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Figure 1. Location Map of PT Dharma Satya Nusantara and PT Dharma Agrotama Nusantara

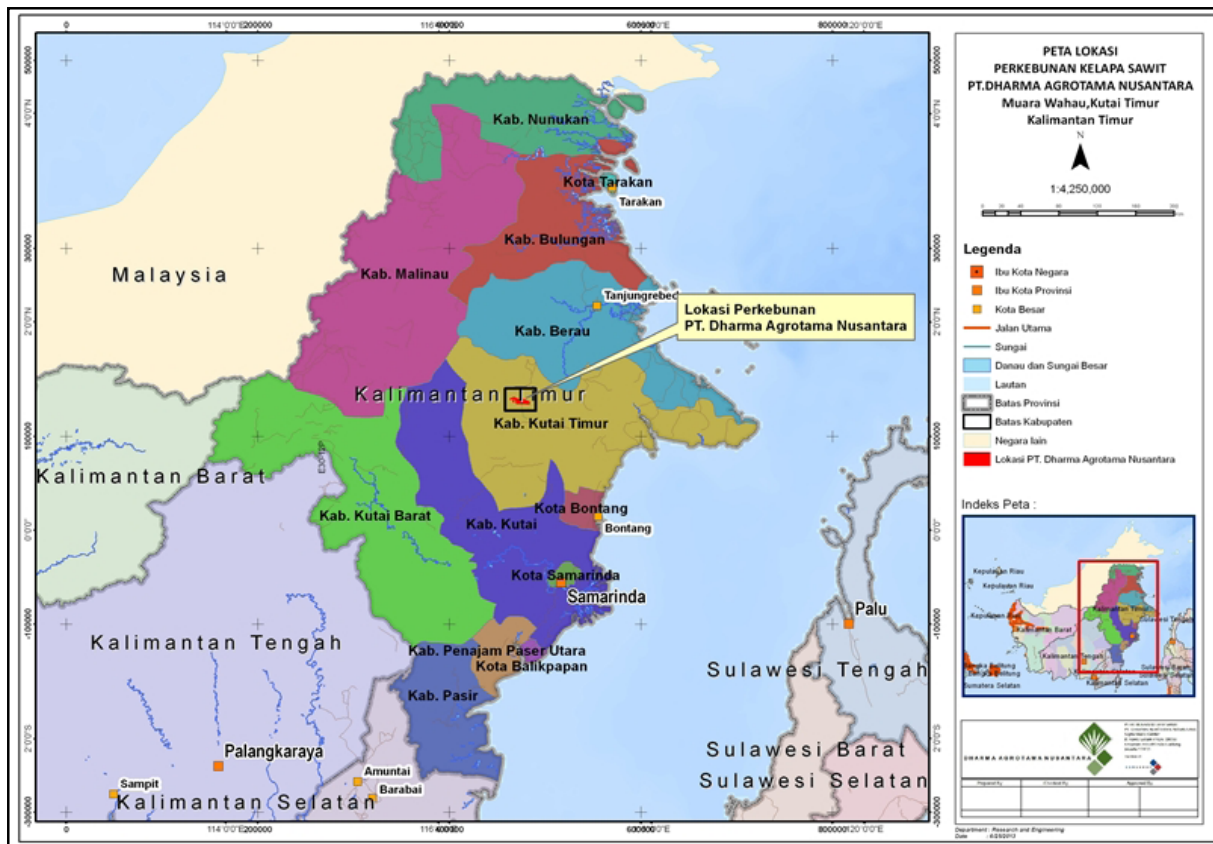
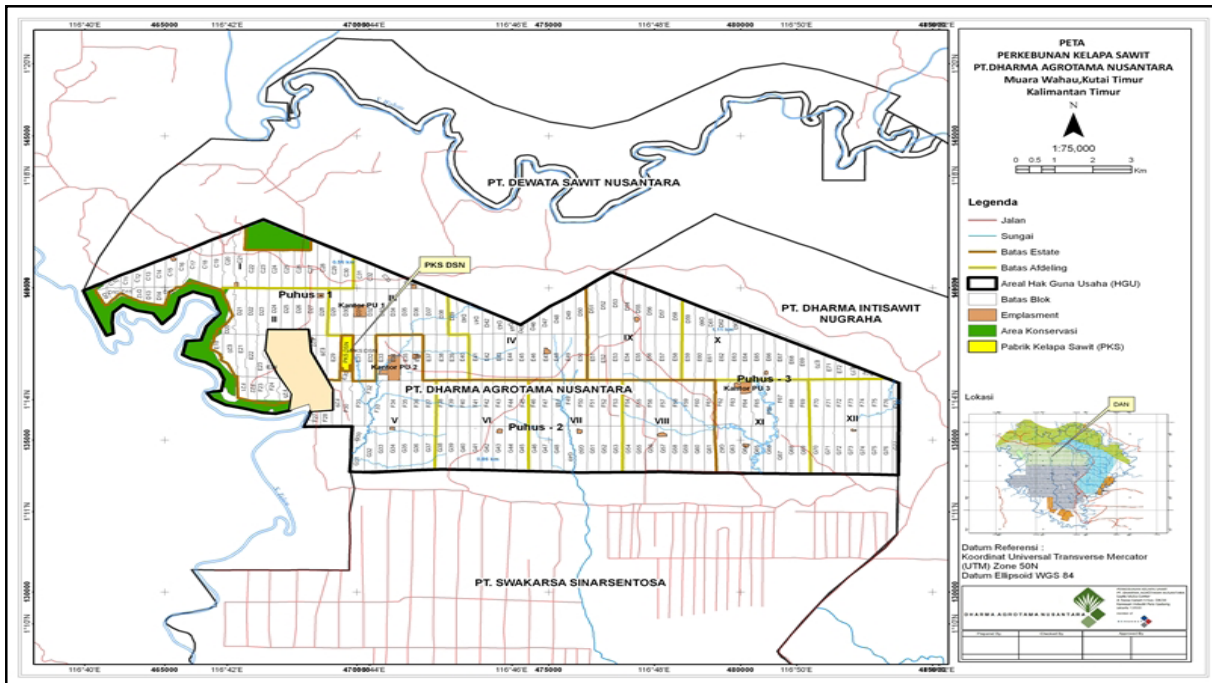


Figure 2. Operational Map of PT Dharma Satya Nusantara and PT Dharma Agrotama Nusantara



Abbreviations Used

| | | |
|---------|---|--|
| ACOP | : | Annual Communication of Progress |
| AMDAL | : | <i>Analisis Mengenai Dampak Lingkungan</i> (Social and Environmental Impact Assessment) |
| BPD | : | <i>Badan Permusyawaratan Desa</i> (Village Consultative Body) |
| BPN | : | National Land Office |
| CPO | : | Crude Palm Oil |
| CSPK | : | Certified Sustainable Palm Kernel |
| CSPO | : | Certified Sustainable Palm Oil |
| CSR | : | Corporate Social Responsibility |
| DAN | : | Dharma Agrotama Nusantara |
| DSN | : | Dharma Satya Nusantara |
| DWT | : | Dewata Sawit Nusantara |
| EFB | : | Empty Fruit Bunch |
| EH | : | Estate Head |
| FFA | : | Free Fatty Acid |
| FFB | : | Fresh Fruit Bunch |
| FR | : | Frequency Rate |
| HCD | : | Human Capital Department |
| HCO | : | Human Capital Operation |
| HGB | : | Building Rights |
| HGU | : | Cultivation Rights |
| IK | : | Work Instruction |
| ISCC | : | International Sustainability and Carbon Certification |
| ISO | : | The International Organization for Standardization |
| ISPO | : | Indonesian Sustainable Palm Oil |
| IUP | : | Plantation Business Permit |
| KER | : | Kernel Extraction Rate |
| KSU | : | Multi-business cooperative |
| Kutim | : | <i>Kutai Timur</i> |
| LB3 | : | Hazardous Waste |
| LPM | : | <i>Lembaga Pemberdayaan Masyarakat</i> (Community Empowerment Institutions) |
| LPUP | : | Plantation Business Development Reports |
| LTA | : | Lost Time Accident |
| OER | : | Oil Extraction Rate |
| OHS | : | Occupational Health and Safety |
| OSS | : | Online Single Submission |
| P2K3 | : | OHS Committee |
| PIC | : | Person In Charge |
| PK | : | Palm Kernel |
| POM | : | Palm Oil Mill |
| POME | : | Palm Oil Mill Effluent |
| PPE | : | Personal Protective Equipment |
| PU | : | Puhus |
| RaCP | : | Remediation and Compensation Procedure |
| RKL RPL | : | <i>Rencana Pengelolaan Lingkungan - Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan) |
| RSPO | : | Roundtable on Sustainable Palm Oil |
| SBU | : | Sub Business Unit |
| SCCS | : | Supply Chain Certification System |

| | | |
|-------|---|---|
| SEIA | : | Social Environment Impact Analysis |
| SIA | : | Social Impact Assessment |
| SIO | : | Operator License |
| SOP | : | Standard Operational Procedure |
| SPK | : | Work Agreement |
| SR | : | Severity Rate |
| UKL | : | <i>Upaya Pengelolaan Lingkungan</i> (Environment Management Effort) |
| UoC | : | Unit of Certification |
| UPDKS | : | Palm leaf-eating caterpillars |
| UPL | : | <i>Upaya Pemantauan Lingkungan</i> (Environment Monitoring Effort) |
| WA | : | Work Agreement |
| WHO | : | World Health Organization |

| | | | |
|------------|---|---|-----------------------------------|
| 1.0 | SCOPE of the CERTIFICATION ASSESSMENT | | |
| 1.1 | Assessment Standard Used | <ul style="list-style-type: none"> Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020. RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>Additional Guidance</p> <ul style="list-style-type: none"> Contingency RSPO Audit Procedure for RSPO Principles and Criteria (P&C) and Independent Smallholder (ISH) Standard, Version 2, This procedure is only applicable when a force majeure event prevents the audit team from conducting field verifications. Approved by Assurance Standing Committee on 22 October 2022 | |
| 1.2 | Organisation Information | | |
| 1.2.1 | Organisation name listed in the certificate | PT Dharma Satya Nusantara, Tbk. | |
| 1.2.2 | Contact person | Agustinus Triwibowo | |
| 1.2.3 | Organisation address and site address | RSPO registered company: Jl. Rawa Gelam V, Kav. OR/3B, Kawasan Industri Pulo Gadung, Jakarta Timur, Indonesia | |
| 1.2.4 | Telephone | 021-4618135 | |
| 1.2.5 | Fax | 021-46834865 | |
| 1.2.6 | E-mail | agustinus.triwibowo@dsgngroup.co.id | |
| 1.2.7 | Web page address | www.dsn.co.id | |
| 1.2.8 | Management Representative who completed the application for certification | Agustinus Triwibowo | |
| 1.2.9 | Registered as RSPO member | 1-0135-12-000-00 (4 December 2012) | |
| 1.3 | Type of Assessment | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | Palm Oil Mill and supply base: <ul style="list-style-type: none"> Palm Oil Mill 2 of PT DSN, 3 Estates of PT DAN: Puhus 1 Estate, Puhus 2 Estate and Puhus 3 Estate | |
| 1.3.2 | Type of certificate | Single | |
| 1.4 | Locations of Mill and Plantation | | |
| 1.4.1 | Location of Mill | | |
| | Name of Mill | Location | Coordinate |
| | | | Latitude Longitude |
| | POM 2 | Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur District, Kalimantan Timur Province, Indonesia | N 01° 15' 03" E 116° 43' 44" |
| 1.4.2 | Location of Certification Scope of Supply Base | | |
| | Name of Supply Base | Location | Coordinate |

| | | Latitude | Longitude | | | | |
|---|---|--------------------------------|------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Puhus 1 Estate (PT DAN) | Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur District, Kalimantan Timur Province, Indonesia | N 01° 14' 23" | E 116° 44' 21" | | | | |
| Puhus 2 Estate (PT DAN) | Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur District, Kalimantan Timur Province, Indonesia | N 01° 15' 40" | E 116° 43' 51" | | | | |
| Puhus 3 Estate (PT DAN) | Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur District, Kalimantan Timur Province, Indonesia | N 01° 14' 18" | E 116° 49' 16" | | | | |
| 1.5 Description of Area Statement | | | | | | | |
| 1.5.1 | Tenure | | | | | | |
| | • State | 9,959.95 | Ha | | | | |
| | • Community | | Ha | | | | |
| 1.5.2 | Area Statement | | | | | | |
| | Total area | 9,959.95 | Ha | | | | |
| | Mature area | 9,000.00 | Ha | | | | |
| | Mill | 32.70 | Ha | | | | |
| | Emplacement and infrastructure | 431.25 | Ha | | | | |
| | Conservation (HCV) | 128.00 | Ha | | | | |
| | Buffer zone (HCV) | 368.00 | Ha | | | | |
| 1.6 Planting Year and Cycles | | | | | | | |
| 1.6.1 | Age profile of planting year | | | | | | |
| | Planting Year | Hectarage (Ha) | | | | | |
| | | Puhus 1 Estate | Puhus 2 Estate | Puhus 3 Estate | Total | | |
| | 2005 | 189.00 | 2,230.00 | - | 2,419.00 | | |
| | 2006 | 1,155.00 | 548.00 | | 1,703.00 | | |
| | 2007 | 214.00 | 168.00 | 2,964.00 | 3,346.00 | | |
| | 2008 | 1,451.00 | - | - | 1,451.00 | | |
| | 2012 | 81.00 | - | - | 81.00 | | |
| | TOTAL | 3,090.00 | 2,946.00 | 2,964.00 | 9,000.00 | | |
| 1.6.2 | New Planting area after January 2010 | | | | Ha | | |
| 1.6.3 | Planting Cycle | | 1 st Cycle | | | | |
| 1.7 Description of Mill and Supply Base | | | | | | | |
| 1.7.1 | Description of Mill | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | |
| | | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) |
| | POM 2 | 60 | 503,274.24 | 119,392.29 | 23.72 | 21,284.01 | 4.23 |
| <i>*Production data source from January 2020 to December 2021</i> | | | | | | | |

| | | | | | | | |
|------------|---|---|-------------------------------|---|---|--------------------------|--------------|
| 1.7.2 | Description of Certification Scope of Supply Base | | | | | | |
| | Name of Estate | Total Area (Ha) | Production Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | Supplied to Mill | |
| | | | | | | FFB (tonnes/year) | % |
| | Puhus 1 | 3,861.95 | 3,090.00 | 163,280.03 | 26.42 | 162,410.45 | 99.47 |
| | Puhus 2 | 3,047.00 | 2,946.00 | 153,509.21 | 26.05 | 153,127.70 | 99.75 |
| | Puhus 3 | 3,051.00 | 2,964.00 | 138,508.6 | 23.37 | 119,813.98 | 86.50 |
| | TOTAL | 9,959.95 | 9,000.00 | 455,297.84 | 25.29 | 435,352.13 | 95.62 |
| | <i>*Production data source from January 2020 to December 2021</i> <i>*FFB production represent data for two years audit so the yield calculations is based on formula: FFB production / Production Area / 2.</i> | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | |
| | Name of sources/Organisation (RSPO certified) | Type of Organisation | number of smallholders | Production Area (Ha) | Supplied to Mill | | |
| | | | | | FFB (tonnes/year) | | |
| | PT. Dharma Inti Nusantara | Subsidiary of PT Dharma Satya Nusantara | - | | 8,085.61 | | |
| | PT Swakarsa Sinarsentosa | | - | | 56,157.59 | | |
| | PT Dewata Sawit Nusantara | | - | | 3,755.60 | | |
| | TOTAL | | | | 67,998.80 | | |
| | <i>*Production data source from January 2020 to December 2021</i> | | | | | | |
| 1.7.4 | Product categories | | | FFB, CPO, PK | | | |
| 1.8 | Tonnage of Product | | | | | | |
| 1.8.1 | Past Annual Claim Certified Product | | | Last Year Projection (MT) | Actual Production January 2020 to December 2021 (MT) | | |
| | FFB Processed | | | 538,645 | 503,350.93 | | |
| | CPO Production | | | 129,931 | 119,392.29 | | |
| | Palm Kernel (PK) Production | | | 22,571 | 21,284.01 | | |
| 1.8.2 | Product selling | | | | | | |
| | Type of selling product | | | Actual selling product for last year (January 2020 to December 2021 (MT)) | | | |
| | CSPO sold as RSPO certified product | | | 88,449.72 | | | |
| | CSPK sold as RSPO certified product | | | 18,240.95 | | | |
| | CSPO sold under other scheme | | | 0 | | | |
| | CSPK sold under other scheme | | | 0 | | | |
| | CSPO sold as conventional | | | 24,950.00 | | | |
| | CSPK sold as conventional | | | 0 | | | |
| 1.8.3 | Estimate of Certified FFB Claim | | | | | | |
| | Name of Estates | Total Area (Ha) | Production Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | | |
| | Puhus 1 | 3,861.95 | 3,090.00 | 79,500 | 25.73 | | |

| | | | | |
|--------------|-----------------|-----------------|----------------|--------------|
| Puhus 2 | 3,047.00 | 2,946.00 | 73,250 | 24.86 |
| Puhus 3 | 3,051.00 | 2,964.00 | 69,250 | 23.36 |
| TOTAL | 9,959.95 | 9,000.00 | 222,000 | 24.67 |

**Projected FFB production for 12 months of certificate*

1.8.4 Estimate of Certified Palm Product Claim

| Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | | Supply Chain Module |
|--------------|-------------------------|-----------------------------|------------------|----------------|------------------|----------------|---------------------|
| | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) | |
| POM-2 | 60 | 222,000 | 52,725 | 23.75 | 9,435 | 4.25 | IP |

**Projected CSPO and CSPK production for 12 months of certificate*

1.9 Other Certifications

| | |
|------------------|---|
| ISO 9001:2008 | - |
| ISO 14001: 2004 | - |
| OHSAS 18001:2007 | - |
| ISCC | - |
| Others | |

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 | | | | |
| POM 1 (PT SWA) | June 2012 | Jabdan 2 (PT SWA) | 2012 | Kutai Timur District, Kalimantan Timur Province | Certified |
| | | Smallholder (KM 5.9) | 2015 | | Certified |
| | | Smallholder (KM 3,6,11,12) | 2017 | | Certified |
| POM 2 (PT DSN) | June 2013 | PT Dharma Agrotama Nusantara | 2013 | Kutai Timur District, Kalimantan Timur Province | Certified |
| | | Smallholder | 2024 | | Waiting RaCP |
| POM 3 (PT DSN) | August 2013 | PT Dharma Intisawit Nugraha | 2013 | Kutai Timur District, Kalimantan Timur Province | Certified |
| POM 4 (PT DSN) | Nov 2014 | Jabdan 1 (PT DSN) | 2015 | Kutai Timur District, Kalimantan Timur Province | Certified |
| | | Long Jenew 1 (PT SWA) | | | Certified |
| | | Long Jenew 2 (PT SWA) | | | Certified |
| | | Smallholder | | | 2025 |
| POM 5 (PT DSN) | 2023 | PT Pilar Wanapersada | 2023 | Lamandau District, Kalimantan Tengah Province | Progress Certification (Stage 1) |
| | | Smallholder | 2023 | | - |
| POM 6 (PT DSN) | 2019 | PT Dewata Sawit Nusantara | 2019 | Kutai Timur District, Kalimantan Timur Province | Certified |
| | | Smallholder | 2025 | | - |

| | | | | | |
|--|------|---|------|--|-------------------------------|
| POM 7 (PT DSN) | 2019 | Melenyu 4 (PT Dewata Sawit Nusantara) | 2019 | Kutai Timur District, Kalimantan Timur Province | Certified |
| | | LTE HGU 504 (PT Karya Prima Agro Sejahtera) | 2021 | | Certified |
| | | LTE (PT Karya Prima Agro Sejahtera) | 2023 | | - |
| | | SWE (PT Karya Prima Agro Sejahtera) | 2023 | | - |
| | | Smallholder (KM 9) | 2015 | | Certified |
| - | - | PT Dharma Intisawit Lestari | 2023 | Bulungan District, Kalimantan Timur Province | Progress Certification (ST-1) |
| - | - | Smallholder | 2025 | Bulungan District, Kalimantan Timur Province | |
| - | - | PT Karya Prima Agro Sejahtera | 2020 | Kutai Timur District, Kalimantan Timur Province | Certified |
| | | Smallholder | 2025 | | - |
| - | - | PT Putra Utama Lestari | 2023 | Kutai Barat District, Kalimantan Timur Province | RaCP On Process |
| | | Smallholder | 2025 | | - |
| POM 8 PT Agro Andalan | - | PT Agro Andalan | 2023 | Sekadau District, Kalimantan Barat Province | RaCP On Process |
| | | Smallholder | 2025 | | RaCP On Process |
| - | - | PT Kencana Alam Permai | 2023 | Sintang District, Kalimantan Barat Province | No Liability |
| | | Smallholder | 2025 | | No Liability |
| - | - | PT Prima Sawit Andalan | 2023 | Sintang District, Kalimantan Barat Province | No Liability |
| | | Smallholder | 2025 | | No Liability |
| - | - | PT Dharma Persada Sejahtera | 2023 | Sintang District, Kalimantan Barat Province | No Liability |
| | | Smallholder | 2025 | | No Liability |
| POM 9 Tepian Langsat | 2021 | PT Bima Palma Nugraha | 2023 | Bengalon District, Kalimantan Timur Province | Progress Certification (ST-1) |
| | | Smallholder | 2025 | | RaCP On Process |
| POM 10 Muara Bulan | 2021 | PT Bima Agri Sawit | 2023 | Karangan District, Kalimantan Timur Province | RaCP On Process |
| | | Smallholder | 2025 | | RaCP On Process |
| - | 2022 | PT Mitra Sarana Nusantara | 2023 | Karangan District, Kalimantan Timur Province | RaCP On Process |
| | | Smallholder | 2025 | | RaCP On Process |
| PT Dharma Satya Nusantara has committed to obtain RSPO Certificate to all management unit in accordance with TBP that has been set. MUTU has considered that PT Dharma Satya Nusantara is complied with the RSPO requirement for | | | | | |

| | |
|--------|---|
| | Time Bound Plan. There are several adjustments of TBP compare with previous TBP due to adjustment of to legal issue, RACP Process and COVID outbreak. The Time Bound Plan was revised and declared by PT Dharma Satya Nusantara on 27 December 2021 and signed by Head of Sustainability. |
| 1.10.2 | Progress of Associated Smallholders and Outgrowers for Certifiable Standard |
| | PT DAN have agreement about scheme smallholders with two cooperatives (Cooperative of Serba Usaha Sawitan Surya and Cooperative of Jengea Bong Pet Kuq), however the FFB from both cooperative delivered to POM 1 and has been certified RSPO |
| | |

| | |
|--|--|
| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| ASA-1.2 (Remote Audit) | <ol style="list-style-type: none"> Rizliani Aprianita (Lead Auditor). Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as lead Auditor ISO 9001:2008, ISO 14001:2004, OHSAS 18001, ISPO Auditor training, RSPO lead Auditor training, RSPO SCCS training, SA 8000, social training by RSPO (Verite) and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During this audit, she conducted an assessment on Worker Welfare, social and OHS aspects. Asystasya Aishah Silalahi (Auditor). Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one-year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she conducted an assessment on legal, land conflict and SCCS. Nurdin Chaeriana (Auditor). Associate Expert in Forest Management, Faculty of Forestry, has 5 years working experience in Industrial Plantation Forest Companies as Environment, Health and Safety Staff and worked for 5 years in plantations as Assistant Manager of Sustainability. Training attended was ISPO Lead Auditor, <i>Lead Auditor</i> ISPO, <i>Lead Auditor</i> RSPO, <i>Lead Auditor</i> ISO 9001-2015, <i>Lead Auditor</i> ISO 14001-2015, General OHS Expert, Hazardous and Toxic Waste Material Management Technical Guidance, Fundamentals of Forest and Land Fire Control, Training of Trainer Fire Fighting Course, Basic Fire Fighting Course, Fire Management, Fire Fighting Technique Prevention & Control, ISO 14001:2004 Internal Auditor. During this audit he verified the aspects of Environmental, HCV and GHG. Septian Maulana (Trainee Auditor). Indonesian Citizen, Bachelor of Economic, Pamulang University. Have experience as sustainability staff on oil palm plantation. Training have been followed including Occupational Health and Safety Expert Candidate certification by Ministry of Manpower and Transmigration of Indonesia; Awareness Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018); Basic Fire Fighting; Basic First Aid; Understanding the regulations and technical aspects of environmental management; Training of Immobilization after a venomous snake bite; Awareness ISO 19011:2011; Awareness ISO 17065:2012; Awareness ISO 17021:2015. In this audit activity verified the aspects of Best Management Practice, Long Term Plan and Transparency supervised by Lead Auditor. |
| ASA-1.2 & ASA-1.3 (Full Remote Audit) | <ol style="list-style-type: none"> Moh Arif Yusni (Lead Auditor). Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social, TBP and Partial certification. Affuddin (Auditor). Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, RSPO SCCS, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on SCCS, BMP Agronomy and long-term budget. Rahmat Abdiansyah (Auditor). Indonesian citizen, Bachelor of Forestry from the Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and |

RSPO Internal Auditor training in 2018, ISPO and P&C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&C in 2019 and 2020. During assessment, he assigned to verification towards environment, HCV, Social, and GHG Aspects.

4. **Mia Rahmah Qadryani (Trainee Auditor)**. Indonesian Citizen. Bachelor of Agriculture Majoring in Pest and Plant Disease, Universitas Padjadjaran. The training she has followed namely: ISO 9001, ISO 19011, Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 14001, Awareness ISO 45001, and Awareness ISO 19011. She has participated in several audit simulation activities related to the social and worker welfare. During this audit, she verified Worker Welfare and Transparencies supervised by Lead Auditor.

| | |
|---|---|
| 2.2 Assessment Methodology, Assessment Process and Locations of Assessment | |
| 2.2.1 Figure of person days to implement assessment | |
| ASA-1.2 (Remote Audit) | Number of auditors: 3 auditors and 1 trainee auditor. Number of days for ASA-1.2 remote audit: 2 days. Number of working days for ASA-1.2 remote audit: 6 Working days. |
| ASA-1.2 & ASA-1.3 (Full Remote Audit) | Number of auditors: 3 auditors and 1 trainee auditor. Number of days for ASA-1.3 remote audit: 5 days. Number of working days for ASA-1.3 audit: 15 Working days. |
| 2.2.2 Assessment Process | |
| ASA-1.2 (Remote Audit) | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Dharma Satya Nusantara POM 2 and PT Dharma Agrotama Nusantara (supply base) to the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</p> <p>The assessment was conducted in one method: document review, aiming to observe the sufficiency of types or substances from required documents. Some opportunities for improvement of the results ASA-1.2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1.3. Improvement of findings from previous assessment (ASA-1.1) findings were observed by auditors at this ASA-1.2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.2.</p> <p>The opening meeting was held on Thursday, 4 February 2021 at 8.00 AM through a teleconference Google Meet As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, support team from sustainability department and other relevant staff, The document is presented through email and google drive. While the closing meeting conducted on 5 March 2021 at 4.30 PM attended by the same participants as the opening meeting. Generally, the remote audit activity went well and the management of PT Dharma Satya Nusantara and PT DAN (supply base) – POM 2 received all the audit results that were submitted at the closing meeting.</p> <p>The assessment program please find Appendix 2</p> |
| ASA-1.2 & ASA-1.3 (Full Remote Audit) | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Dharma Satya Nusantara POM 2 and PT DAN (supply base) to the requirements of:</p> <ul style="list-style-type: none"> • RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20th April 2020 • RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 <p>Additional Documents:</p> |

- Contingency RSPO Audit Procedure for RSPO Principles and Criteria (P&C) and Independent Smallholder (ISH) Standard, Version 2, This procedure is only applicable when a force majeure event prevents the audit team from conducting field verifications. Approved by Assurance Standing Committee on 22 October 2022

The scope of certification of consist of one mill (POM 2) and three (3) estate (Puhus 1 Estate; Puhus 2 Estate and Puhus 3 Estate). Currently, the process of certification in POM 2 is already in the 2nd cycle, with the first license of certificate starting on 25 March 2014 and valid until 24 March 2019. The ASA 1.3 POM 2 are carried out simultaneously with ASA 1.3 POM 2. This is conducted together due to the two certification units being one company (PT Dharma Satya Nusantara, Tbk), so the documents related to legal, social, environmental, CSR, SOP/work instructions, and company policy are the same. The difference between both certification units is related to the field implementation. In addition, every work agreement with an external party is made on behalf of PT Dharma Satya Nusantara, Tbk.

During pandemic covid-19 situation, POM 2 applying Scenario 4 in accordance with Contingency RSPO Audit Procedure 25 August 2020. Remote audit 1.2 has been carried out on 2 – 3 February 2021 and until next following year (12 Months since remote audit), there is no field visit due to group safety policy, travel restriction, extended lockdown, restrictive quarantine procedures. Since palm trace license expired on 24 March 2023 there is no new license for POM 2 and the license extended every three months.

