 0215B/SWA-CSR-WHU/VI/2012 on 7<sup>th</sup> June 2012 that has been signed by village representative and housing representative. The attachment 2 SOP explains the identification mechanism, calculation and a just compensation for local communities.

SOP explains below process:

- Land identification by collective measuring with local community by using measurement tools and verification over the legality evidence of the measured land
- The calculation of compensation is measured based on agreement between company and land owners based on the applicable conduct.
- Compensation for plantation has been conducted based on the applicable government regulation and law
- Compensation was disbursed based on agreement and minutes of meeting
- In case there is no agreement being achieved, hence mediation with third party will be conducted and if the conflict still does not solve, thus the case will be brought to court law.

Even though there is no land compensation, company is still providing work opportunity for local communities in order to gain benefit from plantation development through:

1. The development of plasma plantation scheme
2. CSR program
3. Involvement of local communities as contractor and supplier.

**Status: Fulfilled**

## 7.7

**Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

**Indicator 7.7.1 major and 7.7.2 minor:** Idem with previous S1 surveillance. Refers to indicator 5.5.1 major and 5.5.2 minor.

**Status: Fulfilled**

## 7.8

**New plantation developments are designed to minimise net greenhouse gas emissions.**

**indicator 7.8.1 major and 7.8.2 minor:** Based on document's review over the area statement, it known that within Mill 2 & PT DAN scope, there is no cultivation since 1st January 2015.

**Status: Fulfilled**

## **PRINCIPLE #8 Commitment to continuous improvement in key areas of activity**

### 8.1

**Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.**

#### **Business improvement from environment management side:**

Company is studying the appropriateness of biogas plant development from various vendors.

#### **Decreasing pesticide utilization**

Based on document's review on the list of pesticide, company does not use chemical material, which is listed on type 1A and 1B WHO and *paraquat* or the one that listed on Stockholm or Rotterdam convention.

The management unit is using biological approach to manage estate area, such as by using beneficial plan and *Tyto alba*

to control leaf eater caterpillar and to reduce the utilization of pesticide.

	<b>Status: Fulfilled</b>	
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**3.2 Summary of Assessment Report of Supply Chain Requirements**

Clause	(Module D) CPO Mills – Identity Preserved Requirements
<b>D1</b>	<b>Definition</b>
<b>D.1.1</b>	<p><b>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&amp;C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</b></p> <p>Based on memorandum number 0041/MS/V/2015 on 13th May 2015 from Management Representative to Mill, Plantation, Department, Region Head SBU Agro I regarding to FFB supply for Mill 2 and Mill 3, which informs that Mill 2 implements Identity Preserved supply chain system and prohibit the acceptance of FFB from non-certified source.</p> <p>Based on the data of FFB supply from the last one year (Jan – Dec 2015), total incoming FFB was 312,454,360 ton with FFB source, such as:</p> <ol style="list-style-type: none"> <li>PT. Dharma Agrotama Nusantara <ul style="list-style-type: none"> <li>Puhus 1(Certified) : 85,618.78 ton (32.2%)</li> <li>Puhus 2 (Certified) : 87,128.23 ton (32.7%)</li> <li>Puhus 3 (Certified) : 40,963.11 ton (15.4%)</li> </ul> </li> <li>PT. DWT <ul style="list-style-type: none"> <li>Melenyu 3 (Certified) : 6,876.39 ton (2.6%)</li> </ul> </li> <li>PT. SWA <ul style="list-style-type: none"> <li>LJ 1 (certified): 45,285.34 ton (17.0%)</li> </ul> </li> </ol> <p>Monthly supply data indicates that for the last one year there was no FFB's supply from non-certified source, hence the entire incoming FFB was from certified FFB source.</p>
	<b>Status: Fulfilled</b>
<b>D.2</b>	<b>Explanation</b>
<b>D.2.1</b>	<p><b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</b></p> <p>The tonnage estimation from certified mill has been recorded by certification body in ASA-01 audit report and has been stated on the issued-RSPO certificate for period ASA-01 by certification body. the estimation of CPO production, which can be produced since the issuance of certificate from 25th March 2015 to 24th March 2016 such as:</p> <ul style="list-style-type: none"> <li>Estimation of CPO production was 70,938.24 ton</li> <li>Estimation of PK production was 9,633 ton.</li> </ul> <p>The actual production in one year is recorded in mill's monthly production report and mentioned in audit report from certification body. for period ASA-01, the actual CPO production until the implementation of audit ASA-02 was:</p> <ul style="list-style-type: none"> <li>CPO production was about 62,099.43 ton</li> <li>PK production was about 8,532.19 ton</li> </ul>
	<b>Status: Fulfilled</b>
<b>D.2.2</b>	<p><b>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the</b></p>

**RSPO supply chain managing organization (RSPO IT platform or book and claim).**

Facilities in Mill 2 PT. DSN have been registered in IT platform RSPO (e-trace) and renewed based on certification period. For ASA-01 certification period, facilities in Mill 2 were distributed with code:

- Company name: PT. Dharma Satya Nusantara (Mill 3)
- Member ID: RSPO-PO1000000939
- Username: rkristanti752
- Password: dsnps02

Based on the shipping document verification and verification of the PKS 2 platform IT RSPO account (e-trace), it is known that during the last audit period (2015-2016) there is no transaction certified Palm Oil (PO) and Palm Kernel (PK).

