

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

[✓] Surveillance

Name of Management Organisation : **POM 2 subsidiary of PT Dharma Satya Nusantara, Tbk**
 Plantation Name : **PT Dharma Agrotama Nusantara (Puhus 1 Estate, Puhus 2 Estate and Puhus 3 Estate)**
 Location : **Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur Regency, Kalimantan Timur Province, Indonesia**
 Certificate Code : **MUTU-RSPO/056**
 Date of Initial Registration : **25 March 2014**
 Date of Certificate Issue : **02 May 2019** Date of License Issue : **25 March 2023**
 Date of Certificate Expiry : **24 March 2024** Date of License Expiry : **24 March 2024**

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.4	16 to 20 January 2023	Haikal Ramadhan Kharismansyah, Arief Tajalli, and Kiki Fadli	Naila Karima	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.4	17 January 2023

TABLE OF CONTENT

FIGURE

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

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

Abbreviations Used 3

1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1 Assessment Standard Used 5

1.2 Organisation Information 5

1.3 Type of Assessment 5

1.4 Location of Mill and Plantations 5

1.5 Description of Area Statement 6

1.6 Planting Year and Cycle 6

1.7 Description of Mill and Supply Base 6

1.8 Estimate Tonnage of Certified Product 7

1.9 Other Certifications 7

1.10 Time-Bound Plan 8

2.0 ASSESSMENT PROCESS

2.1 Assessment Team 10

2.2 Assessment Methodology, Assessment Process and Locations of Assessment 10

2.3 Stakeholder Consultation and Stakeholders Contacted 13

2.4 Determining Next Assessment 13

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification 14

3.2 Conformity Checklist of Certificate and Logo Use 66

3.3 Summary of RSPO Partial Certification 67

3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components 73

3.5 Summary of Arising Issues from Public and Auditor Verification 78

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings 82

APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process 83

2. Assessment Program 85

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

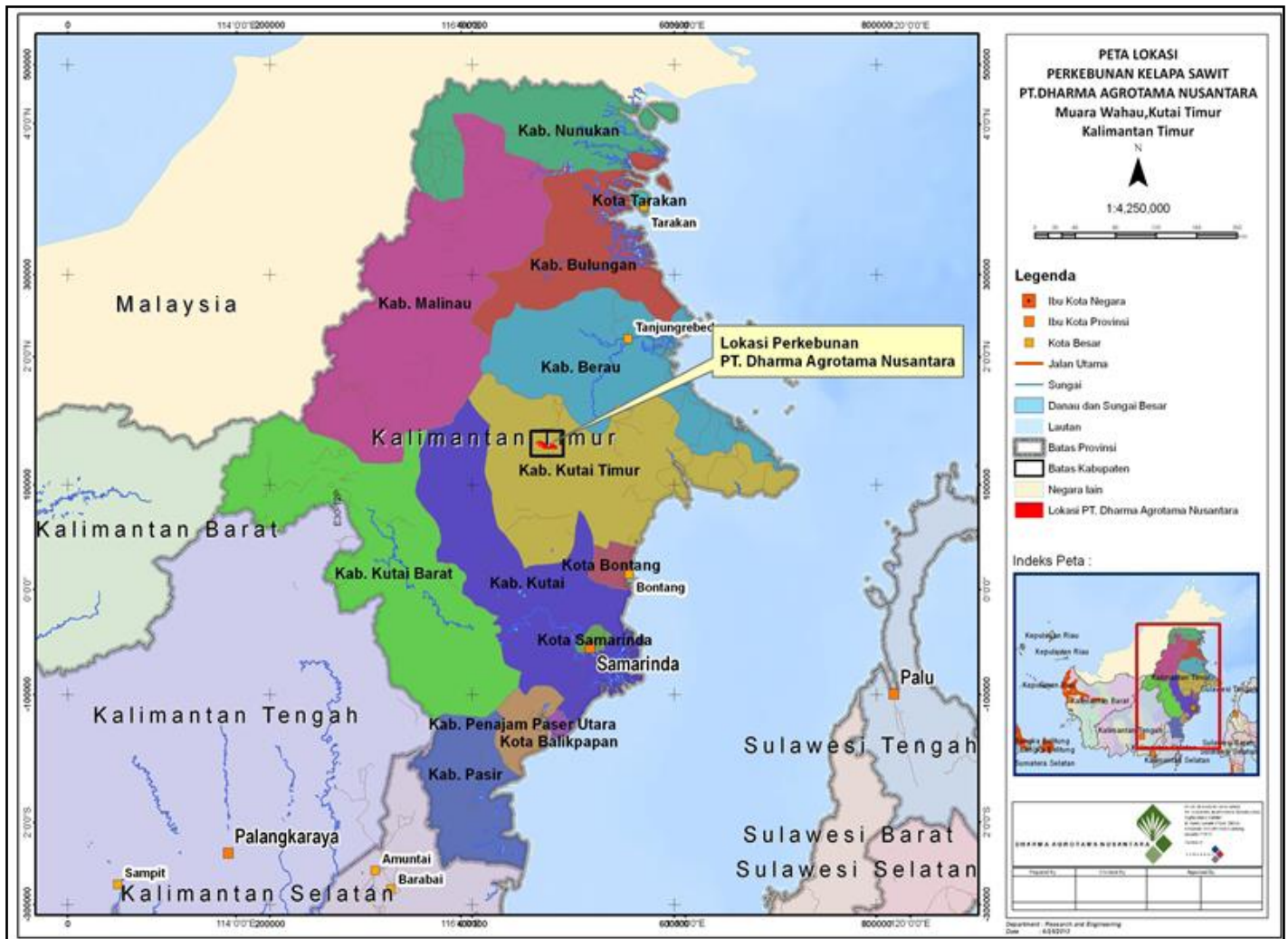
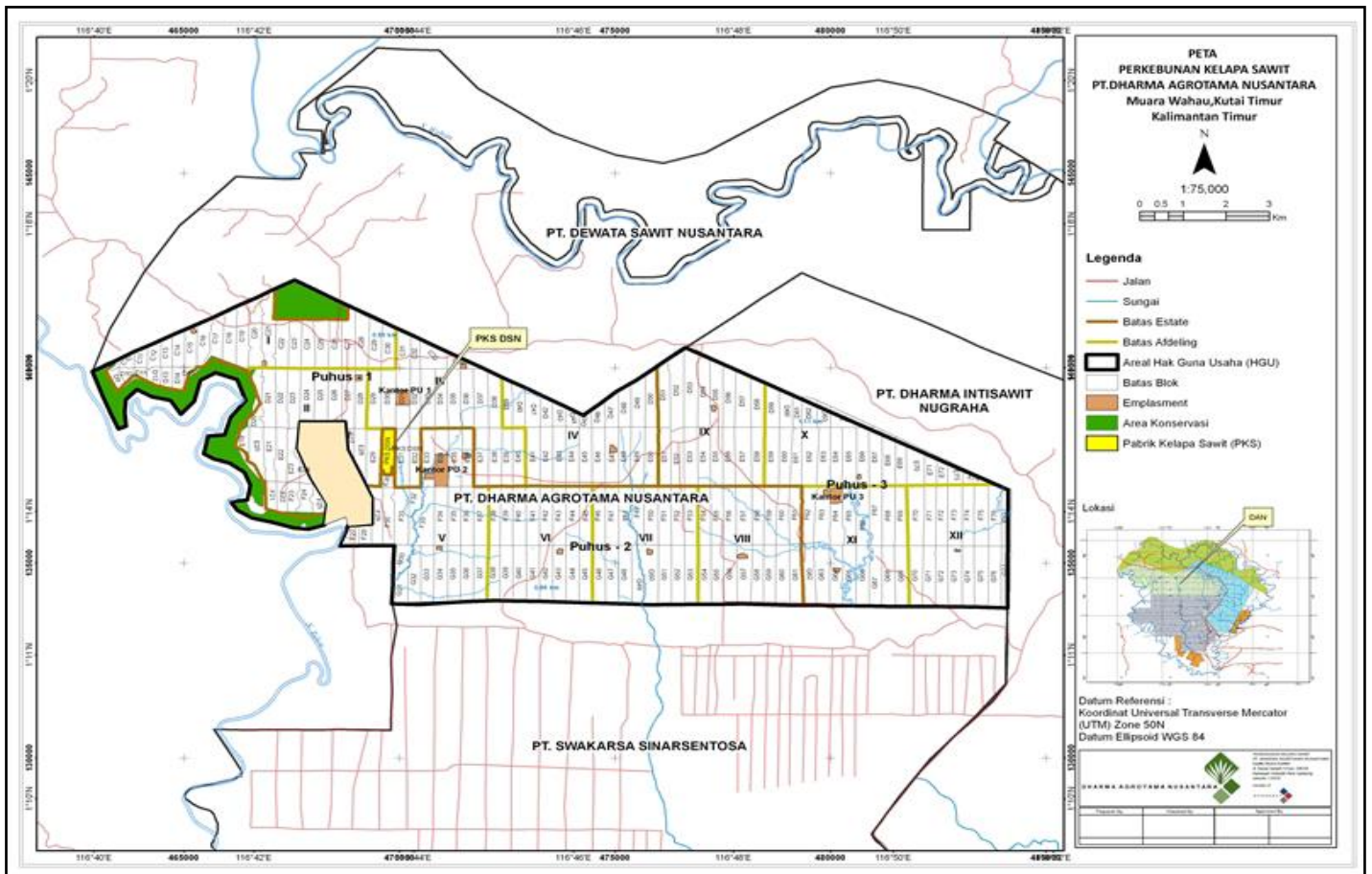


Figure 2. Operational Map of PT Dharma Satya Nusantara and PT Dharma Agrotama Nusantara



Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan (Social and Environmental Impact Assessment)</i>
BPD	:	<i>Badan Permusyawaratan Desa (Village Consultative Body)</i>
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 (Community Empowerment Institutions)</i>
LPUP	:	Plantation Business Development Reports
LTA	:	Lost Time Accident
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OHSE	:	Occupational, Health, Safety, and Environment
OSS	:	Online Single Submission
P2K3	:	OHS Committee
PIC	:	Person In Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mil
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 (Environment Management and Monitoring Plan)</i>
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 	
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@dsngroup.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 (28 July 2008)	
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 (PT DSN) Puhus 1 Estate, Puhus 2 Estate and Puhus 3 Estate (PT DAN) 	
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 (PT DSN)	Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur Regency, 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 Regency, 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 Regency, 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 Regency, Kalimantan Timur Province, Indonesia	N 01° 14' 18" E 116° 49' 16"