Considering the situation of Covid 19, the spread of a new variant in Indonesia (Omicron) and risk analysis that conducted by CB, audit onsite is cancelled and decide to conduct full remote audit for this assessment. Prior assessment carried out there are several discussion and coordination between auditor teams and unit of certifications to ensure the remote audit can be done smoothly. The material discussed during meeting prior the audit among others<:

- Availability of sufficient resources and tools (i.e., Internet connection, mobile network coverage, hardware, software, competence personnel, etc.) among the audit team, unit of certification (auditee), surrounding communities, previous land users, and other stakeholders to facilitate information and feedback gathering during the remote audit
- Methodology for documentation/information sharing platform to access data and/or information during the remote audit. This should include the available options to conduct interviews with workers, stakeholders, and other interested parties
- Data protection policies should also be in place and complied with by all parties
- Conduct a 'test' session for the CB auditor and auditee (including stakeholders/respondents) to familiarize themselves with the available
- Information communications technology (ICT) that will be used in the remote audits.

Last meeting coordination carried out on 15 January 2022 with material discussed about simulation of audit, internet connection test, documentation presentation, stakeholders' consultation methods and virtual field observations

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

The assessment was conducted in three methods, as follows:

1. Document review, aiming to observe the sufficiency of types or substances from required documents. The online platform used is G-Drive. The audit unit sends the document according to the standard requirements and the auditor request via G-drive. the auditor will then download the document and if there are several things that need further verification, a forum will be opened for discussion by telephone or Google-meet
2. Stakeholders Consultation
Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before

discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. Interview was carried through telephone or Google-meet.

To minimize retaliatory measures and ensure the smooth process of gathering information or feedback from workers and/or stakeholders during the remote audit, auditor team always asking for enough telephone numbers for workers or stakeholders to be contacted and contacted randomly (via sample) so that the interviewed is not known by the company, its due to avoid compromising the safety of the workers/stakeholders (e.g., threatened on dismissal, death, rights, etc.).

Structured worker interviews with male and female workers and staff were held in private in the mill and the estates through teleconference. During communication auditors ensure the company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III.

3. Field observation, aiming to directly observe the sufficiency of implementation on site. Field observation was carried virtually through live video or recording. Every morning team auditors decided location to be visit in accordance with daily work planning. If the area has stable connectivity field observation carried a live' visual feed (e.g., live video and audio capability). The live visual was carried through WhatsApp video call, however if there are no internet connectivity visualizations carried out through video recording. All the recorded videos and images shall have clear geotagging information, date, and timestamp. The auditor will then ensure that the video is shot on the day of the audit / field visit in accordance with the audit program.

Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel. The opening meeting was held on Monday 22 January 2022 at 08.30 am (GMT +7) through a teleconference. As for the participants who attended the opening meeting included the Estate Manager, Mill Manager, Support Team from sustainability department and other relevant staff. While the closing meeting will take place on 22 January 2022 at 15 pm (GMT +7. attended by the same participants as the opening meeting.

The conclusion of audit delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA 1.4. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of Recertification reports

The assessment program please find Appendix 2

| | |
|--|---|
| 2.2.3 | Locations of Assessment |
| ASA-1.2 (Remote Audit) | Will be verified on next audit |
| ASA-1.2 & ASA-1.3 (Full Remote Audit) | <p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>POM 2 of PT DSN</p> <ul style="list-style-type: none"> - Grading Station. Observations related to FFB quality, handling of FFB that did not pass the criteria, OHS and employment. - FFB process stations Observations related to best practices, OHS, license, and employment. - Boiler. Observations related to OHS, understanding of emergency response, and operator licenses - Engine room. Observations related best practices, OHS, and employment. - Weighbridge Station. Observation related best practices, OHS, and employment. - Workshop. Field observations and interview related workshop activity, OHS, environmental and worker welfare aspect. - Hazardous Waste Temporary Store. Field observations related hazardous waste management, OHS and environmental aspect. - Chemical Warehouse. Field observations related chemical management, OHS, and environmental aspect |

- **Empty Bunch Area.** Field observations related to empty bunch management.
- **Water Treatment Plant (WTP).** Observations related to water management, recording of water used, OHS, and waste management.
- **Waste Water Treatment Plant (WWTP) or Effluent Plant.** Field observations related POME management, recording, OHS and environmental.
- **Mill Drainage.** Field observation related mill drainage and potency of environmental contamination.
- **Reservoir,** Field observation related water sources
- **Hydrant simulation.** Observation related emergency response, readiness of firefighting equipment.

Puhus-1 Estate of PT DAN

- **FFB Harvesting, Block E22.** Observation related FFB quality, harvesting round, OHS, and employment.
- **FFB Transportation Block E22.** Observation related FFB transportation and OHS
- **Manual Weeding, Block D20.** Observation related manual weeding procedure, OHS, and employment.
- **Pesticides Application, Block C30.** Observation related pesticide application and OHS
- **EFB Application, Block C27.** Observations related EFB application as nutrient cycle on nutrient deficit area, dosage and method of applications, and soil condition.
- **Fire Monitoring Tower, Block E24.** Observation fire monitoring tower, and the fire patrol.
- **Boundaries Poles No 005, 006, 007 and 008.** Observation related legal boundaries and potential conflict area
- **HCV area Block 8.** Observation to **HCV management** implementation and management. Total HCV area was 128 ha.
- **Fertilizer Store.** Observation towards health, safety and environment aspect. Fertilizer stored is NPK-13.
- **Agrochemical Store.** Observation towards health, safety and environment aspect.
- **Temporary Hazardous Waste Store.** Observation towards health, safety, environment, and facilities provided by unit management.
- **General Warehouse.** Observation and interview with worker related labor aspect and OHS
- **Clinic.** Observation towards workers medical facility
- **Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, , inorganic waste store, sanitation system, housing quality, playground, and masjid.
- **Daycare.** Observation and interview with worker related labor aspect and OHS
- **Pesticide mixing Area.** Observation related safe working practices and OHS
- **Rinse House.** Observation related workers facilities and OHS
- **Land Fill Block C34.** Observation regarding domestic waste management
- **Barn Owl Box, D34,** Observation towards integrated pest management

Puhus-2 Estate of PT DAN

- **FFB Harvesting, Block G54.** Observation related FFB quality, harvesting round, OHS, and employment.
- **FFB Transportation Block G54.** Observation related FFB transportation and OHS
- **Manual Weeding, Block G59.** Observation related manual weeding procedure, OHS, and employment.
- **Land Application, Block F31.** Observation related Mill effluent application and environmental aspects.
- **Fire Monitoring Tower, Block G42.** Observation fire monitoring tower, and the fire patrol.
- **Boundaries Poles No 029, 024, 040.** Observation related legal boundaries and potential conflict area
- **HCV area Kenden River riparian, Block G49.** Observation to **HCV management** implementation and management.
- **HCV area Puhus river riparian, Block F31, F32.** Observation to **HCV management** implementation and management.
- **Fertilizer Store.** Observation towards health, safety, and environment aspect.
- **Agrochemical Store.** Observation towards health, safety, and environment aspect.
- **Temporary Hazardous Waste Store.** Observation towards health, safety, environment, and facilities provided by unit management.
- **General Warehouse.** Observation and interview with worker related labor aspect and OHS
- **Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, , inorganic waste store, sanitation system, housing quality, playground, and masjid.
- **Daycare.** Observation and interview with worker related labor aspect and OHS

- **Pesticide mixing Area.** Observation related safe working practices and OHS
- **Rinse House.** Observation related workers facilities and OHS
- **Barn Owl Box, E33,** Observation towards integrated pest management
- **Emergency Preparedness Storage.** Observation related to safety and preparedness of emergency.

Puhus-3 Estate of PT DAN

- **FFB Harvesting, Block E62.** Observation related FFB quality, harvesting round, OHS, and employment.
- **FFB Transportation Block E62.** Observation related FFB transportation and OHS
- **Manual Weeding, Block D61.** Observation related manual weeding procedure, OHS, and employment.
- **Boundaries Poles No 063, 064, and 067.** Observation related legal boundaries and potential conflict area
- **Fertilizer Store.** Observation towards health, safety, and environment aspect. Fertilizer stored is NPK-13.
- **Agrochemical Store.** Observation towards health, safety, and environment aspect.
- **Temporary Hazardous Waste Store.** Observation towards health, safety, environment, and facilities provided by unit management.
- **Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, inorganic waste store, sanitation system, housing quality, playground, and masjid.
- **Daycare.** Observation and interview with worker related labor aspect and OHS
- **Pesticide mixing Area.** Observation related safe working practices and OHS
- **Rinse House.** Observation related workers facilities and OHS
- **Fuel Tank.** Observation related environmental aspect and OHS
- **Land Fill Block G62.** Observation regarding domestic waste management
- **Barn Owl Box, E60,** Observation towards integrated pest management

Stakeholder

1. Village Official / elderly of Muara Wahau
2. Head of village council, Muara Wahau Village
3. Head of Subvillage Jabdan, Muara Wahau Village
4. Local Contractor of Transportation (on behalf of personal)
5. Village Official of Diak Lay
6. Village Official / elderly of Bean Haes
7. Village Head of Diak Lay
8. Local Contractor Transportation FFB – Syarifuddin
9. Local Contractor Transportation FFB – Victorius Tul
10. Local Contractor Transportation CPO Internal – Yunta
11. Head of Kel'ean Bloom Kejah Cooperative
12. smallholder Head of Sawit Surya Cooperative

| | |
|--------------|---|
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| | <p>Summary of stakeholder consultation process Consultation of stakeholders for PT Dharma Satya Nusantara and PT Dharma Agrotama Nusantara was held by:</p> <ul style="list-style-type: none"> • Public notification on website MUTU • Public consultation meeting with government institution on 17-19 January 2022. • Public consultation meeting with internal stakeholders and contractor on 17 January 2022. • Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 14 January 2022. • Public consultation meeting with communities on 17 January 2022. <p>Numbers of input from stakeholders were clarified by PT Dharma Satya Nusantara and PT Dharma Agrotama Nusantara.</p> |
| 2.3.2 | Stakeholder contacted |
| | Please find appendix 1 |

| | |
|-----|--|
| 2.4 | Determining Next Assessment |
| | The next visit (ASA-1.4) will be conducted eight (8) months to twelve (12) months after date of annual license. |

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has assessed Palm Oil Mill 2 (POM 2) – PT Dharma Satya Nusantara operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, unit management of POM 2 and its supply base already comply with RSPO P&C and SCCS requirements. Further explanation of assessment result is provided in section 3.5.

MUTUAGUNG LESTARI found that POM-2 PT Dharma Satya Nusantara dan PT Dharma Ago Nusantara complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.

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

| Ref Std. | VERIFICATION RESULT of MUTU-Certification | |
|---|---|--|
| PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY | | |
| <p>1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</p> | | |
| <p>1.1.1 The company has a procedure for communicating and responding if there is a request for information as stated in SOP-AGR-044-R02 effective October 14, 2019, regarding Communication and Handling of External Complaints. Based on the SOP, the provision of information that can be fulfilled is data/information related to environmental, social, and legal issues. Except for data/information/documents that are protected by commercial secrecy and information/documents which when disclosed will have a negative impact. Types of documents/data/information available to stakeholders such as company vision and mission, company policies, AMDAL documents, HGU permits, company regulations, plantation maps, etc.</p> <p>Companies can also show recorded evidence of providing information to relevant agencies in the form of regular reports, for example on environmental aspects:</p> <ul style="list-style-type: none"> • Electronic receipt of PT DAN's RKL-RPL Report for semester 1 of 2021 to the Environmental Service of Kutai Timur District on 22 July 2021. • Electronic receipt of PT DAN's RKL-RPL Report for semester 2 of 2021 to the Environmental Service of Kutai Timur District on January 10, 2022. • Electronic receipt of PT DAN's Hazardous and Toxic Waste Management Report for Quarter 1 2021 to the Kutai Timur District Environmental Service on April 14, 2021. • Electronic receipt of PT DAN's Hazardous and Toxic Waste Management Report for Quarter 2 2021 to the Environmental Service of Kutai Timur District on 22 July 2021. • Electronic receipt of PT DAN's Hazardous and Toxic Waste Management Report Quarter 3 2021 to the Kutai Timur District Environmental Service on 21 October 2021. • Electronic receipt of PT DAN's Hazardous and Toxic Waste Management Report Quarter 4 2021 to the Environmental Service of Kutai Timur District on January 10, 2022. • Electronic receipt of the RKL-RPL POM 2 semester 1 2021 report to the Kutai Timur District Environmental Service on 20 August 2021. • Electronic receipt of the POM 2 RKL-RPL Report for semester 2 of 2021 to the Environmental Service of Kutai Timur District on January 11, 2022. | | |

- Electronic receipt of POM 2 Quarter 1 2021 liquid waste monitoring report to the Kutai Timur District Environmental Service on April 14, 2021.
- Electronic receipt of POM 2 Quarter 2 2021 liquid waste monitoring report to the Kutai Timur District Environmental Service on 20 August 2021.
- Electronic receipt of POM 2 Quarter 3 2021 liquid waste monitoring report to the Kutai Timur District Environmental Service on 22 October 2021.
- Electronic receipt of POM liquid waste monitoring report 2 Quarter 4 of 2021 to the Environmental Service of Kutai Timur District on January 11, 2021.
- Electronic receipt of the Hazardous and Toxic Waste Management Report of POM 2 Quarter 1 2021 to the Kutai Timur District Environmental Service on April 14, 2021.
- Electronic receipt of the Hazardous and Toxic Waste Management Report of POM 2 Quarter 2 2021 to the Environmental Service of Kutai Timur District on 20 August 2021.
- Electronic receipt of the Hazardous and Toxic Waste Management Report of POM 2 Quarter 3 of 2021 to the Kutai Timur District Environmental Service on 22 October 2021.
- Electronic receipt of the Hazardous and Toxic Waste Management Report of POM 2 Quarter 4 of 2021 to the Kutai Timur District Environmental Service on January 11, 2021.

Unit of certification showed the mandatory report submitted related to worker welfare in accordance with its period, here as follows:

- Reporting of Employment Report for PT DSN POM 2 in 2020 to Manpower Agency of Kutai Timur District on 06 December 2020 and must be reporting back on 06 December 2021.
- Reporting of Employment Report for PT DSN POM 2 in 2021 via online on 06 December 2021 and must be reporting back on 06 December 2022.
- Reporting of Employment Report for PT DAN in 2021 via online on 06 December 2021 and must be reporting back on 06 December 2022.

The following are some mandatory reports according to OHS indicators, including P2K3 report for the period October – December 2021, document number 005/P2K3-DAN/II/2022, to the Department of Manpower and Transmigration of Kalimantan Timur Province, received on January 10, 2022.

1.1.2

The company shows a list of publicly available documents. Documents are placed in each department according to their field. For example, for location permits and HGU documents are in the legal department, external related documents, partnerships, CSR are in the CSR department.

The types of information provided to the public are contained in SOP-AGR-044-R02 effective October 14, 2019 regarding Communication and External Complaint Handling including: Company vision and mission, company policies, AMDAL documents, location permits, HGU permits, IUP, IMB, Permits related to POM operations (boiler permits, generator permits, sterilizer permits), Medical and paramedical centers permits, Permits for temporary storage of hazardous wastes, Map of gardens, Regulations specifically for plantations / POM, Organizational Structure of Plantations Operations / POM, Company regulations, Company quarterly report, CSR empowerment activity report, Social conflict resolution report, ISPO/RSPO, HCVA, SIA audit results and their follow-up, OHS Program.

Based on interviews with company management representatives, documents such as the complaint mechanism also include land conflict resolution documents and are publicly accessible. Documents regarding pollution and its mitigation or GHG are also included in the RSPO report so that it can be said that these documents are accessible to the public. Likewise, the sustainable development document is also contained in the RSPO Report so that it can also be accessed by the public.

1.1.3

The company has a procedure for communicating and responding if there is a request for information listed in SOP-AGR-044-R02 effective October 14, 2019. Responses to requests for information or submitting complaints must be given immediately, which is no later than 4 working days after the request for information/ written complaint is accepted.

Complaints are resolved as quickly as possible depending on the type of complaint. In the SOP it is explained that every request for information or submitting a complaint is summarized by the Legal Dept./CSR Operations Dept. Head.

The company can show incoming and outgoing mail documents for the 2021 period, based on verification of incoming and outgoing mail documents, it is known that there are no incoming letters related to requests for information, but incoming letters are only requests for funds/assistance. The examples of requests for funds/assistance are as follows: A letter from the Head of Youth Organization with the number 06/KT/JLY/XI/2021 on November 3, 2021, related to the assistance for tournament uniform fees. The company has responded to the letter on November 4, 2021, with Response letter Number 0010/DAN-CSR-WHU/XI/2021.

Based on an interview with the Muara Wahau Village Representative, it was found that the company had conducted socialization to the village regarding the mechanism for requesting information from the company. If there is a request for information, the village will send a letter to the company and the company will respond.

1.1.4

The company has a procedure for communicating and responding if there is a request for information listed in SOP-AGR-044-R02 effective October 14, 2019. Responses to requests for information or submitting complaints must be given immediately, which is no later than 4 working days after the request for information/ written complaint is accepted. Complaints are resolved as quickly as possible depending on the type of complaint. In the SOP it is explained that every request for information or submitting a complaint is summarized by the Legal Dept./CSR Operations Dept. Head.

The company can also show a recording of the socialization of the code of ethics policy, communication and consultation mechanisms, complaints/conflicts on 6 February 2021 to 35 participants consisting of heads of surrounding villages, surrounding communities, contractors, etc.

Based on the results of interviews with trade unions and the gender committee, it is known that the company has carried out socialization related to SOPs for communication and providing information. This is evidenced by the representatives of the trade union and gender committee understanding and explaining the procedure.

1.1.5

The company has an updated list of contacts and detailed stakeholder information which was updated on January 5, 2022. The stakeholders include the village government, community leaders, cooperatives, suppliers, contractors, religious institutions, companies around the village, community organizations, minority families, communities around operational roads, schools, trade union organizations, non-governmental organizations, media, sub-district leadership meetings and government agencies. In the current list of contacts, the names, agencies/positions, addresses, categories, and contact person numbers are also explained.

Based on SOP-AGR-044-R02 dated October 14, 2019, concerning Communication and Handling of External Complaints letter D No. 1 explained "The unit leader compiles a list of stakeholders, which is updated at least once a year based on input from other related departments, such as Legal, CSR, Commercial, HCD, HCO, and other departments".

The audit team also conducted interviews with stakeholders by telephone using information from the company's stakeholder list. Thus the list of stakeholders owned by the company is in accordance with current conditions. The list of stakeholders also includes a list of contractors and is in accordance with the list of contractors collaborating with the company.

Status: Comply

1.2

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

1.2.1

Unit of certification had a policy concerning on code of integrity and ethical behavior in all operational activities and transactions. This policy stated in the DSN Group quality guideline document No PDM-AGR-R06 validated on 01 January 2020 approved by the Managing Director. It's specifically explained in clause 7.5 regarding Ethical Conduct in all business transactions and operations, stated as follows:

- Every activity must reflect the compliance towards reasonable business practice.
- Prohibit all workers from corruption, bribery and fraudulent use of funds and resources.
- Provide information in accordance with all applicable laws and palm oil industry practices.

UoC's code of integrity and ethical behavior had been supplemented and socialized to the workers and contractors, for example:

- Puhus 2 Estate had carried out socialization on 06 October 2020 attended by 35 workers.
- Puhus 2 Estate had carried out socialization on 22 February 2021 attended by 63 workers.

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

1.2.2

Unit of certification has a system to monitor compliance and implementation of policies and overall ethical business practices stated in procedure related to employee grievance No. SOP-AGR-054-R03 validated on 30 October 2020. The procedure explained the monitoring mechanism towards the compliance and implementation of ethical business practices, here as follows:

- DSN Group business ethics must be disseminated to all DSN Group employees
- Every new employee must be ensured to receive the socialization about DSN Group's Business Ethics
- Outreach materials are prepared and compiled by the Human Capital Team
- Socialization can be done face-to-face (in class) or online (for example by Google Meet)
- The Human Capital team will periodically evaluate employees' understanding of DSN Group Business Ethics, especially regarding the implementation and consequences of violations.
- Complaints or reports of violations of the DSN Group Business Ethics follow the complaint mechanism

UoC also showed some SOPs related to monitor the compliance and implementation of ethical business practices, here as follows:

- SOP of recruitment (No. SOP-AGR-012-R03) validated on 01 December 2019 which stated that there was no cost in recruitment process. The company had guaranteed the cost of recruitment if there were any migrant worker.
- SOP of handling employee grievance (No. SOP-AGR-054-R03) validated on 30 October 2020 which stated that the company guaranteed the freedom of speech by keeping the identity of the employee confidentially.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

The list of laws or regulations is explained in the regulatory list document (law register) which already update in July 2021 Law registers are available in soft and hard copy. The unit of certification can demonstrate compliance with these laws and regulations, in the following aspect

Legal Aspect

In term of legal aspect, the CH has shown evidence towards legal aspect, The Certificate Holder has complied with regulations in the field of plantation and land legality, such as HGU (land use title) IUP P (plantation business permit for mill) as well as mandatory reports on annual land use to BPN.

Environmental Aspect

The company has complied with several legal compliances in environmental aspects, for example:

- Permit for temporary storage of hazardous and toxic waste POM 2. The company can show the Decree of the Regent of Kutai Timur Number: 660/K.260/2017 concerning the extension of the permit for temporary storage of hazardous

and toxic waste of PT Dharma Satya Nusantara POM 2 in the District Muara Wahau, Kutai Timur District on March 22, 2017, with a validity period of 5 years.

- Wastewater utilization permit on POM land 2. The company can show the Decree of the Head of the Investment Service and One Stop Service Office of Kutai Timur District Number 503/06/DPMPSTSP-PPNP/LA/III/2020 regarding the granting of an extension of the wastewater disposal permit (utilization of wastewater). wastewater from the palm oil industry on the ground) in the oil palm plantation of PT Dharma Satya Nusantara – POM 2, Muara Wahau District, Kutai Timur District on March 10, 2020, with a validity period of 5 years.
- POM 2 already has environmental documents, namely the document on environmental management efforts and environmental monitoring efforts (UKL-UPL) for the construction of a palm oil mill with a capacity of 60 tons of FFB/hour and has been approved by the AMDAL Commission of Kutai Timur District on March 16, 2009, with number 332 /660.1/2.1/LH/III/2009.
- POM 2 already has a water resources exploitation permit. The company can show the Decree of the Minister of Public Works and Public Housing Number 265/KPTS/M/2017 concerning the granting of a water resource exploitation permit to Dharma Satya Nusantara Tbk Limited Liability Company for industrial business in Sungai Puhus on April 21, 2017, with a validity period of 5 years.
- PT Dharma Agrotama Nusantara has obtained a permit for temporary storage of hazardous and toxic waste. The company can show the Decree of the Regent of Kutai Timur Number 503/07/DPMPSTSP-PPNP/TPS-LB3/IV/2021 regarding the extension of the permit for the temporary storage place (TPS) for hazardous and toxic waste (LB3) to PT Dharma Agrotama Nusantara in Muara Wahau District Kutai Timur District on April 26, 2021, with a validity period of 5 years.
- PT Dharma Agrotama Nusantara already has environmental documents in the form of an AMDAL for the development of plantations and palm oil mills on behalf of PT. Dharma Agrotama Nusantara is in the villages of Benhes, Diak Lay, Dabeq, and Muara Wahau, Muara Wahau District, Kutai Timur District, East Kalimantan Province. This document has been approved by the Kutai Timur District AMDAL Commission on October 23, 2009, under the number 188.4.45/674/HK/X/2009.

Worker Welfare Aspect

Unit of Certification showed the evaluation of applicable national regulation towards manpower. UoC had complied the manpower regulation generally, here as follows:

- Reporting of Employment Report for PT DSN POM 2 in 2020 to Manpower Agency of Kutai Timur District on 06 December 2020 and must be reporting back on 06 December 2021 in accordance with Government Regulations No. 35 of 2021.
- Reporting of Employment Report for PT DSN POM 2 in 2021 via online on 06 December 2021 and must be reporting back on 06 December 2022 in accordance with Government Regulations No. 35 of 2021.
- Reporting of Employment Report for PT DAN in 2021 via online on 06 December 2021 and must be reporting back on 06 December 2022 in accordance with Government Regulations No. 35 of 2021.
- The implementation of the minimum wage in 2021 is in accordance with the Minimum Wage Decree of the Kutai Timur District established by the Governor of Kalimantan Timur.
- Payment of overtime wages to workers in accordance with Government Regulations No. 35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Minister of Manpower Regulation No. 01 of 2017.

BMP

In term of best management practices, it was known that estate and mill management has implementing several pursuance with Indonesia laws and regulations, for example has conducting mechanical or zero burning method during land clearing, palms planted were derived from seeds (DxP) producers, recognized by the government of Indonesia. Furthermore, estate (each unit management) has implementing integrated pest management, biological control and only used pesticides listed on government website pesticide.id.

OHS

In the aspect of Occupational Safety and Health, the certificate holder shows evidence of compliance with relevant legal requirements, including Guiding Committee of Occupational Safety and Health Report 2020 & 2021, license of heavy equipment operator, first aid officer at workplace, steam boiler operator license, license certificate of mill machinery

(including inspection and testing), diesel operators, etc.

The certification holder has undertaken prevention and control measures as listed in Work Safety Law no. 1 of 1970 Article 3, among others by monitoring the implementation of occupational safety and health, conducting accident investigations (6.7.2), hazard risk analysis (3.6.1), medical checkup (3.6.1), machine operation by persons authorized and socialized safe work practices. Based on the results of document review, for example boiler stations, it is known that boiler operators have licenses to operate boilers in accordance with Minister of Manpower Regulation No. 1 of 1988.

2.1.2.

The mechanism and system to ensure the legal compliance stipulated in Procedures and Other Legal Requirements (SOP-AGR-024-R01, dated 8th September 2014). The procedure contains a flowchart of application for consideration of the legality and licensing, as well as flow charts of identifying and updating of laws and regulations. Also in the document are the forms of legality and licensing application, a summary of laws and regulations, evaluation summary of compliance to regulation, the address list of agency/department issuing laws and regulations and summary documents of law and regulations. This procedure describes that every 6 months, SHE/HCD/HCO/Legal Dept Head conduct monitoring and evaluating of compliance with laws and regulations and requirements. Monitoring and evaluation evidence are including the minutes, reports, checklists, minutes of meetings, photographs, or other documents.

Monitoring and evaluation results are listed in form of Evaluation Summary of Compliance with Rules and Regulations (No. DK-MS-01A-RO1) that was renewed in July 2021. The document is an inventory of national and local regulations related to aspects of legal, labor, health, and safety, and environmental. To ensure compliance with law or regulations, the company conducts an internal RSPO audit. Internal audits have been conducted continuously and are documented and reviewed in the management review activities, latest July 2021.

To ensure the legal compliance for third party/contractors, the company has had SOP of Contractual Arrangement (No. SOP-AGR-023-R02) that sets legal due diligence for contractor candidates, includes requirements for personal and legalized contractors. The legal requirements cover of Directors identity, identity card of company's tax (NPWP), trade permit (*izin perdagangan*), company deed of establishment (*akta pendirian perusahaan*), license of management signing the contract (deed of management, appointment letter). The Legal Department was responsible to assess the due diligence of appropriateness of contractors before taking contractual agreements with the company. Monitoring contractors has been carried out annually by the unit of certifications.

2.1.3

Boundaries Pole maintenance programmed twice a year in accordance with the CH's SOP (IK-AGR-OLP-33-R01 (1 Feb 2019)), the realization report for the period 2020 and 2021 verified during this assessment and it was known all boundaries in good conditions. Field observations were conducted to ensure that the poles are available on place and maintained, such as observation in Puhus 1 Estate (Poles No 005, 006, 007 and 008), Puhus 2 (Poles No 029, 024, 040), and Puhus 3 (Poles No 063, 064, and 067) was known that BPN poles were satisfactory maintained and easy to identified and PT DAN was surrounded by several companies that subsidiary of PT DSN and scheme smallholders under PT DSN group. There is no issues related to boundary matters in PT DAN with surrounding companies.

Status: Comply

2.2

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

2.2.1

In monitoring the existence of contractors for plantation and mill activities, UoC had well-documented the list of contractors, type of business, contact persons, and address. The contractors collaborate in the activities of operational vehicles rental for CPO and FFB transport, here as follows:

- Puhus 1 Estate: In cooperation with 11 contractors, for instance namely the contractor on behalf of Yunta Herlambang and KSU Tani Sejahtera.
- Puhus 2 Estate: In cooperation with 17 contractors, for instance namely CV. Lima Bersaudara and the contractor on behalf of Victorius Tul.
- Puhus 3 Estate: In cooperation with 10 contractors, for instance namely the contractor on behalf of Syahbirin and

Dionesius.

- DSN POM 2: In cooperation with 5 contractors, for instance namely KSU Putra Wahau.

In managing the contractor, UoC has a copy of the collaboration agreement in each unit. For example, for agreement between two parties, such as:

- Work Agreement of contractor on behalf of Yunta Herlambang (No. 014/DSN/PKS2/2021) for operational vehicles rental for CPO transportation in POM 2 dated on 01 July 2021 which is valid for six months (01 July 2021 – 31 December 2021).
- Work Agreement of KSU Putra Wahau (No. 015/DSN/PKS2/2021) for operational vehicles rental of CPO transportation in POM 2 dated on 01 July 2021 which is valid for six months (01 July 2021 – 31 December 2021).

The explanation above can be concluded that the certification unit has managed and documented the list of contractors along with its supporting documents.