**Status: Fulfilled**

**D.3 Documented procedures**
**D.3.1**

**The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:**

- a. Complete and up to date procedures covering the implementation of all the elements in these requirements;**
- b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.**

There is a procedure in work instruction that can trace the CPO product and PK with IP and SG Model with number: IK-AGR-MS-08-R01 on 1st July 2015 that has been approved by OAMS & Agronomy Group Head. The procedure covers:

1. general description and definitions within supply chain certification system
2. FFB's acceptance procedure in mill as well as work description for related staff such as security officer and weighing operator.
3. Production process in mill as well as work description for related staff such as production admin and production assistance
4. CPO and PK storage as well as work description with related staff such as laboratory analysis, production admin, production assistant, transport clerk, production supporting assistant and dispatch assistant
5. CPO and PK delivery as well as work description with related staff such as dispatch assistant, weighing operator, and security.

In order to ensure staff knowledge related to the implementation of supply chain, management has delivered SCCS training that was conducted along with other mill's units within DSN group, such as:

- Supply Chain Training on 2nd July 2014 yang by training consultant from *Pro Sympac* that was attended by Mill 02 Manager, on behalf of Yonathan Ifung. Certificate is available.
- Training on 18<sup>th</sup> March 2014. Representative from Mill-02 PT DSN is Rohmatullah (general clerk) and Adi Kurniawan (production clerk).
- SCCS socialization in Mill-02 that was conducted on 7<sup>th</sup> August 2014. There were 14 related-personnel who attended the training. Interview with Operator WB (Ms Lus Taniah; Mr. Agus Rianto), Opr. Dispatch (Mr. Zuprido), production (Mr. Adi K, Mr. Arif Budi).
- 9<sup>th</sup> December 2014: conducted in Mill 4 that was followed by 22 personnel from mill, including dispatch personnel, IT and personnel from mill

Training on 22<sup>nd</sup> July 2013: was conducted at Samarinda office and attended by 6 participants from management system, IT, and commercial.

**Status: Status: Fulfilled**

**D.3.2**

**The site shall have documented procedures for receiving and processing certified and non-certified FFBs.**

Facility Mill 02 PT. DSN has the acceptance and processing procedure for certified and non-certified FFB as stated in traceability work instruction for CPO product, PK with IP and SG Model number: IK-AGR-MS-08-R01 on 1st July 2015 that was approved by OAMS & Agronomy Group Head. The procedure consists of:

1. Acceptance procedure for certified FFB in mill as well as work description for related staff, such as:
  - Security will check the origin of FFB, whether it comes from certified or non-certified FFB source. If it comes from