1.5	Description of Area Statement						
1.5.1	Tenure						
	<ul style="list-style-type: none"> State HGU HGB 		9,955.25		Ha		
	<ul style="list-style-type: none"> Community 		4.70		Ha		
			-		Ha		
1.5.2	Area Statement						
	<ul style="list-style-type: none"> Total area 		9,959.95		Ha		
	<ul style="list-style-type: none"> Mature area 		9,000.00		Ha		
	<ul style="list-style-type: none"> Mill 		4.70		Ha		
	<ul style="list-style-type: none"> Building 		84.00		Ha		
	<ul style="list-style-type: none"> Street 		197.00		Ha		
	<ul style="list-style-type: none"> Cultural site 		2.17		Ha		
	<ul style="list-style-type: none"> Other areas 		176.08		Ha		
	<ul style="list-style-type: none"> Conservation (HCV) 		128.00		Ha		
	<ul style="list-style-type: none"> 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	2,230	-	2,419	
	2006		1,155	548	-	1,703	
	2007		214	168	2,964	3,346	
	2008		1,451	-	-	1,451	
	2012		81	-	-	81	
	TOTAL		3,090	2,946	2,964	9,000	
1.6.2	New Planting area after January 2010				- Ha		
1.6.3	Planting Cycle				1 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	282,433.12	65,101.98	23.05	12,004.79	4.25
	<i>*Production data source from 12 months before assessment January – December 2022</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Puhus 1 Estate	3,865.95	3,090.00	87,025.22	28.16	86,657.22	99.58
	Puhus 2 Estate	3,043.00	2,946.00	69,108.90	23.46	68,975.02	99.81
	Puhus 3 Estate	3,051.00	2,964.00	70,318.64	23.72	56,066.69	79.73
	TOTAL	9,959.95	9,000.00	226,452.76	25.16	211,698.93	93.48
	<i>*Production data source from 12 months before assessment January – December 2022</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)				
Melenyu 2	Subsidiary of PT Dharma Satya Nusantara	-		27.34				
Melenyu 3				1,514.88				
Long Jenew 1				52,058.21				
Long Jenew 2				1,868.38				
Jabdan 1				15,365.38				
TOTAL				70,834.19				
<i>*Production data source from 12 months before assessment January – December 2022</i>								
1.7.4	Product categories	FFB, CPO, PK						
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT) May 25, 2022 – March 24, 2023	Last Year Actual Certified Volume (January – December 2022) (MT)					
	FFB Processed	281,063	282,433.12					
	CPO Production	66,196	65,101.98					
	Palm Kernel (PK) Production	12,035	12,004.79					
1.8.2	Product selling	Actual selling product for last year (January – December 2022) (MT)						
	Type of selling product							
	CSPO sold as RSPO certified product	65,040.20						
	CSPK sold as RSPO certified product	12,003.16						
	CSPO sold under other scheme	0						
	CSPK sold under other scheme	0						
	CSPO sold as conventional	0						
	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 Estate	3,865.95	3,090	91,400	29.58			
	Puhus 2 Estate	3,043.00	2,946	72,600	24.64			
	Puhus 3 Estate	3,051.00	2,964	74,000	24.97			
	TOTAL	9,959.95	9,000	238,000	26.44			
<i>*Projected FFB production for 12 months of certificate</i>								
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	238,000	54,700	23.00	10,700	4.50	IP
<i>*Projected CSPO and CSPK production for 12 months of certificate</i>								
1.9	Other Certifications							
	ISO 9001:2015	-						
	ISO 14001: 2015	-						
	ISO 45001:2018	-						
	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 Regency, 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 Regency, Kalimantan Timur Province	Certified
			Smallholder	2025		Waiting RaCP
	POM 3 (PT DSN)	August 2013	PT Dharma Intisawit Nugraha	2013	Kutai Timur Regency, Kalimantan Timur Province	Certified
	POM 4 (PT DSN)	Nov 2014	Jabdan 1 (PT DSN)	2015	Kutai Timur Regency, 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	2024	Lamandau District, Kalimantan Tengah Province	Initial Certification
			Smallholder	2025		-
	POM 6 (PT DSN)	2019	PT Dewata Sawit Nusantara	2019	Kutai Timur Regency, Kalimantan Timur Province	Certified
			Smallholder	2025		-
	POM 7 (PT DSN)	2019	Melenyu 4 (PT Dewata Sawit Nusantara)	2019	Kutai Timur Regency, Kalimantan Timur Province	Certified
			LTE HGU 504 (PT Karya Prima Agro Sejahtera)	2021		Certified
			LTE (PT Karya Prima Agro Sejahtera)	2024		-
			SWE (PT Karya Prima Agro Sejahtera)	2024		-
			Smallholder (KM 9)	2015		Certified
	-	-	PT Dharma Intisawit Lestari	2023	Bulungan District, Kalimantan Timur Province	Certified
			Smallholder	2025	Bulungan District, Kalimantan Timur Province	-
	-	-	PT Karya Prima Agro Sejahtera	2020	Kutai Timur Regency, Kalimantan Timur Province	Certified
			Smallholder	2025		-
	-	-	PT Putra Utama Lestari	2024		RaCP On Process

		Smallholder	2025	Kutai Barat District, Kalimantan Timur Province	-
POM 8 PT Agro Andalan	-	PT Agro Andalan	2024	Sekadau District, Kalimantan Barat Province	RaCP On Process
		Smallholder	2025		RaCP On Process
-	-	PT Kencana Alam Permai	2024	Sintang District, Kalimantan Barat Province	No Liability
		Smallholder	2025		No Liability
-	-	PT Prima Sawit Andalan	2024	Sintang District, Kalimantan Barat Province	No Liability
		Smallholder	2025		No Liability
-	-	PT Dharma Persada Sejahtera	2024	Sintang District, Kalimantan Barat Province	No Liability
		Smallholder	2025		No Liability
POM 9 Tepian Langsat	2021	PT Bima Palma Nugraha	2024	Bengalon District, Kalimantan Timur Province	Progress Certification (ST- 1)
		Smallholder	2025		RaCP On Process
POM 10 Muara Bulan	2021	PT Bima Agri Sawit	2024	Karangan District, Kalimantan Timur Province	RaCP On Process
		Smallholder	2025		RaCP On Process
-	2022	PT Mitra Sarana Nusantara	2024	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 29 September 2022 signed by Head of Sustainability and has been approved by RSPO.					
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 cooperatives delivered to POM 1 and has been certified RSPO				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.4	<p>1. Haikal Ramadhan Kharismansyah (Lead Auditor). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years' experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001:2015, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS. Did some audit ISPO scheme with aspects best management practices. During this assessment verified Legal, FPIC, SCCS, OHS, TBP, Partial Certification and Social.</p> <p>2. Arief Tajalli (Auditor). Indonesian citizen, Bachelor of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agricultural University. Has been involved as a researcher at a wildlife laboratory, Faculty of Forestry, IPB. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011 and ISPO Auditor training by Mutu Institute and RSPO Auditor Training by Checkmark, also participating in several IHT in the field of environment, BMP, and so on. Has participated in several audit simulation activities related to the sustainable palm oil certification system since 2020 with social, environmental, GHG, and waste management aspect. During this assessment, he verified the Environmental, GHG and Waste management aspects.</p> <p>3. Kiki Fadli (Auditor). Bachelor of Agricultural Engineering, Agricultural Engineering Study Program. Has experience working in the sustainability department in private and state-owned oil palm plantations. Has attended training on Lead Auditor ISPO, Lead Auditor RSPO, General OHS Expert, ISO 9001:2008, ISO 14001:2015, ISO 17021, ISO 17065, HCV, SMK3. During this assessment, he verified the Best Management Practice, worker welfare, and transparency.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.4	<p>Number of auditors: 3 auditors Number of days for ASA-1.4 onsite audit: 4 days Number of working days for ASA-1.4 onsite audit: 12 Working days</p>
2.2.2	Assessment Process
ASA-1.4	<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 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.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-1.4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (RC).</p> <p>Improvement of findings from <i>main assessment</i> findings were observed by auditors at this ASA-1.4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.4.</p> <p>The opening meeting will be held on Tuesday, 17 January 2022 at 08.00 AM. The participants who attended the opening meeting included Plantation Head, Estate and Mill Head, support teams from the sustainability department and other related staff, as well as documents presented in hardcopy and softcopy. Meanwhile the closing meeting was held on January 20, 2021 at 16.30 PM attended by the same participants as the opening meeting. In general, the audit activities ran smoothly and the management of PT Dharma Satya Nusantara and PT DAN (supply base) – POM-2 received all of the audit results presented at the closing meeting.</p>

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-1.4	<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"> • WWTP. Observations and interviews related to the management of liquid waste and its management, including aspects of employee and OHS • EBA. Observation regarding Empty Bunch management • Chemical storage. Observations and interviews regarding the management of hazardous material including the emergency response facilities owned • Central storage. Observations and interviews regarding the provision of PPE stock • Hazardous waste storage. Observations and interviews regarding the management of Hazardous Waste including aspects of emergency response • WTP. Observations and interviews regarding the management and sources of water for Mill operations • 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. • Empty Bunch Area. Field observations related to empty bunch management. • Waste Water Treatment Plant (WWTP) or Effluent Plant. Field observations related POME management, recording, OHS and environmental. • Hydrant simulation. Observation related emergency response, readiness of firefighting equipment. <p>Puhus-1 Estate of PT DAN</p> <ul style="list-style-type: none"> • Fire Monitoring Tower, Block E24. Observation fire monitoring tower, and the fire patrol. • Boundaries Poles DAN064, Block C14, Afd 1. Observation related legal boundaries and potential conflict area • Boundaries Poles DAN065, Block C15, Afd 1. Observation related legal boundaries and potential conflict area • Boundaries Poles DAN066, Block C16, Afd 1. Observation related legal boundaries and potential conflict area • HCV area Block VIII. Observation to HCV management implementation and management. • Conservation Area Telen River Riparian. Observation to management implementation and management. • Conservation Area Puhus River Riparian. Observation to management implementation and management. • Conservation Area Situs Long Puhus. Observation to management implementation and management. • Housing complex Afd 1A and 1B. Observation to emplacement facilities such as assembling points, fire extinguisher, , in-organic waste store, sanitation system, housing quality, playground, and Mosque. • Landfill. Block C33. Division 1. Observation related management of domestic waste • Emplacement. Division 4. Observation and interview related worker facility • Emplacement. Division 3. Observation and interview related worker facility • Rinse House. Division 3. Observation related facility for sanitation of spraying worker • Central Emplacement. Division 3. Observation and interview related worker facility • Clinic. Observation related health facility, management of its waste, and work accident record • Workshop. Observation and interview related OHS aspect, environment aspect, and worker welfare aspect • Pesticide warehouse. Observation and interview related management of pesticide and its waste. • Hazardous waste storage. Observation and interview related management of hazardous waste • Daycare, Division 4. Observation and interview related daycare facilities

- **Harvesting. Block D30 Division 3 and Block D40 Division 4.** Observations and interviews regarding harvesting activities, OHS aspects, and employment aspects.
- **EFB. Block D43 Division 1.** Observations and interviews regarding harvesting activities, OHS aspects, and employment aspects.
- **Manual maintenance. Block D20 Division 2.** Observations and interviews regarding harvesting activities, OHS aspects, and employment aspects.

Puhus-2 Estate of PT DAN

- **Boundaries Poles DAN057, Block G80, Afd 9.** Observation related legal boundaries and potential conflict area
- **Boundaries Poles DAN067, Block G52, Afd 8.** Observation related legal boundaries and potential conflict area
- **Boundaries Poles DAN075, Block G49, Afd 8.** Observation related legal boundaries and potential conflict area
- **Conservation Area Kenden River Riparian Block G58/59 and E66/67.** Observation to management implementation and management.
- **Conservation Area Puhus River Riparian Block F31/32.** Observation to management implementation and management.
- **Housing complex Afd 8 and Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, in-organic waste store, sanitation system, housing quality, playground, and Mosque.
- **Land Application Block F33.** Observation to 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
- **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
- **Emergency Preparedness Storage.** Observation related to safety and preparedness of emergency.
- **Harvesting. Block G45 Division 6 and Block G58 Division 8.** Observations and interviews regarding harvesting activities, OHS aspects, and employment aspects.
- **Fertilizer. Block G59. Division 10.** Observations and interviews regarding harvesting activities, OHS aspects, and employment aspects.

Puhus-3 Estate of PT DAN

- **Boundaries Poles DIN064, Block E70, Afd 10.** Observation related legal boundaries and potential conflict area
- **Boundaries Poles DAN102, Block C63, Afd 11.** Observation related legal boundaries and potential conflict area
- **Boundaries Poles DAN107, Block C65, Afd 11.** Observation related legal boundaries and potential conflict area
- **Conservation Area Kenden River Riparian Block G63/64.** Observation to management implementation and management.
- **Housing complex Afd 10 and Emplacement Facilities.** Observation to emplacement facilities such as assembling points, fire extinguisher, in-organic waste store, sanitation system, housing quality, playground, and Mosque.
- **Harvesting. Block D62. Division 10.** Observations and interviews regarding harvesting activities, OHS aspects, and employment aspects
- **Manual upkeep. Block G69 Division 11.** Observations and interviews regarding aspects of BMP, gender Committee, OHS aspects, and employment aspects
- **Manuring. Block D52. Division 09.** Observations and interviews regarding BMP aspects, environmental aspects, and employment aspects
- **Fertilizer warehouse.** Observations and interviews regarding the management and storage of fertilizers including emergency response facilities
- **Pesticide warehouse.** Observations and interviews regarding the management and storage of pesticides, including emergency response facilities
- **Central Warehouse.** Observations and interviews regarding the management and storage of materials including PPE stocks

	<ul style="list-style-type: none"> • Hazardous waste storage. Observations and interviews regarding the management of LB3 and the emergency response system\ • Workshop. Observations regarding hazardous waste management, employment aspects, and environmental aspects • Clinic. Observations and interviews regarding recording and handling of work accidents, management of medical waste and owned health facilities
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Dharma Satya Nusantara and PT Dharma Agrotama Nusantara was held by:</p> <ul style="list-style-type: none"> • Public consultation meeting with government institution on 17 January 2023. • Public consultation meeting with internal stakeholders and contractor on 17 January 2023. • Public consultation with NGOs (by email) such as WALHI, WWF, AMAN and Sawit Watch on 9 January 2023. • Public consultation meeting with communities on 17 January 2023. <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 (RC-2) 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, there were one (1) Nonconformities were assigned against Minor Compliance Indicators three (3) opportunities for improvement were identified.