2.2.2

UoC showed that there were several separate clauses on the work agreement between the company and the contractor related to fulfilling legal obligations in Indonesia. Some of these obligations are related to the registration of workers' health and social security insurance, the provision of minimum wages, the obligation to use PPE, other permits such as tax payment, vehicle licenses (STNK), driver license (SIM) and others. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the contractor does work.

In addition, UoC has carried out an evaluation of each contractor to see the performance of the contractors. There are several important indicators in the evaluation including the punctuality of car delivery, vehicle monthly service, compliance with regulations and laws (BPJS, provision of minimum wages, implementation of OHS, and work equipments).

Based on the interviews with contractor workers and documents verification, it revealed that workers had received wages above the minimum wage, were registered in the BPJS program, have a vehicle license (STNK), driving license (SIM). For example:

- Proof of payment of wages for contractor workers on behalf of YH (initial) who received wages above the minimum wage.
- BPJS (Social Security Insurance) payments for contractors in Puhus 2 Estate, have been completely fulfilled and the last proof of payment for period of December 2021.

2.2.3

UoC showed that on each work agreement between the unit of certification and the contractor/supplier, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to UoC's commitment against forced labour, underage worker, and not to employ workers from human trafficking. To ensure compliance with these clauses, the company always requests the requirements for the completeness before the contractor does work.

Based on the interview with the workers and the contractors, it's known that they had a good understanding towards the clauses related to UoC's code of conduct. Based on documents review (list of contractor workers), it revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker started work.

| | | |
|--|-----------------------|--|
| | Status: Comply | |
|--|-----------------------|--|

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

2.3.1

Records of the origins of all third-party FFB sourced are available on computerized system at POM 2. Implementation of traceability FFB sources started from an SOP for third party suppliers are available on procedure of contract (No. SOP-AGR-023-R01, 1 November 2016). This procedure is required for all purchasing material should be based on contract, including FFB purchasing from third parties.

Based on documents verifications it was known FFB that accepted in POM 2 originally from estate under scope of certification and other source from estate under subsidiary of PT Dharma Satya Nusantara, Tbk, which has been obtained RSPO Certificate. FFB suppliers of PKS 02 as follows:

- Owned Estates: Puhus 1, Puhus 2 and Puhus 3 Estate with total area 9,959.95 ha.
- Other sources: PT Swakarsa Sinar Sentosa (PT SWA), PT Dharma Inti Nugraha, and from PT Dewata Sawit Nusantara, all are subsidiary of PT Dharma Satya Nusantara, which had RSPO certified Since 2015, 2014 and 2019 respectively.

2.3.2

As mentioned in Indicator 2.3.1, it was known if POM 2 do not accepted FFB from out growers, agent or middlemen. All FFB process originally from estate under scope of certification and other source from estate under subsidiary of PT Dharma Satya Nusantara, Tbk, which has been obtained RSPO Certificate

Status: Comply

PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE

3.1

There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.

3.1.1

The company already has a PT Dharma Agrotama Nusantara Work Plan and Budget Projection for the period 2021 - 2025 POM - 2, which among other things has explained the area of statements, plant projections, plant extraction rates, production costs, price estimates, and financial indicators. Previous year's plans are evaluated during the preparation of the annual budget. In summary, the Projection of the Work Plan and Budget of PT Dharma Agrotama Nusantara for the period 2021 - 2025 POM - 2 is as follows:

| Description | Unit | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------|------|---------|---------|---------|---------|---------|
| Production | | | | | | |
| FFB | ton | 303,341 | 315,744 | 332,018 | 349,573 | 368,449 |
| CPO | ton | 74,320 | 77,359 | 81,346 | 85,647 | 90,284 |
| OER | % | 24.50 | 24.50 | 24.50 | 24.50 | 24.50 |
| Kernel | ton | 13,647 | 14,205 | 14,937 | 15,727 | 16,579 |
| KER | % | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| FFA | % | 2.60 | 2.60 | 2.60 | 2.60 | 2.60 |

There is a time-bound management plan, which is documented in the 2021 – 2025 PT DSN – POM 2 Work Plan & Budget Projection document. In general, the document includes a Hectare Statement, Projected Plantation Operational Target, Projection of POM 2 Operational Target, Projected Expenses – Plantation, Expenses Projection – POM 2 and Income Projection. For example, for the year 2023, among others, the Projection of Plantation Operational Target of 253,629 tons of FFB, Projection of Operational Target of POM 2 for CPO production of 81,346 tons and kernel production of 14,937 tons.

3.1.2

Based on the area statement data, it is known that the distribution of planting years in the company's operational area was between 2005 and 2012. Thus replanting will not be implemented for the next five years. In accordance with the procedures owned by the company, replanting will be carried out when the plants are 25-30 years old.

It has also been stated by the management representative that there are currently no plans for replanting activities.

3.1.3

2020

The company has conducted a management review to evaluate the operational activities of the DSN Group, including PT PT Dharma Agrotama Nusantara - POM 2. For example, the recording of management review activities for the third quarter of 2020 on 21-22 October 2020, as for the issue of discussion of PT Dharma Agrotama Nusantara at these periods

include the following:

| No. | Topic | Follow-up |
|-----|---|---|
| 1 | Maintenance of Partnership Hardpan Area | Immediately do mucuna planting for the hardpan area and calculate the costs incurred compared to the potential results that will be obtained. |
| 2 | Dirt kernel levels are still high | Immediately tidy up the overhauled Ripple Mill so that Dirt can be controlled immediately |
| 3 | Management Chemical at the warehouse | Apply good stock maintenance methods so that warehouse goods don't pile up too long and expire |

2021

The unit of certification conducts a management review within the planned time in accordance with the scale and nature of the activities carried out, which include:

- Minutes of meeting Performance Review Q-1 Agro 2021, 28-29 April 2021, which discussed the effectiveness of Bio CNG 1.
- Minutes of meeting Performance Review Q-2 Agro 2021, 28 -29 July 2021, which among others discussed the effects of plants after Thinning Out and the highest PT DAN Production Drop in Wahau Area (-13 %)
- Minutes of meeting Performance Review Q-3 Agro 2021, 21-22 October 2021, which discussed the normalization of harvest quality, final effluent not according to standards and correlation of Average Plant Weight and KER.

Based on the results of document reviews and interviews with management, the company has conducted a quarterly management review to determine the process performance and product conformity as described in the minutes of the meeting Performance review, which among others discusses the normalization of harvest quality, final effluent standards and the effects of thinning. out. The company has also conducted internal audits, both internal audits regarding sustainability (fulfillment of the RSPO P & C) and operational audits regarding the implementation of company procedures both in estate and mill. Sustainability internal audits (RSPO) have been conducted continuously and are documented and reviewed in the management review activities, latest July 2021. Internal audits for estate and mill operations have also been carried out and documented and reviewed the results.

Status: Comply

3.2

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

3.2.1

The company has taken actions for continuous improvement in environmental aspects, for example:

- Waste management and monitoring through WWTP Management, effluent quality testing and reporting to the Kutai Timur District Environmental Service.
- Air quality management and monitoring through road maintenance, air quality testing and reporting to the Kutai Timur District Environmental Service.
- Management and monitoring of groundwater through Testing the quality of groundwater and reporting it to the Environment of Kutai Timur District.
- Hazardous waste management through Hazardous and Toxic Waste Storage and Hazardous and Toxic Waste management and monitoring.
- Greenhouse Gas (GHG) Management. Implement a zero-burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

Unit of certification has monitored and reviewed their performance and taken actions of continuous improvement towards worker welfare aspects, here as follows:

- Unit of certification committed to improving work efficiency and improving the workers' quality by giving training.
- Unit of certification committed to provide complaints report that is filled out by internal and external parties if they have any complaint against the company.
- Unit of certification committed to provide rules and regulations that are always updated if there were any update, such as worker minimum wage based on the stipulation of minimum wages by the Governor of Kalimantan Timur and other labor regulations
- Unit of certification facilitates workers with adequate housing, electricity facilities, and availability of clean water in every publicly available housing.
- Unit of certification is also committed to avoiding acts of discrimination, sexual harassment, child labor or acts of human rights violations in the work environment by giving socialization and provide grievance mechanism of any discrimination and sexual harassment.
- Unit of certification committed to provide worker's welfare by giving rice supply allowance each working days.

There is evidence of implementation of action plans for continuous improvement, including for aspects of best management practices carried out through internal operational audit activities. For example, what was done at Puhus Estate 2 Semester II 2021 on 16, 17 & 19 July 2021 and Semester II Year 2020 on 6 - 8 July 2020.

3.2.2

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Based on team auditor's review, the information has been matched with others document, such as supply chain record, demographic workers, work accident, etc.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

Standard Operating Procedures (SOP) are available for certification units, which include procedures for plantations and mill procedures. For procedures related to plantation operations, starting from procedures for land clearing, maintenance, pest handling, harvesting, transportation of FFB, replanting, delivery to POM and others. For example, for work procedures related to harvesting, it is listed in the Harvesting document, document number IK-AGR-OLP-23-R04 (1 May 2014). For operational activities at the mill, the procedure explains starting from receiving, grading, processing, refining, despatch, supply chain, and quality/laboratory and others. For example, for Dispatch CPO and Kernel activities, it is explained in document number SOP-AGR-POM-02-R00.

Based on the results of field observations via live video, for example at the mill, it is known that there are procedures installed in the work area at each station such as at the boiler station. In addition, based on the results of interviews with workers, for example in plantations and factories, it is known that these SOPs have been implemented and understood by workers. For example, related to spraying work, employees can show how to work according to existing procedures.

3.3.2

Companies carry out internal control, for example, by internal audit which carries out agronomic internal control activities. The company has a mechanism to check the consistency of the implementation of procedures by conducting internal audits, both operational and sustainability internal audits. Based on the results of interviews with management, it is known that operational internal audits are carried out every semester. The company conducts regular internal audits on the implementation of SOPs for plantations and mills and inspects harvests, pest detection, rat census, etc.

RSPO internal audit activities are conducted once a year, including contractor performance. Mechanisms to ensure compliance with RSPO standards for contractor workers are overseen by operational departments such as foremen, foreman I, assistants, security personnel, managers and so on. Then, the safety officer also supervises the contractor's OHS implementation such as the use of PPE and ownership of heavy equipment licenses and others by the contractor. Then the sustainability team also oversees the ongoing work agreement. For example, the addition of insurance provisions and OHS aspects. Procedures that apply to any non-conformities that arise, are required to act on the improvement of the action plan and act on prevention and send it to the internal audit department.

3.3.3

Based on the results of document review, the company can show records of audit activities on estate and mill operations. Estate operational activities that are assessed include assessment of the quality of the harvest in the block and yield collection points, assessment of block conditions, and assessment of fertilization for each estate. The activities in the factory that are assessed include labor (adherence to work instructions, effective working days), machines (machine condition, machine readiness, downtime, and factory capacity), and methods (sampling, losses, CPO quality, kernel quality, etc.).

Records of monitoring and follow-up carried out are maintained and available, which are shown as follows:

- 2020
Based on the Non-Conformity document and Internal Audit Observation PT. DSN, Estate Puhus 2 (PU2) - second semester of 2020, July 6-8, 2020, which among others explains the findings of non-conformances such as emergency response facilities and domestic waste management.
- 2021
Based on the Non-Conformity document and Internal Audit Observation PT. DSN, Estate Puhus 2 (PU2) - second semester of 2021, July 16, 17 & 19 2021, which among others explains the findings of non-conformances such as hazardous material and hazardous waste material management.

Status: Comply

3.4

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

3.4.1

There is no additional scope of certification carried out by the company. The company has several documents related to social and environmental impact studies which are carried out independently and participatively by involving affected stakeholders. Some of the documents owned by the company include:

Environmental Aspect

POM 2 already has environmental documents in the form of UKL/UPL for the construction of a palm oil mill with a capacity of 60 tons of FFB/hour in Dabeq Village, Muara Wahau District, Kutai Timur District. This environmental document has been approved by the District AMDAL Commission. Kutim on March 16, 2009, with Number 332/660.1/2.1/LH/III/2009.

PT Dharma Agrotama Nusantara already has an environmental study listed in environmental documents in the form of AMDAL (Andal, RKL, and RPL) for the construction of plantations and palm oil mills on behalf of PT. Dharma Agrotama Nusantara is in the villages of Benhes, Diak Lay, Dabeq, and Muara Wahau, Muara Wahau District, Kutai Timur District, East Kalimantan Province with an area of ±10,000 ha. This document has been approved by the Kutai Timur District AMDAL Commission on October 23, 2009, under the number 188.4.45/674/HK/X/2009.

Based on document verification, it is known that the scope of the environmental impact assessment has covered all the plantations that are the scope of certification. In addition, the location of the factory and the processing capacity of the factory have been included and in accordance with the scope of the study of the environmental documents owned.

Social Aspect

The company has conducted a social impact assessment as stated in the SIA document conducted by Daemeter Consulting in 2011. Based on the SIA identification report, the identified impacts include population relocation, land clearing and acquisition, occupational safety and health, community perceptions of the company, public health, employment opportunities for the community, potential for social conflict, improvement of approaches, capacity building of human resources and development of small farmers. The SIA assessment has been carried out in consultation with the following parties:

- Muara Wahau village, Jabdan hamlet on 12 October 2011 which was attended by 8 participants

- Behas Liah Bing Village, Long Bau Hamlet on 13 October 2011 which was attended by 18 participants
- Benhas Village, Benhas Hamlet on October 14, 2011 which was attended by 15 participants
- Diak Lay Village, October 14, 2011 which was attended by 19 participants
- SPI Wonosari Village, October 15, 2011 which was attended by 26 participants
- Deabeq Village, October 15, 2011 which was attended by 28 participants
- Miau Baru Village, October 16, 2011 which was attended by 28 participants
- Long Wehea Village, October 17, 2011 which was attended by 17 participants
- Jak Luay Village, October 17, 2011 which was attended by 5 participants
- Miau Baru Village, Long Sep Hamlet on 18 October 2011 which was attended by 15 participants
- SP I Pantun Karya Bhakti Village on 19 October 2011 which was attended by 21 participants
- SP II Wahau Baru Village on 19 October 2011 which was attended by 18 participants

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

3.4.2

Environmental Aspect

The company has an environmental management and monitoring plan in accordance with its environmental documents, namely:

POM 2

The environmental management and monitoring plan for POM 2 is presented as follows:

- Erosion.
- Community Facilities.
- Land traffic accidents.
- Fair job opportunities for everyone.
- Increase in employee wages.
- Fair and open opportunities to do business.
- Social conflict.
- Waste disposal improvements.
- Noise increases in the work area.
- Improved vibration.
- Gas emissions and particulate increases.
- Ambient air quality decrement.
- Improved lubricants.
- Increased industrial wastewater.
- Improved odor.
- Increased solid waste.
- OHS disorders.
- Threat of fire
- increased pollution of water bodies.
- People's attitudes and perceptions

PT DAN

The environmental management and monitoring plan for PT Dharma Agrotama Nusantara is presented as follows:

- Employment Opportunity.
- Cooperative scheme.
- Community health.
- Occupational Health and Safety.
- Negative perceptions and responses from the surrounding community.
- Opportunity to run a business.
- Community income.

- Potential for ground accidents.
- Positive perception and response from the surrounding community.
- Oil palm population.
- Plant populations in conservation or protection areas.
- Disturbed habitat and wildlife migration.
- Protected animal habitat
- Aquatic biota.
- Surface water quality.
- Avalanche.
- Soil fertility.
- Ambient air quality decrement due to dust content.
- Ambient air decrement due to odor.
- Noise
- Fire management controls.
- Use of hazardous materials

Social Aspect

The company already has an SIA management and monitoring plan for the 2022 period which was carried out based on the results of consultations with stakeholders such as the surrounding community, plasma farmers, and employees on 5 January 2022. The 2022 SIA management and monitoring plan is as follows:

- Risk of occupational accidents and health
- Public perception
- Public health
- Jobs
- Marginalization of minor groups
- Social conflict
- Increased revenue
- Capacity building of human resources
- Organizational strengthening
- Changes in habits and environment
- Plasma plantation development.

Based on the results of interviews with Wahau Village and Diak Lay Village, it is known that the impact of the existence of the company on the surrounding community such as the development of plasma plantations and employment opportunities such as partnering with local contractors. Both impacts have been listed in the company's SIA management and monitoring plan.

Based on document verification it was known if POM 2 and its supply base, were surrounded by another company under subsidiary PT DSN. Based on document verification the correspondents of SIA is sufficient in term of representation of stakeholder. It will be part of verification during an onsite audit in the next assessment to obtain comprehensive visualisation.

3.4.3**Environmental Aspect****PT DAN**

The company has implemented an environmental management and monitoring plan for the 1st and 2nd semesters of 2021. The environmental management and monitoring plan is in accordance with the environmental documents it has. The results of the verification of the implementation of the environmental management and monitoring plan for semesters 1 and 2 of 2021 are in accordance with the directions of the environmental documents owned. In general, the results of environmental management and monitoring are in accordance with the provisions. The company has also conducted evaluations such as trend evaluation, critical level evaluation, and compliance evaluation. The evaluation also stated that PT. DAN will continue to use pesticides in a limited manner, use the right dose, select the type of pesticide approved by

the government (green book) and routinely report pesticide use to the Provincial Manpower Office, as well as periodically control the oil palm plantation area of PT. DAN. Activities that have been running in plantation operations to reduce the burden of pollution are riverbank areas of several oil palm trees that are directly adjacent to the application of herbicides and fertilization.

POM 2

The company has implemented an environmental management and monitoring plan for the 1st and 2nd semesters of 2021. The environmental management and monitoring plan is in accordance with the environmental documents it has. The results of the verification of the implementation of the environmental management and monitoring plan for semesters 1 and 2 of 2021 are in accordance with the directions of the environmental documents owned. In general, the results of environmental management and monitoring are in accordance with the provisions. The company has also conducted evaluations such as trend evaluation, critical level evaluation, and compliance evaluation.

Social Aspect

The company has implemented the SIA management and monitoring plan for the 2021 period. The implementations are as follows:

- Land clearing and acquisition
- Accident and health risks
- Public perception by transparently informing the partnership agreement or company assistance through letters and other documents.
- Public health by providing treatment for the community
- Jobs
- Marginalization of minor groups
- Social conflict
- Increased revenue
- Human resource capacity building
- Organizational strengthening
- Changes in habits and environment
- Plasma plantation development.

From the document monitoring the progress of PT DAN's social impact management plan in 2021, the Company has managed social impacts in accordance with the predetermined plan. Regarding the implementation results in 2021 and the social impact management plan for 2022, SIA review has been conducted by the company with involved local communities as presented in the documents of Minutes of Social impacts programs (SIA review) on 5 January 2021. In this activity, it was stated that the social impact managed and monitored are still in accordance with community participation (through direct visits and questionnaires). This activity was attended by several community representatives from the Villages of Deabeq, Benhes, Diahlay, Miau Baru, Muara Wahau, Jak Luay, Long Wehea and Karya Bakti Villages.

In general, the results of environmental and social monitoring carried out by the company are in accordance with the provisions. Such as the results of surface water monitoring, POME monitoring, and environmental emission monitoring have complied with the provisions. In addition, social monitoring is also in accordance with the company's SIA management and monitoring plan.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1

UoC had procedures related to recruitment, appraisal, promotion, remuneration, and termination of employment which are generally described in the Company Regulation period 2020-2021 written in Bahasa. In general, these procedures describe:

- Recruitment of workers is based on the company's needs.
- The minimum age of workers is 18 years old.
- The workers who have been accepted will through three months of probation.

- Promotion of workers is based on needs, period of work, expertise, and assessment of workers for the last 6 months.
- The company is authorized to carry out the placement, transfer, and promotion of workers by applicable regulations.

In addition, the procedures of employee recruitment, appraisal, promotion, and remuneration are explained specifically in several SOPs. These procedures have been documented and socialized to all workers and their representatives, here as follows:

- SOP No. SOP-AGR-012-R03 dated on 01 December 2019 concerning on Recruitment.
- SOP No. SOP-AGR-014-R00 dated on 15 February 2013 concerning on Worker's Appraisal.
- SOP No. SOP-AGR-017-R01 dated on 19 October 2015 concerning on Worker's Promotion and Mutation.
- SOP No. SOP-AGR-013-R00 dated on 15 February 2013 concerning on Worker's Placement and Orientation

Based on the interviews with workers (harvesting and mill operators), workers had a sufficient understanding of the procedures related to recruitment, promotion, and termination of employment. Workers explain that in the acceptance process carried out in accordance with the terms according to ability, promotion is based on an assessment of the performance of each employee each year, and termination of employment can occur if the worker has committed a serious violation. All labor procedures have been in accordance with the applicable regulation.

3.5.2

Unit of Certification documented all labor procedures that have been carried out properly, such as recruitment, promotion, performance appraisal, and termination. The following are some sample labor procedures that have been implemented and are well documented by certification unit, including:

- Recruitment document in accordance with the recruitment requirements such as employment request form, application letter, statement of police report, identity card (KTP), family identity card (KK), the result of written test, the result of interview test, employee candidate statement letter, and work agreement letter. For example, a worker on behalf of RR (initial) who started working with three months of probation on 12 July 2021 and had been promoted as a permanent worker on 11 October 2021.
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of MB (initial) who had a promotion based on worker's appraisal, from contract worker to permanent worker in harvesting on 01 September 2021.
- Termination document such as the management decree of employment's termination. UoC also showed other supporting documents such as employment certificate, calculation of termination payments, and the proof of its payment in accordance with the applicable laws.

Based on the interviews with the Manpower Agency of Kutai Timur, the company had been applied the existing labor procedures in accordance with the regulations. During 2020-2021, there were no issues related to manpower.

Status: Comply

3.6

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

3.6.1

Company has identified the potential hazard and risk in all operational activity of mill and estate in document "Hazard Identification and Risk Analysis". The latest HIRA is issued on 2 January 2021 and made by Secretary of OHS Committee. HIRA document has identified the hazard and risk for activity, risk evaluation, operational control, risk control, risk evaluation after control, and the PIC. For example:

- Activity loading and deliver fertilizer to unit (estate/afdeling), hazard identified is sprains, the friction of fertilizer sack during transport, dan inhalation of fertilizer vapor. Risk identified is skin irritation and health problem and risk level is medium risk. The operational control is wear PPE (rubber gloves, boots, glasses, mask, and apron, providing first aid, and safety talk; risk control is administration and PPE. Risk evaluation after control is low risk, and PIC is EH.
- Activity in sterilizer station, hazard identified is exposure of hot steam. Risk identified is burns and risk level is medium. Operational control is providing instructions on how to open the sterilizer door safely and operators to follow SOP; risk control is administration. Risk evaluation after control is low risk and PIC is Assistant.

Company has conducted medical check-up for high-risk worker in estate and mill on March, May, October, and November 2020. Medical check-up including audiometry, spirometry, and cholinesterase. Based on the result of medical check up,

all worker is in normal or fit condition.

The company demonstrates the mitigation procedures that have been documented, which include the following:

- Employee Personal Protective Equipment Procedure, number SOP-AGR-072-R00, effective date 01 September 2016.
- Occupational and Environmental Health and Safety Procedures, number SOP-AGR-037-R01, effective date 01 November 2013.

Based on the results of field observations and interviews with workers in the field, for example in Mill and Puhus 1, it is known that the procedures for mitigating OHS problems have been implemented, such as regarding the replacement of damaged PPE, the mechanism has been understood by workers and the company has provided first aid facilities in accordance with *Peraturan Menteri Tenaga Kerja* number 15 of 2008 which is a total of 21 items in each of the first aid kits in the building.

3.6.2

The company has monitored the effectiveness of the OHS plan to handle OHS risks in people, which are shown as follows:

- Minutes of meeting on December 14, 2021, in the POM2 meeting room, which included discussing work accident data, safety patrol data and data collection related to operators who will carry out *Surat Izin Operator* (Operator License) certification.
- Monitoring of OHS facilities and infrastructure at POM2 for the January 2022 period, which include fire extinguisher, Hydrant, First Aid box, evacuation route directions and others.

Status: Comply

3.7

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

3.7.1 and 3.7.2

Unit of certification had training identification and program for 2020-2021 to improve the competence and expertise of all workers including contractors. The company had identified the needs of competence standard and the proposed training for each worker including contractor workers, for example:

- Training of mill maintenance for mechanical workers in mill.
- Training of supply chain certification system for transportation clerk and engine room operator in mill.
- Training of pesticide application for afdeling assistant in puhus 1 Estate.
- Training of taking care of children for daycare officer.

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

- Training of OHS and first aid on 04 March 2021 which was attended by 14 contractor workers.
- Training of pest and plant disease controlling on 08 September 2021 which was attended by 87 workers.

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

3.7.3

Annually, the learning center department has scheduled RSPO SCCS training for relevant personnel. training material discussed regarding the implementation of SCCS starting from the procedures and implementation in accordance with the SCCS model used (MB/IP). For POM 2, the last training activities were carried out in the period of February and April 2021 in stages (25 February 2021; 26 February 2021, and 29 April 2021). During the audit, the Staff and operators shows the understanding of SCCS requirements and critical points, for example, security and weighbridge operators was able to demonstrate awareness of the procedures related to SCCS implementation starting from FFB reception, documentation as well as dispatch of CPO and PK

Status: Comply

3.8
Supply Chain Requirements for Mills
3.8.1; 3.8.2 and 3.8.15

POM 2 implemented SCCS module IP. Based on documents verifications it was known FFB that accepted in POM 2 originally from estate under scope of certification and other source from estate under subsidiary of PT Dharma Satya Nusantara, Tbk, which has been obtained RSPO Certificate. FFB suppliers of PKS 02 as follows:

- Owned Estates: Puhus 1, Puhus 2 and Puhus 3 Estate
- Other sources: PT Swakarsa Sinar Sentosa (PT SWA), PT Dharma Inti Nusantara, and PT Dewata Sawit Nusantara, all are subsidiary of PT Dharma Satya Nusantara, which had RSPO certified Since 2015, 2014, and 2019 respectively.

3.8.3

Estimated certified product recorded in the last Assessment Report, Certificate and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

| Product | Last Year Projection (MT) | Actual Production January 2020 to December 2021 (MT) | Estimate Production next 12 months (MT) |
|---------|---------------------------|--|---|
| FFB | 538,645 | 503,350.93 | 222,000 |
| CSPO | 129,931 | 119,392.29 | 52,725 |
| CSPK | 22,571 | 21,284.01 | 9,435 |

Since the last period of assessment, POM 2 applied scenario 4 in accordance with RSPO Contingency Audit Procedures and there is no new license since issued after the ASA 1.1 assessment. Normally ASA1.2 shall be conducted in early 2021 however due to Covid 19 pandemic the ASA 1.2 assessment was postponed and conducted in 2022 together with ASA 1.3. its due to there is no new license since the expired period, palm trace id of POM 2 extended every three months since the license expired (24 2021) and the volume of certified products will be added according to the request of the certification unit. During the period of 2021 there are several additional RSPO Products as follows:

| Dated | Additional Volume (MT) | | | |
|------------------|------------------------|--------------------------|--------|-------|
| | FFB Estate | FFB scheme or associated | CSPO | CSPK |
| 24 July 2021 | 180,528 | | 43,608 | 7,913 |
| 22 December 2021 | 75,017 | | 18,373 | 3,208 |

3.8.4

POM 2 Mill has been registered and met the requirements of reporting supply chain through the RSPO supply chain managing organization (palm-trace), which describing below:

| | |
|------------------------|--|
| Sub License ID | CB100368 |
| Member Name | PT Dharma Satya Nusantara (PKS2) |
| Member ID | RSPO_PO1000000939 |
| RSPO Membership Number | 1-0135-12-000-00 (PT DHARMA SATYA NUSANTARA) |
| Issued On | 10 April 2020 |
| Issued By | PT Mutuagung Lestari |
| Start Date | 25-04-2020 |
| End Date | 24-05-2021 |

All transaction has been announced to RSPO IT Platform and confirmed shipped. The Mill has conducted SCCS mechanism such as announcement in Palm Trace of RSPO CSPO and CSPK sold as certified and confirming the shipping announcement, as well as remove of certified stock for products sold as other scheme or as non-certified/conventional as described in indicator 3.8.8 and 3.8.16

3.8.5

The company has a Work Instruction for Traceability of CPO and PK Products model IP & SG with no. IK-AGR-MS-08-R10 dated 21 March 2021 which was approved by the Sustainable Head. The procedure describes the receipt of FFB at mill, production processes at mill, storage of CPO and PK, delivery of CPO and PK, Commercial - Bulking Labanan (Receiving and Storage of CPO, sales of CSPO, registers and transactions in the RSPO IT system), outsourcing, external purchasing, training, internal audit, communication & claims, and document retention. The procedures have explained related to the duties and responsibilities of each part.

These procedures have referred to the RSPO Supply Chain System and Standard of RSPO 2020. The procedure has covered all aspects in SCCS IP model. the results of interviews with Head of Administration and weighbridge operator showed that workers have already known the duties and responsibilities of each in the implementation of SCCS in accordance with the procedure

3.8.6

Procedure of annual RSPO-SCCS internal audit is presented in document No. IK-AGR-MS-08-R10 (in Section X mentioned that internal audit shall be conducted minimum once a year that method of audit is refers to procedure No. SOP-AGR-040-R03 dated 01 October 2015 about management system; RSPO SCCS standard; RSPO market communication and claim; as well as another related applicable regulation.

The last internal audit is done in 5 -6 July 2021 carried out by sustainability team. Based on result of internal audit there is no non-conformity regarding SCCS requirements. Result of internal audit has discussed during management review.