<p>non-certified, hence security will report this issue to local chief.</p> <ul style="list-style-type: none"> <li>- Weighing operator will weight and put the "certified" stamp for FFB from RSPO-certified source. As a guideline, management issued list of certified and non-certified estate.</li> </ul> <p>2. Processing procedure for certified FFB as well as work description for related staff, such as:</p> <ul style="list-style-type: none"> <li>- Production process refers to mill's SOP, such as SOP-AGR-027-Rxx</li> <li>- Production admin will input FFB from certified estate</li> <li>- Closing book (cut off date) is on 08.00 – 08.00 of the next day</li> <li>- Production assisstan should protect the purity of CSPO-IP and PK-IP</li> <li>- The entire inputting activity is conducted by using the appllicable program.</li> </ul>	
	<b>Status: Fulfilled</b>
<b>D.4</b>	<b>Purchasing and goods in</b>
<b>D.4.1</b>	
<b>The site shall verify and document the volumes of certified and non-certified FFBs received.</b>	
<p>Document examianation and field visit to Mill 3 indicates that the facility has verified and documented the accepted certified and non-certified FFB, such as:</p> <ul style="list-style-type: none"> <li>- Fruit acceptance note from estate, which consists information such as: Company's name, Estate, Afdeling, acceptnce date, Total FFB, Driver name, Field (Block) number, RSPO – Identity Preserved certified stamp, Signature of harvesting clerk, Signature of weighing clerk.</li> </ul> <p>For instance, after evaluation, the delivery note on 12th January 2016 from PT. DSN Estate Puhus 2, Afedling 08 block F 55, F56, F57 total FFB 559 bunches, driver's name Acok, tota weight 5,740 kg, Signature of harvesting clerk, Signature of weighing clerk g</p> <ul style="list-style-type: none"> <li>- Acceptance note (weighing) consists information such as: note number, date, estate, afdeling, field, number of bunches, type of material, incoming hour, out going hour, weight in, weight out, net weight, vehicle number, driver, signature of weighing clerk, signature of PGS, signature of mill head.</li> </ul> <p>For instance, delivery note number 342671 for 12th January 2016 from PT. DSN Estate Puhus 2, Afedling 8 block F55, F56, F57, with total FFB 599 bunches, driver name is Acok, weight 5,470 kg, "RSPO certified – Identitiy Preserved" stamp, signature of weighing operator on behalf of Tohar, signature of PGS on behalf of TAJ, and Mill Head a.n. YIF.</p> <ul style="list-style-type: none"> <li>- Monitoring on weighing activity every hours in weight bridge sonsists information about the incoming FFB and the delivered-CPO / PK every hours.</li> <li>- List of certified suppliers for Mill 3, which was issued by head office (OAMS &amp; Agronomy Group Head). In January 2016, there are 3 suppliers, such as PT DAN (PU1, PU2, PU3), PT. DWT (ME2, ME3), and PT. SWA (LJ1).</li> <li>- FFB's acceptance plan based on estate and afdeling, which was issued by Mill Head based on informatio from supplier on the previous day and based on supply arangement meeting. Moreover, company had checked its FFB acceptance plan in Mill 2 for 14th and 5th January 2015.</li> <li>- Recapitulation report for daily fruit acceptance in form number</li> <li>- FM-PRO-02-R11, which consists information about the suuplier, supplier estate, afdeling, trip, nunched and tonage.</li> </ul> <p>For instance: on 8th January 2015, there were incoming FFB from certified source: Long Jenew 1 for about 124.58 ton, Puhus 1 amount 228.34 ton, Puhus 2 amount 267.89 ton, Puhus 3 amount 173.38 ton.</p> <ul style="list-style-type: none"> <li>- Documentation on weighing system is "<i>M-easy weight</i>"</li> </ul>	
	<b>Status: Fulfilled</b>
<b>D.4.2</b>	
<b>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</b>	
<p>Estimation over certified-mill's production was based on RSPO certificate, which was issued during ASA-01 period 25th March 2015 to 24th March 2016, such as:</p> <ul style="list-style-type: none"> <li>- Estimation of CPO production was 70,938.24 ton</li> <li>- Estimation of PK production was 9,633 ton.</li> </ul> <p>The actual production in one year is recorded in mill's monthly production report and mentioned in audit report from</p>	

certification body. for period ASA-01, the actual CPO production until the implementation of audit ASA-02 was:

- CPO production was about 62,099.43 ton
- PK production was about 8,532.19 ton

Subsequently, there is no overproduction of CPO and PK. In case of overproduction, facility will inform CB based on SOP / IK : IK-AGR-MS-08-R01 on 1st July 2015.

**Status: Fulfilled**

#### **D.5 Record keeping**

##### **D.5.1**

**The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.**

Facility will monitor and ensure the balance between data stock of RSPO-certified CPO in Mill 3 with a three-month basis that was drafted based on daily and monthly incoming FFB as well as the delivered CPO and PK. Recapitulation of monitoring in 2015 such as:

Period	Processed FFB		CPO		CPO Dispatch	
	Non Certified	certified	Non Certified	certified	Certified	Non Certified
Jan – Mar 2015	7,957,570	41,224,785	10,505,390	0	0	10,646,280
Apr – June 2015	12,152,978	58,245,803	14,736,961	0	0	15,871,181
Jul – Sept 2015	0	72,421,562	17,647,349	0	14,980.72	2,103,100
Okt – Dec 2015	0	74,187,416	17,995,259	0	18,475,330	0

**Status: Fulfilled**

#### **D.6 Processing**

##### **D.6.1**

**The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage**

Company ensure the verification of CSPO dispatch record with below procedure:

- Examining truck tank by security.
- Weighing operator/ filling officer identifies the match between document of CPO origin during CPO loading to tank in order to avoid miss-loading. Weighing slip document is completed with "RSPO Certified – IP" stamp and dispatch data of CPO origin.
- Weighing operator issues weighing transaction slip (delivery note) with "RSPO Certified – Identity Preserved" stamp, which consists information: note number, date, origin, destination, type of material, incoming hour, outgoing hour, net weight, signature of weighing operator, PGS and Mill head. For instance: delivery note number 205609 on 12th January 2016, CPO Mill 2 was delivered to Mill 3, hour 10:08, weight 11.71 ton with vehicle number AT19, driver name Sigit, signed by weighing operator (Tohar), PGS (TAJ), and Mill Head (YIF).
- Expedition note states: name and address of CPO, name and destination of deliverance, loading and delivery, document issuance date, RSPO certified stamp, product quality (FFA, moist, and dirt), SPBE number, vehicle number, driver name, departure hour, arrival hour, signature from sender and receiver.

**Status: Fulfilled**

##### **D.6.2**

**The objective is for 100 % segregated material to be reached**

There is a policy to restrict FFB supply from non-certified source and the implementation of verification on incoming FFB as well as the delivered-CPO / PK as mentioned in previous indicator that show a 100% target of separated material, which can be achieved in Mill 3.