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

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		
1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1 The company shows SOP No. SOP-AGR-044-R02 regarding communication and handling of external complaints issued on October 14, 2019 which describes the flow of mechanisms for communication and handling of external complaints and the types of documents that can be accessed by stakeholders such as company vision and mission, company policies, AMDAL documents, permits HGU, location permits, estate maps, etc. The company will respond to this request for information through the legal department / CSR Operations Department Head no later than 4 working days after the request for information is received in writing.		
1.1.2 The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder engagement, rights and obligations of the company which is conveyed to all relevant stakeholders, including: Compliance with Social and Environmental Regulations <ul style="list-style-type: none"> Evidence of PT Dharma Agrotama Nusantara (Estate) Semester 2, 2022 RKL-RPL Report, which was reported to the Environmental Office of Kutai Timur Regency and Kalimantan Timur Province and the Ministry of Environment and Forestry on January 11, 2023. with ID TTE: 1673434484-19318. Evidence of the RKL-RPL report of PT Dharma Satya Nusantara (Mill) Semester 2, 2022 which was reported to the Environmental Office of Kutai Timur Regency and Kalimantan Timur Province and the Ministry of Environment and Forestry on January 11, 2023. with ID TTE: 1673434484-19322. Evidence of PT Dharma Agrotama Nusantara's Hazardous and Toxic Waste Management Report for Quarter III, 2022 which was reported to the Regional Government of Kutai Timur Regency on October 19, 2022. Evidence of the 3rd Quarter 2022 Land Application Implementation Report which was reported to the Environmental Office of Kutai Timur Regency and Kalimantan Timur Province on October 19, 2022. Evidence of a report on the results of management and monitoring of high conservation value areas for 2021 which was reported to the Kutai Timur Regency BKSDA on March 5, 2022. 		

- Evidence of a report on the results of fire management for Quarter 3, 2022 which was reported to the Kutai Timur Regency Environmental Service and Kalimantan Timur Province on October 19, 2022.

Compliance with legal

Report on the utilization of HGU No 0023/DAN-LGL-JKT/II/2023 dated 10 January 2023 to the Land Office of Kutai Timur Regency.

Compliance with OHS

- 3rd Quarter OHS committee Report (POM2) No 040/P2K3-DAN/IX/2022 dated 20 October 2022 to the Office of Manpower and Transmigration of Kutai Timur Regency.
- 3rd Quarter OHS committee Report (Puhus Estate) No 039/P2K3-DAN/IX/2022 dated 20 October 2022 to the Office of Manpower and Transmigration of Kutai Timur Regency.

Compliance with Best Management Practices Regulation:

Progress reports on private large plantation activities that have been sent every 3 months, for example for the third quarter of 2022 on October 10, 2022 and fourth quarter on January 9, 2023.

Compliance with manpower Regulation:

- Mandatory employment report Estate reporting number 75655.01262.20211028.1-001 which was reported on January 16, 2023 and the obligation to report back on January 16, 2024.
- Mill's mandatory employment report reporting number 75655.10431.20211028.1-001 which was reported on January 16, 2023 and the obligation to report back on January 16, 2024.

1.1.3

The company records requests and responses from interested parties listed in the monitoring of incoming and outgoing letters for the 2022 period. Based on the verification of incoming and outgoing mail documents, it is known that there are no incoming letters related to requests for information, however incoming letters are only requests for funds/assistance, for example requests for assistance road repairs and funds for holiday activities.

Based on interviews with Muara Wahau Village Representatives, it is known that the company has conducted outreach to the village regarding the mechanism for requesting information from the company and has known the person in charge of the company regarding requests for information.

1.1.4

The company shows SOP No. SOP-AGR-044-R02 regarding communication and handling of external complaints issued on October 14, 2019 which describes the flow of mechanisms for communication and handling of external complaints and the types of documents that can be accessed by stakeholders such as company vision and mission, company policies, AMDAL documents, permits HGU, location permits, estate maps, etc. The company will respond to this request for information through the legal department / CSR Operations Department Head no later than 4 working days after the request for information is received in writing.

The company also shows the minutes of dissemination of communication and handling of complaints from the company to stakeholders and community representatives which was held on May 24 2022 which was attended by 38 participants. Based on the results of interviews with community representatives and government stakeholders, it is known that stakeholders already know the mechanism of communication and consultation with the company.

1.1.5

The company has a list of stakeholders which was updated on January 4, 2023 which provides the name of the agency, contact name, address and contact number. Stakeholders include 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 agencies government.

The company also shows procedure No. SOP-AGR-044-R02 dated 14 October 2019 concerning Communication and Handling of External Complaints which explains "The unit leader compiles a list of stakeholders, which is updated at least once a year based on

input from other relevant departments, such as Legal, CSR, Commerce, Human Centered Design, Human Capital Officer, and other departments".

Based on these documents, the audit team conducted telephone consultations with stakeholders using information from the company's stakeholder list. From the results of these consultations, it can be concluded that the information from the stakeholder list document can be used according to the contact number listed.

Status: Comply

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

1.2.1
The company has a policy to act ethically which is implemented in all operations and business transactions, including recruitment and contracts listed in the DSN Group quality guideline document No. PDM-AGR-R06 which was ratified on 01 January 2020 which was approved by the Executive Director with the following details:

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

The company has also socialized regarding policies to act ethically to workers, local communities and contractors, for example:

- Puhus 2 Estate has carried out socialization on 24 May 2022 which was attended by 38 people.
- POM-2 carried out socialization on 3 November 2022 which was attended by 23 people.

Based on interviews with contractors, for example CPO contractors, it was conveyed that personnel already know the company's ethical policies and already know the company's PIC if they want to make complaints about ethical violations.

1.2.2
The company also has procedures for handling employees No. SOP-AGR-054-R03 which was approved on October 30, 2020. The procedure describes the mechanism for monitoring compliance and implementing ethical business practices, as follows:

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

In addition, the company also has a recruitment procedure no. SOP-AGR-012-R03 which was ratified on 01 December 2019 which states that there are no fees in the recruitment process and the company has guaranteed recruitment fees if there are migrant workers.

Based on interviews with labor unions and contractors, it was conveyed that a code of ethics policy has been implemented by the company in all business operations and transactions including recruitment and employment contracts. The code of ethics (anti-corruption, anti-bribery and anti-fraud) is stated in every work agreement of third parties (contractors) and workers.

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 POM-2 certification unit is under PT Dharma Satya Nusantara and Puhus Estate is under PT Dharma Agrotama Nusantara. In fulfilling compliance, the company has complied with all relevant laws and regulations by having the following documents:

Compliance with Social and Environmental Regulations:
PT Dharma Satya Nusantara (POM-2)

- The company can show the Decree of the Kutai Timur Regent Number: 660/K.260/2017 concerning the extension of the permit for the temporary storage of hazardous and toxic waste materials of PT Dharma Satya Nusantara POM-2 in Muara Wahau District, Kutai Timur Regency on March 22, 2017 with a validity period for 5 years.
- The company can show the Decree of the Head of Investment Service and One-Stop Services of Kutai Timur Regency Number 503/06/DPMPSTP-PPNP/L. A/III/2020 concerning the granting of an extension of permit for waste water disposal (use of waste water from the palm oil industry on land) in the oil palm plantation of PT Dharma Satya Nusantara – POM-2, Muara Wahau District, Kutai Timur Regency on March 10, 2020 with a validity period of 5 years.
- The company already has environmental documents, namely environmental management and environmental monitoring efforts (UKL-UPL) documents for the construction of a palm oil mill with a capacity of 60 tons of FFB/hour and has been approved by the Kutai Timur Regency AMDAL Commission on March 16, 2009 with number 332/ 660.1/2.1/LH/III/2009.
- POM-2 already has a water resources exploitation permit and can show Decree of the Minister of Public Works and Public Housing Number 818/KPTS/M/2022 concerning the granting of a water resources exploitation permit to PT Dharma Satya Nusantara for an industrial business in the Puhus River on 29 July 2022 with a validity period of 5 years. The permit explains that the quota for water utilization is 45,036 m³/month.

PT Dharma Agrotama Nusantara (Estate)

- PT Dharma Agrotama Nusantara has a permit for temporary storage of hazardous and toxic waste. The company can show the Decree of the Kutai Timur Regent Number 503/07/DPMPSTP-PPNP/TPS-LB3/IV/2021 concerning the extension of the permit for the temporary storage area (TPS) for hazardous and toxic waste (LB3) to PT Dharma Agrotama Nusantara in Muara Wahau District Kutai Timur Regency on April 26 2021 with a validity period of 5 years.
- PT Dharma Agrotama Nusantara has environmental documents in the form of an AMDAL for the construction of a palm oil plantation and mill on behalf of PT. Dharma Agrotama Nusantara is located in Benhes, Diak Lay, Dabeq and Muara Wahau Villages, Muara Wahau District, Kutai Timur Regency, Kalimantan Timur Province. This document has been approved by the Kutai Timur Regency AMDAL Commission on October 23, 2009 with number 188.4.45/674/HK/X/2009.

Compliance in Legal Aspect

Until this assessment there is no new land acquisition or new land development conduct by the Unit of Certification. Scope of certification is covering an area of **9,959.95 Ha** which consist of HGB for an area 4.70 Ha and HGU for an area of **9,955.25 Ha**. UoC also has business permit covering area 10,867 Ha and capacity 60 Ton FFB/ Hour.

Detail of legal right own by the Unit of Certification i.e :

HGB and Plantation Business Permit (PT DSN – POM2)

- 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.

HGU and Plantation Business Permit (PT DAN – Puhus Estate)

- 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.

Compliance in OHS aspect

- Has included employees who are required to have an SIO in training according to the regulated competencies for example:
 - Boilerman (initial GDJ) whom have class 1 license Reg.13419.OPK3-PUBT-B.I/VIII/2018 issued on July 30, 2018 valid until

July 30, 2023.

- Boilerman (initial FT) whom have class 1 license Reg.134331.OPK3-PUBT-B.I/VIII/2018 issued on July 30, 2018 valid until July 30, 2023.
- Genset operator (initial DNP) with number Reg. 702.OPMK3/PTP/V/2019 issued on May 10, 2019 valid until May 10, 2024
- Provide PPE for all worker for free and based on HIRAC analysis
- Provide routine and special Medical Check Up for worker

Compliance with Best Management Practices Regulation:

- The company does not clear and/or cultivate land by burning, this is in accordance with Law number 39 of 2014 concerning Plantations.
- Using pesticides that are registered and whose distribution permits are still valid according to Minister of Agriculture Regulation No. 43 of 2019, for example the use of pesticides with the Klein Up trademark, the active ingredient Glyphosate, RI permit No. 0103011989819 and valid until 3 September 2023.

Compliance with manpower Regulation:

- Evidence of the number of overtime hours not exceeding 18 hours a week which is in accordance with Government Regulation No. 35 of 2021.
- Compulsory Reporting of Mill Workforce with reporting number 75655.10431.20211028.1-001 on January 16, 2022 which is in accordance with minister of labor regulations No 18 of 2017.
- The company has set a minimum wage with the lowest basic salary component of IDR 3,175,450 which is in accordance with the stipulation of the Kutai Timur Regency minimum wage No 561/K.599/2021.

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.

List of regulation which applicable with unit of certification activity i.e.:

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

The list of regulation last update in December 2022. Evaluation of law registers for contractor has become nonconformity in 2.2.2. In addition, once a year also conduct RSPO internal audit.

2.1.3

The company has procedures for maintaining and monitoring HGU pole which described in IK-AGR-OLP-33-R01, dated February 1, 2019. According to the Work Instructions, it is known that the period for monitoring and maintaining HGU pole is twice a year. The company has been able to show the plan for monitoring and maintenance of the HGU pole for Puhus-1, Puhus-2. And Puhus-3 estate as well as the results of the latest monitoring for the first semester of 2022

Document verification known that number of HGU pole for each estate are:

- Puhus-1 : 66 HGU pole
- Puhus-2 : 26 HGU pole
- Puhus-3 : 20 HGU pole

Based on the field observation to HGU pole number DAN 064, DAN 065, DAN 066 Puhus-1; number BPN 057, BPN 067, BPN 075 Puhus-2 and number DAN 102, DAN 107 Puhus-3 are known that the condition of the HGU pole are well maintained.