3.8.7

- i. The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.**

The mill has a record amount of FFB tonnage as follows:

Period January to December 2020

| Month | FFB (MT) | | |
|--------------|-------------------|---------------|-------------------|
| | RSPO Certified | Non-Certified | Total |
| Jan-20 | 15,803.96 | - | 15,803.96 |
| Feb-20 | 18,823.55 | - | 18,823.55 |
| Mar-20 | 21,268.32 | - | 21,268.32 |
| Apr-20 | 20,924.08 | - | 20,924.08 |
| May-20 | 23,432.72 | - | 23,432.72 |
| Jun-20 | 22,610.21 | - | 22,610.21 |
| Jul-20 | 16,557.37 | - | 16,557.37 |
| Aug-20 | 14,626.27 | - | 14,626.27 |
| Sep-20 | 20,105.06 | - | 20,105.06 |
| Oct-20 | 26,898.95 | - | 26,898.95 |
| Nov-20 | 26,493.80 | - | 26,493.80 |
| Dec-20 | 24,936.75 | - | 24,936.75 |
| Total | 252,481.04 | - | 252,481.04 |

Period January to December 2021

| Month | FFB (MT) | | |
|--------|----------------|---------------|-----------|
| | RSPO Certified | Non-Certified | Total |
| Jan-21 | 13,329.88 | - | 13,329.88 |

| | | | |
|--------------|-------------------|----------|-------------------|
| Feb-21 | 17,458.84 | - | 17,458.84 |
| Mar-21 | 19,872.63 | - | 19,872.63 |
| Apr-21 | 19,849.78 | - | 19,849.78 |
| May-21 | 17,959.42 | - | 17,959.42 |
| Jun-21 | 19,200.84 | - | 19,200.84 |
| Jul-21 | 18,935.08 | - | 18,935.08 |
| Aug-21 | 20,579.03 | - | 20,579.03 |
| Sep-21 | 24,115.00 | - | 24,115.00 |
| Oct-21 | 25,110.53 | - | 25,110.53 |
| Nov-21 | 27,496.45 | - | 27,496.45 |
| Dec-21 | 26,962.41 | - | 26,962.41 |
| Total | 250,869.89 | - | 250,869.89 |

ii. The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage.

Estimated certified product recorded in the certificate annex of last surveillance, actual certified produced has been verified during this assessment (that describes in the following table:

| Product | Last Year Projection (MT) | Actual Production January 2020 to December 2021 (MT) |
|---------|---------------------------|--|
| FFB | 538,645 | 503,350.93 |
| CSPO | 129,931 | 119,392.29 |
| CSPK | 22,571 | 21,284.01 |

Based on table above there is no over production of CSPO and CSPK.

iii. The mill shall have a mechanism in place for handling non-conforming oil palm products and/or documents

The mill does not buy products from outsider. However, the mechanism for handling non-conforming products is described in the Work Instruction of Traceability of CPO & PK Product with IP and SG Model that presented in document No. IK-AGR-MS-08-R10

3.8.8

CSPO Products from POM 2 transferred to the Labanan Storage Facility (PT DSN, Tbk)- hereinafter called "labanan" which is an entity with the mill. Labanan Bulking has been obtained RSPO certificate SCCS (Certified Register. No. 824 503 15017 dated 14 May 2020). Since in Labanan, CSPO is owned by a mill. Claim CSPO product will be carried out while Labanan bulking there is an order from buyer related RSPO Certified product with the process flow, Labanan will make purchases from the relevant POM (according to availability) then sell to buyers. So, from the explanation above, the product from the mill is sold to the Labanan when the Labanan gets a request for an RSPO certified product. Furthermore, for CSPK produced transferred to PT DSN – Kernel Crushing Plant where is still where is still one entity with POM 2. Due to the mill and Labanan and PT DSN – KCP being one entity, there is no selling contract between the mill and Labanan or PT DSN – KCP

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

Based on documents verifications and interview with management units obtained information if in last 24 months before audit (2020 and 2021) it was known CSPO and CSPK product sold as RSPO certified covering 88,449.72 MT and 18,240.95 MT respectively.

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no

longer than 3 months since the product delivered. Due to Labanan and KCP has been certified RSPO SCCS, the supplying mill shall ensure that the following minimum information for RSPO certified products is made available and traced, its evidenced with several supporting documents as follows delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example:

1. CSPO

Shipping announcement with transaction id TR-a1b6af6c-3295 volume of CSPO 1053.54 MT, the module of SCCS SG, dated 30 December 2021, the mill can present Weighbridge document 1053.54 from POM 2 to Labanan with the period of transportation on 24-30 December 21. In the documents also information Certificate Number of POM 2.

2. CSPK

Shipping announcement with transaction id TR-d88d2c75-bf12 volume of CSPO 1075.16 MT, the module of SCCS SG, dated 30 November 2021, the mill can present Weighbridge document 1075.16 MT from POM 2 to L PT DSN – KCP with the period of transportation on 1 – 30 November 2021. In the documents also information Certificate Number of POM 2.

3.8.9

POM 2 has imposed provisions that must be applied by contractors as contained in the work agreements or Work Instruction of Traceability of CPO and PK (No. IK-AGR-MS-08-R10) these provisions include:

- The contractors shall comply the latest RSPO SCCS Procedure
- Ensure contractors or transporter shall be able to distinguish RSPO SCCS IP products during the transportation and storage process to ensure not contaminated or mixed with other products.
- Ensure the transport truck has been equipped with a seal and its shall be documented in the security logbook.
- List of contractors shall be updated at least annually
- CB has the right of access to the contractors to verify the implementation of RSPO SCCS.
- The contractors must be given socialization about SCCS at least once a year.

The contractors have been bound in a work agreement, for example, work agreement Yunta Herlambang No. 014/DSN/PKS2/2021 dated 30 June 2021. On article 4 states that it is willing to provide access to an accredited certification body appointed by the first party to its operations and systems, along with all necessary information including the commitment of the second party in carrying out obligations under that agreement. Based on interview with CPO Transporter (contractors) it was known they willing to interview about SCCS process in the term of CPO transportation, the transportations of RSPO certified products etc.

3.8.10; 3.8.11

The mill has been recording the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products. Based on review list of transporters verified on in this assessment, there is no new contractor added. There are 6 outsourcers which physical handling of RSPO certified oil palm products. It will be verified on next surveillance if any new contractor

3.8.12

POM 2 has been maintaining accurate, complete, and up to date for the FFB receives, process and CPO & PK production from its supply bases. In the Work Instruction of Traceability of CPO & PK Product with IP and SG Model No. IK-AGR-MS-08-R10 also explains that all action reports related to the RSPO SCCS must be kept for a minimum of 2 years. The record keeping saves in "Mass Balance Report". Within this record, the certificate holders maintain the FFB's sources based on monthly bases, as Follows:

1. FFB Acceptance

Period January to December 2020

| Month | FFB (MT) | | |
|--------|----------------|---------------|-----------|
| | RSPO Certified | Non-Certified | Total |
| Jan-20 | 15,803.96 | - | 15,803.96 |

| | | | |
|--------------|-------------------|----------|-------------------|
| Feb-20 | 18,823.55 | - | 18,823.55 |
| Mar-20 | 21,268.32 | - | 21,268.32 |
| Apr-20 | 20,924.08 | - | 20,924.08 |
| May-20 | 23,432.72 | - | 23,432.72 |
| Jun-20 | 22,610.21 | - | 22,610.21 |
| Jul-20 | 16,557.37 | - | 16,557.37 |
| Aug-20 | 14,626.27 | - | 14,626.27 |
| Sep-20 | 20,105.06 | - | 20,105.06 |
| Oct-20 | 26,898.95 | - | 26,898.95 |
| Nov-20 | 26,493.80 | - | 26,493.80 |
| Dec-20 | 24,936.75 | - | 24,936.75 |
| Total | 252,481.04 | - | 252,481.04 |

Period January to December 2021

| Month | FFB (MT) | | |
|--------------|-------------------|---------------|-------------------|
| | RSPO Certified | Non-Certified | Total |
| Jan-21 | 13,329.88 | - | 13,329.88 |
| Feb-21 | 17,458.84 | - | 17,458.84 |
| Mar-21 | 19,872.63 | - | 19,872.63 |
| Apr-21 | 19,849.78 | - | 19,849.78 |
| May-21 | 17,959.42 | - | 17,959.42 |
| Jun-21 | 19,200.84 | - | 19,200.84 |
| Jul-21 | 18,935.08 | - | 18,935.08 |
| Aug-21 | 20,579.03 | - | 20,579.03 |
| Sep-21 | 24,115.00 | - | 24,115.00 |
| Oct-21 | 25,110.53 | - | 25,110.53 |
| Nov-21 | 27,496.45 | - | 27,496.45 |
| Dec-21 | 26,962.41 | - | 26,962.41 |
| Total | 250,869.89 | - | 250,869.89 |

Furthermore, Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three-monthly basis, presented in the Table belows:

CPO production and Dispatch for POM
Period January to December 2020

| Period | CPO production (MT) | | Total | Cert CPO Dispatch (MT) | | | Total |
|--------|---------------------|----------|----------|------------------------|--------------|----------|----------|
| | Cert | Non-Cert | | RSPO | Other scheme | Non-Cert | |
| Jan-20 | 3,814.82 | - | 3,814.82 | 2,017.03 | | 1,800.00 | 3,817.03 |
| Feb-20 | 4,534.49 | - | 4,534.49 | 3,211.03 | | 1,300.00 | 4,511.03 |
| Mar-20 | 5,338.85 | - | 5,338.85 | 4,204.85 | | 800.00 | 5,004.85 |
| Apr-20 | 5,281.54 | - | 5,281.54 | 5,123.07 | | - | 5,123.07 |

| | | | | | | | |
|--------------|------------------|----------|------------------|------------------|--|------------------|------------------|
| May-20 | 5,701.10 | - | 5,701.10 | 2,233.89 | | 2,900.00 | 5,133.89 |
| Jun-20 | 5,381.88 | - | 5,381.88 | 4,366.52 | | 700.00 | 5,066.52 |
| Jul-20 | 4,032.42 | - | 4,032.42 | 2,077.65 | | 1,000.00 | 3,077.65 |
| Aug-20 | 3,482.04 | - | 3,482.04 | 3,398.71 | | - | 3,398.71 |
| Sep-20 | 4,826.10 | - | 4,826.10 | 4,648.60 | | - | 4,648.60 |
| Oct-20 | 6,397.29 | - | 6,397.29 | 4,944.60 | | 1,250.00 | 6,194.60 |
| Nov-20 | 6,087.58 | - | 6,087.58 | 5,191.34 | | 500.00 | 5,691.34 |
| Dec-20 | 5,421.48 | - | 5,421.48 | 4,293.76 | | 800.00 | 5,093.76 |
| Total | 60,299.60 | - | 60,299.60 | 45,711.05 | | 11,050.00 | 56,761.05 |

Period January to December 2021

| Period | CPO production (MT) | | Total | Cert CPO Dispatch (MT) | | | Total |
|--------------|---------------------|----------|-------|------------------------|----------------|------------------|------------------|
| | Cert | Non-Cert | | RSPO | Another scheme | Non-Cert | |
| Jan-21 | 2,885.56 | - | | 1,973.14 | | - | 1,973.14 |
| Feb-21 | 3,898.54 | - | | 3,888.72 | | | 3,888.72 |
| Mar-21 | 4,613.40 | - | | 3,811.50 | | 500.00 | 4,311.50 |
| Apr-21 | 4,662.49 | - | | 2,950.19 | | 1,500.00 | 4,450.19 |
| May-21 | 4,096.43 | - | | 1,133.29 | | 2,900.00 | 4,033.29 |
| Jun-21 | 4,527.18 | - | | 4,666.68 | | - | 4,666.68 |
| Jul-21 | 4,483.19 | - | | 3,379.97 | | 500.00 | 3,879.97 |
| Aug-21 | 4,842.27 | - | | 3,985.69 | | 800.00 | 4,785.69 |
| Sep-21 | 5,972.19 | - | | 4,310.16 | | 1,400.00 | 5,710.16 |
| Oct-21 | 6,145.22 | - | | 5,003.69 | | 1,100.00 | 6,103.69 |
| Nov-21 | 6,519.63 | - | | 3,459.53 | | 3,000.00 | 6,459.53 |
| Dec-21 | 6,446.59 | - | | 4,176.11 | | 2,200.00 | 6,376.11 |
| Total | 59,092.69 | - | | 42,738.67 | | 13,900.00 | 56,638.67 |

PK production and Dispatch for POM
Period January to December 2020

| Period | CPO production (MT) | | Total | Cert CPO Dispatch (MT) | | | Total |
|--------|---------------------|----------|----------|------------------------|----------------|----------|----------|
| | Cert | Non-Cert | | RSPO | Another scheme | Non-Cert | |
| Jan-20 | 648.94 | - | 648.94 | 618.30 | - | - | 618.30 |
| Feb-20 | 783.85 | - | 783.85 | 817.56 | - | - | 817.56 |
| Mar-20 | 1,060.24 | - | 1,060.24 | 1,055.43 | - | - | 1,055.43 |
| Apr-20 | 944.76 | - | 944.76 | 916.84 | - | - | 916.84 |
| May-20 | 952.98 | - | 952.98 | - | - | - | - |
| Jun-20 | 854.29 | - | 854.29 | - | - | - | - |
| Jul-20 | 692.80 | - | 692.80 | 700.53 | - | - | 700.53 |
| Aug-20 | 629.10 | - | 629.10 | 621.27 | - | - | 621.27 |
| Sep-20 | 842.29 | - | 842.29 | 821.39 | - | - | 821.39 |
| Oct-20 | 1,189.68 | - | 1,189.68 | 1,183.94 | - | - | 1,183.94 |

| | | | | | | | |
|--------------|------------------|----------|------------------|-----------------|----------|----------|-----------------|
| Nov-20 | 1,083.11 | - | 1,083.11 | 1,075.16 | - | - | 1,075.16 |
| Dec-20 | 993.90 | - | 993.90 | - | - | - | - |
| Total | 10,675.94 | - | 10,675.94 | 7,810.42 | - | - | 7,810.42 |

Period January to December 2021

| Period | CPO production (MT) | | Total | Cert CPO Dispatch (MT) | | | Total |
|--------------|---------------------|----------|------------------|------------------------|----------------|----------|------------------|
| | Cert | Non-Cert | | RSPO | Another scheme | Non-Cert | |
| Jan-21 | 525.49 | - | 525.49 | 484.46 | - | - | 484.46 |
| Feb-21 | 730.54 | - | 730.54 | 685.35 | - | - | 685.35 |
| Mar-21 | 804.96 | - | 804.96 | 847.69 | - | - | 847.69 |
| Apr-21 | 868.96 | - | 868.96 | 899.87 | - | - | 899.87 |
| May-21 | 767.49 | - | 767.49 | 759.13 | - | - | 759.13 |
| Jun-21 | 780.79 | - | 780.79 | 810.76 | - | - | 810.76 |
| Jul-21 | 748.18 | - | 748.18 | 732.64 | - | - | 732.64 |
| Aug-21 | 860.84 | - | 860.84 | 842.17 | - | - | 842.17 |
| Sep-21 | 1,044.53 | - | 1,044.53 | 1,036.85 | - | - | 1,036.85 |
| Oct-21 | 1,076.20 | - | 1,076.20 | 1,049.13 | - | - | 1,049.13 |
| Nov-21 | 1,199.55 | - | 1,199.55 | 1,202.26 | - | - | 1,202.26 |
| Dec-21 | 1,200.55 | - | 1,200.55 | 1,080.22 | - | - | 1,080.22 |
| Total | 10,608.07 | - | 10,608.07 | 10,430.53 | - | - | 10,430.53 |

3.8.13; 3.8.14

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production.

3.8.16

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

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Due to Labanan and KCP has been certified RSPO SCCS, the supplying mill shall ensure that the following minimum information for RSPO certified products is made available and traced, its evidenced with several supporting documents as follows delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example: CSPO

Shipping announcement with transaction id TR-a1b6af6c-3295 volume of CSPO 1053.54 MT, the module of SCCS SG, dated 30 December 2021, the mill can present Weighbridge document 1053.54 MT from POM 2 to Labanan with the period of transportation on 24-30 December 21. In the documents also information Certificate Number of POM 2.

CSPK

Shipping announcement with transaction id TR-d88d2c75-bf12 volume of CSPO 1075.16 MT, the module of SCCS SG, dated 30 November 2021, the mill can present Weighbridge document 1075.16 MT from POM 2 to L PT DSN – KCP with the period of transportation on 1 – 30 November 2021. In the documents also information Certificate Number of POM 2.

Based on documents verifications and interview with management units obtained information if in last 24 months before audit (2020 and 2021) it was known CSPO and CSPK product sold as RSPO certified covering 88,449.72 MT and 18,240.95 MT respectively. Furthermore, For CSPO and CSPK sold as conventional during this period has been removed from certified stock. The unit of certification can present removing allocated product or credit allocation from palm trace, based on documents and verification through RSPO IT Platform, during this license period there were 21050 MT CSPO sold as credit and 2,403.45 MT removed.

3.8.17

According to transaction documents in 2020 and 2021, it was known that all CSPO and CSPK from POM-2 are claims as segregation and mass balance, respectively. The POM-2 does not use RSPO logo on product or off product.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

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

4.1.1

The certification unit has a commitment to respecting human rights and describe in the Quality Guide Document number PDM-AGR-R06 valid from 1 January 2020. Furthermore, A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRDs), prohibits intimidation and harassment by the unit of certification and contracted services mentioned in the documents Human Rights Confession Declaration (No: 001/DAN/II/2022) dated 02 January 2022. In the declaration, the parties have a commitment not to discriminate, give freedom in religion, thought, opinion, respect and uphold human rights.

The commitment of the certification unit in respecting human rights has been quite well implemented in the absence of issues and incidents of human rights violations that occurred in the operational area of plantations and factories. This is evidenced by statements from plantation workers (harvesters, fertilizers, sprayers, and maintenance), factories (mill operators and warehouse workers) as well as contractors who state that so far there have been no incidents or issues of human rights violations occurring in the operational area of the certification unit.

4.1.2

The results of interviews with the surrounding community and company workers revealed that up to now if there was a conflict / problem with the company, the resolution action taken was deliberation without resorting to violence. Resolution of conflicts / problems using these deliberations has been quite effective and during the past year there have never been any conflicts / problems with the company.

Status: Comply

4.2

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

4.2.1

UoC showed some policies related to grievance system, here as follows:

- SOP No. SOP-AGR-054-R03 dated on 30 October 2020 concerning in handling any grievances. The policy explained activities of handling grievances related to manpower or non-manpower (e.g: facilities, etc).
- SOP No. SOP-AGR-044-R02 dated on 14 October 2019 concerning in communication and handling external grievance. The policy explained the mechanism of external communication (e.g: contractors, suppliers, government agency, residents, and NGO) including the mechanism if there were any grievances. This policy also explained that the company can be brought the complaints to the RSPO complaint system if there wasn't any solution yet and protected the identity of the whistleblower if needed.
- SOP No. 042/DSN/CHC/III/2021 dated on 18 March 2021 concerning whistleblowing system policy. The policy explained the company regulation in reporting violation complaints and protecting and providing security for whistleblowers or witnesses in DSN group work.

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

4.2.2; 4.2.3; 4.2.4

Unit of certification showed SOP No. SOP-AGR-054-R03 dated on 30 October 2020 concerning handling any grievance. The policy explained activities of handling grievances related to manpower or non-manpower (e.g: facilities, etc). In the general mechanism of handling grievance, is stated as follows:

- The company's commitment to protect the anonymity of whistleblowers.
- Submission orally or in writing to the contact person of the company or through labor union.
- Responses will be given at a maximum of 4 working days.

In addition, UoC also has SOP No. SOP-AGR-044-R02 dated on 14 October 2019 concerning communication and handling external grievance. This policy explained that all complaints will be summarized by Legal Department or CSR Operation Department Head and recorded in the List of External Complaint Monitoring. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder and also recorded in the List of External Complaint Monitoring.

Based on interviews with workers and external or internal stakeholders, it's known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected. Both internal and external stakeholders informed that there were no complaints or grievances during 2021-2022.

Status: Comply

4.3

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

4.3.1

The company has a CSR program as a contribution to community development for the period of 2022 which was developed based on the results of consultations with the surrounding community which was carried out on January 10-11, 2022. The program consists of the fields of Education, Economics, Social Culture, and Residential Environment. The activities of the program, for example, are as follows:

- Kindergarten and Elementary School Teacher Honorary Assistance in the surrounding Village
- Provision of transportation facilities for school children to pick up and drop in villages around the company.
- Cooperation with the community for the transportation of Palm Fruit Bunches (FFB), CPO, Kernel, EFB, Logistics and building construction.
- Assistance and training for oil palm farmers in the company's partner cooperatives.
- Preservation of harvest festival culture
- Participation and support for the 6th annual Erau activities of the Wehea Dayak Tribe Village.
- Regular public health services

The company can also show the realization of CSR in 2021 that is given to the surrounding community, for example:

- In February 2021, funding assistance has been realized for the construction of village offices.
- In May 2021, transportation assistance for school children has been realized.
- In September 2021, assistance for road repairs has been realized in Wahau village.
- In October 2021, assistance has been provided to Partner Cooperative Farmers.

Based on the results of interviews with Wahau Village, it is known that the CSR assistance provided by the company is considered quite good by the village community. In addition, many village communities work for the Company.

Status: Comply

4.4

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

4.4.1

No change until ASA-3 related legality.

Unit of certification has covers area for about **9,959.95 ha**. Up to ASA-1.3, there is no land expansion or additional operational areas in PT DAN and POM-2 PT DSN. Legal ownerships are remaining the same as shows through several documents, as follows:

POM-2 of PT Dharma Satya Nusantara

- Plantation Business Permit for Processing (IUP-P) of POM-2 PT DSN through Decree of District Head of Kutai No. 500/171/Eko.2-V/2009 dated 01 May 2009, with processing capacity for about 60 ton FFB/hour.
- Building Use Title (HGB) No. 02 dated 14 January 2008 as approved through Decree of BPN of Kaltim No. 167-550.2-44-2007 dated 27 December 2007 for area covers 47,040 m² or about **4.7 ha**, with Letter of Measurement No. 01/Benhes/2008 dated 14 January 2008. HGB situated in Village of Dabeg, Sub-District of Muara Wahau, District of Kutai Timur.

PT Dharma Agrotama Nusantara (PT DAN)

- Plantation Business Permit (IUP) of PT DAN through Decree of Minister of Forestry and Plantation No. 1510/Menhutbun-II/99 dated 30 May 2005 for area covers 10,000 ha, located in Village of Muara Wahau, Sub-District of Muara Wahau, District of Kutai. The permit got extension from District Head (*Bupati*) of Kutai Through Decree No. 500/149/EK-V/2005 dated 30 May 2005 and Decree No. 432/02.188.45/HK/IX/2007 dated 24 August 2007. Object of IUP has no change.
- Permit of Forest Extrication Status through Decree of Minister of Forestry No. SK.129/MENHUT-II/05 dated 23 May 2005 for area covers 10,867 ha.
- Land Title (HGU) with total area **9,955.25 ha** that consist of two certificates of HGU, i.e. Certificate No. 42 and Certificate No. 43 dated 27 January 2009, which covers areas for about 413.69 ha and 9,541.565 ha, respectively. Both certificates are valid until 30 December 2038. Certificates has approved through Decree of Head of BPN No. 85-HGU-BPN RI-2008 dated 31 Desember 2008, with Letter of Measurement No. 05/Kutai Timur/2009 and No. 07/Kutai Timur/2009 dated 20 January 2009. Land title were located at Village of Benhes and Muara Wahau, Sub-District of Muara Wahau, District of Kutai Timur.

4.4.2; 4.4.3; 4.4.4; 4.4.5 and 4.4.6

there is no previous landowner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. Based on Decree of HGU No. 85-HGU-BPN RI-2008 dated 31 Desember 2008 informed that as mentioned in *Risalah Panitia B* or Treatise of B Committee No. 06/RPT-PAN.B/VI/2007 dated 05 July 2007, Formerly the particular areas were an ex-Forest Concession Right (HPH) company which has extricate its HPK status through Decree of Minister of Forestry No. SK.129/MENHUT-II/05 dated 23 May 2005. This fact has confirmed through consultation with representative from the Village of Muara Wahau, Diak Lay and Ne Has Liah Bing

Status: Comply

4.5

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

4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6 and 4.5.7

There is no new planting in unit of certification operational areas. However, PT DAN and POM-2 PT DSN were formerly a Conversion Forest Production (HPK) for about 10,867 ha which had extricate its status through Decree of Minister of Forestry No. SK.129/MENHUT-II/05 dated 23 May 2005. Furthermore, it also informed that the area has free from communities mastery as mentioned in Statement Letter of Head of Benhes Village and Muara Wahau Village dated 29 June 2007.

Status: Comply

4.6

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

4.6.1; 4.6.2 and 4.6.4

Procedure of legal rights identification, customary or user rights is presented in document No. SOP-AGR-071-R02 dated 01 August 2017. This procedure covers land acquisition process chart, survey of social economic condition, environment, carbon stock, soil properties, topography, planted area (if any) and overlapped areas, socialization, environment, and

social impact assessment, forming village committee members, negotiation of compensation, mapping and FPIC process. Furthermore, procedure of compensation calculation is presented in document No. SOP-AGR-058-R03 dated 15 July 2019. Calculation shall be based on negotiation process towards land ownership and plantation above the compensated land (*tanam tumbuh*).

There is no previous landowner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. Based on Decree of HGU No. 85-HGU-BPN RI-2008 dated 31 Desember 2008 informed that as mentioned in *Risalah Panitia B* or Treatise of B Committee No. 06/RPT-PAN.B/VI/2007 dated 05 July 2007, Formerly the areas were an ex-Forest Concession Right (HPH) company which has extricate its HPK status through Decree of Minister of Forestry No. SK.129/MENHUT-II/05 dated 23 May 2005. Furthermore, it also informed that the area has free from communities mastery as mentioned in Statement Letter of Head of Benhes Village and Muara Wahau Village dated 29 June 2007. This fact has confirmed through consultation with representative from the Village of Muara Wahau, Diak Lay and Ne Has Liah Bing

Status: Comply

4.7

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

4.7.1; 4.7.2; and 4.7.3

Procedure of legal rights identification, customary or user rights is presented in document No. SOP-AGR-071-R02 dated 01 August 2017. This procedure covers land acquisition process chart, survey of social economic condition, environment, carbon stock, soil properties, topography, planted area (if any) and overlapped areas, socialization, environment, and social impact assessment, forming village committee members, negotiation of compensation, mapping and FPIC process. Furthermore, procedure of compensation calculation is presented in document No. SOP-AGR-058-R03 (15 July 2019). Calculation shall be based on negotiation process towards land ownership and plantation above the compensated land (*tanam tumbuh*).

There is no previous landowner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. Based on Decree of HGU No. 85-HGU-BPN RI-2008 dated 31 Desember 2008 informed that as mentioned in *Risalah Panitia B* or Treatise of B Committee No. 06/RPT-PAN.B/VI/2007 dated 05 July 2007, Formerly the particular areas were an ex-Forest Concession Right (HPH) company which has extricate its HPK status through Decree of Minister of Forestry No. SK.129/MENHUT-II/05 dated 23 May 2005. Furthermore, it also informed that the area has free from communities' mastery as mentioned in Statement Letter of Head of Benhes Village and Muara Wahau Village dated 29 June 2007. This fact has confirmed through consultation with representative from the Village of Muara Wahau, Diak Lay and Ne Has Liah Bing.

Status: Comply

4.8

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

4.8.1; 4.8.2 and 4.8.2

There is no land dispute within the unit of certification operational areas. This fact has confirmed through consultation with representative from the Village of Muara Wahau, Diak Lay and Bean Haes. PT DAN and POM-2 PT DSN were formerly a Conversion Forest Production (HPK) for about 10,867 ha which had extricate its status through Decree of Minister of Forestry No. SK.129/MENHUT-II/05 dated 23 May 2005.

Nevertheless, the CH has an Operation Director Memorandum (No. 0030/MS/XI/2016 dated 1 November 2016) related to the policy of not using violence, intimidation, or the use of paramilitaries in resolving disputes/conflicts, as well as SOP for Conflict Handling (No. SOP-AGR-007-R00 dated 15 February 2012), state that the stages of conflict resolution are conducted by deliberation or by legal means.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

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

5.1.1

PT DAN has smallholder "Kemitraan" program which has fully managed but has deliver its FFB to POM-1 of PT DSN. Agreement with smallholder is shows through Memorandum of Understanding (MoU) as follows:

- MoU with Cooperative of Serba Usaha Sawit Surya from Village of Jak Luay, Sub District of Muara Wahau No. 319/DIR-ARF/DAN/JKT/XI/12 dated 08 November 2012. Total area managed is 455 ha.
- MoU with Cooperative of Jengea Bong Pet Kuq from Village of Benhes, Diak Lay and Dabeq, Sub District of Muara Wahau No. 320/DIR-ARF/DAN/JKT/XII/12 dated 03 December 2012. Total area managed is 548 ha.