**Status: Fulfilled**



**3.3 Conformity Checklist of Certificate and Logo Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>ASA-02</b>	Not Applicable- perusahaan tidak menggunakan logo RSPO	X
	<b>Status:</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>ASA-02</b>	Not Applicable- perusahaan tidak menggunakan logo RSPO	X
	<b>Status:</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>ASA-02</b>	Not Applicable- perusahaan tidak menggunakan logo RSPO	X
	<b>Status:</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA-02</b>	Not Applicable- perusahaan tidak menggunakan logo RSPO	
	<b>Status:</b>	

**3.4 Summary of RSPO Partial Certification**

<b>The Management Unit name, under subsidiaries:</b> PT Swakarsa Sinarsentosa is a company managed by PT Dharma Satya Nusantara group and has RSPO membership number 1-0135-12-000-00 since 2013. However, PT Swakarsa Sinarsentosa was registered as RSPO member (i.e.number 1-0064-08-000-00) in 2009, before PT DSN (as holding) registered as RSPO member.		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	<b>X or√</b>
	There is no land right dispute under the DSN subsidiary	√
	<b>Status: Full compliance</b>	
<b>2.2</b>	<b>The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	<b>X or√</b>
	There is no labour dispute identified within DSN group.	
	<b>Status: Full compliance</b>	
<b>6.3</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</b>	<b>X or√</b>
	Land dispute between PT Dharma Agrotama Nusantara (another plantation under PT DSN) with a villager from Puhus village was identified. However, the dispute has been closed since management PT DSN group make agreement with villager in Puhus village. In addition, land conflict in PT Dharma Intisawit Lestari and PT PT Karya Prima Agro Sejahtera were existing, however the company can provide land conflict resolution progress.	√
	<b>Status: Full compliance</b>	
<b>6.4</b>	<b>Any negotiations concerning compensation for loss of legal or customary 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.</b>	<b>X or√</b>
	Land dispute between PT Dharma Agrotama Nusantara (another plantation under PT DSN) with a villager from Puhus village was identified. However, the dispute has been closed since management PT DSN group make agreement with villager in Puhus village. In addition, land conflict in PT Dharma Intisawit Lestari and PT PT Karya Prima Agro Sejahtera were existing, however the company can provide land conflict resolution progress.	√
	<b>Status: Full compliance</b>	
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	<b>X or√</b>
	There is no evidence that company replaces primary forest at all plantation area. According to Indonesia I regulation, plantation areas cannot be established in primary forests, but conversion of forest area or non forest area as well as non productive area, land bank and other categories of land are permitted as decided by the government Ministry of Forestry Decree letter no. 70/KPTSII/2001. All plantation areas in PT Dharma intisawit Nugraha were established in between year 2005 to 2007. According to the HCV assessment results there were HCV areas cleared i.e Riparian river along to Telen in Long Kejiak 2 estate. The company has identified the area and will follow RSPO regulation regarding compensation rule. There is new development area in PT Dewata Sawit Indonesia, NPP assessment was done on August 2012 and the report available and can be verified at the main audit time for PT DSN Palm Oil Mill 3.	√
	<b>Status: Full compliance</b>	
<b>7.5</b>	<b>No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>	<b>X or√</b>

	Land dispute between PT Dharma Agrotama Nusantara (another plantation under PT DSN) with a villager from Puhus village was identified. However, the dispute has been closed since anagement PT DSN group make agreement with villager in Puhus village. In addition, land conflict in PT Dhama Intisawit Lestari and PT PT Karya Prima Agro Sejahtera were existing, however the company can provide land conflict resolution progress.	√
	<b>Status: Full compliance</b>	
<b>7.6</b>	<b>Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	<b>X or√</b>
	Land dispute between PT Dharma Agrotama Nusantara (another plantation under PT DSN) with a villager from Puhus village was identified. However, the dispute has been closed since management PT DSN group make agreement with villager in Puhus village. In addition, land conflict in PT Dhama Intisawit Lestari and PT PT Karya Prima Agro Sejahtera were existing, however the company can provide land conflict resolution progress.	√
	<b>Status: Full compliance</b>	

**3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components**
**3.5.1 Identification of Findings, Corrective Actions and Observations at [ASA-02](#) Assessment**

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015.1	2.1.4	<b>Evaluation on traceability system of policy revision</b> Company has SOP for <i>tracking</i> the update over the applicable regulation, which is stated on SOP-AGR-024-R01. However, the <i>tracking</i> system and evaluation could not be implemented. Subsequently there is a delay on revision (for more than 1 year), <b>for instance</b> : <ul style="list-style-type: none"> <li>- Law number 37 in 2014</li> <li>- Decree 66 in 2014</li> <li>- Ministry of Environment Decree number 5 in 2014 related to liquid waste standard quality</li> </ul>	Mill 2 And estate and PT. DAN	Minor	ASA - 03	Company should present the evaluation and corrective action plan to improve the implementation of relevant policy on palm oil plantation.	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor conclusion</i></li> </ul>	Open	
2015.2	5.6.3	<b>Monitoring and Reporting of GHG emission</b> Company could not present the evidence that the GRK (GHG) emission calculation has been submitted to RSPO secretariat.	Mill 2 And estate and PT. DAN	Minor	ASA - 03	Company should present the the evidence that the GRK (GHG) emission calculation has been submitted to RSPO secretariat	<ul style="list-style-type: none"> <li>• <i>Root cause:</i></li> <li>• <i>Corrective action</i></li> <li>• <i>Preventive action:</i></li> <li>• <i>Auditor conclusion</i></li> </ul>	Open	