2.1.1	Status: Comply	
-------	----------------	--

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

2.2.1
The company has a list of contractors for the 2023 period which includes the name of the person in charge, number of cooperation agreement, type of work, number of units and names of workers, for example as follows:

- POM-2 consists of 7 CPO tank contractors, 1 dump truck contractor, 2 cabin car contractors, 1 transport of hazardous and toxic waste materials and 1 bus contractor.
- Puhus 2 Estate consists of 1 excavator contractor, 1 CPO and PK truck contractor, 1 cabin car contractor, 1 transport of hazardous and toxic waste materials and 1 bus contractor.

Based on the document verification above, it can be concluded that the company has recorded all the contractors who work with the company.

2.2.2
The company shows a list of Estate and Mill contractors for the period January 2023, for example for the construction of houses at Puhus 1 Estate and the provision of heavy equipment at the Mill, namely with the contractor PT Gemilang Utama Nusantara and for wholesale FFB transportation at Puhus 2 Estate, namely with the contractor Bisam Usat, but the company has not been able to show that the cooperation contract with PT Gemilang Utama Nusantara has its own clause regarding fulfillment of relevant legal obligations and has not been able to show a regulatory compliance evaluation system to contractors and evidence of regulatory compliance for PT Gemilang Utama Nusantara and Bisam Usat.

Based on a field visit to the Division 3 Puhus 1 Estate housing, it was found that 2 person PT Gemilang Utama Nusantara workers were carrying out civil works but the company had not been able to provide information on the existence of a work agreement letter, Social Security Agency and proof of wages to these workers.

Based on government regulations 35 of 2021 in article 18 which states that "Work Relations between Outsourced Companies and Workers/Laborers who are employed, are based on Fixed Period Working Agreement or permanent worker". Based on minister of labor regulations No 5 of 2021 article 3 paragraph 1 states that every employer is required to register workers as participants in Social Security Agency of labor.

Based on these, the company has not been able to show that the cooperation contract (PT GUN) has its own clause regarding the fulfillment of relevant legal obligations as well as evidence of its fulfillment such as Social Security Agency membership information, fulfillment of PPE, fulfillment of the minimum wage and employment ties for each worker, **so this is a non-compliance with No. 2023.01 with the minor category.**

2.2.3
The company also showed an agreement with the contractor that contained a clause prohibiting practices involving child labor, forced labor and workers from human trafficking, for example work agreement letter No. 005/DAN/PU2/2022 dated 20 December 2021. In these agreements it has been explained regarding:

- Obligation to use PPE.
- Guarantee that there is no child labor, forced labor or the consequences of human trafficking and protection.

Based on interviews with contractors, for example CPO contractors, it was conveyed that the personnel were able to explain policies prohibiting child labour, forced labor and workers from human trafficking and from field visits there were no contractor workers who were under 18 years of age.

2.2.2	Status: NCR No. 2023.01 with the minor category	
-------	---	--

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

2.3.1

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 or full managed smallholders 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: Jabdan 1 (PT SWA), a subsidiary of PT Dharma Satya Nusantara, which had RSPO certified since 2015 and Melenyu 2 dan Melenyu 3 estate from PT Dewata Sawit Nusantara, a subsidiary of PT Dharma Satya Nusantara, which had RSPO certified since 2019.

2.3.2

As described in 2.3.1 POM-2 doesn't receive FFB from indirect FFB supplier

Status: Comply

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

3.1

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

3.1.1

The company shows projected work plans and budgets for 2023 – 2027 which explain projected operational activities including those related to production, FFB extraction, production costs, price estimates, financial indicators, etc which briefly include the following:

Description	Unit	2023	2024	2025	2026	2027
FFB Production	ton	260,156	244,836	237,590	229,315	220,315
CPO	ton	76,440	72,445	72,376	72,168	71,881
OER	%	24.81	23.67	23.65	23.58	23.49
Kernel	ton	13,556	13,770	13,770	13,770	13,770
KER	%	4.40	4.50	4.50	4.50	4.50
FFA	%	2.60	2.60	2.60	2.60	2.60

Based on interviews with unit management, it was conveyed that the long-term management plan can be changed and reviewed monthly by the respective management through monthly management report meetings, taking into account actual trends and dynamic situations that are expected to change in the future.

3.1.2

The company shows the area statement which includes the year of planting of oil palm in Puhus 1 Estate, Puhus 2 Estate and Puhus 3 Estate which consists of planting years 2005, 2006, 2007, 2008 and 2012. In accordance with the procedures owned by the company, replanting will be carried out when the plantation is aged 25-30 years so that rejuvenation will not be carried out for the next five years.

Based on interviews with management representatives, it was also conveyed that currently there are no plans for replanting activities.

3.1.3

The company periodically conducts management reviews to evaluate the 3 months of ongoing mill and estate activities. Management reviews that have been carried out include the following:

- Minutes of meeting Q-1 which was held on 21-22 April 2022 which discussed harvest evaluation and infrastructure improvements.
- Minutes of the Q-2 meeting which was held on 27-28 July 2022 which discussed strategic planning and installation of gas fuel converters to generators.
- Minutes of meeting Q-3 which was held on 26-27 October 2022 which discussed the second semester strategic planning review and the procurement of 10 housing units.

So, based on this, the company has conducted a management review within the planned time according to the scale and nature of the activities carried out.

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 certification unit already has a system to improve existing practices, in accordance with the latest information and techniques as well as a socialization mechanism for all workers following current technological developments. The unit of certification also develops guidelines for farmers by providing systematic training for continuous improvement. Some of the evidence that has been applied for continuous improvement include:

Social and Environmental Aspect

- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and barn owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable energy accordance to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Air quality management and monitoring through several action like road maintenance, air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.
- Green House Gas Management and using land clearing with mechanical and zero-burning policy and bio-CNG.

Best Management Practices Aspect:

- Manufacture of an automatic drain device to maximize decomposition and reduce part replacement which was carried out in March – August 2022.
- Use of spreaders for fertilizer application.

3.2.2

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

Name of RSPO Member	: PT Dharma Satya Nusantara
RSPO Membership Number	: 1-0135-12-000-00
Name of Certified Unit	: PT Dharma Satya Nusantara – POM-2
Name of Certification Body	: PT Mutuagung Lestari
RSPO PalmTrace ID Number	: RSPO_PO1000000939
Supply Chain Model	: Identity Preserved (IP)
Number of Mills	: 1
Number of Estates	: 3
Production Area (ha) - Estate	: 9,000
Certified Area (ha) - Estate	: 9,960
High Conservation Value (HCV) Area (ha)	: 128
Peatlands - Planted (ha)	: 0
Peatlands - Unplanted (ha)	: 0
Additional side aside river buffer (ha) that are not part of the above HCV areas	: 368
Freshwater Usage per PO produced tonne	: 4.22
Average LTIFR	: 0.00
Total Workers	: 111
% of Local Workers of Total Workers	: 100%
% of Non-Local Workers of Total Workers	: 0%
% of Contract Workers of Total Workers	: 0%
% of Female Workers of Total Workers	: 4.5%
% of Young Workers	: 0%

Based on the results of verification and comparison of the matrix template with several other documents, it shows that the area data is in accordance with the basic information and results of the HCV study. Other data related to employment, production, supply chain is also in accordance with related documents.

Status: Comply

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

3.3.1
The company has a list of procedures listed on the SOP and IK list documents, for example as follows:

Agronomy Procedures

- IK-AGR-OLP-01-R04 about Land Clearing
- IK-AGR-OLP-02-R02 about Oil palm nurseries
- IK-AGR-OLP-04-R02 about Oil Palm Cultivation
- IK-AGR-OLP-09-R03 about Palm Oil Fertilization
- IK-AGR-OLP-10-R02 about Land Application
- IK-AGR-OLP-11-R02 about Application of Empty Palm Bunches
- IK-AGR-OLP-13-R01 about Early Detection of Pests and Diseases
- IK-AGR-OLP-14-R02 about Pest and Disease Control
- IK-AGR-OLP-15-R03 about immature and mature weed control
- IK-AGR-OLP-17-R02 about Pesticide Handling
- IK-AGR-OLP-23-R04 about Harvest
- IK-AGR-OLP-24-R02 about Fruit Transportation

MILL procedures

- IK-AGR-PRO-01-R03 about weighbridges
- IK-AGR-PRO-02-R02 about the operation of the loading ramp unit
- IK-AGR-PRO-03-01-R02 about the operation of the boiling unit
- IK-AGR-PRO-21-01-R02 about boiler operations
- IK-AGR-PRO-23-R00 about KCP press station
- IK-AGR-MS-08-R10 about Backtracking of CPO products, and PK IP & SG models
- IK-AGR-COM-01-R01 about Reception and weighing of CPO-CPKO
- IK-AGR-COM-04-R00 about Sampling stock of CPO-CPKO
- IK-AGR-DIS-03-R01 about Kernel Transport

In addition, the company also shows the mechanism related to SCCS which is listed in the SOP for tracking back CPO products, and PK model IP & SG No. IK-AGR-MS-08-R10 which was published on March 25, 2021 which explains the supply chain and management of certified products.

Based on the document review, it can be concluded that the procedures in place cover all processes and activities in the estate and mill.

3.3.2 - 3.3.3

In checking the implementation of procedures consistently, the company conducts internal audits contained in operational and system audit reports. Internal audits have been carried out as on 4-6 July 2022 at Puhus 1 Estate with 4 findings of non-compliance, for example there is no spray limit marker on the Block C12 riverbank and repairs have been made by placing spray limit signs on the tree on July 31 2022 and in POM-2 with 2 non-compliance findings, for example, comply were made on August 12, 2022.

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

The unit of certification already has several documents related to social and environmental impact assessments that are carried out independently or participatively by involving affected stakeholders in collaboration with accredited independent experts. Some of the documents owned by the unit of certification are as follows:

Environmental Impact Assessment (EIA)

The POM-2 certification unit is under the company PT Dharma Satya Nusantara and Puhus Estate is under the company PT Dharma Agrotama Nusantara and has documents on the results of the Environmental Impact Assessment (EIA) which cover all areas included in the scope of certification and can be proven based on environmental documents as explained in indicator 2.1.1, among others:

- POM-2 (PT DSN) has environmental documents, namely Documents 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 Kutai Timur Regency AMDAL Commission on the 16th March 2009 with number 332/660.1/2.1/LH/III/2009.
- Puhus Estate (PT DAN) has environmental documents in the form of an AMDAL for the construction of a palm oil plantation and mill on behalf of PT. Dharma Agrotama Nusantara is located in Benhes, Diak Lay, Dabeq and Muara Wahau Villages, Muara Wahau District, Kutai Timur Regency, Kalimantan Timur Province. This document has been approved by the Kutai Timur Regency AMDAL Commission on October 23, 2009 with number 188.4.45/674/HK/X/2009.

In the document above, there is information related to environmental aspects and parameters that must be monitored and managed along with information on targets and implementation times contained in the UKL-UPL matrix. The document also covers all aspects of plantation and factory activities and changes during the operational activities. The sampling methodology used is also participatory involving groups of external stakeholders for the purpose of identifying impacts. Based on verification of the RKL-RPL report documents for Semester 1 of 2022 and Semester 2 of 2022, it can be concluded that all environmental impacts that are requirements in the three documents mentioned above have been identified and managed according to relevant laws and regulations and combined into one and the same report.

Social Impact Assessment (SIA)

The company already has social impact identification documents, namely PT DAN's 2011 PT DAN Palm Oil Plantation and Palm Oil Mill Social Impact Identification Study (SIA) by Daemeter which was carried out by involving affected parties. Social Impact Assessment (SIA) socialization/Public Consultation meetings were held on 11 – 20 October 2011 with participants such as representatives from surrounding villages, community leaders and representatives from PT DAN. Evidence of community involvement in the form of attendance lists, implementation photos and sample questionnaire attachments in the SIA document for Daebeq Village, Wana Sari Village, Miau Baru Village, Long Wehea Village, Miau Baru Village, Jak Luay Village, Long Sep Village, Karya Bakti Village, Desa Wahau Baru, Benhes Village, Long Ba Village, Jabdan Village, Nehas Liang Bing Village, and Biak Lay Village. The assessment method was carried out using a list of questionnaires that had been prepared through an interview system and data measurement.