The company can show a decision letter for determining the purchase price of FFB produced by smallholders in partnership with East Kalimantan Province for the period of December 2021. The prices for FFB are as follows:

- Age 3 years: IDR 2,704.97
- Age 4 years: IDR 2,885,30
- Age 5 years: IDR 2,902.21
- Age 6 years: IDR 2,933.34
- Age 7 years: IDR 2,951.00
- Age 8 years: IDR 2,973.20
- Age 9 years: IDR 3,035.40
- Age 10 years: IDR 3,071.08

Based on the results of an interview with the chairman of the cooperative, Sawitan Surya, it is known that the price of FFB used so far is the price set by the East Kalimantan Plantation Service.

5.1.2

The determination of the price of FFB to plasma farmers is carried out by referring to the price set by the Plantation Service of the Province of East Kalimantan. Based on the results of interviews with the company's PIC, the FFB price set for plasma farmers is the FFB price set by the Plantation Service. Similarly, the results of an interview with the chairman of the cooperative, Sawitan Surya, stated that the FFB price was set by the East Kalimantan Plantation Service and not set by the company.

5.1.3

The determination of the price of FFB to plasma farmers is carried out by referring to the price set by the Plantation Service of the Province of East Kalimantan. Based on the results of interviews with the company's PIC, the FFB price set for plasma farmers is the FFB price set by the Plantation Service. Similarly, the results of an interview with the chairman of the cooperative, Sawitan Surya, stated that the FFB price was set by the East Kalimantan Plantation Service and not set by the company.

5.1.4

Based on the results of interviews with the chairman of the Sawitan Surya Cooperative, it is known that the cooperative has understood the contract/MoU with the company and there is no coercion from the company. So far, the cooperation with the company has been going well and the cooperative has the authority to make decisions. In addition, there are savings funds carried out by cooperatives and companies for future replanting needs.

5.1.5

PT DAN has a fully managed farmer "Partnership" program but has sent its FFB to POM-1 PT DSN. Agreements with smallholders are shown through a Memorandum of Understanding (MoU) as follows:

- MoU with Cooperative of Serba Usaha Sawitan Surya from Village of Jak Luay, Sub District of Muara Wahau No. 319/DIR-ARF/DAN/JKT/XI/12 dated 08 November 2012. Total area managed is 455 ha.
- MoU with Cooperative of Jengea Bong Pet Kuq from Village of Benhes, Diak Lay and Dabeq, Sub District of Muara Wahau No. 320/DIR-ARF/DAN/JKT/XII/12 dated 03 December 2012. Total area managed is 548 ha.

Based on document verification, it is known that the MoU has complied with the provisions as evidenced by the agreement between the two parties, has a timeframe, is transparent, and has been known by the Regional Government. Based on the results of interviews with the chairman of the solar palm oil cooperative, it is known that the MoU with the company

has been mutually agreed upon between the cooperative and the company as evidenced by having been signed by both parties and has been known by the Regent of Kutai Timur.

5.1.6

The company can show proof of payment of FFB to Partner Farmers, for example to the Sawitan Surya Cooperative for the period December 2021 with Invoice Number 1270001171 on December 31, 2021. Based on the results of document verification, it is known that the amount of FFB from the Sawitan Surya Cooperative is in accordance with the amount paid and the price is appropriate at a price determined by the Department of Agriculture.

The invoice also explains the price per Kg, Amount of FFB, Age of FFB, and Total payment. In addition, there are also discounts such as VAT, PPH, and Management Fee.

Based on the results of an interview with the Chairperson of the Sawitan Surya Cooperative, it is known that so far there have been no complaints related to FFB payments. The price of FFB given is in accordance with the price from the Plantation Service and there have been no complaints of late payments made by the company.

5.1.7

Based on the documents shown by the Company, the Factory has 2 units of scales with a capacity of 40 tons each. The calibration has been carried out by the UPTD Metrology of the Samarinda City Government Trade Office on November 29, 2019 and has been ratified based on the Test Result Certificate No. 510.63/2030/925/100.12.01 and number. 510.63/2031/925/100.12.01 dated December 3, 2019. Validity period is until November 28, 2020.

Regarding the expiration of the calibration results owned by the company, up to the ASA 1.3 assessment, the company has not been able to show the latest calibration results. In this regard, the company has shown a letter from the Industry and Trade Office of the Kutai Timur District Government Number 510/186/INDAG-SEK/IX/2021 dated 24 September 2021 to the Legal Department Head of PT DSN stating that until now a circular letter from the Mayor of Samarinda No. 440/0407/013.01 dated March 23, 2020 regarding the precautionary measures to prevent the Corona Virus in Samarinda City, it is still valid/has not been revoked so that the Samarinda City Metrology UPT recalibration service is still temporarily closed until further notice from the Samarinda City Government. The letter from the Kutai Timur District Industry and Trade Office also stated that the validity period of the certificate of test results at PT DSN (including POM 2) was stated to be still valid until there was an inspection of the equipment to be determined later.

Then there is a letter from the Industry and Trade Office of Kutai Timur District with Number B-510.35/209-Disperindag-PKTN//2022 on January 20, 2022 to the Legal Department Head of PT DSN stating that the Industry and Trade Office of Kutai Timur District has not been able to implement Weighbridge measurement is due to still waiting for the Calibration Paint (CTT) which has been ordered but has not been completed and it is estimated that the Calibration Paint (CTT) will be completed around the 2nd week of February 2022 so that the re-calibration of the electronic weighbridge is scheduled no later than the 2nd week of March 2022. It becomes **OFI**.

5.1.8

The company can show the minutes of the socialization of the RSPO certification program to smallholders around the company which will be held on January 5, 2021. This activity is carried out for independent smallholders, namely the Sumber Rejeki Cooperative in Karya Bakti Village. The socialization materials provided were introduction to RSPO certification for independent smallholders, land legality, FFB traceability, and implementation of field schools for farmers and STDB. (Cultivation Registration Certificate).

5.1.9

The handling of complaints from farmers/outside parties has been regulated in the SOP document number SOP-AGR-044-R02 dated October 14, 2019, regarding the procedures for Communication and Handling External Complaints. is 4 working days after the written request for information/complaint is received. Complaints are resolved as quickly as possible, depending on the type of complaint.

The company can show a record of complaints from farmers in the period 2021, for example complaint from the GAC Cooperative Management on August 28, 2021, was related to asking about the difference in the price of FFB. The

complaint has been responded to by the company by conducting a social visit on September 1, 2021 and has been explained to the representative of the Cooperative and the complaint has been declared Closed.

Status: Comply

5.2

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

5.2.1; 5.2.2; 5.2.3

The company can show the minutes of the socialization of the RSPO certification program to smallholders around the company which will be held on January 5, 2021. This activity is carried out for independent smallholders, namely the Sumber Rejeki Cooperative in Karya Bakti Village. The socialization materials provided were introduction to RSPO certification for independent smallholders, land legality, FFB traceability, and implementation of field schools for farmers and STDB.

The results of the interview with the Chairperson of the Sawitan Surya Cooperative, it is known that the company has conducted socialization related to RSPO, conducted trainings to cooperatives such as cooperative managerial training, assistance in preparing tax reports, harvesting training, fertilizer, HPT, etc.

5.2.4

When the audit was carried out, the whole operational activities were carried out by PT Dharma Satya Nusantara. All workers in the smallholder scheme were also PT DSN workers so pesticide handler training is only provided to company workers. UoC showed the pesticide handling training that has been carried out on 06 October 2020 which was attended by 40 workers and on 24 July 2021 which was attended by 43 participants.

5.2.5

The company has reported the progress of the plasma farmer program in the Plantation Business Development Report which is reported to the government of Kutai Timur District.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

UoC had a Policy Concerning on recognition of human rights. This policy applies to all operational areas of PT. Dharma Satya Nusantara. The group aims to provide fair and equal opportunities to all its workers. The company seeks to prevent discrimination in the workplace, specifically as follows:

- The company is committed to respecting each employee's human right as regulated by applicable regulations.
- In employing all employees, the company committed to the principle of equality and would not discriminate or restrict, harassment or exclusion based on human distinctions or the basis of religion, ethnicity, race, ethnicity, group, class, social status, economic status, gender, language, political beliefs.
- The company also committed to not discriminating in recruiting employees. The recruitment process would be in accordance with the fields of expertise, so there wouldn't be any forced labor system that could lead to human rights violations and inconvenience of employees.
- Every employee who works in the company is recognized as a person who has the freedom of beliefs, thoughts, opinions, and respect to use their conscience with human dignity in accordance with company regulations and applicable laws.

Based on the workers' recruitment document and interviews with the workers, UoC had provided equal opportunities in recruitment and operational activities. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

Based on the interviews with the gender committee, women workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example, there were several maintenance workers who

were female workers.

6.1.2

UoC showed job vacancy announcements, work acceptance letters and work agreement letters between workers and company which showed that there was no payment requested during the recruitment process. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

Based on the interviews with the manpower agency, gender committee, labor union, and workers (harvesters and process operators) at Puhus 1 Estate, Puhus 2 Estate, and Puhus 3 Estate, it is known that workers have never felt that the company has discriminated against them. It was explained that all activities from recruitment, performance appraisal, and promotion were given equal opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in labor unions, politics, or age. There was no difference in the communication between superiors and workers because of the things mentioned above, so the workers did not feel isolated or discriminated against by the superiors. The company also didn't request for any payment during the recruitment process.

6.1.3

UoC had procedures related to recruitment, appraisal, promotion, remuneration, and termination of employment which are generally described in the Company Regulation period 2020-2022 written in Bahasa. In general, it describes some procedures, here as follows:

- Recruitment of workers is based on a company's needs and capability.
- The company prioritizes internal/local workers in recruitment based on the procedures and regulations.
- The workers who have been accepted will through three months of probation.
- Promotion of workers is based on the needs of vacant position, work period, and assessment of workers.
- The company is authorized to carry out the placement, transfer, and promotion of workers in accordance with applicable regulations.

In addition, the procedures of employee's recruitment, appraisal, promotion, and remuneration explained specifically in several SOPs. These procedures have been documented and socialized to all workers and their representatives, here as follows:

- SOP No. SOP-AGR-012-R03 dated on 01 December 2019 concerning Recruitment.
- Board of Directors Decree No. 040/DIR/IX/2013 dated on 01 September 2013 concerning Remuneration.
- SOP No. SOP-AGR-014-R00 dated on 15 February 2013 concerning Employee's Appraisal.

During recruitment process, the company had set the standard of competence that required based on the offered position. Selection had included evaluation of skills, performance, and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of the worker as well. Records on manpower procedure had been documented, as verified randomly to the several documents, here as follows:

- UoC showed recruitment documents such as employment request form, job application letter, statement of police report, identity card, the result of writing test, the result of medical checkup, and work agreement letter. For example, a worker on behalf of RR (initial) who started working as a permanent clerk harvest worker with three months of probation on 12 July 2021.
- UoC showed promotion documents such as management decrees for promotion. For example, a worker on behalf of BM (initial) who had a promotion based on the worker's appraisal, from probation worker to permanent worker on 01 September 2021.

6.1.4

Based on interviews with the workers, the gender committee, and document verification, the pregnancy test for workers was carried out every month with the aim of ensuring that pregnant workers are not allowed to do work with chemicals, not as a form of discrimination against these workers. If declared pregnant, the worker will be transferred to a safer job.

UoC also showed a list of pregnant women and breastfeeding mothers, indicating that all women were assigned to safer jobs (teachers, compound workers, and office staff). There was no discriminatory pregnancy testing given by the UoC.

6.1.5

Gender committees had been formed and still active until today in each unit (both estate and mill) which are chaired by the coordinator along with the head of gender committee. The structure of the gender committee only consists of female workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (especially women).

UoC informed that they also handling complaints related to male workers' sexual harassment or violence as stated on SOP No. SOP-AGR-054-R03. This procedure stated that if there were any acts violate the regulations and laws, workers can communicate to the supervisor or human capital team.

Based on the interviews with several workers, they also knew of the existence of the gender committee because it had been routinely socialized by its management, the last socialization related to the sexual harassment and domestic violence against women. The activity was carried out twice a year and attended by female workers and housing residents. The results of this socialization can be seen with the absence of sexual harassment in company operational activities and the workers given equal opportunities for all genders (male or female).

6.1.6

Equal payment of wages has been made by the unit of certification properly, considering the ability, performance, expertise, work period and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the types of work respectively. In addition, based on the documents review of structure and scale wage, it was found that the certification unit already had a wage scale structure for each worker based on position and class (not based on gender or origins).

Based on the interviews with workers (harvesters, maintenance workers, and mill operators), the workers already know that there is a wage scale structure for each level of workers, and this has been proven by the difference in the monthly wage income presented on the pay slip. The monthly wages received are in accordance with the grade owned by each worker and so far, there have been no complaints / errors regarding this matter.

Status: Comply

6.2

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

6.2.1

UoC had procedures related to recruitment, selection, employment, promotion, retirement, and termination of employment which are generally described in the Company Regulation period 2020-2022 written in Bahasa. It explained the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. The company regulation had been routinely disseminated by the certification unit to all employees, one of the socializations that was carried out on 24 February 2021 which was attended by 19 participants.

Based on the interviews with workers (harvesters and mill operators) and labor union representatives, it concluded that workers have a sufficient understanding of their rights (wages, overtime, incentives, etc.) listed in the company regulation and in accordance with routine socialization provided by the certification unit. Workers' wages in 2020 and 2021 have been above the minimum wage set by the government, wage based on years of service, ability, attendance, and job performance (structure and scale wage) and there were no late payments every month.

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

6.2.2; 6.2.3

UoC has company regulation provided in Bahasa that explains the working conditions and rights / obligations of workers

such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave, and other provisions. These all stated in each worker's work agreement. Explanations related to the contents of the company regulation, including:

- Article 6 concerning working time which explains that there are 2 types of working time in the company, namely by working 8 hours per day or 5 working days in a week (head office) and 7 hours per day or 6 working days in a week (palm oil estate and mill), in which the total working hours are 40 hours in a week.
- Article 13 concerning wages which explains that the lowest wage of worker couldn't be lower than the minimum wage set by the government every year.

In addition, remuneration is generally stated in company regulation, and specifically stated in a decree explain these matters, as follows: Decree No. 007/DIR/I/2021 concerning Minimum Wage of PT. Dharma Satya Nusantara in 2021 is Rp. 3,140,100/ month (minimum) determined based on Kutai Timur Minimum Wage Determination in 2021. For workers with the lowest wages are employees with 0-1 year of work period, and the highest wages for workers with 30 years of work period (Rp. 4,714,870).

UoC showed overtime payment in November-December 2021 that has been in accordance with applicable laws for workers on behalf of IWS (initial) as boiler operator and MJ (initial) as security. In the pay slip document, it's known that the nominal of the worker's overtime wages has in accordance with the overtime calculation.

A review of payslip document (harvester, security, and mill operators) for November to December 2021, proved that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2021. For example, workers' wages on behalf of IWS (initial), MJ (initial), JY (initial), and LJ (initial) have a different wage based on wage scale structure in 2021 and all wages above the minimum wage.

UoC also showed paid leave letter which showed that maternity leave was given 3 months of paid leave. For example, the paid leave letter on behalf of LMT (initial), who had given 3 months (21 July 2021 to 20 October 2021). Unit of certification had shown their consistency in this ASA-1.3 assessment of work agreements that are owned by every worker so there were no policy to accept family members who work without a valid work association. In addition, in the field observation activities during the audit virtually, there were no family members of workers who helped work in the field without work ties.

6.2.4

UoC has provided welfare facilities to occupants in the form of housing, water supply, educational facilities, mosque, transportation, and other facilities in each unit. Based on the field visit virtually in the housing area, it revealed that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there was daycare for children. The house is inhabited by 1 family and specifically for workers who are not married then 1 house will be filled by 2 workers.

In addition, the company also provided waste disposal sites for domestic waste management. For health services, the company provides clinics and paramedics. Based on field observations, it's known that the facilities and infrastructure provided for workers are still functioning properly.

In general, the facilities provided by the certification unit are in good conditions and in sufficient quantities related to the number of workers in each unit. Based on field observation, all housing has well-maintained drainage. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing which repaired if there were damage (usually if there were any damage, the worker will inform it and it will be handled directly by the company).

6.2.5

UoC has provided accessible food sources by providing cooperatives that sell workers' daily needs and small cafeteria in the workers' area for lunch. In addition, there were also workers who open small business stalls to sell daily necessities in each housing.

Based on interviews with workers (harvesters and mill operators), labor unions and gender committees, it's known that workers have no difficulty in getting food sources because the company has provided cooperatives that sell daily necessities. In addition, workers can buy these needs to the markets around the company's area without any difficulties.

6.2.6

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

UoC has the determination of assessment prevailing wage and all kind of benefits for DLW simulation in 2021 has been included in the calculation of food costs, housing facility costs, transportation, educational cost, daycare facility, sport facility, health cost, electricity, and other costs. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is above the stipulation of the minimum wage (IDR 3,140,100) as much as IDR 8,200,703.81.

6.2.7

During the assessment, there were no workers with contract status (PKWT/daily workers). The current employee status are permanent workers and permanent workers with 3 month's probation. The number of workers currently owned by the certification unit is 1,014 workers.

Status: Comply

6.3

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

6.3.1

UoC had a policy concerning on the freedom of association (No. 0014/HCO/M/V/2016) validated on 12 May 2016. This policy applies to all operational areas of DSN Group. It stated that the group respects workers' rights to freedom of association and association with other individuals and collectively expresses, encourages, pursues, and defends the common interest. The policy was published in Bahasa which can be understood by all employees.

Based on the interviews with labor union representatives, it explained that the company had given freedom of association and labor unions have been formed. The establishment of the union was in accordance with the applicable laws and regulations and has been recorded in Manpower Agency. UoC gave the freedom for worker to express their aspiration democratically and there was no intervention related to labor union activity.

6.3.2

UoC has well-documented the records of meetings between labor unions and management representatives as well as with internal unions. The following are examples of records of meetings conducted by labour unions in 2021, here as follows:

- The meeting between the labor union (DSN) with management representative on 03 April 2021 to discuss about the workers' ID-CARD attended by 8 persons.
- The meeting between the labor union (DAN) with management representative on 11 September 2021 to discuss about plan to form an organization related to child protection attended by 8 persons.

Based on the interviews with labor union representatives and their members who work in each unit, it's known that the labor union held meetings every month or whenever it's needed. The meetings accommodated in bipartite and internal meeting and there has been no labor issue. This statement also supported by documents review of worker complaint documents and the absence of complaints submitted to labor union representatives.

6.3.3

Based on the interviews with the labor union representatives, there were no interference in the selection or labor union operational activities. All process of selecting, decisions making and planning activities, member's aspirations to their

representatives run democratically. The worker who currently placed as the Chairman of the Labour Union in each unit is a worker at mill and estate, then there will be no conflict of interest that occurs with the company because there were no workers who have the authority as decision makers (staff class and above). CH also involved the labor union in drafted company regulation.

The establishment of the union was in accordance with the applicable laws and regulations and has been recorded at the Manpower Agency. Unit of certification was giving freedom for workers to express their aspiration and did not give any intervention related to labor union activity.

Status: Comply

**6.4
Children are not employed or exploited.**

6.4.1; 6.4.2; 6.4.3; 6.4.4

UoC had a policy concerning on children/underage worker protection (No. 055/DIR/XII/2016) validated on 01 December 2021. This policy applies to all operational areas of DSN Group. It stated that the group prohibited to recruit employees under the age of 18 years old and prohibited the workers to bring children along in doing work (moreover to help the workers doing their work). Uoc also showed that they had socialized the policy to all parties including smallholders and contractors for instance the socialization held on 01 February 2021 to all smallholders and contractors' workers.

Uoc recognized that children who are forced to work, or who choose to work, are children who are deprived of their rights to childhood and education and are at risk of endangering their physical, mental, and social well-being as stated in related regulation. UoC also showed recruitment policy No. SOP-AGR-012-R03 which stated that in recruitment the minimum age to apply is 18 years old.

Based on documents verification and field observation virtually, there were no workers under the age of 18 and there was no child around the work area. In addition to having a policy governing the minimum age for workers for workers, the certification unit also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement. UoC also put a warning board which disallowance the children existence in the work area.

Status: Comply

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

6.5.1 and 6.5.2

UoC had a policy concerning on reproductive rights (Internal memo No. 0011/HCO/M/III/2016) and the prevention of sexual harassment and violence (No. SOP-AGR-049-R01). Each policy applies to all operational areas of DSN Group. The documents stated generally as follows:

- The company would assign pregnant and breastfeeding workers in no danger work (away from chemical contacts).
- The company would guarantee that pregnant workers did not having contacts with chemical stuff by doing pregnancy test once a month.
- The company would provide certain place for breastfeeding.
- Every worker is entitled to receive protection against sexual harassment in the workplace and if convicted of sexual abuse, there will be penalized in accordance with applicable regulations.

Based on the documents review and interviews with workers (harvesters, maintenance, and mill operators), disallowance of sexual harassment and violence had been routinely socialized by the management and gender committee, the last socialization related to the sexual harassment and domestic violence. The activity was carried out on February 2021 which was attended by both female and male workers.

Based on the interviews with the gender committee and daycare officer, the company had given 15-30 minutes for breastfeeding woman and provided certain place for breastfeeding.

6.5.3

Based on interviews with gender committee representatives and field observation virtually, it is known that the certification unit has provided a certain place for breastfeeding at daycare with special time to breastfeed. There was no prohibition

from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered / picked up by the foreman at these times.

UoC also showed that they had well-evaluate the needs of pregnant women by giving some pregnant women class (counseling). The class explained some discussion including signs of pregnancy, physical changes in pregnant women, common complaints experienced during pregnancy, things to avoid during pregnancy, myths, and facts about pregnancy, and many more.

Uoc has specifically provided the need for new mother or breastfeeding workers to breastfeed by setting a special time for breastfeeding at work, the availability of a special room for breastfeeding and other supporting facilities. UoC also showed the result of new mother's needs identification attended by new mother on behalf of LMT (initial), and paramedics. This document informed the needs of new mother during before the give birth and after give birth, as follows: pregnant women class, daycare, and breastfeeding room.

6.5.4

UoC showed the procedure to accommodate complaints and grievance from employees specifically in sexual harassment and violence (No. SOP-AGR-049-R01). In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower). UoC also provided whistleblowing by email, company website, and letter to complaint reporting unit for any confidentiality grievance.

Based on the interviews with workers it's known that the workers already have sufficient understanding of the grievance mechanism. Related complaints of sexual harassment (women's issues) can be submitted to the gender committee. In the last year period, there were no complaint related to sexual harassment, violence at work/reproductive rights.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

UoC had a policy concerning on force-labor ban stated in company guidance (No. PDM-AGR-R06) validated on 01 January 2020. This policy applies to all operational areas of DSN Group. The policy stated that the company respecting human rights by referring to the Declaration United Nations concerning on human rights and respecting employee rights such as the elimination of discrimination, the prohibition of forced and child labor, fair wage provisions, upholding the principle of gender equality in accordance with legal norms, and respecting the freedom of labor union.

UoC showed that on each work agreement between the certification unit and the contractor/supplier, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to anti bribery, anti-corruption, and anti forced labor. To ensure compliance with these clauses, the certification unit always requests the requirements for the completeness before the contractor does work.

Based on the interviews with manpower agency, gender committee, labor union, and workers at Puhus 1, Puhus 2, and Puhus 3 Estate, it's known that workers have never felt discriminated and forced to work by the company. There were no significant obstacles related to employment or violations of company regulations. UoC provided output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the incentive payment. No penalty was given to the harvester if it does not get output due to natural factors such as rain. Based on payment list, the harvesters have earned above the minimum wage.

There were no pressure/forced in doing overtime work, workers who had overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation.

6.6.2

Based on documents review and interviews with the manpower agency, gender committee, labor union, and workers at Puhus 1, Puhus 2, and Puhus 3 Estate, it's known that there were no contract workers and migrant worker in all units.

Status: Comply

6.7

The unit of certification ensures that the working environment under its control is safe and without undue risk to health.

6.7.1**2020**

The company has an OHS committee in PT DAN and PT DSN and has been ratified by the Manpower Agency of Kalimantan Timur Province.

- Decree of Manpower and Transmigration Agency of Kalimantan Timur Province No. 566/1942/P2K3/PPK/DTKT/2020 on 30 September 2020 about Ratification of OHS Committee PT Dharma Satya Nusantara.
- Decree of Manpower and Transmigration Agency of Kalimantan Timur Province No. 566/1939/P2K3/PPK/DTKT/2020 on 30 September 2020 about Ratification of OHS Committee PT Dharma Agrotama Nusantara.

The secretary of each committee is OHS Expert that appointed by Manpower Ministry through:

- Decree No. 5/9147/AS.02.04/X/2020 on 12 October 2020 namely Abed Nego Lumban Raja, valid for 3 years (PT DSN)
- Decree No. KEP.P.14522/NAKER-BINWASK3/II/2018 on 12 February 2018 namely Dian Benny Setyawan, valid for 3 years (PT DAN)

The company also shows a Certificate number 115/EXT-DPJ/IX/2021, dated September 21, 2021, from *Perusahaan Jasa Keselamatan dan Kesehatan Kerja* (Occupational Safety and Health Service Company) PT Derap Pembangunan Jaya, which explains that the General OHS Expert License has expired and is still under extension process of validity at the Indonesian Ministry of Manpower.

OHS Committee conduct monthly meeting regularly and documented the meeting in form of minutes of meeting. All the discussion, the result of discussion, and the PIC of each discussion is recorded in the minutes of meeting. Below is the example:

- Minutes of meeting on 21 February 2020 discuss about analysis of work accident, safety patrol conformity, and discussion about next meeting. This meeting was attended by 12 participants.
- Minutes of meeting on 30 September 2020 discuss about analysis of work accident, safety patrol conformity, and discussion about next meeting. This meeting was attended by 12 participants.

The minutes of meeting also included in OHS report and submitted to Manpower Agency routinely, as follows

- PT DSN POM 2 OHS Report for 3rd quarter of 2020 sent to Manpower Agency of Kalimantan Timur Province on October 2020
- PT DSN POM 2 OHS Report for 4th quarter of 2020 sent to Manpower Agency of Kalimantan Timur Province on December 2020
- PT DAN OHS Report for 3rd quarter of 2020 sent to Manpower Agency of Kalimantan Timur Province on 7 October 2020
- PT DAN OHS Report for 4th quarter of 2020 sent to Manpower Agency of Kalimantan Timur Province on 18 January 2021

2021

The person in charge of Occupational Safety and Health (OHS) has been identified, which is indicated by the Decree of the Head of the Office of Manpower and Transmigration of Kalimantan Timur Province number KEP.566/2668/P2K3/PPK/DTKT/2021 regarding the Ratification of P2K3 PT DSN – POM 2, dated 10 November 2021, with the composition of the management including the chairman on behalf of SF (initials) and secretary on behalf of ALR (initials). The P2K3 Secretary is a General OHS Expert based on the Decree of the Minister of Manpower of the Republic of Indonesia number 5/9147/AS.02.04/X/2020, dated October 12, 2020, and is valid for 3 years.

There are records of periodic meetings between the person in charge and the workers, which are listed in:

- Minutes Of Meeting P2K3L - PT. Dharma Satya Nusantara (POM 2), No: 01/P2K3L/POM 2/II/2021, January 23, 2021, which discusses the analysis of accidents that occurred in January 2021, Discussion of Safety Patrol Findings and Agreements for the next meeting.
- Minutes Of Meeting P2K3L - PT. Dharma Satya Nusantara (POM 2), No:12/P2K3L/POM 2/XII/2021, January 23,

2021, which discusses the analysis of accidents that occurred in December 2021, Discussion of Safety Patrol Findings and Agreements for the next meeting.

6.7.2

The company has a procedure about OHS No. SOP-AGR-037-R01 explains about OHS plan, Identification, and Handling of Hazard and Risk, OHS inspection, Work Accident Handling, Emergency Response, and Communication. Based on the procedure, if there was an accident, then the initial treatment is given according to the first-aid procedure. The company has the first aider in each unit and has completed the first aid training.

The certification unit has appointed and provided training to several employees who are appointed as the person in charge of First Aid, which is shown as follows:

- Basic First Aid Training, September 9, 2021, which was attended by 13 participants
- Basic First Aid Training, March 18, 2021, attended by 20 participants

The unit of certification shows records of all accidents that occur, including those shown in the Table of Calculation of Frequency Rate (FR) & Severity Rate (SR) PT. Dharma Agrotama Nusantara in 2020 & 2021., which explained that there were no work accidents.

Based on the results of interviews with workers related to emergency response procedures and work accidents, it is known that workers have understood the established procedures, such as mill workers explaining that if there is an emergency, a siren will sound as a sign of an emergency event and the workers gather at the designated gathering point. by following the evacuation route.

Based on the results of field observations via live video and interviews with a sampling of workers found such as in estates and mills, it is known that the first aid workers in the building are responsible for the officers who are in the building and have received first aid training such as in the mill area and estate child care. Based on the results of interviews with workers who received first aid training such as foremen and warehouse officers at the estate, it is known that the person concerned can explain the function of the contents of the first aid box or bag.

The company also provide first aid box and put them in several places, for example in the security post of POM 2, laboratorium, engine room, hazardous waste storage, office, and other places. The content of the first aid box is also monitored every month.

6.7.3

Based on the results of field observations via video recordings, for example in mill at processing stations and at Puhus 1 in agronomic activities such as harvesting and herbicide applications, it is known that workers have used Personal Protective Equipment (PPE) in accordance with the hazard risk analysis determined by the company. For example, harvest workers are known to use face shields, gloves, safety shoes and corsets. In addition, based on the results of interviews with workers both in the plantation and at the mill, it is known that PPE is provided free of charge to all workers in the workplace.