**3.5.2 Identification of Findings, Corrective Actions and Observations at [ASA-02](#) Assessment**
**3.5.3 Opportunity for Improvement**

No	Ref Std	Descriptions
1	Major 1.1.1	Company is encouraged to improve its periodic report submission to related agencies.
2	Minor 5.1.3	Company needs to consider to validate the form and to improve its analysis quality on annual review 2 of environment management and environemnt monitoring document.
3	Minor 5.3.3.	Company needs to consider to validate the form and to improve its analysis quality on annual monitoring and evaluation on HCV management.
4	Minor 5.3.3	Company needs to consider to validate the form and to improve its socialization quality on hazardouse waste management for its personnel and contractors.
5	Minor 4.7.5	Company is encouraged to improve the quality of its fire emergency response tools in estate and mill.

**3.5.4 Noteworthy Positive Components**

No	Ref Std	Descriptions
		Company has established plasma estate with a sufficient broad in order to improve local communities welfare.
		Competency of staff who involved on the implementation of RSPO audit.
		Commitment toward local communiy empowerment by involving local bussiness entity and CSR activity.
		Commitment toward nature conservation effort through wildlife and natural vegetation protection and management of HCV area.



**3.6 Summary of Arising Issues from Public, Management and Auditor Response**

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<b>Stakeholders from sample village on company's surrounding area</b> <b>Tuesday, 12th January 2015</b> 1. Muara Wahau Village <ul style="list-style-type: none"> <li>- Supiansyah Gazali, SP (Head of Village)</li> <li>- Rachmad H. (Head of BPD)</li> <li>- Jumilah (Community Leader)</li> <li>- H. Abdul Wahab (Head of Cooperative)</li> </ul> 2. Benhes Village <ul style="list-style-type: none"> <li>- Petrus Giah Wun (Village secretary)</li> </ul>		
<b>Public consultation result:</b> 1. Conflict and friction <ul style="list-style-type: none"> <li>• There is no on-going conflict and significant friction</li> <li>• Dissatisfaction on company's performance is remaining, however the percentage is low and personal, hence the dissatisfaction does not develop into negative conflict.</li> </ul>	Company will always maintain the good relationship with local communities in estate area based on company-communities partnership PRINCIPLE. Hence the dialog approach (2 ways communication) would be prioritised by implementing a sustainable CSR program in order to empower local people.	Company is expected to maintain its good work performance. Participatory monitoring on social impact to be sustained in order to anticipate the un-invited social unrest.
2. Environment pollution There is no environment pollution case for the last one year.	Company will always maintain environment sustainability based on the applicable regulation.	Company is expected to sustain its good performance. Environment impact management and monitoring should be consistently implemented.
3. Contribution toward local development <ul style="list-style-type: none"> <li>• Village committees are invited to discuss and consult the work distribution for contractor. The nearby villages (ring 1) will become a priority. Type of work that involve local communities: transporting fruit and</li> </ul>	Company will always try to give positive contribution for local development especially for surrounding villages.	Company is expected to sustain its good work performance. Company is also encouraged to implement the innovation and sustainable improvement on implementing its CSR program by considering the ever-changing communities need.

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>empty fruit bunches, building construction, operation vehicle rent, material procurement and so forth.</p> <ul style="list-style-type: none"> <li>• Contribution through CSR has run well. For instance coaching program for village financial division, religious activities. Each village has developed community financial organization in a collaboration with Credit Union, by which company contributes on coaching and improving staff qualification.</li> <li>• Basically, company provides opportunity for local entrepreneur and local manpower, however sometimes there is a shortage of local human resources.</li> <li>• Company's contribution for local communities education by providing scholarship and bus school.</li> <li>• Contribution on health such as by providing free ambulance for 24 hours.</li> </ul>		
<p>4. Communication and consultation</p> <ul style="list-style-type: none"> <li>• Communication runs well and transparent</li> <li>• Response on communities aspiration and request are good.</li> </ul>		<p>Company is expected to sustain its good work performance Good communication needs to be maintained based on the applicable SOP.</p>
<p><b>Local contractor surround company's operation area</b> <b>Thursday, 14th January 2015</b></p> <ol style="list-style-type: none"> <li>1. Mr. Yohannes Lien (Sample responden is contractor from Diak Lay Village)</li> <li>2. Mr. Thamrin (Sample responden is contractor from Muara Wahau Village)</li> </ol>		