The SIA study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the communities in the villages around the company, environmental management efforts in the social, economic and cultural fields by PT DAN and community perceptions about the existence and benefits of PT DAN. A social impact assessment is included as part of a complement to all environmental impact assessments. The assessment involved all affected parties, both internal and external stakeholders, including employees, trade unions, heads of villages around company, local NGOs and plasma smallholders with a total of more than 100 relevant stakeholder representatives around operational area. Participatory evidence with affected parties is shown in the form of attendance at the FGD meetings and photographs during interviews. In addition, the SIA study has also been disseminated to villagers and stakeholders in the affected areas with evidence of an invitation to socialization conducted on October 10, 2011. The report also contains a matrix of Social Management Plans and Social Monitoring Plans which contain recommendations for social impact management that are identified.

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

High Conservation Value Assessment (HCVA)

The company already has an Identification Report and Analysis of the Existence of High Conservation Value (HCV) in the Permit Area of PT. Dharma Agrotama Nusantara, Kutai Timur Regency, Kalimantan Timur Province, which collaborated with Daemeter in 2011 with the final document in January 2012. The document contains a map of the High Conservation Value Areas of PT. Dharma Agrotama Nusantara with a scale of 1:100,000. This activity was carried out for the scope of PT DSN Group where there were 4 PTs in it, namely PT DAN, PT DIN, PT SWA and PT DWT which in the document covered the entire estate of PT DAN. Explanation regarding HCV is more detailed in indicator 7.12.2.

3.4.2

The unit of certification has carried out efforts to manage and monitor social and environmental impacts independently by involving affected stakeholders. Some documentary evidence of activities that have been carried out are as follows:

Environmental Impact Assessment (EIA)

Based on the verification results of the RKL-RPL Semester 2 of 2022 document, it can be concluded that all management and monitoring parameters requested in the environmental document matrix have been implemented. The unit of certification has also evaluated each parameter of significant impact monitoring carried out as required in KepmenLH 45 of 2005, which includes trend evaluation, critical level evaluation, and compliance evaluation. Based on the evaluation results it is known that there are several parameters that are not in accordance with the applicable Quality Standards, but the results of interviews, document analysis and observations show no indication of environmental pollution in the area around the company, this is explained in each related indicator. The effectiveness of environmental management and monitoring can be seen from the results of the analysis and the suitability between the management and monitoring plan and its implementation in the field. Several things can be concluded from the results of the RKL-RPL document review Semester 2 of 2022, including:

- Preventing soil, water and air pollution by reducing the use of chemicals, managing waste properly and managing proper waste disposal in each area.
- Make efforts to save the environment by protecting important areas for environmental sustainability
- Manage and monitor the potential impact of land fires.
- Manage and monitor the quality of soil, air, water and other disturbances.
- Utilizing palm oil mill solid waste as a substitute for fertilizers and fossil fuels.

This can also be proven from the results of field observations via video in the EFB storage area, WWTP area and Water Intake area as well as conservation areas. The results of interviews with the community around the company also stated that they did not feel any environmental impact related to the company's operational activities. The company has also carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas, marking in the form of stakes and red paint for spray boundary areas and other chemical applications. Based on the results of interviews with sprayer and fertilization officers, they also stated that they were aware of the ban on the use of chemicals in the buffer zone marked in red. In addition, they do not use chemicals when they are near bodies of water such as canals, reservoirs or artificial ponds.

The unit of certification has also prepared an RKL-RPL report every semester which refers to the environmental management and monitoring matrix. Environmental management reports are carried out every 6 months and submitted to relevant agencies, for example the 2022 RKL-RPL Report for Semester 2 which was sent to the Kutai Timur Regency Environmental Agency with proof of acceptance dated January 11, 2023. Based on the results of interviews with the Environmental Service regarding reporting implementation of the RKL-RPL, the unit of certification routinely performs it and until the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the company.

Social Impact Assessment (SIA)

Documents resulting from the 2011 SIA study are used as a guide in preparing social impact management programs that are updated every year, such as the 2022 Social Impact Management Plan document. The document contains several social programs, including routine social assistance for surrounding communities, economic improvement through cooperation with companies, opening job vacancies, and improving community welfare through community empowerment programs. Program planning was carried out based on the results of a Focus Group Discussion in October 2011 which was conducted with stakeholders including the village community around the company as well as the results of potential and risk analysis with attached documentation and attendance evidence. The program is a general plan that will be implemented by the company based on an analysis of stakeholder needs and mapping of stakeholders who are directly or indirectly related to the company. Thus, the planned program is directed as much as possible to

strengthen the company's relationship, communication and cooperation with all stakeholders.

The Company also evaluates the Management Plan annually to monitor the progress of program management, for example if there are programs that need to be discontinued, continued or added. The evaluation of the management plan refers to the 2022 Social Impact Monitoring and Management results document which was carried out on November 15 2022, this evaluation activity is also a reference in preparing the 2023 period program. Based on the verification results of the 2022 Social Impact Monitoring and Management document it can be concluded that all activities listed in the 2022 Social Impact Management Plan have been implemented. The document also includes social programs to avoid/mitigate negative social impacts, partnership programs for farmers, human rights, CSR programs, gender equality, education and public health.

Based on the results of consultations with workers' representatives, there is no form of discrimination against workers, no underage workers were found, the company has also fulfilled the rights of its employees, several important facilities for employees have been provided by the company such as housing, water, electricity, places of worship, facilities educational infrastructure (schools), and other facilities. The company also allocates resources for the maintenance of all facilities. The informants also stated that they could voice their views through their own representative institutions or the spokesperson they chose in the evaluation activities to review and develop mitigation plans, as well as monitor the success of the implemented plans.

Based on the results of field observations and interviews with external stakeholders regarding the management of social impacts carried out by the company for the 2022 period, it can also be concluded that there are no issues related to social impacts that have not been identified by the company. all potential social impacts have been managed in 12 excellent programs, for example by periodic assistance to communities who are committed to developing and managing plasma plantations, monitoring visits to health clinics and checking water quality on a regular basis, providing job vacancies especially for local workers and submitting vacancies work openly either through village/sub-district officials or through announcements/media and regular assistance from organizations developed by the community in connection with certain issues, for example cooperatives for FFB collectors and so on.

3.4.3

The unit of certification has made efforts to implement the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, the certification unit also makes periodic efforts to update the management in a participatory manner. Some documentary evidence of efforts that have been made are as follows:

Environmental Impact Assessment (EIA)

The company involves the Department of Environment and the Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents which are sent every certain period which can be proven in indicator 1.1.2. The company also does not block all environmental agencies from entering if they are going to carry out field verification in their management area. It aims to obtain advice and advice in carrying out environmental management in accordance with the government's vision, mission and programs so that they can run synergistically. This can be proven based on the results of interviews with the Kutai Timur Regency Environmental Service which conducted a field visit around December 2021. Monitoring and updating related to the management of environmental impacts is also carried out simultaneously with the evaluation of HCV management which is explained in more detail in indicator 7.12.4. But in general, all recommendations from the evaluation of HCV management that are carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

Social Impact Assessment (SIA)

Based on the analysis of the 2022 Social Impact Monitoring Report document, the social impacts in this assessment are divided into positive impacts and negative impacts. The social impact assessment is carried out based on the perceptions of community representatives in the assessment location that represent the community. the company has analyzed the positive and negative impacts arising from each activity specifically, for example physical assets for production activities that have positive and negative impacts both on the external and internal levels, and so on as explained in indicator 3.4.2. The company conducts annual evaluations to align data collection related to public perceptions regarding the Management Plan SIA and adjust it to the latest requirements according to conditions in the field.

In November 2022 the company has conducted a review of social impact management for the 2022 period and developed a social management plan for the 2023 period, in which the process has been participatory involving relevant stakeholders. In the review activity, the company applied the 7 RSPO principles regarding socially and environmentally responsible development of plantations with reference to the Free, Prior, Informed and Consent (FPIC) Principles. The FPIC principle that forms the basis of the company in

carrying out the process of developing oil palm plantations includes involving representatives of women, village heads, land owners around the company area, independent smallholders, and all affected parties. Some of the conclusions drawn from the results of the 2022 SIA management activities include:

- The Community Development (CD)/CSR program in the preparation of the program has first gone through community suggestions and input
- From the results of gathering information in the field, problems related to the community around the Muara Wahau, DSN Group company are increasing mentoring or training for young people so they have skills that are in accordance with the job market, assistance for the community, especially related to children's education and new livelihoods and escorting economic assistance programs that have been implemented such as AC Service and Ecotourism. as well as Improving communication and coordination for CSR programs that will be implemented so that the community understands each existing program
- The biggest positive impact felt by the community was the establishment of the Plasma Cooperative, Cooperation in Transportation Services, Cooperation with the Miau Baru Village related to optimizing the supply chain for rice production, job opportunities, easier accessibility, business opportunities and villages became more crowded.
- The management action plan made in the DSN Group SIA Management Plan in the Muara Wahau block has been implemented in its entirety.
- Employment by companies can help improve the development of the surrounding community

Based on this, it can be concluded that all potential social conflicts that have been identified in the 2022 Management Plan have been implemented. No negative impacts or non-conformity were identified from the results of SIA activities for the 2022 period. All planned programs have been implemented and will be continued in 2023, or continued with new programs related to programs that have been completed. The results of interviews with stakeholders also show that there are no negative issues related to the company. The results of interviews with the Heads of Benhes Village and Muara Wahau Village also stated that the community felt helped by the establishment of the company. One thing that is very influential for the community is the existence of plasma cooperatives for villages. Apart from that, with the existence of the company, currently the majority of people work as employees or contractors in the company.

Status: Comply

3.5

A system for managing human resources is in place.

3.5.1 – 3.5.2

The company has a human resource system that is available to employees, including the following:

- SOP-AGR-012-R03 about Recruitment
- SOP-AGR-013-R00 about Placement of Employee Orientation
- SOP-AGR-014-R00 about Employee Evaluation
- SOP-AGR-015-R02 about Outgoing Employees
- SOP-AGR-016-R00 about Training
- SOP-AGR-017-R01 about Requests for Promotion-Mutation
- Company regulations for the 2022-2024 period which explain the human resource system, for example in article 5 concerning the basis for hiring, placing, transferring and promoting workers, in article 11 concerning discipline and sanctions and article 44 concerning termination of employment and retirement.

The company has demonstrated a record of the implementation of the resource system, for example:

Recruitment and Promotion

For employee recruitment, the recruitment stages are a job application letter, CV, photocopy of ID Card, and supporting documents such as diplomas, transcripts and others. The company shows stored employee track record documents, for example on behalf of the initials KA who works at POM-2 as a security who previously submitted an application letter and administrative documents, then prospective employees take part in a medical examination and signing a work agreement on May 27, 2022 with probationary period from 28 May – 27 August 2022. After the probationary period ends, the personnel have been evaluated and has been appointed as a permanent employee through the employee appointment decision letter No. 001/SK-PK/PKS2/VIII/2022 which was issued on August 29, 2022.

Employee assessment

Periodic employee evaluations are carried out by the company with the aim of evaluating employees and increasing the grades and wages given to employees. The last employee assessment was carried out for the 2022 period, for example with the initials AAMW

who was in charge of the weighing division, received a 3.1 rating in the good category. In this assessment the components that are assessed are work results and employee behavior.

Pension

The company shows a list of employees who are retiring for the 2022 period, for example shown in the terminated employee software which lists workers with the initials IS who have entered retirement on June 22, 2022. Furthermore, the company has also calculated the compensation that employees have received on August 1, 2022 through bank transfer to employee account.

Training

The company has a training mechanism listed in SOP No. SOP-AGR-016-R00 regarding training which explains the mechanism for creating a training program for all workers in need. In addition, each new employee will undergo a probationary and training period before becoming a permanent employee.

The results of interviews with representatives of trade unions, it was stated that the employment procedures had been carried out by the company in accordance with the applicable provisions and the personnel could also explain the mechanism regarding termination of employment, retirement or promotion. Based on the interview, it is known that there is no discrimination against workers. So that the company already has a human resource system in accordance with regulatory provisions and has been implemented.

Status: Comply

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

3.6.1 Risk Assessment

Unit of certification has a policy of occupational safety and health were written in Bahasa. The policy has been legalized on 01 December 2010. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health (P2K3) every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target, then will be evaluated in the regular meetings to assess effectiveness.