The company also shows the PPE Handover Form, which explains the handover of PPE at the Mill as follows:

- On 19 July 2021, 23 pairs of ear plugs were given to production crew A.
- On 03 January 2022, 3 pairs of rubber gloves were given to production crew A.
- Handover of PPE cloth gloves on January 6, 2021, 6 pairs to production crew A, 6 pairs on February 5 2021 to production crew A, 6 pairs on March 23 2021 to production crew A, on April 14 2021 6 pairs to production crew A, on December 20, 2021 as many as 6 pairs to production crew A and on January 3, 2022 as many as 12 pairs to production crew A.
- Handover of PPE rubber gloves on December 20, 2021 as many as 3 pairs to production crew A and on January 3, 2022 as many as 3 pairs to production crew A.
- Handover of PPE leather gloves on 22 November 2021 to production crew A, 20 pairs on December 6, 2021 to production crew A, on December 20, 2021 as many as 24 pairs to production crew A and on January 3, 2022 as many as 24 pairs to production crew A.
- The handover of PPE masks on June 12, 2021 as many as 28 pairs to production crew A, on August 31, 2021 as many as 28 pairs to production crew A and on December 6, 2021 as many as 28 pairs to production crew A.

Based on the results of field observations through video recordings, for example in Puhus 1, it is known that the company has provided sanitation facilities for workers who use pesticides called *Tempat Pencucian Knapsack dan Alat Pelindung Diri Chemist* so that workers can take off their PPE, clean themselves and put on their personal clothes.

6.7.4

All workers are provided with health services and are covered by occupational accident insurance, which is shown below:

BPJS Health POM 2

- BPJS Health POM 2 Billing Report, for the period of December 2021, which is 108 employees and 121 dependents, with a total bill of Rp. 19,261,200, -.
- Proof of payment for BPJS Kesehatan POM 2 via BRI Bank transfer, dated December 8, 2021, which explains the nominal payment of Rp. 19,261,200, -.

BPJS Employment POM 2

- Recapitulation of POM 2 Contribution Payment Details, for the period of December 2021, namely 108 employees with work accident insurance programs, old-age benefits, death benefits, and pension benefits, with a total bill of Rp. 39,036,531, -.
- Proof of payment for BPJS Employment POM 2 for the period of December 2021 with PAID status, dated January 7, 2022, which explains the nominal payment of Rp. 39,036,531, -.

BPJS Health Puhus 1

- BPJS Health Puhus 1 Billing Report, for the period of December 2021, i.e. 310 employees and 207 dependents, with a total bill of Rp. 49,751,660,-
- Proof of payment for BPJS Health Puhus 1 via BRI Bank transfer, dated December 8, 2021, which explains the nominal payment of Rp. 49,751,660,-.

BPJS Employment Puhus 1

- Recapitulation of Puhus 1 Contribution Payment Details, for the period of December 2021, namely 310 employees with work accident insurance programs, old-age benefits, death benefits, and pension benefits, with a total bill of Rp. 94,438,194,-.
- Proof of payment for BPJS Employment Puhus 1 for the period of December 2021 with PAID status, dated January 7, 2022, which explains the nominal payment of Rp. 94,438,194, -.

6.7.5

Work accidents are recorded using Lost Time Accident (LTA), which are shown as follows:

- Table of Calculation of Frequency Rate (FR) & Severity Rate (SR) PT. Dharma Agrotama Nusantara 2021 for the December period, which among other things explained that there were no work accidents.
- Table of Calculation of Frequency Rate (FR) & Severity Rate (SR) PT. Dharma Agrotama Nusantara in the December 2022 period, which among other things explained that there were no work accidents.

Status: Comply

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

7.1

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

7.1.1

2020

Based on the results of the document review, it is known that the company has procedures related to monitoring and controlling pests, including:

- Work Instruction IK-AGR-OLP-13-R01 concerning Early Detection of Pests and Diseases on 1 July 2015. The IK describes the census system, economic threshold values, census team and organization, procedures for determining

the main census and calculation of census results, as well as frequency. implementation of the census.

- Work Instruction IK-AGR-OLP-14-R02 Work Instruction on Pest and Disease Control, effective July 1, 2015. The IK explains the mechanism for monitoring symptoms of attack and the criteria for and procedures for controlling. Pests and diseases identified include: UPDKS, Rats, Termites, Oryctes, Apogonia and Adoretus, Tirathaba, Pigs, Ganoderma, Marasmius, Spear Rot, and Charcoal base rot - ustulina deusta.

Based on the study of the recapitulation documents of the census results and attacks for the period January - December 2020 for the PU1, PU2 and PU3 estates, no pests (needle worm, bagworms, rats, tirathaba) were found that exceeded the economic threshold and this is in accordance with the results of the verification of the ingredients list chemicals used, it is known that no use of chemicals for the control of animal pests has been identified.

2021

The company demonstrates that the IPM plan document is implemented and monitored to ensure effective pest control, some of which are shown as follows:

- PT DAN Plant Disease Pest Document – *Hama Pengganggu Tanaman* Attack Rate for the 2020 Period, which describes estate, items (such as nettle caterpillar population, bagworm population, rat attack rate per FFB, termite attack rate and Ganoderma attack rate) per month until December 2020, update January 11, 2021. Based on the document, it is known that no attacks exceed the threshold.
- PT DAN Plant Disease Pest Document – *Hama Pengganggu Tanaman* Attack Rate for 2021 Period, which describes estate, items (such as nettle caterpillar population, bagworm population, rat attack rate per FFB, termite attack rate and Ganoderma attack rate) per month until December 2021, update December 30, 2021. Based on the document, it is known that no attacks exceed the threshold.

Based on the results of field video observations on biological rat pest control activities, in Puhus 1 Afdeling 3 Block D34, it is known that the owl cage is in an active condition with 2 owls found in it.

7.1.2

In carrying out biological pest control, the company uses *tyto alba* and beneficial plants including *turnera subulata*, *turnera ulmifolia*, *antigonon leptopus*, *casiatora* dan *casia cobanensis*. *Turnera ulmifolia* including invasive species in accordance P. 94 / MENLHK /Secretary General/KUM.1/12/2016, but the company can show the distribution of plant records and control the spread by the company include weeding the lawn and trim *Turnera* already high.

The unit of certification shows a Barchart document of Monthly Work Guidelines for 2020 and 2021, which among other things explain the program and realization of upkeep and planting Beneficial Plants including *Turnera ulmifolia*. For example, for the December 2020 period, it is known that the planned maintenance activity in Afdeling IV Puhus I covers an area of 135 ha and has realized an area of 135 Ha. In addition, for example, for the period of December 2021, it is known that the planned maintenance activity in Afdeling I Puhus I covers an area of 145 ha and has realized an area of 145 ha.

The unit of certification also shows a distribution of useful plant data and a distribution map of beneficial plants including *Turnera ulmifolia* per block.

In addition, the certification unit also shows documentation of the Pest Attack Prevention Program for Planting *Turnera* Puhus 1 Estate, such as in block D31, Afdeling 3 for *Turnera ulmifolia* plants and documentation of the Pest Attack Prevention Program for Planting *Antigonon* Puhus 2 Estate block E32, Afdeling 3 for planting *Antigonon leptopus*.

7.1.3

Based on the results of the document review, interviews with management and field observations via video, it is known that there is no use of fire for pest control.

| | | |
|--|-----------------------|--|
| | Status: Comply | |
|--|-----------------------|--|

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

7.2.1

The company can show a list of pesticides used in 2020 and the target pests that are controlled, as follows:

| Merk | Ingredients | Target | WHO |
|------|-------------|--------|-----|
|------|-------------|--------|-----|

| | | | |
|----------|-------------------------|-------------------------------|-----|
| Methyl | Metilmetsulfuron | Woody Growth | U |
| Kleen Up | Isopropilamina Glifosat | broad and narrow leaved weeds | III |
| Starane | Fluroksipir | broad leaved weeds | U |

Based on the study of the pesticide list documents used in 2020, it is known that the company does not use pesticides that are listed in the World Health Organization (WHO) Class 1A or 1B or are included in the Stockholm or Rotterdam Conventions, as well as paraquat.

There is justification for the use of all pesticides by prioritizing specific products and specific application methods to deal with the targeted pests, weeds or diseases, based on the Recommendation for the Use of Pesticides, issued by the Plantation Office of Kutai Timur District, dated February 15, 2021, number 521.4/239 /Perlindungan-OPT/III/2021, which among others explains that the Kutai Timur District Plantation Service provides recommendations for the use of pesticides by paying attention to regulations and environmental aspects so that the use of pesticides must be based on the right target, right quality, right type of pesticide, right time, right dose or concentration and the correct method of use is in accordance with the Regulation of the Minister of Agriculture number 43 of 2019 concerning the Regulation on the Use of Pesticides. The recommendations for the use of pesticides are as follows:

- Kleen Up 480 SL, herbicide with active ingredient Isopropyl amine glyphosate 480 g/l
- Metaprima 20 WG, herbicide with the active ingredient Methyl metsulfuron
- Starana 290 EC, herbicide with the active ingredient Fluroxypir methyl heptyl ester

This is in accordance with actual conditions in the field, where based on the results of field observations, for example in the Puhus 1 herbicide warehouse, the herbicides Kleen Up 480 SL, Metaprima 20 WG and Starana 290 EC were found.

7.2.2

There are records of pesticide use (including the active ingredients used and their LD50 dose, the area used pesticides, the number of active ingredients applied per hectare, and the number of applications), which are briefly described as follows:

- Year 2020
Based on the document *Daftar Nama, Sifat dan Bahan Kimia yang Digunakan Puhus 3*, plantation area of 2,964 Ha, Semester 2 of 2020, explained things such as Trade Name, Unit, Active Ingredients, LD 50 Dermal (Rat), LD 50 Oral (Rat)), Concentration, Spray Area (Ha), Material Properties/Characteristics, Amount of Chemical Use, Chemical Toxicity per 6 months (Ltr;Kg/Ha), Average Chemical Usage per month, Chemical Toxicity per Month (Ltr;Kg/Ha) and No. Reg. For example, for the trade name Starane, it is known that the Liter Unit, Active Ingredient *Fluroxypir methyl heptil ester* 295 g/L (equivalent to 200 g/L fluroxypiric acid), LD 50 Dermal (Rat) >5000 mg/kg BW, LD 50 oral (Rat) >5000 mg/kg BW, Concentration 0.2 Kg/litre, Spray Area 2964Ha, Properties/Characteristics Material causes slight irritation and slight corneal damage, does not cause skin irritation if inhaled for too long, its vapors can cause respiratory tract irritation. respiratory rate, Total Chemical Use 107 liters, Chemical Toxicity per 6 months 0.036 Ltr/Ha, Average Chemical Usage per month 17.8 liters, Chemical Toxicity per Month 0.006 Ltr/Ha and No. RI registration. 01031220083155, Permanent Permit, February 2, 2023.
- Year 2021
Based on the document *Daftar Nama, Sifat dan Bahan Kimia yang Digunakan Puhus 1*, plantation area of 3,090 Ha, for the period of Semester 2 of 2021, explained things such as Trade Name, Unit, Active Ingredients, LD 50 Dermal (Rat), LD 50 Oral (Rat)), Concentration, Spray Area (Ha), Material Properties/Characteristics, Amount of Chemical Use, Chemical Toxicity per 6 months (Ltr;Kg/Ha), Average Chemical Usage per month, Chemical Toxicity per Month (Ltr;Kg/Ha) and No. Reg. For example, for the trade name Kleen Up, it is known that the Liter Unit, Active Ingredient *Isopropyl amine glyphosate*, LD 50 Dermal (Rat) > 5000 mg/kg BW, LD 50 oral (Rat) 9041 mg/kg BW, Concentration 0.480 Kg/liter , Spray area 3090 Ha, Properties/ Characteristics of the substance Inhalation of the spray mist may cause coughing, runny nose, chest pain and sore throat, Total Chemical Use 988 liters, Chemical Toxicity per 6 months 0.320 Ltr/Ha, Average Chemical Usage per month 164.7 liters, Chemical Toxicity per Month 0.053 Ltr /Ha and No. RI registration. 0103011989819, Permanent Permit, September 3, 2023.

7.2.3 & 7.2.4

There is no preventive use of pesticides for the prevention of pests and diseases (prophylactic use). This is evidenced, among others, by the selection of special materials used or not by the company, which are listed in the list of pesticides used.

The company continues to minimize the use of pesticides as part of the plan according to the IPM plan. The use of pesticides is not preventive for disease prevention (prophylactic use) but based on census results that exceed the specified threshold value.

As an example of the company's efforts, the company is trying to develop owls (*Tyto alba*) as natural enemies of rat pests. Based on the results of field observations through video recordings in block D34 Afdeling 03 Puhus 1 Estate, it was found that the activity of owls as mouse pest controllers was marked by the presence of *Tyto alba* in the cage, droppings, feathers and bones of rats around the owl cage. In addition, to reduce the use of pesticides to control caterpillar pests by developing useful plants such as *Turnera ulmifolia*, as found in block D31 Afdeling 3 Puhus 1 and *Antigonon leptopus*, as found in block E32 Afdeling 3 Puhus 1.

7.2.5

The unit of certification does not use pesticides that are listed in the World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions, as well as paraquat, which is confirmed through Memorandum number 001/S&I/2020 of Sustainability & Infrastructure DIC, dated 14 January 2020, which states a ban on use in all DSN Group oil palm plantation areas.

This has been implemented based on the results of field observations in the agrochemical warehouse, for example in the Puhus 1 agrochemical warehouse, it is known that there is no stock of pesticides with the active ingredient paraquat.

7.2.6

2020

The company can show records of routine training related to pesticide use, for example:

- The Nufarm Pesticides Training in February 2020 was attended by 57 participants
- Corteva Agriscience Pesticide Training in July 2020 which was attended by 20 participants

2021

Pesticides are handled, used or applied only by persons who have completed the necessary training, which may include the following:

- Training on Detection of Plant Pests & Diseases, September 8, 2021, which was attended by 85 participants.
- Pest & Plant Disease Detection Training, September 10, 2021, which was attended by 49 participants.
- Training of Users Pesticide Nufarm, February 16, 2021, attended by 37 participants
- Training of Nufarm Pesticide Users, on 15 February 2021, which was attended by 35 participants
- Corteva Agriscience Pesticide Training, July 23, 2021, attended by 25 participants

Based on the results of field observations via video, for example in the weeds spray activity in Puhus 1, it is known that pesticides are applied according to the product label, such as regarding the provision of appropriate PPE.

7.2.7

Based on the results of field observations at the agrochemical warehouses, it is known that the storage of all pesticides is in accordance with recognized best practices, which refers to PP. 74 of 2001 concerning Management of Hazardous and Toxic Materials. Based on the results of these field observations, it can be explained that the storage area has been equipped with hazardous materials symbols, MSDS, ventilation, pesticide spills, eyewash and showers, fire extinguishers, first aid kits, emergency handling flows, racks according to packaging and others.

7.2.8

All pesticide containers are properly disposed of and handled responsibly according to best practices recognized by Indonesia, which are regulated in Government Law no. 101 of 2014 concerning Hazardous and Toxic Waste Management, then regulated in the Company SOP on Hazardous and Toxic Waste Management (No. IK-AGR -SHE-09-R02 dated 19 October 2015).

Based on field observation videos at the Chemical Warehouse, as well as interviews with operators at each estate, it is known that used pesticide containers will be stored responsibly in temporary shelters for hazardous and toxic waste that are built with OHS and environmental aspects in mind. The water used for rinsing will be reused as mixing water for chemical activities. There is no use of used pesticide containers for other purposes. Has been added in the report.

7.2.9

Based on the results of document review, interviews with management and field observations via video record, it is known that the certification unit does not spray pesticides through the air.

7.2.10

UoC has consistently conducted certain medical checkup for manuring and pesticide operator annually. Last medical check up was carried out in November 2021, as follows:

- Puhus 1 Estate: Cholinesterase for 95 workers and Spirometry for 62 workers.
- Puhus 2 Estate: Cholinesterase for 74 workers and Spirometry for 131 workers.
- Puhus 3 Estate: Cholinesterase for 78 workers and Spirometry for 96 workers.

Based on document verification, it's known that a worker indicated abnormal in spirometry test while other workers tested were in normal condition and fit to work. Follow up on the abnormal results has been taken by the company immediately, resulting the mutation to the non-agrochemical works. Based on the interviews with spraying workers in Puhus 1, Puhus 2, and Puhus 3 Estate, it can be concluded that they have not been suffered from skin disease and itches because they consistently use PPE while working.

7.2.11

During this assessment, there were no pesticide application activity. Based on documents review, it informed that all pesticide spray workers in Puhus 1, Puhus 2, and Puhus 3 Estate were in reasonable age limit for work (no underage workers). UoC had well-monitored the women workers through monthly pregnancy test. If founded pregnant, they will transferred to non-agrochemical works (away from chemical contacts). UoC also guaranteed that there were no workers in chemical that had certain disease condition such as asthma through medical check up.

Status: Comply

7.3

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

7.3.1

The company shows identification of waste sources for the 2020 period with details: ex sacks of fertilizer, inner plastic of fertilizer sack, used oil from generator, used neon/lights, wastewater, EFB, Shell, fiber, dash of incinerator, dash of boiler, domestic waste, paper and others.

Sources of emissions include:

- CO2 Gas: Transportation of FFB, CPO Shipping, Operation of heavy equipment, operation of generator & electric pumps, management of WTP, boilers, laboratory activities, waste ponds and Mill processes.
- Gas NO2 & SO2: Activities in the laboratory.
- Gas CH4: Fertilizing activities and WWTP ponds.

Solid waste

The waste generated by the company is shells, fiber and EFB. The management plan is carried out by reusing solid waste such as shells and fiber to be reused as boiler fuel. Meanwhile, solid waste such as EFB is reused by applying it to plantation areas.

Palm Oil Mill Effluent (POME)

POME generated from the factory is reused for Land Applications. Before being channeled to the Land Application, the liquid waste is first managed at the WWTP with the aim that the quality of the liquid waste flowing to the Land application

is in accordance with the provisions.

Domestic Waste

Domestic waste generated from housing and offices will be disposed of in Landfills.

Hazardous and Toxic waste

Hazardous Waste generated by the Estate and Factory will be stored in the Temporary Storage of Hazardous Waste owned, then it will be transported by a licensed third party which will then be handed over to the hazardous waste manager whose license the company already has a permit for Temporary Storage of Hazardous Waste, that is:

- The company can show the Decree of the Regent of Kutai Timur Number: 660/K.260/2017 regarding the extension of the permit for the temporary storage of hazardous and toxic waste materials PT Dharma Satya Nusantara POM 2 in Muara Wahau District, Kutai Timur District on March 22, 2017 with a validity period for 5 years.
- PT Dharma Agrotama Nusantara has obtained a permit for temporary storage of hazardous and toxic waste. The company can show the Decree of the Regent of Kutai Timur Number 503/07/DPMPSTP-PPNP/TPS-LB3/IV/2021 regarding the extension of the permit for the temporary storage place (TPS) for hazardous and toxic waste (LB3) to PT Dharma Agrotama Nusantara in Muara Wahau District Kutai Timur District on April 26, 2021 with a validity period of 5 years.

In terms of transporting hazardous waste, the company (POM 2) cooperates with the licensed hazardous waste carrier, namely PT Sumber Rezeki Abadi Jaya. The company can show the SPK with PT Sumber Rezeki Abadi Jaya with Number 005/DSN/JKT/2022 on January 3, 2022, with a validity period until December 31, 2023. For PT DAN in cooperation with a licensed Hazardous Waste Transporter, namely PT Sumber Rezeki Abadi Jaya. The company can show the SPK with PT Sumber Rezeki Abadi Jaya with Number 002/DAN/JKT/2022 on January 3, 2022, with a validity period of up to December 31, 2023.

The company can show the official report and manifest for the transportation of hazardous waste for the last 2 periods for POM 2 and PT DAN, namely for the period 9 June 2021 and 13 September 2021. The types of hazardous waste submitted are:

POM 2 (9 June 2021)

- Used oil as much as 0.4725 Tons with Manifest KLHK-1625416661
- Used filter as much as 0.029 Ton with Manifest KLHK-1625417232
- Used Majun as much as 0.046 Ton with Manifest KLHK-1625417448
- Used packaging of hazardous materials as much as 0.276 Tons with Manifest KLHK-1625418626

PT DAN (9 June 2021)

- Used packaging of hazardous materials as much as 0.2324 Tons with KLHK Manifest-1625937379
- Used oil as much as 0.7511 Tons with Manifest KLHK-1625937583
- Used filter as much as 0.0147 Ton with Manifest KLHK-1625938082
- Used Majun as much as 0.0196 Tons with Manifest KLHK-1625945561

POM 2 (13 September 2021)

- 0.543 Tons of used oil with Manifest KLHK-1635495921
- Electronic waste as much as 0.008 Tons with Manifest KLHK-1635529311
- Used Majun as much as 0.054 Tons with Manifest KLHK-1635497365
- Used packaging of 0.165 Tons of hazardous materials with Manifest KLHK-1635497650

PT DAN (13 September 2021)

- Used packaging of 0.366 tons of hazardous materials with KLHK-1635501017 Manifest
- Used oil as much as 0.8159 Tons with Manifest KLHK-1635501221
- Used filter as much as 0.0073 Ton with Manifest KLHK-1635500406
- Used rags as much as 0.0316 Ton with Manifest KLHK-1635500824

Based on the field observation video, it is known that hazardous waste will be stored in the Temporary Storage of hazardous waste before being transported by the carrier. This is because hazardous waste can only be transported and managed by parties who have permits from the government.

7.3.2

Based on interviews with company management and the Head of the Hazardous and Toxic Waste Warehouse, POM and Estate, it is known that they understand the handling of waste disposal, especially hazardous and toxic waste and non-hazardous and toxic waste in accordance with procedures owned by the management unit. Based on the video results of field visits to residential areas, it is known that there is no use of hazardous and toxic waste as water reservoirs. In addition, domestic waste management is in accordance with company procedures.

7.3.3

Based on the video of field visits to employee housing and warehousing areas, both estates and factories, it was found that there were no burning or open burning for waste destruction. Each housing has provided a trash can for domestic waste such as organic and inorganic. Hazardous and toxic waste will be collected in a temporary storage area for Hazardous and Toxic Waste.

Status: Comply

7.4

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

7.4.1

The company has SOPs for soil fertility management, which includes:

- IK-AGR-OLP-09-R03 dated November 3, 2014, about manuring
- IK-AGR-OLP-10-R02 October 2014 about POME application in the field
- IK-AGR-OLP-11-R02 dated November 3, 2014, about EFB application
- IK IK-AGR-OLP-25-R01) dated 1 February 2014 about soil and leaf sampling

The unit of certification shows a record of the implementation of practices according to established procedures, including:

- Preparation of fertilizer recommendations based on leaf and soil nutrient levels in 2020 & 2021 as well as results of field observations covering symptoms of nutrient deficiency in plants, which are described in indicator 7.4.2.
- Application of organic fertilizers (factory waste) such as empty fruit bunches and palm oil mill effluent, which is described in indicator 7.4.3.
- Documentation of fertilizer recommendations and realization in 2020 & 2021, which is explained in indicator 7.4.4.

Based on the results of field observations through video recordings, in Puhus 1 block C27, it is known that there is the application of fertilization using organic fertilizer in the form of empty bunches.

7.4.2

There are records of leaf and soil sample analysis activities on a regular basis to monitor and manage changes in soil fertility and plant health, which are shown as follows:

- Soil analysis results report from Research and Development PT Nusa Pusaka Kencana Analytical & QC Laboratory No. 125 / RD-EXT / S / NOV / 18 dated 16 November 2018 with a total of 30 samples. The parameters tested included: texture, acidity (pH), contents of C, N, P, K, Mg, Ca, Na, BS, CEC, Al, and H.
- Soil analysis reports from Research and Development PT Nusa Pusaka Kencana Analytical & QC Laboratory No. 066 / RD / EXT / L / APR / 20 dated 17 April 2020 with a total of 7 samples. The parameters tested include Ash, N, P, K, Mg, Ca, and B.
- Soil analysis reports from Research and Development PT Nusa Pusaka Kencana Analytical & QC Laboratory No. 180 / RD / EXT / L / AGT / 20 dated 3 August 2020 with a total of 13 samples. The parameters tested include Ash, N, P, K, Mg, Ca, and B.

- Foliar Analysis Report from Research and Development PT Nusa Pusaka Kencana Analytical & QC Laboratory No. 091/RD/EXT/L/JUN/21 dated 02 June 2021 with a total of 17 samples. Parameters tested were: Ash, N, P, K, Mg, Ca and B.

7.4.3

Nutrient recycling strategies are available, which include recycling empty fruit bunches, POME, and optimizing non-organic fertilizers. These are shown in the following documents:

- Recapitulation of Empty Fruit Bunch for the period of December 2021, which among other things explains that in December 2021 5,783 tons of empty fruit bunches have been applied at PT DAN.
- Final Effluent Recapitulation for the period of December 2021, which among other things explains that in December 32,984 m3 of palm oil mill effluent was applied in blocks E31, G33, F37, E39, G31, F36, F41, F38, F40 and others.

7.4.4

Records of fertilizer use are maintained and can be shown during audit activities, which are listed in the Fertilization Monitoring document for 2020 and 2021, which explains the recommendations and actualization of fertilizers in detail per type of fertilizer. Based on the document, can be briefly explained the achievement of realization in 2021 per type of fertilizer as follows:

- Borate Fertilizer
 - Puhus 1 is planned for 31,364 kg and has been realized 100%
 - Puhus 2 is planned for 29,085 kg and has been realized 100%
 - Puhus 3 is planned for 32,138 kg and has been realized 100%
- NPK fertilizer
 - Puhus 1 is planned for 3,419,224 kg and has been realized 100%
 - Puhus 2 is planned for 1,013,845 kg and has been realized 100%
 - Puhus 3 is planned for 3,242,750 kg and has been realized 100%

Based on the results of document review and interviews with management, it is known that fertilization in 2022 has not started because it has not yet entered the time set for recommendations. So that the audit team could not see the implementation of fertilization activities in the field.

Based on the results of document review and interviews with management regarding fertilization in 2021, it is known that fertilization has been carried out in accordance with the recommendations and has been realized 100%.

Status: Comply

7.5 Practices minimise and control erosion and degradation of soils.

7.5.1

Maps are available identifying marginal and fragile soils, including land with steep slopes, some of which are shown below:

- The Company has a detailed soil survey document year of 2013 created by the Agro DSN Group R & E Department. Soil and land suitability classes are listed in the document and mapped in a scale 1: 70,000. In the conclusion, the section stated that there is no marginal or peat area in the operational area.
- The type of soil identified is sandy clay minerals with a class of S2 (Moderately Suitable) land area of 8,233 hectares or 91% of the total area and the category S3 (Marginal Suitable) covering an area of 767 ha or 9% of the total area. The limiting factor of marginal suitable soil-related low fertility.
- The slope map informed that 98% area categorized as flat to undulating (0 – 15% slope) and the rest is categorized as undulating to hilly (15 – 25% slope).

7.5.2 & 7.5.3

Based on the results of document review, interviews with management and field observations, it is known that the company does not carry out replanting and new planting of oil palm on land with steep slopes.

Status: Comply

7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and

the results are incorporated into plans and operations.

7.6.1

There is evidence of long-term land suitability for oil palm cultivation, some of which are shown below:

- The Company has a detailed soil survey document year of 2013 created by the Agro DSN Group R & E Department. Soil and land suitability classes are listed in the document and mapped in a scale 1: 70,000. In the conclusion, the section stated that there is no marginal or peat area in the operational area.
- The type of soil identified is sandy clay minerals with a class of S2 (Moderately Suitable) land area of 8,233 hectares or 91% of the total area and the category S3 (Marginal Suitable) covering an area of 767 ha or 9% of the total area. The limiting factor of marginal suitable soil-related low fertility.
- The slope map informed that 98% area categorized as flat to undulating (0 – 15% slope) and the rest is categorized as undulating to hilly (15 – 25% slope).

7.6.2

In areas of marginal and fragile soil, planting is carried out with land management in the form of giving empty fruit bunch. For example, based on the results of the field observations video in Puhus 1 Estate block C-27, it is known that there are empty fruit bunch applications using a mechanization system.

7.6.3

Based on the results of the document review, interviews with management, and field observations, it was found that the company did not plan the location for the development of new plantations.

Status: Comply

7.7

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

7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6 and 7.7.7

No new plantings on peatlands. This is based on the Soil Map on Detailed Soil Survey document, known that there is no peat land in operational area.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The company already has a water management plan and has implemented the water management plan which consists of:

- Inventory of location and area and mapped according to the determination of the size of the river border.
- Marking of river border areas which are the boundaries of oil palm plantations where plantation activities are not allowed
- Restoration of hydrological functions by planting and enriching vegetation
- Planting Vetiver, and legumes (controlled) and inserting intercrops on riverbanks whose vegetation has been converted to oil palm plantations
- Do not apply chemicals in river border areas.
- Do not dispose of liquid waste into the river but reuse it on plantation land. Before being used, the liquid waste is managed at the WWTP so that the quality meets the standards set by the government.
- Utilizing water for factory processing in accordance with the standards set by the company.
- Conduct testing of river water quality and monitoring wells.