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<b>Public consultation result:</b> 1. Work contract and payment <ul style="list-style-type: none"> <li>Contractors are working based on work agreement, including the payment.</li> <li>Company provides equal opportunity for local contractor to work with company. Work for local contractor has been equally distributed to the entire villages where the village office is assisting the distribution process. For instance: Diak Lay has 10 contractors</li> <li>Contract payment is disbursed ontime</li> </ul>	Company will always develop and empower local contractor to make them grow and professional.	Company is expected to sustain its good work performance
5. Manpower <ul style="list-style-type: none"> <li>Contractor is fully in charge on personnel payment, insurance, working tools and PPE</li> <li>Contractor faces obstacle to provide standard PPE for its personnel. Moreover company is usually reminding contractor if the PPEs are incomplete and gives PPE for contractor personnel when contractor faces obstacle to provide PPE.</li> <li>Company provides hut for its personnel and other internal personnel, including to provide free electricity.</li> <li>Contractor's personnel is allowed to utilized medical facility, such as medical clinic.</li> </ul> <p>Contractor's personnel have not been registered in manpower social insurance because the work duration is not certain. However, some of them have been registered and company deducts their salary to paid the insurance.</p>	<ul style="list-style-type: none"> <li>Company assists the submission of monthly payment of contractor personnel' social insurance premi to insurance company, which was coordinated by PGS assistant in each estate.</li> <li>For medical insurance, the payment is delayed because the registration required electronic national identity card, meanwhile the majority of contractor's personnel do not have electronic national identity card. Subsequently, they have not been registered in manpower medical insurance program.</li> <li>Company (PT DIN and PT DAN <i>Wadah Tenaga Kerja Luar Hubungan Kerja</i> – TK LHK) has work tie with manpower social insurance in Samarinda Branch regarding the membership of manpower social insurance.</li> <li>Manpower insurance is expected to be paid by company every month @ IDR. 28,800.00 per person.</li> </ul>	<p>Company is expected to maintain its good work performance including to fulfill personnel needs (including personnel who work under contractors).</p> <p>Company is encouraged to empower contractor to be independent and to comply the applicable manpower policy.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>Plantation Agency, Kutai Timur District</b> <b>Tuesday, 12th January 2015</b></p> <p><b>Public consultation result:</b></p> <ul style="list-style-type: none"> <li>• Until now there is no issues related to objection or report on PT DSN's estate and mill's operation activities.</li> <li>• These is no issues related to social and land conflict within PT DSN's area</li> <li>• PT DSN conducted training on field fire in a collaboration with plantation agency.</li> <li>• PT DSN has periodically submitted estate plantation report.</li> <li>• PT DSN has completed the requirement and license from plantation agency.</li> <li>• Company's CSR program should be improved in order to bring an optimal benefit for local communities.</li> <li>• PT DSN is expected to submit its plantation report ontime (three-month report).</li> </ul>	<p>Company will intensively coordinate with related department regarding to data collection, hence the report could be submitted on time.</p>	<p>Company is encourage to implement sustainable improvement in order to comply plantation regulation and report.</p> <p>Compliance on regulation will become the main aspect for the next surveillance.</p>
<p><b>Manpower Agency, Kutai Timur District</b> <b>Tuesday, 12th January 2015</b></p> <p><b>Public consultation result:</b></p> <ul style="list-style-type: none"> <li>• Relationship between PT DSN and Manpower Agency runs well and is focused to improve coordination between company and related agencies.</li> <li>• PT DSN disbursed salary to its personnel based on district standard minimum wage, which is IDR. 2,276,312/ month. There is no objection or incoming report to local Manpower Agency related to manpower right abuse.</li> </ul>	<p>Data on PPE's compliance and membership on manpower social insurance for personnel under contractor has been monitored by each Dept/Estate/Mill per period, particularly by PGS and occupational and environmental health and safety assistant. The compliance has been submitted to Manpower and Transmigration Agency in a form of "three-month guiding comitee of occupational health and safety report".</p>	<p>Company is encouraged to implement a sustainable improveemnt by coordinating with related agencies in order to ensure compliance with the entire manpower regulations.</p> <p>Compliance on regulation will become the main aspect for the next surveillance.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> <li>PT DSN has registered worker union and its organigram to Manpower and Transmigration Agency in Kutai Timur District.</li> <li>PT DSN has registered and approved the organogram of guiding committee of occupational health and safety to Manpower and Transmigration Agency.</li> <li>PT SDN has periodically submitted the guiding committee of occupational health and safety to each working unit.</li> <li>PT DSN has completed the requirement and permit from Manpower and Transmigration Agency, such as manpower mandatory report.</li> <li>Manpower and Transmigration Agency conducts periodic investigation over working tools based on the applicable regulation.</li> <li>Manpower and Transmigration Agency makes certification over working tools based on the applicable regulation.</li> <li>PT DSN is expected to have PPE compliance data and manpower social insurance membership for personnel who work under contractor in order to ease Manpower and Transmigration Agency's monitoring process.</li> </ul>		
<p><b>Environmental Agency, Kutai Timur District</b> <b>Tuesday, 12th January 2015</b></p> <p><b>Public consultation's results:</b></p> <ul style="list-style-type: none"> <li>Communication between PT SDN and Environmental Agency runs well.</li> <li>PT DSN has periodically submitted its environemnt management plan and environment monitoring plan report.</li> </ul>	<p>Company will always improve its communication and coordination with Environmental Agency through its periodic report as required by the applicable regulations.</p>	<p>Company is expected to maintain its good work performance, including its environment management.</p> <p>However, company is still encouraged to improve its coordinatio with related agencies to ensure its comlience with the applicable regulations, particularly on environment</p>



Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> <li>There is no issues or complain related to PT DSN estate and mill's operation being submitteed to Environmental Agency.</li> <li>PT DSN has periodically submitted its hazardous waste and liquid waste report</li> <li>The CSR program of PT DSN should be improved and covered broader social aspects.</li> </ul>		management.
<p><b>National Land Agency, Kutai Timur District</b> <b>Tuesday, 12th January 2015</b></p> <p><b>Public consultation's results:</b></p> <ul style="list-style-type: none"> <li>Until now there is no issues related to social and land conflict within PT DSN's area.</li> <li>There is no periodic reports that should be submitted to National Land Agency in District level because the agency only performs administrative function such as recording, except for overlap land certificate case and claim from local communities.</li> <li>PT DSN has completed the requirement and license from National Land Agency and there is no cultivation outside HGU area as well as overlap with mining area.</li> <li>PT DSN is expected to be consistent to protect and maintain its boundary stakes based on National Land Agency's stakes.</li> </ul>		Company is expected to maintain its good work performance, including its land legality.
<p><b>Forest Agency, Kutai Timur District</b> <b>Tuesday, 12th January 2015</b></p> <p><b>Public consultation's results:</b></p>	Company will always improve its communication and coordination with related agencies, including Forest Agency,	Company is expected to maintain its good work performance, including its environment management.

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> <li>Relation between PT DSN with Forestry Agency runs well and company's coordination with related agency needs to be improved.</li> <li>Until now, there is no report on forest burning and field burning related to PT DSN.</li> <li>PT DSN has completed the requirement and license from Forestry Agency and there is no overlap with mining area.</li> <li>PT DSN is suggested to conduct training in a collaboration with Forestry Agency in Kutai Timur District, related to forest and estate emergency response team.</li> </ul>	BKSDA, and so forth.	However, company is still encouraged to improve its coordination with related agencies to ensure its compliance with the applicable regulations, particularly to prevent forest burning and protection of biodiversity..
<p><b>SPM (Mandiri Worker Union) PT DAN, PT DIN and PT DSN.</b>  <b>(Head of Mandiri Worker Union PT DAN, PT DIN and PT DSN)</b>  <b>Wednesday, 13th January 2015</b></p> <p><b>Public consultation's results:</b></p> <ul style="list-style-type: none"> <li>Company grants freedom for its entire personnel to establish and join worker union, the Mandiri worker union (SPM) has been established in 2012. Company provides the need of SPM and the committee receive compensation when they have to do duty travel related to SPM activity.</li> <li>Work agreement between company and SPM is not available, however company has a regulation that regulates the entire right and responsibilities between company and personnel. So far, there is no clash between company's regulation and manpower regulation. Moreover, SPM has signed acknowledgement letter among SP Mandiri PT DAN, PT DIN and PT DSN on 8th September 2015. The document states that SPM PT DAN, PT DIN and PT DSN acknowledge that the</li> </ul>	Company will facilitate personnel's right based on the applicable regulations.	<p>Company is expected to maintain its good work performance, including its manpower aspect.</p> <p>Company is still encouraged to coach worker union to be well functioning.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
applicable regulation is still inline with personnel' need and entirely there is no conflict with manpower law.		
<b>Gender Committee (KK) PT DAN, PT DIN and PT DSN.</b> <b>(Head of Gender Committee of PT DAN, PT DIN and PT DSN)</b> <b>Wednesday, 13th January 2015</b>  <b>Public consultation's results:</b> Gender committee is established by company to implement the prohibition policy againts sexual harrasment and protection on reproductive rights. Gender committee acitvities are fully supported by company. So far, there is no complaint related to the prohibition of sexual harrasment and reproductive right protection.	The establishment of gender committee is part of company's protection against sexual harassmnet and protection on reproductive rights.	Company is expected to maintain its good work performance, including its manpower aspect.  Company is still encouraged to couch worker union to be well functioning.