Unit of certification have document of hazard identification, risk assessment and risk control (HIRAC) which issued on December 2022. It will be reviewed if any occupational accident happens. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at sterilizer, boiler, loading ramp and engine room in POM-2, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

OHS mitigation procedure

Unit of certification shown mitigation procedures related to OHS in several documents as follows:

- Personal protective equipment standard (DK-SHE-140-R04).
- Employee Personal Protection Equipment (SOP-AGR-072-R01 dated July 01, 2022).
- Washing of PPE for spraying worker (IK-AGR-SHE-02-R00).
- OHS Committee and environmental meeting guide (IK-AGR-SHE-007-R00).
- Treatment of exposure to pesticides (IK-AGR-SHE-11-R00).
- Etc.

The mitigation procedures or work instruction already explain programs, evaluations, and handling related to OSH issues in the work environment. The implementation of the OHS plan or the OHS mitigation procedures include the following:

- P2K3 (OHS Committee) meetings are held every month and the output is quarterly P2K3 reports which submitted to related agencies.
- Implementation of special and periodic medical checkup for employees.
- Provision of PPE free of charge and in accordance with the specified risk analysis.

3.6.2 Monitoring of OHS plans and effectiveness can be seen in the quarterly P2K3 reports that have been submitted to the relevant offices.

The discussion in the P2K3 report, for example inform in the 4th quarter report for 2022, includes the following:

- OHS and environmental program: monitoring and measuring environmental aspects, compliance reporting, hazardous waste management, emergency preparedness and response program, traffic control program, OHS campaign program, compliance program, OHS and environmental inspection, HSE training, P2K3 meeting, periodic MCU, CHE test, Audiometry test, Spirometry test, pregnancy check.
- OHS and environmental inspection and follow-up: December 2022 PPE compliance with the Puhus-1 and Puhus-2 harvest teams was only 18% so that more intense socialization and supervision was given from their respective divisions.
- September 2022 P2K3 Meeting: In August there were 5 work accidents in the light category (no lost workdays). For OHS and environmental inspections, there are still many dirty drainages housing and Hazardous Waste found in housing. There is a plans for constructing landfill monitoring wells to determine potential pollution in the area around it.

Status: Comply

3.7

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

3.7.1-3.7.2

The company demonstrated a training program for each unit in 2022 covering all aspects of the RSPO P&C. Training also includes those who need training such as staff, workers, smallholders and contractors. The training program document informs the type of training, plan/schedule and attendance. The 2022 training program, for example:

- Basic OSH and environment
- First aid training
- Training on hazardous and toxic materials and hazardous and toxic waste management
- Agronomy training
- Dedicated operator training (SIO)
- RSPO-ISPO & SCCS training
- Emergency response training

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

- OHS and First Aid training on 17 February 2022 which was attended by 14 people.
- Conservation training on 5 March 2022 attended by 5 people.

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

3.7.3

Learning center department has scheduled RSPO SCCS training for relevant personnel annually. training material discussed regarding the implementation of SCCS starting from the procedures and implementation in accordance with the SCCS model used (IP). For POM-2, the last training activities were carried out in 18 March 2022. 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 & 3.82

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.

3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate and updated in the RSPO Palm Trace. Actual

certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount taking into account the last year production. The data are shown in the following table:

Product	Estimate Production period of May 25, 2022 – March 24, 2023	Actual Production (MT) of previous audit (Jan to December 2022)	Estimate Production for 12 months (MT)
FFB	281,063	282,433.12	238,000
CSPO	66,196	65,101.98	54,700
CSPK	12,035	12,004.79	10,700

*Projected FFB certified only from scope of certification

*Projected is based on actual production 12 month before assessment

*There is an FFB certified from other source

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:

License ID : CB133223
 Member Name : PT Dharma Satya Nusantara
 Member ID : RSPO_PO1000000939
 : 1-0135-12-000-00 (PT DHARMA SATYA)
 RSPO Membership Number : NUSANTARA)
 Issued On : 11/05/2022
 Issued By : PT Mutuagung Lestari
 Start Date : 25/05/2022
 End Date : 24-03-2023

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 Mill has had procedures related supply chain, for example Work Instruction of Traceability of CPO, PK and PKO in MB/IP Model (No. IK-AGR-MS-04-R12 dated 1 March 2021). These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training. Based on interviews in POM-2 note that the weighbridge operators understand the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out annually.

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.

3.8.6

The procedure for internal audit for SCCS mentioned in Work Instruction of Traceability of CPO, PK and PKO in MB/IP Model (No. IK-AGR-MS-04-R12 dated 1 March 2021). Based on that procedure internal audit carry out minimum once a year. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on March 23, 2022. Based on result of internal audit, there is no non conformity regarding SCCS indicators and complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims. Management Review of RSPO SCCS implementation conducted on October 26 – 27, 2022. The management review discussion has covered the input from internal audit result, correction and corrective action, process perform and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7

POM-2 has maintained the record of FFB and its product shown as follows:

Product	Estimate Production period of May 25, 2022 – March	Actual Production (MT) of previous audit
---------	--	--

	24, 2023	(January to December 2022)
FFB	281,063	282,433.12
CSPO	66,196	65,101.98
CSPK	12,035	12,004.79

Based on the table above, it is known that there has been no overproduction between the license quota and the actual production. In the SCCS manual it is mentioned that the handling of nonconforming products is as follows, If the validity of the certificate has expired, the Commercial Dept. The head will clarify the certificate owner, and if there is no proof of extension of the validity period, then the product is treated as a non-Certified product

3.8.8
POM-2 sold all its certified product to Labanan Bulking (for CSPO) whom has RSPO certified since 2020 and Kernel Crushing Plant (for PK). Both of bulking and KCP is owned by DSN Group. Based on document verification and interview with management representative obtained information in last 8 months before audit (May – December 2022) it was known if the certified product sold under RSPO as described in the table below :

	Dispatch period (MT)
	Jan – December 2022
	Total
CSPO sold under RSPO Scheme	65,040.20
CSPO sold under another scheme	-
CSPO sold as conventional	-
CSPK sold under RSPO Scheme	12,003.16
CSPK sold under another scheme	-
CSPK sold as conventional	-

*CSPO stock from previous period 205.02 MT

*CSPK stock from previous period 216.74 MT

Product	Estimate Production period of May 25, 2022 – March 24, 2023	Actual Production (MT) of previous audit (Jan 2022 to December 2022)
FFB	281,063	282,433.12
CSPO	66,196	65,101.98
CSPK	12,035	12,004.79

*There is an FFB certified from other source

Based on the data, there is no over sales of certified products or any non-certified products that are claimed to be certified products.

Seller	Traceability
Member Name : PT Dharma Satya Nusantara	Transaction ID : TR-0ab9fidc-3acc
Member ID : RSPO_PO100000939	Creation date : 27/06/2022
Buyer	Confirmation date : 01/07/2022
Member Name : PT Dharma Satya Nusantara	
Tbk – Labanan storage facility	
Member ID : RSPO_PO1000002605	
Product Details	
Product Name : CSPO	
Supply Chain Model : Segregated	
Volume : 308.75 MT	
Transport	
Shipping/BL Date : 31/08/2022	

3.8.9
POM-2 carries out outsourcing activities for the transportation of CPO from the mill to Labanan bulking while for the PK mill it transfers it to the KCP and the buyer who will provide transportation from the KCP. Companies can show examples of CSPO transportation agreements, for example with Suriansyah No: 015/DSN/PKS2/2022 dated 31 May 2022 with a validity period from June to December 2022. 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 Suriansyah one of CPO contractor for POM-2 known they have understood regarding fulfillment of clauses in work agreements

3.8.10

POM-2 has maintained records the names and contact details of all contractors used for the physical handling of RSPO certified palm products i.e:

- Yunta Herlambang
- H.Mirwansyah
- Jefrianus Beang Wang
- Arifin
- Suriansyah
- KSU Putra Wahau

These all contractor is from village around the operational area i.e Miau Baru, Benhes, and Diak Lay

3.8.11

Compared to the previous assessment, there was a new contractor Jefrianus Benag Wang. This has been notified to the CB by sending a list of stakeholders before the opening meeting was held.

3.8.12

POM-2 has record of all Certified FFB, CSPO and CSPK as presented in the table below:

FFB

FFB production (Jan – December 2022) : 282,433.12 MT

CSPO

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)			Total	Stok CPO	
	Cert	Non Cert		RSPO	Other scheme	Non Cert		Certified	Non Certified
Jan - Dec 22	65,101.98	-	65,101.98	65,040.20	-	-	65,040.20	266.80	-

*CSPO stock from previous period 205.02 MT

CSPK

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total	Stok PK	
	Cert	Non Cert		RSPO	Other scheme	Non Cert		Certified	Non Certified
Jan – Dec 22	12,004.79	-	12,004.79	12,003.16	-	-	12,003.16	1.63	-

*CSPK stock from previous period 216.74 MT

Based on the keeping record is known that:

- CSPO production is 65,101.98 MT and sold as RSPO certified 65,040.20 MT. From the previous period there is CSPO stock 205.02 MT. So at this time CSPO stock was 266.80 MT.
- CSPK production is 12,004.79 MT and sold as RSPO certified 12,003.16 MT. From the previous period there is CSPK stock 216.74 MT. So at this time CSPK stock was 1.63 MT.

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.

3.8.15

The company has a Work Instruction for Traceability of CPO and PK Products model IP & SG with no. IK-AGR-MS-08-R09 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.

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.

3.18.16

POM-2 during the license period (Jan – December 2022) performs the following transactions:

- CSPO production is 65,101.98 MT and sold as RSPO certified 65,040.20 MT. From the previous period there is CSPO stock 205.02 MT. So at this time CSPO stock was 266.80 MT.
- CSPK production is 12,004.79 MT and sold as RSPO certified 12,003.16 MT. From the previous period there is CSPK stock 216.74 MT. So at this time CSPK stock was 1.63 MT.

During this period there is an CSPO sold as credit as much as 10,950 MT.

3.8.17

According to transaction documents in 2022, 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.

Company respects the human rights by referring to the United Nations Universal Declaration of Human Rights and respect for employee rights such as eliminating discrimination, prohibition of forced labor and child labor, provision of fair wages, upholding the principle of gender equality in accordance with legal norms in the Republic of Indonesia, and respecting freedom for associated. In business relationships, company strive to implement anti-corruption, bribery and extortion and protect the protection of whistle-blowers and human rights defenders.

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.

Based on the explanation above, during the past year there were no issues / incidents of human rights violations that occurred in the vicinity or the operational area of the certification unit so that there were no acts of intimidation / violence carried out by the certification unit including contracted services such as security services that were contracted and others.

4.1.2
During the past year, the certification unit did not have records related to the use of violence / mercenaries or paramilitaries in resolving conflicts / problems that existed between the certification unit and related stakeholders (surrounding communities, workers, or others). This has been stated in Memorandum No. 0030 / MS / XI / 2016 dated 01 November 2016 concerning the Prohibition of the Use of

Violence / Intimidation Actions and / or using Mercenaries / Paramilitaries which explains that DSN Group always maintains peace and order of plantation and factory operational activities by not using violence / paramilitary use in resolve existing conflicts / problems.

Based on 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. These policies explained the mechanism of handling any grievances and access to the Manpower Agency (tripartite) and RSPO complaint system if the grievance didn't meet any solution.
- 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 harvester in block F33 Division 5 Puhus 2 and daycare officer in division 4 Puhus 1 Estate known 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. Same information also obtains based on public consultation with representative of Benhes and Muara Wahau Village.

4.2.2
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 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. There is an information that stated if grievance can't be solved then can be submit to the RSPO complaint system. 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.

4.2.3 & 4.2.4
As described in 4.2.1 during this period of this assessment there is no grievance both from worker or other stakeholder. Same information obtained from representatives of the POM-2 and Puhus Estate workers unions as well as representatives of the villages of Benhes and Muara Wahau were also conveyed.

Status: Comply

**4.3
The unit of certification contributes to local sustainable development as agreed by local communities.**

4.3.1
The 2022 CSR program compiled by the company is carried out based on the results of routine social visits by the company, for

example on 20 July 2021 in Miao Baru Village and 27 September 2021 in Nehas Liang Bing Village. The following are CSR programs for the period 2021-2022 PT Dharma Satya Nusantara including POM-2 such as in the fields of education, Community Economy, cultural preservation, residential environment, and infrastructure.