Environmental monitoring efforts to reduce and prevent negative impacts on water quality degradation in the second semester of 2021 at PT. DAN has been monitoring the waters of the Upper and Lower Puhus rivers on November 17, 2021 in collaboration with PT. Sucofindo. The test results are as follows:

| Parameter | Standart | Puhus River | |
|------------------------------|----------|-------------|------------|
| | | Upstream | Downstream |
| Total Suspended Solid (mg/l) | 50 | 32 | 31 |

| | | | |
|------------------------------|-------|-------|-------|
| pH | 6 – 9 | 6.80 | 7.55 |
| BOD ₅ (mg/l) | 3 | 2.20 | 2.68 |
| COD (mg/l) | 25 | 21.32 | 21.85 |
| Total Dissolved Solid (mg/l) | 1,000 | 49 | 44 |

Standard: PP No 22 tahun 2021 dan Perda Kaltim No. 02 Tahun 2011 tentang Kualitas Air

Based on the results of interviews with company representatives, it is known that to fulfill workers' needs for clean water, the company manages water in each housing using WTP where water is taken from the nearest river around Division housing. Management is carried out to purify water so that it is more suitable for use.

Based on the results of field observation videos at the Puhus river border Block F32 Division 5 Estate Puhus 2 it is known that the river border is protected by the company. Some of the activities carried out by the company are placing red signs as limits for chemical application and planting Ulin (*Eusideroxylon zwageri*).

7.8.2

Programs for the protection of water bodies, wetlands, including river borders are recorded in the River Border Work Instruction document (IK-AGR-SHE-06-R01) dated 11 January 2018. Based on the document, protection for water bodies such as making signs, determining river border areas, placing signs on river border lines, and determining activities related to river borders (weed control should not be carried out with agrochemicals, plates are cleaned manually, fertilization is done by planting), in riverside areas planting types of plants that are can cover the soil surface (cover crop) such as vetiver grass.

Wet streams in the company area are protected by the company. This is evidenced by the results of field observation videos at the Puhus river border Block F32 Division 5 Estate Puhus 2 it is known that the river border is protected by the company. Some of the activities carried out by the company are placing red signs as limits for chemical application and planting Ulin plants. The company can also show records of 40 seeds of Ulin planting activities carried out on September 30, 2021.

7.8.3

The company has conducted monthly wastewater quality testing in collaboration with an accredited laboratory. Based on the document review, during the 2021 period, the test results are known to have complied with the established quality standards. Here are the test results for the January-December 2021 period:

| Parameter | Standart | January | February | March | April | May | June |
|-------------------------|-----------|---------|----------|---------|---------|--------|--------|
| BOD ₅ (mg/l) | 5.000 | 1658.69 | 1661.64 | 1446.19 | 1596.19 | 478.49 | 493.14 |
| COD (mg/l) | - | 4725 | 4719 | 4106 | 4556 | 1317 | 1409 |
| Oil & Grease (mg/l) | - | 0.41 | 0.73 | 0.47 | 0.39 | 1.45 | 0.67 |
| pH | 6,0 – 9,0 | 7.38 | 7.62 | 7.53 | 7.71 | 7.59 | 7.44 |

| Parameter | Standart | July | August | September | October | November | December |
|-------------------------|-----------|--------|--------|-----------|---------|----------|----------|
| BOD ₅ (mg/l) | 5.000 | 695.09 | 575.64 | 612.31 | 658.39 | 572.60 | 1105.13 |
| COD (mg/l) | - | 1734 | 1645 | 1945 | 1879 | 1636 | 3159 |
| Oil & Grease (mg/l) | - | 0.66 | 0.73 | 0.21 | 0.78 | 0.10 | 0.39 |
| pH | 6,0 – 9,0 | 7.63 | 7.61 | 7.65 | 7.80 | 7.20 | 7.50 |

In addition, the Company has also carried out monitoring well testing conducted by PT Sucofindo on August 10, 2021. The test results are as follows:

| No | Parameter | | Control Monitoring Well | Well Monitor land application | Residential monitoring well | Standard |
|----|-----------|------|-------------------------|-------------------------------|-----------------------------|----------|
| 1 | pH | - | 5.59 | 6.10 | 6.90 | 6-9 |
| 2 | Kadmium | Mg/L | <0.001 | <0.001 | <0.001 | 0.005 |

| | | | | | | |
|---|--------|------|-------|-------|-------|-----|
| 3 | Nitrat | Mg/L | <0.12 | <0.12 | <0.12 | 10 |
| 4 | BOD | Mg/L | 4.54 | 5.48 | 4.25 | - |
| 5 | Sulfat | Mg/L | 9 | 4 | 11 | 400 |
| 6 | Zn | Mg/L | <0.02 | <0.02 | <0.02 | 15 |

Based on the table above, it is known that the monitoring well test results are still below the specified quality standard.

The company can show the Decree of the Head of the Investment Service and One Stop Service Office of Kutai Timur District Number 503/06/DPMP/TSP-PPNP/LA/III/2020 regarding the extension of the waste water disposal permit (utilization of wastewater from the palm oil industry on the ground) at oil palm plantation PT Dharma Satya Nusantara – POM 2 Muara Wahau District, Kutai Timur District on March 10, 2020 with a validity period of 5 years

The results of observations through live videos at WWTP also show that liquid waste has been managed at the WWTP, there are 8 ponds for managing liquid waste, there is no indication of leakage and overflow in the WWTP pond and a flow meter to calculate the amount of liquid waste flowing to the application land is available and works fine.

7.8.4

Companies can show records of water use for palm oil processing, for example as follows:

| Period | FFB Process (Ton) | Water used for Process (m ³) | Budget (m ³) | Efficiency (m ³ /Ton FFB) |
|----------------|-------------------|--|--------------------------|--------------------------------------|
| January 2021 | 13,319.34 | 16,714 | 45,036 | 1.25 |
| February 2021 | 17,399.28 | 20,652 | 45,036 | 1.19 |
| March 2021 | 19,965.38 | 26,109 | 45,036 | 1.31 |
| April 2021 | 20,046.28 | 23,409 | 45,036 | 1.17 |
| May 2021 | 17,954.55 | 21,092 | 45,036 | 1.17 |
| June 2021 | 19,065 | 24,876 | 45,036 | 1.30 |
| July 2021 | 19,026 | 24,415 | 45,036 | 1.28 |
| August 2021 | 20,479 | 24,377 | 45,036 | 1.19 |
| September 2021 | 24,141 | 26,744 | 45,036 | 1.11 |
| October 2021 | 24,915 | 22,618 | 45,036 | 0.91 |
| November 2021 | 27,446 | 24,390 | 45,036 | 0.89 |
| Desember 2021 | 27,244 | 26,326 | 45,036 | 0.97 |

POM 2 already has a water resource exploitation permit. The company can show the Decree of the Minister of Public Works and Public Housing Number 265/KPTS/M/2017 regarding the granting of a water resource exploitation permit to Dharma Satya Nusantara TBK Limited Liability Company for industrial business in Sungai Puhus on April 21, 2017 with a validity period of 5 years. In the permit, it is explained that the volume of water intake allowed is 45,036 M3/Month.

The company has also paid surface water tax to the government which is shown with the following proof of payment, for example for the October and November period payments were paid on December 22, 2021 via Bank BCA transfer.

Status: Comply

7.9

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

7.9.1

The plan to increase the efficiency of the use of fossil fuels and optimize the use of renewable energy by the company is to use shells and fiber as boiler fuel which is used to generate turbines to generate electricity. The use of energy generated from the turbine is monitored every day.

PT DSN POM 2 has an Energy efficiency document in 2021 for the use of fossil fuels or the use of renewable fuels. The calculation of efficiency with the use of fossil fuels during 2021 (January-December) is concluded as follows: FFB Processed during 2021 is 251,000.72 tons using renewable fuels such as shells of 12,193.60 tons and Fiber of

31,936.82 tons. The turbine KWH produced from the use of shells and fiber is 4,873,250 and the KWH Genset used is 995,320. The turbine KWH produced is 4,873,250 or 19.42 KWH/Ton FFB, while the Genset is 995,320 or 3.96 KWH/Ton FFB. Based on the data above, it can be concluded that the company has made efficiency by using renewable energy by 83.06%.

Status: Comply

7.10

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

7.10.1

The company also has conducted GHG emission calculations period 2021 use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

Summary of Net GHG Emissions

| Emmission per product | tCO2e/tProduct |
|-----------------------|----------------|
| CPO | 0.26 |
| PK | 0.26 |

| Production | t/yr |
|---------------|------------|
| FFB processed | 250,869.00 |
| CPO produced | 59093 |
| PK produced | 10608 |

| Extraction | % |
|------------|-------|
| OER | 23.56 |
| KER | 4.23 |

| Land use | Ha |
|----------------------------------|----------|
| Planted area on mineral | 42205.87 |
| Planted on peat | 0 |
| Total area planted | 42205.87 |
| Conservation Area (Forested) | 128 |
| Conservation Area (Non-Forested) | 1761 |
| FFB Production per hectarage | 23.92 |

Summary of field emission and Sinks

| Description Emissions Sources | Own crop | | Group | | Total |
|------------------------------------|-----------|----------------|-----------|----------------|-----------|
| | tCO2e | tCO2e/ tFFB | tCO2e | tCO2e/ tFFB | |
| Land conversion | 38131.09 | 0.19 | 8174.94 | 0.17 | 46306.03 |
| CO2 emissions from fertilizer | 9249.06 | 0.05 | 2453.49 | 0.05 | 11702.55 |
| NO2 emissions from peat | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| NO2 from Fertilizer | 5825.64 | 0.03 | 1558.13 | 0.03 | 7383.77 |
| Fuel consumption | 1203.41 | 0.01 | 467.07 | 0.01 | 1670.47 |
| Peat oxidation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sinks | | | | | |
| Crop sequestration | -80402.89 | -0.39 | -18647.96 | -0.40 | -99050.85 |
| Sequestration in Conservation area | 0.00 | 0.00 | 0.00 | 0.00 | 0 |
| Total | -25993.68 | -0.13 | -5994.33 | -0.13 | -31988.01 |

Summary Oil Mill Emissions and Credits

| Remarks | tCO2e | tCO2e/t FFB |
|----------------------------|-----------------|-------------|
| Emissions sources | | |
| POME | 49174.57 | 0.20 |
| Fuel consumption | 1073.31 | 0.00 |
| Grid electricity | 0.00 | 0.00 |
| Credits | | |
| Export of grid electricity | 0.00 | 0.00 |
| Sales of PKS | 0.00 | 0.00 |
| Sales of EFB | 0.00 | 0.00 |
| Total | 50247.89 | 0.20 |

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

The results of the GHG calculation for the period of 2021 have decreased compared to the results of the calculations in 2020, this year the total emission is 0.26 tCO2/tProducts. Last year, 0.40 tCO2/tProduct.

Based on the results of interviews and studies of production data, the results of the GHG calculation that experienced a reduction were due to a decrease in FFB production. In 2021 the FFB production and processing process is reduced from the previous year so that the resulting emissions are affected by decreased production.

7.10.2

Based on document review and interviews with company representatives, it is known that there have been no new developments since 2014 in the PT DAN area.

7.10.3

The company has identified sources of pollution in the mills and plantations, the document informs the source (station/activity), sources of pollution and emissions, impacts (human, work equipment, environment) and impact control. For example, from the boiler it produces boiler ash, steam and chemical pollution, from the engine room it produces pollution in the form of noise.

Efforts to reduce pollutants carried out by the company include:

- Monitoring air quality and emissions from Boilers and Generators
- Manage liquid waste in the WWTP before it is used in plantations
- Perform regular machine maintenance.
- Optimizing the use of fertilizers according to recommendations
- Use of fiber and shells in mills to reduce diesel fuel.

The company has carried out emission tests from boilers and generators, as well as ambient air quality which was carried out in semester 2 of 2021 by the Sucofindo laboratory. Based on the results of the document review, it is known that the results of the assessment are in accordance with the provisions stipulated by the Government.

Status: Comply

7.11

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

7.11.1

The company does not carry out land preparation activities for new plantings or carry out replanting activities because currently, the oldest planting year is 2005.

The company also has a No Burning Policy as stated in its Sustainability Policy, which among other things states that the company clears land without burning, for new plantings and replanting.

7.11.2

The unit of certification has established fire prevention and control measures for the lands it manages directly, which include:

- Work instructions No. IK-AGR-OLP-01-R04 (1 October 2019) mentioned that land clearing shall adopt zero-burning methods. Estates unit management stated that replanting was estimated to be carried out in 2030 forward and there is no plan for a new planting area.
- Memorandum No. 0065/SHE/VII/2012 dated July 19th, 2012 which mentioned that domestic waste from employee's housing is prohibited to be burned.
- Quality manual No. PDM-AGR-R06 (1 January 2020) mentioned that the zero burning method is compulsory to be adopted for all plantation activities in PT DAN.

The Company has also implemented fire prevention and control measures, which are shown as follows:

- An Organizational Structure of the Emergency Preparedness & Response Team has been formed, for example in Puhus 1 Estate, January 2, 2022, which explains the PIC for each team such as rescue & evacuation team, first aid team, firefighter team, and others.
- The company identified Potential Emergency, including a potential fire emergency in January 2022.
- Provision of fire fighting facilities and infrastructure referring to Ministry of Agriculture number 5 of 2018, which is indicated in the document List of Facilities and Infrastructure for Emergency Response Equipment updated in December 2021, which includes the availability of 5 fire towers.
- Simulation of Emergency Response Alert on August 31, 2021, at the emplacement, which was attended by 22 participants
- Conducting monitoring at the Fire Tower and documented on the Monitoring Result Form at the Fire Tower, as shown in the monitoring in October 2021 at Puhus 2 block G41, where there is no potential for fire in that month.

7.11.3

The certification unit has involved stakeholders in adjacent locations for fire prevention and control measures, including through socialization to the surrounding community, as was done on August 22, 2020 in Diak Lay Village, on August 24, 2020 in Deabeq Village and on August 19 August 2020 in Benhes Village.

Status: Comply

7.12

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

7.12.1

Based on the document review, it is known that there is no new land clearing by the company. The last land clearing was carried out in 2012. For new land clearing after 2005 – 2012 the company has gone through the LUCA and RaCP reporting processes. The compensation plan was approved by the RSPO with Satisfactory status on 7 November 2019.

The total compensation obligation of PT Dharma Satya Nusantara based on the RSPO compensation mechanism is 156.24 hectares. PT. The DSN under the RSPO compensation mechanism covers an area of 156.24 ha. This obligation covers three companies, namely:

1. PT. Dharma Agrotama Nusantara (48,38 ha)
2. PT. Dewata Sawit Nusantara (28,26 ha)
3. PT. Dharma Intisawit Lestari (79,6 ha)

7.12.2

Based on the document review, it is known that the company did not clear new land after 15 November 2018 so that the

current HCV assessment is still valid and the HCS assessment is not applicable.

The company conducted an HCV assessment in DSN's operational areas including PT DAN and in 14 surrounding villages in January 2012 in collaboration with the consulting agency Daemeter Consulting. Identification of HCVs including biodiversity, important landscapes, rare and threatened ecosystems, critical environmental services, basic needs of the community, and cultural values.

The HCV assessment team is an RSPO approved HCV assessor. Lead Auditor for Biodiversity and Environmental Service (HCV 1-4) on behalf of Neville Kemp MSc and Lead Auditor on Socio-Economic and Cultural Values (HCV 5-6) on behalf of Iwan Kurnia Rosyid. HCV identification was carried out in consultation with stakeholders, such as local communities, DSN, botanists, and HCV and GIS experts.

The HCV area identified and recorded in the HCV assessment report for Dharma Satya Nusantara Group (PT DAN) is 128 hectares. For rivers, the area is not listed in the HCV report but has been identified as HCV 4.1 and its management has been managed properly, such as not spraying using chemicals in the river border area and having been marked with a spray limit of around 3-4 trees from the riverbank (around 27-36 meters). Based on the results of interviews with the HCV PIC and previous assessments, it is known that the buffer zone area is 368 hectares.

7.12.3

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

7.12.4

The company already has an HCV management plan for 2022 based on the results of a review of the previous year's management plan and the results of consultations with local communities through a questionnaire conducted in March-April 2021. The HCV management plan for 2022 was prepared on January 10, 2022. The HCV management plan for the year 2022 includes:

- Biodiversity management
- Safeguarding conservation areas
- Provision of restoration/Enrichment plant seeds
- Conservation area enrichment
- Riparian area management (restoration)
- Conservation socialization
- Control of wildlife conflicts
- Reporting

The company can also show a report on the implementation of HCV management activities for 2021, for example:

- Planting of Ulin and Puspa species on May 20, 2021 in the conservation area of Block 8 Afdeling 1 Estate Puhus 1. The number of plants planted with Ulin species is 50 seeds and Puspa 1 seed.
- Monitoring the presence of animals carried out in the period July 2021 revealed that there were 148 individuals from 40 species of animals, for example such as long-tailed monkeys, squirrels, big lathes, white-bellied caged cages, etc.
- Minutes of the socialization of HCV including the protection of the existence of animals and plants which were held on 7 May 2021, which were attended by 20 workers.
- Minutes of the socialization of HCV including the protection of the existence of animals and plants conducted on September 11, 2021, which were established by 16 workers.
- Maintenance of the Conservation Sign in May 2021 at Block 8 Afdeling 1 Estate Puhus 1.
- Security patrols in the HCV area from hunting, logging, and fires conducted in September 2021. The results of the activity revealed that there was no disturbance in the HCV area.

The Auditor Team also verified the questionnaires given to the public. The results of the verification revealed that most of the community knew about the existence of the HCV area managed by the company and needed to continue to be protected and posted warnings about the presence of HCV in the company area. Based on document verification and previous assessments, it is known that there are no peat areas that are HCV in the areas managed by the Company.

7.12.5

Based on interviews with HCV PICs and previous assessments it was found that no traditional rights were used for the company's operational areas. All of the company's operational areas come from former private logging concessions (HPH) which have been issued by the Minister of Forestry. All of the company's HCV areas are within the company's HGU.

Based on interviews with representatives of Diak Lay Village and Muara Wahau Village, it is known that there is no overlap between the company's land and the community.

7.12.6

The company's policy on wildlife management is contained in procedure No. SOP-AGR-052-R03 (1 August 2017) regarding procedures for protecting wildlife. Based on the results of video observations in the Puhus 2 and Puhus 3 housing estates, it is known that there were no employees who hurt, captured, or killed rare species, and forest encroachment. This is supported by the results of interviews with Harvest and Fertilizer workers at Puhus 1, Puhus 2, and Puhus 3 estates who stated that the company forbade workers to maintain protected animals and plants and was prohibited from catching, hunting, and killing animals.

The program to educate workers on RTE species has been included in the 2021 HCV management plan, namely by conducting direct or indirect socialization by placing warnings on animal protection and protected animal species. The company can show the minutes of socialization of the existence of RTE species to the community and workers, for example:

- Minutes of the socialization of HCV including the protection of the existence of animals and plants which were held on 7 May 2021, which were attended by 20 workers.
- Minutes of the socialization of HCV including the protection of the existence of animals and plants conducted on September 11, 2021, which were established by 16 workers.

7.12.7

Monitoring the status of HCV and RTE Species is carried out every month by the company and will be evaluated every 3 months. The company can show the evaluation records for 2021 every 3 months, namely Quarter 1, 2, and 3. For Quarter 4, an evaluation will be carried out at the end of January 2022. The results of the evaluation of monitoring the status of HCV and RTE species in 2021 are:

- The renewal of the permanent Conservation Sign has not been carried out due to problems in the DokFlow system. In the system there is no code for the work on the Permanent Conservation Sign. The solution is to contact the Proquerment (HO) department to include these activities in DokFlow, after that follow the ordering process according to the proper stages.
- The restoration of the Kenden Besar riparian/river area has not been carried out due to the pursuit of planting work programs at PT DIN and the PT DAN Conservation Block and several days in May there was a flood which caused the Kenden Besar Riparian area to be submerged in water so that it was not possible to carry out planting activities.
- The results of the disturbance patrol in the HCV area for the period 2021 revealed that there was no disturbance in the HCV area. In addition, there are no hunting and catching activities for animals carried out by the community and employees.

The results of interviews with the company's PIC, the results of the evaluation carried out will be used as input for the implementation of monitoring HCV and RTE Species for the next period.

7.12.8

In relation to the total compensation obligation of PT Dharma Satya Nusantara based on the RSPO compensation mechanism, it covers an area of 156.24 hectares. PT. The DSN under the RSPO compensation mechanism covers an area of 156.24 ha. This obligation covers three companies, namely:

1. PT. Dharma Agrotama Nusantara (48,38 ha)
2. PT. Dewata Sawit Nusantara (28,26 ha)
3. PT. Dharma Intisawit Lestari (79,6 ha)

The company has shown evidence of follow-up related to the fulfillment of the compensation obligations that have been determined as follows:

- PT Dharma Agro Nusantara RACP Cooperation Agreement and Community Forest Ecosystem Services (CFES) number 353/DAN/JKT/2020 dated October 8, 2020 regarding the implementation of PT DAN's Remediation and Compensation Procedures (RaCP) in Laman Satong Village Forest, Manjau Hamlet, Laman Village Satong, North Former Hilir District, Ketapang Regency, West Kalimantan Province. The term of the agreement is up to December 31, 2029.
- Addendum 1 to the PT Dharma Agro Nusantara RACP Cooperation Agreement and Community Forest Ecosystem Services (CFES) number 353/DAN/JKT/2020 dated November 5, 2020. This document contains additions related to the payment system.
- Kick off meeting RaCP DSN Group in Laman Satong Village on January 14, 2021, DSN Group participated through the RSPO RACP program in a conservation project in Laman Satong, West Kalimantan Province in collaboration with other stakeholders. The approval of the project took place on Thursday, January 14, 2021.
- The DSN Group through its three subsidiaries, PT Dharma Agrotama Nusantara, PT Dewata Sawit Nusantara and PT Dharma Intisawit Lestari, has made a commitment of USD 390,600 or equivalent to Rp. 5.5 billion for a period of 10 years in the project.

The company can show the Interim Report Remediation and Compensation Plan (RaCP) of PT DAN, PT Dharma Intisawit Lestari (DIL), & PT Dewata Sawit Nusantara (DWT) in the Village Forest of Laman Satong, North Former Hilir District, Ketapang Regency, West Kalimantan Province in 2021. The activity is in collaboration with:

- Fauna & Flora International (as project coordinator providing technical/management support and capacity building to the Laman Satong Village Forest to ensure the compensation project will be implemented and managed effectively).
- Community Forest Ecosystem Service (CFES) as an escrow account in the compensation project that keeps these funds until they are disbursed to the village forest after the agreed performance is achieved.
- Manjau Village Forest Management Institution (LDPHD) as the project implementer who carries out activities in the compensation project.

The interim report explains the progress of the compensation project carried out, namely patrolling the forest area of Manjau village which was carried out on February – May 2021. As an example of the results of patrols for the period 17 – 26 May 2021, it was found that all team members did not find any forestry crimes, but the team met with animals in the village forest area.

| | | |
|--|-----------------------|--|
| | Status: Comply | |
|--|-----------------------|--|

3.2 Conformity Checklist of Certificate and Trademark Use

| | | |
|------------------------------|--|--------------|
| 1. | Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client | X or√ |
| ASA-1.2 & ASA-1.3 | POM 2 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product). | √ |
| | Status: Comply | |
| 2. | Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use | X or√ |
| ASA-1.2 & ASA-1.3 | POM 2 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product). | √ |
| | Status: Comply | |
| 3. | Implementation of Certificate and Trademark is not used on product | X or√ |
| ASA-1.2 & ASA-1.3 | POM 2 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product). | √ |
| | Status: Comply | |
| 4. | Controlling of Certificate and Trademark, including withdrawing inappropriate trademark. | X or√ |
| ASA-1.2 & ASA-1.3 | POM 2 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product). | √ |
| | Status: Comply | |

3.3 Summary of RSPO Partial Certification.

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

PT Dharma Satya Nusantara Time Bound Plan is explained in table 1.10. PT Dharma Satya Nusantara has six ten (16) management units with ten (10) mills. PT Dharma Satya Nusantara has informed the Time Bound Plan progress, MUTU has considered that PT Dharma Satya Nusantara is complied with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by PT Dharma Satya Nusantara on 27 December 2021 and signed by Head of Sustainability.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Dharma Satya Nusantara based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

| 2.1 Un-Certified Units or Holdings | | |
|---|--|---|
| Section | Requirement | Concerns to Discuss, if any |
| 2.1.1 | Did the company conduct an internal audit? If so, has a positive assurance statement been produced? | PT Dharma Satya Nusantara Tbk has carried out self-assessment (e.g., internal audit) against uncertified management units and submitted self-assessment reports year 2021. Self-assessment against uncertified management units as fol- low: PT Karya Prima Agro Sejahtera on 2 – 4 June 2021, PT Mitra Nusa Sarana on 7 – 10 June 2021, PT Bima Palma Nugraha on 10 – 12 June 2021, PT Bima Agri Sawit on 14 – 16 June 2021, PT Dharma Inti Sawit Lestari on 15 – 18 June 2021, PT Dharma Persada Sejahtera on 14 – 16 June 2021, PT Kencana Alam Permai on 21 – 23 June 2021, PT Prima Sawit Andalan on 21 – 23 June 2021, PT Pilar Wanapersada on 21 – 23 June 2021 and PT Putra Utama Lestari on 18 – 20 November 2021. |
| 2.1.2 | No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018) | The entire companies under PT Dharma Satya Nusantara Tbk (DSN Group) have conducted HCV assessment. Uncertified management units have conducted HCV assessment and HCS assessment such as: - PT Dharma Persada Sejahtera located in Sintang District, Kalimantan Barat Province has HCV assessment on March 2012 by PT Sonokeling Akreditas Nusantara |

| | | |
|--|--|--|
| | | <ul style="list-style-type: none"> - PT Dharma Intisawit Lestari located in Bulungan District, North Kalimantan Province has HCV assessment on January 2013 by PT Daemeter Consulting - PT Karya Prima Agro Sejahtera located in Kutai Timur District, Kalimantan Timur Province has HCV assessment on July 2013 by PT Daemeter Consulting - PT Agro Andalan located in Sekadau District, West Kalimantan Province has HCV assessment on July 2017 by Remark Asia - PT Bima Palma Nugraha located in Kutai Timur District, Kalimantan Timur Province has HCV – HCS assessment on February 2021 by PT Gagas Dinamiga Aksenta - PT Bima Agri Sawit located in Kutai Timur District, East Kalimantan Province has HCV – HCS assessment on July 2020 by PT Gagas Dinamiga Aksenta - PT Kencana Alam Permai located in Sintang District, Kalimantan Barat Province has HCV assessment on September 2011 by PT Sonokeling Akreditasi Nusantara - PT Mitra Nusa Sarana located in Sintang District, Kalimantan Barat Province has HCV assessment on December 2017 by Remark Asia - PT Prima Sawit Andalan located in Sintang District, Kalimantan Barat Province has HCV assessment on January 2012 by PT Sonokeling Akreditasi Nusantara - PT Pilar Wanapersada located in Lamandau District, Central Kalimantan Province has HCV assessment on February 2013 by PT Daemeter Consulting - PT Putra Utama Lestari located in Mahakam Hulu and West Kutai District, Kalimantan Timur Province has HCV assessment on February 2014 by PT Gagas Dinamiga Aksenta - PT Mitra Nusa Sarana (MNS) located in Sintang District, Kalimantan Barat Province has HCS assessment report on March 2018 by PT Ata Marie (Ata Marie). The Assessment has been carried out following the 2015 HCSA toolkit (v1) - PT Agro Andalan (AAN) located in Sekadau District, Kalimantan Barat Province has HCS assessment report on February 2018 by PT Ata Marie (Ata Marie). The Assessment has been carried out following the 2015 HCSA toolkit (v1) - PT Pilar Wanapersada located in Lamandau District, Central Kalimantan Province has |
|--|--|--|

| | | |
|--|--|--|
| | | <p>Carbon Stock Assessment report on October 2015 by PT Gagas Dinamiga Aksenta</p> <p>Some uncertified management units have carried out land clearing activities since November 2005 without preceded by HCV identification/assessment. Based on RaCP tracker per December 2021 on the RSPO website that the RaCP tracker is being upgraded and is currently in the BETA testing phase (https://rspo.org/certification/remediation-and-compensation/racp-tracker). Information of LUCA for some uncertified management units as follow:</p> <ul style="list-style-type: none"> - PT Karya Prima Agro Sejahtera located in Kutai Timur District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat and LUCA has passed with the result of liability assessment is zero. - PT Bima Palma Nugraha located in Kutai Timur District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 and LUCA has passed. Concept note is on process. - PT Bima Agri Sawit located in Kutai Timur District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 and LUCA has passed. Concept note is on process. - PT Dharma Intisawit Lestari located in Bulungan District, North Kalimantan Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat and LUCA has passed with the result of liability assessment is 79.60 ha. It has been implemented. - PT Putra Utama Lestari located in Mahakam Hulu and West Kutai District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was available and it had been submitted to RSPO secretariat and LUCA has passed with liability 3 ha. Concept note is on process. - PT Pilar Wanapersada located in Lamandau District, Central Kalimantan Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat and LUCA has passed with liability 1,483.05 ha. Concept note is on process. |
|--|--|--|