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY****4.1 Formal Sign-off of Assessment Findings**

Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

Signed on behalf of:

PT. Dharma Satya Nusantara Tbk  
Management Representative



**Agustinus Triwibowo**  
15 Februari 2016

Mutuagung Lestari  
Lead Auditor



**Bukti Bagja**  
15 Februari 2016

**APPENDICES**
**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	<b>Stakeholders from sample village on company's surrounding area :</b> 1. Muara Wahau Village - Supiansyah Gazali, SP (Head of Village) - Rachmad H. (Head of BPD) - Jumilah (Community Leader) - H. Abdul Wahab (Head of Cooperative) 2. Benhes Village Petrus Giah Wun (Village secretary)	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
2	<b>Local contractor surround company's operation area Thursday, 14th January 2015</b> 3. Mr. Yohannes Lien (Sample responden is contractor from Diak Lay Village) 4. Mr. Thamrin (Sample responden is contractor from Muara Wahau Village)	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
3	Plantation Agency, Kutai Timur District Tuesday, 12th January 2015	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
4	Manpower Agency, Kutai Timur District Tuesday, 12th January 2015	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
5	Environmental Agency, Kutai Timur District Tuesday, 12th January 2015	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
6	National Land Agency, Kutai Timur District Tuesday, 12th January 2015	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
7	Forest Agency, Kutai Timur District Tuesday, 12th January 2015	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
8	SPM (Mandiri Worker Union) PT DAN, PT DIN and PT DSN. (Head of Mandiri Worker Union PT DAN, PT DIN and PT DSN)	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	
	Gender Committee (KK) PT DAN, PT DIN and PT DSN.	District of Kutai Timur		Direct interview	12 <sup>th</sup> January 2015	Yes	

	(Head of Gender Committee of PT DAN, PT DIN and PT DSN)						
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**Appendix 2 – Assessment Program**

DATE		16 – 20 January 2016					
PROGRAM		PROCESSES / CLAUSES TO BE AUDITED			AUDITOR		
PLANNED TIME	ACTUAL DURATION		BB	SP	RR	RP	
Monday 11 January 2016							
06.00 - 14.00	06.00 - 14.00	JAKARTA → BALIKPAPAN → BERAU	√	√	√	√	
14.00 - 20.00	14.00 - 20.00	BERAU → PT DHARMA SATYA NUSANTARA	√	√	√		
09.00 - 18.00	09.00 - 18.00	BALIKPAPAN → SANGATA				√	
Tuesday 12 January 2016							
08.00 - 08.30	08.00 - 08.30	OPENING MEETING					
08.30 - 12.00	08.30 - 12.00	<ul style="list-style-type: none"><li>Consultation with the local community</li><li>Consultation with the department of East Kutai Regency</li><li>Document review</li></ul>	√	√	√	√	
Wednesday – Friday / 13 – 15 January 2016		Audit at PT DSN (Mill 03), PT DIN ( LK 1, LK 2, LK 3)					
Saturday 16 January 2016							
08.00 - 08.30	08.00 - 08.30	Field Observation Puhus 1 Estate <ul style="list-style-type: none"><li>Manuring, Spraying, Harvesting, best agricultural practices</li><li>Worker Welfare (payments, complaint mechanism)</li><li>Hazardous Waste Material (B3) management</li><li>Legal operational and Conservation Area</li><li>Worker facilities (housing, health clinic, clean water, etc)</li><li>Land Fire facilities, Storage, ect.</li></ul>	√	√	√	√	
12.00 – 14.00	12.00 – 14.00	BREAK					
14.00 - 17.00	14.00 - 17.00	<ul style="list-style-type: none"><li>Field observation clarification</li><li>Review of Previous Visit Non-conformance</li></ul>	√	√	√	√	
Sunday /Minggu, 17 January 2016							
		Document Review	√	√	√	√	
Monday 18 January 2016							
08.00 - 08.30	08.00 - 08.30	Field Observation Puhus 2 Estate <ul style="list-style-type: none"><li>Manuring, Spraying, Harvesting, best agricultural practices</li><li>Worker Welfare (payments, complaint mechanism)</li><li>Hazardous Waste Material (B3) management</li><li>Legal operational and Conservation Area</li><li>Worker facilities (housing, health clinic, clean water, etc)</li><li>Land Fire facilities, Storage, ect..</li></ul>	√	√	√	√	
12.00 – 14.00	12.00 – 14.00	BREAK					
14.00 - 17.00	14.00 - 17.00	<ul style="list-style-type: none"><li>Field observation clarification</li><li>Review of Previous Visit Non-conformance</li></ul>	√	√	√	√	
Tuesday 19 January 2016							
08.00 - 08.30	08.00 - 08.30	<ul style="list-style-type: none"><li>Field observation clarification</li><li>Document review</li></ul>	√	√	√	√	
12.00 – 14.00	12.00 – 14.00	BREAK					
14.00 - 17.00	14.00 - 17.00	<ul style="list-style-type: none"><li>Internal Discussion Closing Meeting PreparationClosing Meeting</li></ul>	√	√	√	√	
Wednesday 20 January 2016							

05.00 -	05.00 -	PT DHARMA SATYA NUSANTARA → BERAU → JAKARTA	√	√	√	√
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