Companies can also show a recording of the realization of CSR programs carried out, for example as follows:

- Fund assistance for the construction of the Nehas Liah Bing Village Church on March 19, 2022.
- Participation in Village Development Planning Deliberations on February 4, 2022 in Miao Baru and Nehas Liah Bing Villages
- Child protection training and socialization conducted on 9 February 2022 in Miao Baru Village

Based on the results of interviews with representatives of Benhes, Muara Wahau Village and the Kutai Traditional Head, it is known that the company has realized CSR very well. The surrounding community felt helped by the company because of the assistance from the company such as the opportunity to try to become a contractor, work in the company, education for children and repairing village access roads including the partnership plantation program which has been running well so far.

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

Until this assessment there is no new land acquisition or new land development conduct by the Unit of Certification. Scope of certification is covering an area of **9,959.95 Ha** which consist of HGB for an area 4.70 Ha and HGU for an area of **9,955.25 Ha**. UoC also has business permit covering area 10,867 Ha and capacity 60 Ton FFB/ Hour.

Detail of legal right own by the Unit of Certification i.e :

HGB and Plantation Business Permit (PT DSN – POM2)

- 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.

HGU and Plantation Business Permit (PT DAN – Puhus Estate)

- 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; 4.4.4; 4.4.5; 4.4.6

There is no previous land owner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. 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.

Based on interview with representative of Benhes and Muara Wahau Village known the origin of land owned by the Unit of certification does not come from community or customary rights. However, the company still implement its social responsibility well to the surrounding community starting from the involvement of local contractors, employment, to the construction of partnership plantation and other CSR. CSR Programme evaluated annually and involved stake holder from surrounding community to ensure that Programme in accordance with community needs.

4.4.3

The company already has an operational map showing its legal rights with a scale of 1 : 75,000. The map reference is the *HGU* map issued by BPN. the map also informs about the location and boundaries of blocks, the location of infrastructure facilities, to the *HGU* landmarks that are owned

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 – 4.5.8

There is no previous land owner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. 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.

Several document that inform land treatise of UoC i.e :

- *Risalah Panitia B* No. 06/RPT-PAN.B/VI/2007 dated 05 July 2007 which informed that land status of PT DAN was 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.
- Environment Impact Analysis (AMDAL) report which approved by AMDAL Commission through Decree No. 188.4.45/674/HK/X/2009 dated 23 October 2009 and No. 332/660.1/2.1/LH/III/2009 dated 16 March 2009 for PT DAN and POM-2 PT DSN, respectively.
- Social Impact Assessment (SIA) report that carried out by carried out by Daemeter Consultant in 11 to 22 October 2011 (reported in December 2011), in response of planting activities for about 81.00 ha that will be conducted in 2014 at Puhus 1 Estate. Focus discussion group has conducted to seven villages, i.e. Diak Lay, Beanheas, Muara Wahau, Jak Luay, Long Wahea, Karya Bakti and Miau Baru. Exception for Village of Miau which located on Sud-District of Kombeng, the rest villages were Located in Sub-District of Muara Wahau. Method of survey was interview through questionnaire and focus discussion group.
- High Conservation Value (HCV) Assessment report that carried out by Daemeter Consultant in 01 to 07 November 2011 (reported in January 2012). HCV assessors team consist of ten members which two of it were RSPO HCV approved Assessor and seven of it were competent in socio cultural aspect.

Otherwise based on interview with representative of Benhes and Muara Wahau Village known the origin of land owned by the Unit of certification does not come from community or customary rights. However, the company still implement its social responsibility well to the surrounding community starting from the involvement of local contractors, employment, to the construction of partnership plantation and other CSR. CSR Programme evaluated annually and involved stake holder from surrounding community to ensure that Programme in accordance with community needs

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

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*).

4.6.3

Based on interviews with representatives of Muara Wahau Village and Benhes Village, it is known that there is no difference in the opportunity to acquire land for both men and women. This can be seen from the plasma land ownership which consists of women

and men.

4.6.4

As described in 4.4.2 there is no previous land owner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. 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.

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

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 December 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 and Benhes.

4.7.3

As described in 4.4.2 there is no previous land owner nor land customary rights within POM-2 PT DSN and PT DAN operational areas. 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.

Status: Comply

**4.8
The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.**

4.8.1; 4.8.2; 4.8.3; 4.8.4

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, and Benhes Village. 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.

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

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

5.1.1

Based on document review, field observations and interviews with staff and management, it is known that the company does not obtain FFB supplies from third parties or Identity Preserved (IP). For the 2020-2023 period, based on the results of document reviews and interviews with management, information was obtained that the company only obtained FFB supplies from other companies within the scope of Group DSN Tbk. Based on this, the company has no relationship with Independent Smallholders or Plasma Farmers within the scope of FFB buying and selling transactions. Even though the company is an IP, PT DAN still has a program to improve the economy of the surrounding community by carrying out a "partnership" in the management of oil palm plantations with cultivation practices fully managed by PT DAN, and financial management carried out fully by the Cooperative. FFB sales from the "partnership"

are entirely sent to PT DSN POM-1 which is a member of the DSN Group Tbk. The FFB sale and purchase agreement is fully determined by POM-1 with the Partnership Management Cooperative, namely the Solar Oil Palm Multipurpose Cooperative and the Jengea Bong Pet Kuq Cooperative.

5.1.2; 5.1.3 and 5.1.6

As explained in indicator 5.1.1, this indicator is not applicable.

5.1.4

The company can show evidence that the party from the cooperative representative as the management of the "partnership" has been involved in the preparation of the contract. The document contains agreements such as maintenance financing, loans/credit, repayments through FFB price reductions for replanting programs and/or other support mechanisms that have been signed by all cooperative representatives, witnesses and company parties. This shows that all related parties have been involved in the decision-making process and understand the contents of the contract. The MoU between PT DAN and the cooperative can be proven based on the following documents:

- MoU with Serba Usaha Sawit Surya Cooperative from Jak Luay Village, Muara Wahau District No. 319/DIR-ARF/DAN/JKT/XI/12 dated November 8, 2012. The area under management is 455 ha.
- MoU with the Jengea Bong Pet Kuq Cooperative from Benhes, Diak Lay and Dabeq Villages, Muara Wahau District No. 320/DIR-ARF/DAN/JKT/XII/12 dated December 3, 2012. The area under management is 548 Ha.

The development of plasma plantations is also carried out to improve the welfare of the community around the plantations where currently management related to plantations is still carried out entirely by company management by assigning Managers and Assistants to help manage plasma within the scope of their managed area. The cooperative plays a role in managing the finances obtained from the sale of FFB and distributing it to all of its members. Cooperative members consist of the community around the company who wish to be involved, not limited to men or women. related to the involvement of women in decision making can also be proven from the results of interviews with the heads of cooperatives which stated that plasma land was given to all people living in the designated village, not limited to men or women. The source stated that the making of the contract was carried out with the agreement of both parties without any coercion, intimidation or discrimination.

5.1.5

As explained in indicator 5.1.4 it is known that the MoU is in accordance with the provisions as evidenced by the agreement of both 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 Sawitan Surya 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 known by the Regent of Kutai Timur.

5.1.7

The company has tested the electronic weigh bridge which was carried out on September 20, 2022 for POM-2 by Ministry of Commerce, Legal Metrology Standardization Center Regional III and valid until September 20, 2023 with evidence, among others:

- Test Result Certificate number 152/PKTN.4.3/SKHP/10/2022 with serial number E1205; 170350211 and maximum capacity 40,000 Kg.
- Test Result Certificate number 153/PKTN.4.3/SKHP/10/2022 with serial number E1205; 094350299 and maximum capacity 40,000 Kg.

The results of observations and interviews with weigh bridge operators obtained information that the certification unit has routinely performed the calibration of weighing equipment by third parties. Based on this evidence, it shows that the company has been able to fulfill the OFI from the previous surveillance.

5.1.8

Based on document review, field observations and interviews with staff and management, it is known that the company does not obtain FFB supplies from third parties or Identity Preserved (IP). Even though the company is an IP, PT DAN still has a program to improve the economy of the surrounding community by carrying out a "partnership" in the management of oil palm plantations with cultivation practices fully managed by PT DAN, and financial management carried out fully by the Cooperative. FFB sales from the "partnership" are entirely sent to PT DSN POM-1 which is a member of the DSN Group Tbk. The FFB sale and purchase agreement is fully determined by POM-1 with the Partnership Management Cooperative, namely the Solar Oil Palm Multipurpose Cooperative

and the Jengea Bong Pet Kuq Cooperative.

The results of document verification and company interviews can be concluded that the company has supported independent smallholders in pursuing certification because all "partnership" areas managed by cooperatives and PT DAN already have RSPO Certificates with Internal Control Systems (IFS) carried out entirely by cooperatives in collaboration with PT DAN.

5.1.9

The handling of complaints from farmers/outside has been regulated in the SOP document number SOP-AGR-044-R02 concerning the procedure for Communication and Handling of External Complaints dated 14 October 2019. The document explains that responses to requests for information or submission of complaints must be given immediately, i.e. at most no later than 4 working days after a written request for information/complaint is received. Complaints are resolved as quickly as possible, depending on the type of complaint.

Based on consultations with internal and external stakeholders (workers, trade unions, gender committees, local contractors, Head of Beanhes and Muara Wahau Village, Head of Harapan Baru Coops, and Head of Dayak and Kutai Tribe), it is known that stakeholders already know the consultation mechanism, or submission of complaints and grievances, and the mechanism is accepted and deemed effective for them. Companies can also show records of complaints from farmers in the 2022-2023 period, indicating that during that period there were no complaints from farmers.

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

Based on document review, field observations and interviews with staff and management, it is known that the company does not obtain FFB supplies from third parties or Identity Preserved (IP). Even though the company is an IP, PT DAN still has a program to improve the economy of the surrounding community by carrying out a "partnership" in the management of oil palm plantations with cultivation practices fully managed by PT DAN, and financial management carried out fully by the Cooperative. FFB sales from the "partnership" are entirely sent to PT DSN POM-1 which is a member of the DSN Group Tbk. The FFB sale and purchase agreement is fully determined by POM-1 with the Partnership Management Cooperative, namely the Solar Oil Palm Multipurpose Cooperative and the Jengea Bong Pet Kuq Cooperative.

The results of document verification and company interviews can be concluded that the company has supported independent smallholders in participating in certification because all "partnership" areas managed by cooperatives and PT DAN already have RSPO Certificates with Internal Control Systems (IFS) carried out entirely by cooperatives in collaboration with PT DAN. Companies can also show minutes of socialization of the RSPO certification program to farmers around the company which were carried out on the period June - December 2022. This activity was carried out to independent smallholders who are within the scope of the DSN Group tbk in the Muara Wahau area. The socialization material provided was an introduction to RSPO certification for independent smallholders, land legality, traceability of FFB, and implementation of field schools for farmers and STDB.

The results of interviews with the Head of the Harapan Baru Cooperative revealed that the company had conducted socialization regarding the RSPO, conducted training for cooperatives such as managerial training, assistance in making tax reports, training on harvesting, fertilizer, pest control, and others. These activities have also been routinely carried out by the company in synergy with the CSR program and SIA management.

5.2.2

As explained in indicator 5.2.1, the company has certified the "partnership" with cooperatives and conducted outreach to other independent smallholders. Companies can show minutes of the socialization of the RSPO certification program to farmers around the company which was carried out on the period June - December 2022. This activity was carried out to independent smallholders who are within the scope of the DSN Group tbk in the Muara Wahau area. The socialization material provided was an introduction to RSPO certification for independent smallholders, land legality, traceability of FFB, and implementation of field schools for farmers and STDB.

5.2.3

As explained in indicators 5.2.1 and 5.2.2 it shows that the company has assisted smallholders to obtain RSPO certificates and land

legality.

5.2.4

As explained in indicator 5.1.1. The company manages the "partnership" area with full management carried out by the company, so that pesticide application activities are carried out by trained employees.

5.2.5

The unit of certification can show evidence that it has reported the support program for farmers, especially plasma farmers publicly regarding its progress which is carried out on a regular basis. The evidence shown is based on the receipt of documents for submitting the Progress Report on Private Large Plantation Activities for Semester 2 of 2021 to the Kutai Timur Regency Agriculture Office on January 6 2023 as well as the 2022 CSR Report which can be accessed publicly.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1-6.1.2

The company demonstrates a non-discrimination and equal opportunity policy listed in the DSN Group Sustainability Policy document published on July 8, 2021 which explains that the company ensures that all workers must not experience discrimination in hiring employees, including recruitment, compensation, promotions, training, disciplinary action, termination of employment or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, gender identity, nationality, political opinion, social group, ethnic origin, reproductive rights, or other forms of discrimination. The company also shows the minutes of the policy socialization which was carried out on September 14 2022 which was attended by 58 participants from internal and external parties.