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|-------|---|---|
| | | <ul style="list-style-type: none"> - PT Agro Andalan (AAN) located in Sekadau District, Kalimantan Barat Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat and LUCA has passed with liability 46.10 ha. Concept note is on process. - PT Dharma Persada Sejahtera located in Sintang District, Kalimantan Barat Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 with the result of liability assessment is zero. - PT Prima Sawit Andalan located in Sintang District, Kalimantan Barat Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 with the result of liability assessment is zero. - PT Kencana Alam Permai located in Sintang District, Kalimantan Barat Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 with the result of liability assessment is zero. - PT Mitra Nusa Sarana (MNS) located in Sintang District, Kalimantan Barat Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 and LUCA Pass with Liability 11.12 Ha. |
| 2.1.3 | Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure. | <p>Based on auditor verification, not all uncertified unit conduct new clearing after January 2010 but for all uncertified unit with land clearing after January 2010 has follow NPP. Detail information of uncertified unit are:</p> <ul style="list-style-type: none"> • PT Bima Agri Sawit (PT BAS), PT Mitra Nusa Sarana (PTMNS), PT Agro Andalan (PT AAN) and PT Bima Palma Nugraha (PT BPN) have conducted NPP verification by CB. Result of NPP verification can be seen on RSPO website • PT Dharma Satya Nusantara Tbk has proposed a new development plan for its concession that covers an area of 742.39 ha located inside its operational area in PT Bima Agri Sawit (PT BAS) management unit. The plantation properties are in the Desa Baay and Karang Seberang, Karang Subdistrict, Kutai Timur District, Kalimantan Timur Province, Indonesia. The NPP verification of PT BAS was conducted by PT TUV Rheinland auditors through document verification and an on- |

| | | |
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| | | <p>site visit. A preliminary document review was conducted on 14 October 2020 remotely followed by field verification on 4 December 2020. NPP PT BAS has been approved by RSP0 (https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-agri-sawit-pt-bas)</p> <ul style="list-style-type: none"> • PT Dharma Satya Nusantara has proposed a new development plan for its concession that covers an area of 7,392 ha located inside its operational area in PT Mitra Nusa Sarana (PT MNS) management unit. The plantation properties are in the Ketungau Hulu and Central Ketungau Sub District, Sintang District, Kalimantan Barat Province, Indonesia. The NPP verification of PT MNS was conducted through document and field verification. TUV Rheinland auditor conducted a preliminary document review on 30 March 2020. This was followed up with a field verification visit to the proposed new planting area on 27-28 July 2020. NPP PT MNS has been approved by RSP0 (https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-mitra-nusa-sarana-pt-mns) • PT Dharma Satya Nusantara has proposed a new planting area located in Tapang Perodah, Nanga Pemubuh, Setawar, Boti, Sungai Sambang, Mondi, and Nanga Menterap village, Sekadau Hulu subdistrict, Sekadau district, Kalimantan Barat Province, Indonesia. NPP AAN has been approved by RSP0 (https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-agro-andalan-pt-aan) • PT Dharma Satya Nusantara has proposed a new development plan for its concession that covers an area of 286 ha located inside its operational area in the PT Bima Palma Nugraha (PT BPN) management unit. The plantation properties are located in the Desa Tepian Langsung, Desa Tebangan Lembak, Desa Tepian Indah and Desa Tepian Raya, Bengalon subdistrict, Kutai Timur district, Kalimantan Timur province, Indonesia. The NPP verification of PT BPN was conducted through document |
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| | | <p>verification and on-site visit. TUV Rheinland auditor conducted a preliminary document reviewed on 08 February 2021 by remote (virtual process). This is followed up with onsite visit verification to the proposed area for a new planting site on 28-29 April 2021. NPP PT BPN has been approved RSP0 (https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-palma-nugraha-pt-bpn)</p> |
| <p>2.1.4</p> | <p>Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSP0 Complaints System or Dispute Settlement Facility, in accordance with RSP0 criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).</p> | <p>Uncertified management units have procedure for land conflict No. SOP-AGR-058-R03 (Prosedur Ganti Rugi Lahan) and No. SOP-AGR-007-R00 (Prosedur Penanganan Konflik).</p> <p>Based on self-assessment there is no land conflict in the location of uncertified management units. Uncertified management units (PT Mitra Nusa Sarana, PT Dharma Persada Nusantara and PT Agro Andalan) provided an evidence related land compensation process such as:</p> <ul style="list-style-type: none"> - ID card - Document of land ownership - Statement letter about right of land - Map of land compensation - Minute of land checking - Agreement of land compensation (GRTT) price - Agreement of land compensation - Agreement of land clearance - Statement letter of hand over of land compensation - Payment slip - Documentation of hand over of land compensation (photo- graph). <p>Based on status of complaints on the RSP0 website (https://askrspo.force.com/Complaint/s/casetracker) there is no complaint for PT Dharma Satya Nusantara Tbk (DSN Group).</p> |
| <p>2.1.5</p> | <p>Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSP0 criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).</p> | <p>Based on self-assessment of uncertified management units (PT Karya Prima Agro Sejahtera, PT Mitra Nusa Sarana, PT Bima Palma Nugraha, PT Bima Agri Sawit, PT Dharma Inti Sawit Les- tari, PT Dharma Persada Sejahtera, PT Kencana Alam Permai, PT Prima Sawit Andalan, PT Pilar Wanapersada and PT Putra Utama Lestari), and desk study on internet that there is no labour dispute issue since last year period until the partial audit conducted on 8 – 9 December 2021.</p> |

| | | |
|--------------|--|---|
| <p>2.1.6</p> | <p>Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSP0 P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).</p> | <p>Uncertified management units have list of legal and other requirements presented in list of regulation and law covering plantation, OSH, labor, and environmental sections. The law and regulation is including relevant laws, government regulations, Instruction of President, Minister Regulations, Local Regulations, and Governor Regulations etc. All copies of law and regulations are available and maintained. Uncertified management unit has a record of list and regulation document, already mentioned regulation and law should to be fulfilled by management unit.</p> <p>There is a procedure of identification of laws and other legal requirements, No. SOP-AGR-024-R01. The procedure mentioned identification, source of information, personnel in charge and distribution of legal requirement.</p> <p>Uncertified management units have established a system for tracking any changes in the law. In Procedure of identification of laws and other legal requirements mentioned that SHE/HCD/HCO/Legal department head/legal department conduct updating requirement every 6 months. The source of the information is internet, newspaper and government agencies. Implementation of this procedure is mentioned in report of Summary of Evaluation of Compliance against Laws and Regulations (<i>Ringkasan Evaluasi Kepatuhan terhadap Peraturan Perundangan</i>), document No DK-MS-01A-R01, issued on January 2021.</p> <p>Evidence of regulation compliance from uncertified units such as land use right/ land title, environmental permit, business plantation permit, report of environmental management & monitoring plan year 2021 which has been submitted to government agency etc.</p> <p>Based on self-assessment reports that some of PT Dharma Satya Nusantara's uncertified management units have not comply with legal requirement relates of Land Use Right (HGU) on behalf PT Karya Prima Agro Sejahtera (East Kalimantan Province), PT Putra Utama Lestari (East Kalimantan Province), PT Dharma Persada Sejahtera (West Kalimantan Province), PT Prima Sawit Andalan (West Kalimantan Province) and PT Mitra Nusa Sarana (West Kalimantan Province) where the current status is on process at Land Agency (BPN).</p> |
|--------------|--|---|

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.1 Assessment

| | | | | | |
|---|---|---|------------------------|---|---|
| NCR No. | : | - | Issued by | : | - |
| Date Issued | : | - | Time Limit | : | - |
| NC Grade | : | - | Date of Closing | : | - |
| Standard Ref. & Requirement | : | - | | | |
| Evidence observed (filled by auditor): - | | | | | |
| Non-Conformance Description (filled by auditor): There were no non-conformity when assessing ASA-1.1 Assessment | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| Correction (filled by organization audited): | | | | | |
| Corrective Action (filled by organization audited): | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | | | |
| Verified by | : | | | | |

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.2 Remote Audit Assessment

| | | | | | |
|--|---|--|------------------------|---|--|
| NCR No. | : | | Issued by | : | |
| Date Issued | : | | Time Limit | : | |
| NC Grade | : | | Date of Closing | : | |
| Standard Ref. & Requirement | : | | | | |
| Evidence observed (filled by auditor): | | | | | |
| - | | | | | |
| Non-Conformance Description (filled by auditor): | | | | | |
| There were no non-conformity when assessing Remote Audit ASA-1.2 Remote Audit Assessment | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| | | | | | |
| Correction (filled by organization audited): | | | | | |
| | | | | | |
| Corrective Action (filled by organization audited): | | | | | |
| | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | | | |
| | | | | | |
| Verified by | : | | | | |

3.4.3. Identification of Findings, Corrective Actions and Observations at ASA-1.3 Full Remote Audit Assessment

| | | | | | |
|--|---|--|-----------------|---|--|
| NCR No. | : | | Issued by | : | |
| Date Issued | : | | Time Limit | : | |
| NC Grade | : | | Date of Closing | : | |
| Standard Ref. & Requirement | : | | | | |
| Evidence observed (filled by auditor): - | | | | | |
| Non-Conformance Description (filled by auditor): There were no non-conformity when assessing Remote Audit ASA-1.2 and Remote Audit ASA-1.2 Full Remote Audit Assessment | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| Correction (filled by organization audited): | | | | | |
| Corrective Action (filled by organization audited): | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | | | |
| Verified by | : | | | | |

3.4.4. Opportunity for Improvement

| No | Ref. Std. | Description |
|----|-----------|---|
| 1 | 5.1.7 | <p>Weighing equipment is verified by an independent third on a regular basis.</p> <p>Based on the documents shown by the Company, the Factory has 2 units of scales with a capacity of 40 tons each. The calibration has been carried out by the UPTD Metrology of the Samarinda City Government Trade Office on November 29, 2019 and has been ratified based on the Test Result Certificate No. 510.63/2030/925/100.12.01 and number. 510.63/2031/925/100.12.01 dated December 3, 2019. Validity period is until November 28, 2020.</p> <p>Regarding the expiration of the calibration results owned by the company, up to the ASA 1.3 assessment, the company has not been able to show the latest calibration results. In this regard, the company has shown a letter from the Industry and Trade Office of the Kutai Timur District Government Number 510/186/INDAG-SEK/IX/2021 dated 24 September 2021 to the Legal Department Head of PT DSN stating that until now a circular letter from the Mayor of Samarinda No. 440/0407/013.01 dated March 23, 2020 regarding the precautionary measures to prevent the Corona Virus in Samarinda City, it is still valid/has not been revoked so that the Samarinda City Metrology UPT recalibration service is still temporarily closed until further notice from the Samarinda City Government. The letter from the Kutai Timur District Industry and Trade Office also stated that the validity period of the certificate of test results at PT DSN (including POM 2) was stated to be still valid until there was an inspection of the equipment to be determined later.</p> <p>Then there is a letter from the Industry and Trade Office of Kutai Timur District with Number B-510.35/209-Disperindag-PKTN/I/2022 on January 20, 2022 to the Legal Department Head of PT DSN stating that the Industry and Trade Office of Kutai Timur District has not been able to implement Weighbridge measurement is due to still waiting for the Calibration Paint (CTT) which has been ordered but has not been completed and it is estimated that the Calibration Paint (CTT) will be completed around the 2nd week of February 2022 so that the re-calibration of the electronic weighbridge is scheduled no later than the 2nd week of March 2022.</p> |

3.4.5. Noteworthy Positive Components

| No | Description |
|----|--|
| 1 | Commitment to implement the principles of sustainable oil palm plantation management. |
| 2 | The company showed well-present documents and competent human resources in each respective fields. |
| 3 | Obtained Green Proper for 2020-2021. |
| 4 | The company has well developed the associate smallholders. |

3.5 Summary of Arising Issues from Public and Auditor Verification







| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|---|---|
| <p>Environmental Agency of Kutai Timur District Date: 17 January 2022</p> <ul style="list-style-type: none"> • The company had reported the periodic reports of environmental related to environmental regulations. • The company already has a permit of waste utilization permit (Land Application) and temporary storage of hazardous waste. • There were no issues from the community and local NGOs related to environmental pollution or conflict. • The environmental service had conducted annual monitoring routinely to ensure that environmental management has been carried out properly. • There was an aspiration from the agency to the company for enclosing HCV reports. | <p>There were no negative issues that need further clarification. Several explanations have been described in the report.</p> |
| <p>Land Agency of Kutai Timur District Interviewee: Head of Constructing and Empowerment Division Date: 18 January 2022</p> <ul style="list-style-type: none"> • The company already had location permit, plantation business permit (IUP), land title (HGU), and has routinely sent land use reports complied with applicable regulations related to land legality. • There was no complaint from stakeholder related to land disputes. | <p>There were no negative issue that need further verification. Based on document review and field observations, the certification unit has demonstrated legal compliance related land legality, and no indications of land disputes.</p> |
| <p>Manpower Agency of Kutai Timur District Date: 19 January 2022</p> <ul style="list-style-type: none"> • Mandatory reports related to employment have been submitted regularly in accordance with its period. • The company has registered the Labor Union. • No complaints regarding labor issues (child labor, worker discrimination, forced labor and so on). • There were no information request or complaint from Manpower Agency of Kutai Timur District. Every communication with the company is carried out through mobile applications. • There were no complaints related to salary shortages. | <p>There were no negative issue that need further verification.</p> |
| <p>Plantation Agency of Kutai Timur District Interviewee: Head of Business Building Division Date: 17 January 2022</p> <ul style="list-style-type: none"> • The assessment of plantation grade was conducted by the Regency in 2020. • The company has reported its Progress Report of Plantation Business (<i>Laporan Perkembangan Usaha Perkebunan/ LPUP</i>) quarterly. | <p>There were no negative issue that need further verification. Based on document review and field observations, the company has demonstrated legal compliance regarding plantation legality, and no indications of land disputes or fire incident.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|---|---|
| <ul style="list-style-type: none"> • Fire facilities are sufficient in accordance with the regulation. • CSR activities have been conducted for the surrounding villages and had been reported to the agency. • There were no fire incident occurred in the company's operational area both in Mill and Estates • The company has responded to information requests quickly and transparently. | |
| <p>Gender Committee Interviewee:</p> <ul style="list-style-type: none"> • Gender Committee Head of DSN POM 2 • Gender Committee Emplacements Coordinator of PT. DAN • There were no complaints regarding issues related to sexual harassment and violence against women. • All woman in pesticides applicator worker and others work which related to chemical material if reported pregnant, the worker would be transferred to a safer job (e.g.: daycare officer). • The gender committee had socialized some policies related to sexual harassment, and child protection. • The company has had a policy to protect female workers from sexual harassment in the workplace as well as a grievance mechanism. The company also implemented some regulations related to reproductive rights such as menstruation leave and maternity paid leave. | <p>There were no negative issues related to gender discrimination that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p> |
| <p>Local Contractor of FFB Transporter– Village of Wahau</p> <p>In the contractual agreement has been stated prohibition of child labor, as well as clauses to pay the workers with the minimum wage, health and accident insurance.</p> <p>The payment of work was conducted on time in accordance the provisions in the agreement. The contractor workers have been given PPE by the contractor in accordance with the risk analysis that has been identified.</p> <p>Contractor workers have also been registered by BPJS by the Company and payments are made by the Company in advance and will be deducted at the time of payment of the Contractor.</p> | <p>There are no negative issues that need further verification. The company has ensure the contractor meet the applicable regulation.</p> |
| <p>Local Contractor of FFB Transporter FFB and Operational Rent Car – Village of Diaq Lay</p> <p>In the contractual agreement has been stated prohibition of child labor, as well as clauses to pay the workers with the minimum wage, health and accident insurance.</p> <p>The payment of work was conducted on time in accordance the provisions in the agreement. The contractor workers have been given PPE by the contractor in accordance with the risk analysis</p> | <p>There are no negative issues that need further verification. The company has ensure the contractor meet the applicable regulation.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|---|--|
| <p>that has been identified.</p> <p>Contractor workers have also been registered by BPJS by the Company and payments are made by the Company in advance and will be deducted at the time of payment of the Contractor.</p> | |
| <p>Local Contractor of Internal CPO Transporter – Village of Diaq Lay</p> <p>In the contractual agreement has been stated prohibition of child labor, as well as clauses to pay the workers with the minimum wage, health and accident insurance.</p> <p>The payment of work was conducted on time in accordance the provisions in the agreement. The contractor workers have been given PPE by the Company in accordance with the risk analysis that has been identified.</p> <p>Contractor workers have also been registered by BPJS by the Company and payments are made by the Company in advance and will be deducted at the time of payment of the Contractor.</p> | <p>There are no negative issues that need further verification. The company has ensure the contractor meet the applicable regulation.</p> |
| <p>Village Head of Muara Wahau</p> <p>There is no negative issues in aspects of land tenure, social, employment, and environmental. Good communication and relationship between the company and communities. The unit of certification land did not sourced from individual or customary rights</p> <p>The unit of certification has made efforts to develop the surrounding community through CSR programs in participatory manner, the usage of local labor and local contractor, as well as developed smallholders.</p> <p>When carrying out its work, the contractor always has a work contract as the basis for starting work in the operational scope of the company. In the employment contract, it is explained about the period of work, type of work, work costs, obligations and rights, and other information. The contractor provides facilities in the form of PPE for all workers while working in the company's operational scope. Payment for completion of work is done on time by the company in accordance with what is written in the employment agreement.</p> | <p>There was no negative issue that need further verification. Based on document review and field observations, there was no disputes related land legality, environmental, and social, as well as has shown land compensation documentary evidence carried out referring to the concept of FPIC.</p> <p>The documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time.</p> |
| <p>Village Official of Diak Lay</p> <p>There is no negative issues in aspects of land tenure, social, employment, and environmental. Good communication and relationship between the company and communities. The unit of certification land did not sourced from individual or customary rights</p> <p>The unit of certification has made efforts to develop the surrounding community through CSR programs in participatory</p> | <p>There was no negative issue that need further verification. Based on document review and field observations, there was no disputes related land legality, environmental, and social, as well as has shown land compensation documentary evidence carried out referring to the concept of FPIC.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|--|--|
| <p>manner, the usage of local labor and local contractor, as well as developed smallholders.</p> | |
| <p>Village Official of Nehas Liah Bing</p> <p>There were no negative issues in aspects of land tenure, social, employment, and environmental. Good communication and relationship between the company and communities. The unit of certification land did not sourced from individual or customary rights</p> <p>The unit of certification has made efforts to develop the surrounding community through CSR programs in participatory manner, the usage of local labor and local contractor, as well as developed smallholders.</p> | <p>There were no negative issue that need further verification. Based on document review and field observations, there was no disputes related land legality, environmental, and social, as well as has shown land compensation documentary evidence carried out referring to the concept of FPIC.</p> |
| <p>Scheme smallholder of Kel'ean Bloom Kejah Cooperative</p> <p>There is no negative issue. The FFB payment has been made on time in accordance with the provisions in the agreement, based on pricing mechanism from Plantation Agency. No obstacles related to cooperation with the unit of certification, because the UoC is open to consulting related work issues such as transparency in payments, loan and any cost.</p> <p>There is a savings fund that is used as a replanting fund in the future.</p> <p>The company has conducted trainings for cooperative members such as cooperative management training, pesticide training, GAP, and RSPO training.</p> | <p>There was no negative issue that need further verification. The documentation has been shown that the payment of FFB from smallholders has been paid according to the agreement and on time.</p> |
| <p>Scheme smallholder of Sawit Surya Cooperative</p> <p>There is no negative issue. The FFB payment has been made on time in accordance with the provisions in the agreement, based on pricing mechanism from Plantation Agency. No obstacles related to cooperation with the unit of certification, because the UOC is open to consulting related work issues such as transparency in payments, loan and any cost.</p> <p>There is a savings fund that is used as a replanting fund in the future.</p> <p>The company has conducted trainings for cooperative members such as cooperative management training, pesticide training, GAP, and RSPO training.</p> | <p>There was no negative issue that need further verification. The documentation has been shown that the payment of FFB from smallholders has been paid according to the agreement and on time.</p> |
| <p>Worker union Interviewee:</p> <ul style="list-style-type: none"> Worker union's treasurer of SPDSN (DSN Workers Association) | <p>There were no negative issues related to worker union that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p> |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|--|----------------------|
| <ul style="list-style-type: none"> • Worker union's Chairman of SPDAN (DSN Workers Association) • Bipartite meetings of Worker union were held at least once a month, while internal meetings once a month or whenever it's needed. • There were no contract / temporary workers in DIN and DAN estate, all workers were permanent. • The wages applied by the company were in accordance with the applicable minimum wage. • The company supports union activities by providing secretarial building and supporting worker union to build a kindergarten. • There were no labor-related issues happened in all units. • There were no fatal working accidents in 2020-2022. • The company had provide accessible restaurants in POM | |

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|--|--|--|-----------------------------------|--|---|
| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY | | | | |
| 4.1 | Formal Sign-off of Assessment Findings | | | | |
| | <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <table border="0" data-bbox="406 777 1331 1092"><tr><td data-bbox="406 777 812 871">POM 2 PT Dharma Satya Nusantara Management Representative</td><td data-bbox="1055 777 1331 871">Mutuagung Lestari Lead Auditor</td></tr><tr><td data-bbox="406 945 812 1092"> <u>Agustinus Triwibowo</u> Friday, 28 January 2022</td><td data-bbox="1055 882 1331 1092"> <u>Moh. Arif Yusni</u> Friday, 28 January 2022</td></tr></table> | POM 2 PT Dharma Satya Nusantara Management Representative | Mutuagung Lestari Lead Auditor |  <u>Agustinus Triwibowo</u> Friday, 28 January 2022 |  <u>Moh. Arif Yusni</u> Friday, 28 January 2022 |
| POM 2 PT Dharma Satya Nusantara Management Representative | Mutuagung Lestari Lead Auditor | | | | |
|  <u>Agustinus Triwibowo</u> Friday, 28 January 2022 |  <u>Moh. Arif Yusni</u> Friday, 28 January 2022 | | | | |

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

| No | Institution/ NGO/ Community | Address | Phone/ Email | Form of Comm | Date of Contact | Response | |
|----|---|----------------------|---|--------------|-----------------|----------|----|
| | | | | | | Yes | No |
| 1 | Land Agency | Kutai Timur District | - | Via phone | 18 January 2022 | ✓ | |
| 2 | Plantation Agency | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 3 | Environmental Agency | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 4 | Manpower Agency | Kutai Timur District | - | Via Phone | 19 January 2022 | ✓ | |
| 5 | Village Head of Muara Wahau | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 6 | Village Head of Diak Lay | Kutai Timur District | - | Via phone | 17 January 2022 | ✓ | |
| 7 | Village Head of Nehas Liah Bing | Kutai Timur District | - | Via phone | 17 January 2022 | ✓ | |
| 8 | Local Contractor Transportation FFB – Syarifuddin | Kutai Timur District | - | Via phone | 17 January 2022 | ✓ | |
| 9 | Local Contractor Transportation FFB – Victorius Tul | Kutai Timur District | - | Via phone | 17 January 2022 | ✓ | |
| 10 | Local Contractor Transportation CPO Internal – Yunta | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 11 | Scheme smallholder of Sawit Surya Cooperative | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 12 | Scheme smallholder of Kel'ean Bloom Kejah Cooperative | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 13 | Worker Union Mill | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 14 | Worker Union Estate | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 15 | Gender Committee Mill | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 16 | Gender Committee Estate | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 17 | Mill Worker (18 mill workers) | Kutai Timur District | - | Via Phone | 17 January 2022 | ✓ | |
| 18 | Puhus 1 estate (13 Estate workers) | Kutai Timur District | - | Via Phone | 20 January 2022 | ✓ | |
| 19 | Long Kejiak 2 estate (16 Estate workers) | Kutai Timur District | - | Via Phone | 20 January 2022 | ✓ | |
| 20 | Long Kejiak 3 estate (16 Estate workers) | Kutai Timur District | - | Via Phone | 20 January 2022 | ✓ | |
| 21 | Worldwide Fund | Kutai Timur District | www- indonesia | Via email | 14 January 2022 | | ✓ |

| No | Institution/ NGO/ Community | Address | Phone/ Email | Form of Comm | Date of Contact | Response | |
|----|--------------------------------------|----------------------|---|-----------------|--------------------|----------|----|
| | | | | | | Yes | No |
| | | | @wwf.or.id | | | | |
| 22 | Wahana Lingkungan Hidup Indonesia | Kutai Timur District | informasi@ walhi.or.id | Via email | 14 January 2022 | | ✓ |
| 23 | Sawit Watch | Kutai Timur District | info@sawit watch.or.id | Via email | 14 January 2022 | | ✓ |

Appendix 2. Assessment Program

| DATE | 02 to 03 February 2021 (Remote Audit) | |
|-----------------------------------|--|-------------|
| PROGRAM | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Tuesday, 2 February 2021 | | |
| 08.00 – 08.30 | Opening meeting by Google Meet <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC of Certified Management Unit • Auditor Team Speech (Introduction, Audit Objective, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) | All Auditor |
| 08.30 – 11.30 | Document Review <ul style="list-style-type: none"> • Review of Previous Findings • Verification of Basic Information Mill and Estates • Confirmation of Time Bound Plan • Review of Partial Certification • Verification of PnC documents | All Auditor |
| 11.30 – 13.30 | Break | All Auditor |
| 13.30 – 16.00 | Document review and completing audit checklist | All Auditor |
| 16.00 – 17.00 | Daily Progress | All Auditor |
| Wednesday, 3 February 2021 | | |
| 08.00 – 11.00 | Document review and completing audit checklist | All Auditor |
| 11.00 – 13.30 | Break | All Auditor |
| 13.30 – 16.00 | Internal discussion by auditor team preparing for Closing Meeting | All Auditor |
| 16.00 – 17.00 | Closing Meeting by Google Meet <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion) • Comments, Responses and Questions | All Auditor |

| DATE | 15; 17 to 22 January 2022 (Full Remote Audit) | |
|----------------------------------|---|-------------|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Saturday, 15 January 2022 | | |
| 09.00 – 12.00 | Meeting coordination related technique, methods, and process audit as well as document presentations | All Auditor |
| Monday, 17 January 2022 | | |
| 08.30 – 09.30 | Opening meeting (recorded video conference) <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) | All Auditor |
| 09.30 – 12.00 | <ul style="list-style-type: none"> Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders public consultation with stakeholder to relevant agency in Kutai Timur District (by Phone) | All Auditor |
| 09.30 – 12.00 | <ul style="list-style-type: none"> Document review and completing audit checklist. Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Review of Partial Certification | All Auditor |
| 12.00 – 14.00 | <ul style="list-style-type: none"> Break | |
| 14.00 – 16.15 | Virtual Field observation to Palm Oil Mill 2: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Dispatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) | All Auditor |
| 16.15 – 17.00 | <ul style="list-style-type: none"> Presentation of Daily Progress. | |
| Tuesday, 18 January 2022 | | |
| 08.00 – 12.00 | <ul style="list-style-type: none"> Stakeholder consultation to affected communities surrounding the plantations and previous land owner Virtual Field Observation to PUHUS 1 ESTATE Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Observation of Workers Facilities (Housing, School, Worship Place). | All Auditor |

| DATE | 15; 17 to 22 January 2022 (Full Remote Audit) | |
|-----------------------------------|--|--------------------|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Wednesday, 19 January 2022 | | |
| 08.00 – 11.00 | <ul style="list-style-type: none"> Stakeholder consultation to affected communities surrounding the plantations and previous land owner Virtual Field Observation to PUHUS 2 ESTATE Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Observation of Workers Facilities (Housing, School, Worship Place). | All Auditor |
| 12.00 – 14.00 | <ul style="list-style-type: none"> Break | All Auditor |
| 15.00 – 17.00 | <ul style="list-style-type: none"> Interview with related personnel's during field observation (teleconference document review and completing audit checklist. Document review and completing audit checklist. Presentation of Daily Progress. | All Auditor |
| Thursday, 14 October 2022 | | |
| 08.00 – 11.00 | <ul style="list-style-type: none"> Virtual Field Observation to PUHUS 3 ESTATE Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Observation of Workers Facilities (Housing, School, Worship Place). | All Auditor |
| 12.00 – 14.00 | Break | All Auditor |
| 15.00 – 17.00 | <ul style="list-style-type: none"> Interview with related personnel's during field observation (teleconference document review and completing audit checklist. Document review and completing audit checklist. Presentation of Daily Progress. | All Auditor |
| Friday, 21 January 2022 | | |
| 08.00 – 12.00 | <ul style="list-style-type: none"> Continued field observation and interview with stakeholders (if needed). interview with related personnel's during field observation (teleconference document review and completing audit checklist. | All Auditor |
| 12.00 – 14.00 | <ul style="list-style-type: none"> Break | |

| DATE | 15; 17 to 22 January 2022 (Full Remote Audit) | |
|----------------------------------|---|-------------|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| 14.00 – 16.15 | <ul style="list-style-type: none"> Document review and completing audit checklist. Presentation of Daily Progress. | All Auditor |
| 16.15 – 17.00 | | |
| Saturday, 22 January 2022 | | |
| 08.00 – 09.00 | Internal discussion by auditor team preparing for Closing Meeting | All Auditor |
| 10.00 – 11.00 | Closing Meeting (recorded video conference) <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion)/ Comments, Responses and Questions | |