Based on the verification of labor documents and interviews with representatives of the Muara Wahau village and the workers' union, it is known that the workers come from various regions such as Java, Kalimantan, Sulawesi and others. From the results of the interviews, it was also conveyed that there was no indication of discrimination against workers and that the surrounding community had provided equal opportunities to get jobs. In addition, in job vacancies that have been published by the company, there are no discriminatory requirements such as gender, race or ethnicity, disability, sexual orientation, age or beliefs.

Based on interviews with the gender committee, it was stated that female workers are given the same rights, wages and opportunities to get promotions as male workers who do the same type of work, for example there are already female workers in foreman and estate assistant positions.

6.1.3

The company has shown evidence that selection, recruitment, employment, access to training and promotions are made on the basis of skill, ability, quality and medical eligibility as required for the job available, for example:

Recruitment and Promotion

For employee recruitment, the recruitment stages are a job application letter, CV, photocopy of ID Card, and supporting documents such as diplomas, transcripts and others. The company shows stored employee track record documents, for example on behalf of the initials KA who works at POM-2 as a security who previously submitted an application letter and administrative documents, then prospective employees take part in a medical examination and signing a work agreement on May 27, 2022 with probationary period from 28 May – 27 August 2022. After the probationary period ends, the personnel have been evaluated and has been appointed as a permanent employee through the employee appointment decision letter No. 001/SK-PK/PKS2/VIII/2022 which was issued on August 29, 2022.

Employee assessment

Periodic employee evaluations are carried out by the company with the aim of evaluating employees and increasing the grades and wages given to employees. The last employee assessment was carried out for the 2022 period, for example with the initials AAMW who was in charge of the weighing division, received a 3.1 rating in the good category. In this assessment the components that are assessed are work results and employee behavior.

The results of interviews with representatives of trade unions, it was stated that the employment procedures had been carried out by

the company in accordance with the applicable provisions and the personnel could also explain the mechanism regarding termination of employment, retirement or promotion. Based on the interview, it is known that there is no discrimination against workers. The company has also provided employee rights in accordance with company rules and regulations.

6.1.4
Based on interviews with female workers at Puhus Estate and the gender committee, it was stated that the pregnancy test was only carried out to ensure that the chemical applicator did not carry out her work while pregnant. If it is stated that she is pregnant in the test, the worker will be transferred to a safer job. He further explained that so far there has never been a pregnancy test which is a discriminatory act, especially in hiring employees.

6.1.5
The company already has a gender committee which was set aside on July 2, 2021 to deal with issues such as harassment of employees, domestic violence and others. The organizational structure of the gender committee consists of the committee chairman, committee representatives, coordinators of each unit and members consisting of men and women. The gender committee also has work programs, for example:

- Outreach about sexual harassment and domestic violence.
- Socialization of environmental hygiene and health.
- Regular monthly meetings.

The company also shows the realization of the program, for example what was carried out on November 7 2022 regarding socialization regarding sexual harassment and domestic violence.

The results of interviews with female workers such as spraying workers, fertilizer workers, and daycare workers at the Estate and Mill, it is known that workers already know the organization of the gender committee and organizational functions. Workers also know the gender committee representatives if there are complaints or complaints related to women's problems or issues. The results of interviews with representatives of the gender committee and women workers found no complaints regarding issues of harassment and violence in the last 1 year.

6.1.6
The company shows the determination of the minimum wage for the 2022 period which is in accordance with the Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 in the amount of IDR 3,175,450 as well as determining the wage scale structure based on years of service and class of workers with details namely years of service from 1-30 years and classes from 1A-1F, 2A-2F and 3A-3F with the lowest class namely 1A and the highest group is 3F.

The results of verification of workers' wages, for example for Boiler workers class IB at POM-2 with the initials GDJ and I, it is known that the company has provided the same wages for the same scope of work, namely Rp. 3,254,840.

Status: Comply

6.2
Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1
The company has Company Regulations for the period 2022 – 2024 which have been ratified through Decree of the Head of the Office of Manpower and Transmigration of Kalimantan Timur Province No. KEP.560/1146/B.PHI & JAMSOSTEK/2022 concerning Ratification of Company Regulations dated April 18, 2022. The company regulations explain employment relations, leave and absence from work, wages, employee welfare & social security, transfers, sanctions, termination of employment, complaints and others.

The company displays a list of the number of employees for the December 2022 period, namely Puhus 1 Estate with 340 workers, Puhus 2 Estate with 349 workers, Puhus 3 Estate with 407 workers and Mill with 111 workers.

In addition, the company also shows the trial period agreement No. 012/DSN-PKS2/SPK-PKWTT/WHU/V/2022 dated 27 May 2022 for security Mill work. The agreement has explained several working conditions, rights and obligations of workers and others. For example, worker responsibilities, wages, leave, social security and others. The agreement has been signed by both parties. From the

results of interviews with workers, for example with harvest and fertilizer workers, it was conveyed that the company had provided workers with a copy of the agreement.

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

6.2.2-6.2.3

The company has company regulations for the 2022-2024 period which have been ratified through Decree of the Head of the Kalimantan Timur Province Manpower and Transmigration Service No. KEP.560/1146/B.PHI & JAMSOSTEK/2022 concerning Ratification of Company Regulations dated 18 April 2022. The company regulations also explain working conditions and workers' rights/obligations such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deductions, overtime, sick leave, vacation entitlements, maternity leave, and other provisions. This is all listed in the work agreement of each worker. Explanation regarding the contents of company regulations, among others:

- 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 a week (head office) and 7 hours per day or 6 working days a week (palm oil plantations and factories), where the total working hours is 40 hours in a week.
- Article 13 regarding wages which explains that the wage for the lowest worker may not be lower than the minimum wage set by the government every year.

The company also shows work agreement letters for employees, for example work agreement letter No. 163/DAN-PU3/SPK-PKWT/WHU/XII/2022 between company representatives and workers with the initials GR who will work as Puhus 3 Estate harvesters. The work agreement also stipulates wages, working hours, remuneration, discipline, deductions, overtime, sick leave and vacation rights and a copy of the work agreement has been given to each worker. Based on interviews with workers, for example harvest, maintenance and sorting workers, it was conveyed that workers had received a work agreement letter and could explain the contents of the work agreement letter.

The company shows the determination of the minimum wage for the 2022 period which is in accordance with the Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 in the amount of IDR 3,175,450 as well as determining the wage scale structure based on years of service and class of workers with details namely years of service from 1-30 years and classes from 1A-1F, 2A-2F and 3A-3F with the lowest class namely 1A and the highest group is 3F.

The company also shows overtime payments for the period November 16-December 15 2022 which are in accordance with laws and regulations, for example workers with the initials GDJ as boiler operators who specify the amount of overtime a month is 36.5 hours (no overtime hours exceeding 4 hours a day and 18 hours a week) with a compensation of IDR 1,324,638. In the pay slip document it is known that the nominal overtime pay for workers is in accordance with the overtime calculation. From the results of verification of workers' wages it was also found that, for example Boiler workers class IB at POM-2 with the initials GDJ and I, it is known that the company has provided the same wages for the same scope of work, namely Rp. 3,254,840.

The company also demonstrates the implementation of paid leave, for example as shown by the provision of 2 days annual leave for personnel with the initials ZA as emplacement officers at Puhus 3 Estate. The leave letter was submitted on 1 September 2022 and was approved by the Estate Assistant on 2 September 2022 with a 2 day leave application.

6.2.4

The company shows a list of worker facilities listed in the building data such as 62 houses G10, 70 houses G2, 28 houses type 70/72 and others. In addition, the company also demonstrated a program for repairing and building houses for the 2023 period. The results of a field visit to the Afdeling 3 Puhus 1 Estate housing complex found that there were 6 workers living in barracks who did not have toilets and had limited access to clean water, including the barracks located next door. with a residential domestic waste collection site. While the results of a field visit to Afdeling 4 found that the lower part of the G10 house (near the kitchen) was stagnant with water and gave off an unpleasant odor.

Regarding this, the company has followed up by conducting outreach to employees and contractor workers that single employees can use toilets facilities near the barracks. Apart from that, clean water can be accessed from the WTP provided at each emplacement. For the G10 house, where the lower part (near the kitchen) is inundated with water, excavations have been carried out and a gutter pipe has been provided to drain the stagnant water. The actual conditions on the ground at the moment the construction of permanent

housing is still in process and is planned for completion in semester 1 of 2023. So that by 2023 all housing within the scope of certification will be permanent.

Thus, the company has the opportunity to make improvements to worker facilities to ensure that the housing is in decent condition and there are sanitation and water facilities. (OFI)

6.2.5
In increasing workers' access to proper, sufficient and affordable food, the company provides a cooperative that sells workers' daily needs and a small cafeteria in the workers' area for lunch. Apart from that, there are also workers who open small business stalls selling daily needs in every housing complex.

Based on interviews and field visits to cooperatives, it is known that cooperatives are running well and workers have no difficulty in obtaining food sources.

6.2.6
The company shows the determination of the minimum wage for the 2022 period which is in accordance with the Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 in the amount of IDR 3,175,450 as well as determining the wage scale structure based on years of service and class of workers with details namely years of service from 1-30 years and classes from 1A-1F, 2A-2F and 3A-3F with the lowest class namely 1A and the highest group is 3F.

Regarding the DLW (living wage), the company has conducted an assessment of the wages paid in accordance with the Kutai Timur Regency minimum wage and has also conducted an assessment of the in-kind benefits provided, which include the cost of housing, water, electricity for homes, health facilities, schools for workers' children, for example for Puhus 1 Estate with the following details:

- Electricity : IDR 81,868
- Clinic : IDR 60,000
- Tuition Fee : IDR 200,000
- Transportation Fee : IDR 1,708,333

So that from these details, the total receipt of In-Kind Benefit each month is IDR 2,050,201, so the total prevailing wage per month is IDR 5,225,651 (district minimum wage + In-Kind Benefit).

6.2.7
The company shows a list of employees for the December 2022 period which informs employee status and verification results, no employees with Fixed Period Working Agreement status were found. The current status of employees are permanent workers and permanent workers with a probationary period of 3 months with details of 1,076 permanent workers and 131 probation 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.

6.3.1-6.3.3
The company has a policy on freedom of association with No. 0014/HCO/M/V/2016 which was passed on May 12, 2016 which explains that the group respects workers' rights to freedom of association and association with other individuals and collectively declares, encourages, pursues, and defends common interests. The policy is published in Indonesian which can be understood by all employees. The company has also conducted socialization regarding this policy which was carried out on September 14 2022 which was attended by 58 participants.

The company also shows the formation of a labor union listed in letter no. 560/985/HIJ concerning proof of union registration issued by the Office of Manpower and Transmigration on August 10, 2021 with the composition of the management namely chairman, deputy chairman, secretary, deputy secretary, treasurer, deputy treasurer, head of organizational development, head of division industrial relations, head of women's empowerment and head of external affairs. In addition, based on interviews with trade union representatives, it is known that there was no intervention regarding the selection of worker representatives or in the implementation of any activities.

The company also shows the registration of the Bipartite Cooperation institution listed in the Decree of the Manpower and Transmigration Service No. B-568.91/1426/DISNAKERTRANS-HIJ/IX/2022 which was issued on September 29, 2022.

Based on interviews with workers such as harvesters, maintenance workers, mill workers and others, it is known that the company has provided socialization regarding freedom of association and personnel can explain the mechanism if there are complaints from workers.

6.3.2
The company documented meetings between trade unions and management representatives in a Bipartite forum, for example, which was held on 22 July 2022, which was attended by 14 people consisting of trade union representatives and company representatives who discussed the human rights declaration and socialization regarding workers' health.

Based on interviews with representatives of trade unions and their members who work in each unit, it is known that trade unions hold meetings every month or whenever necessary. Meetings were accommodated in bipartite and internal meetings and there were no issues regarding employment. This is in line with the complaint record document, in which in 2022 no employee complaints were found.

Status: Comply

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

6.4.1, 6.4.2 and 6.4.4

The company shows policy No. 055/DIR/XII/2016 concerning the protection of child/underage labour, which was passed on December 1, 2021 which explains that companies prohibit the recruitment of workers under the age of 18 and prohibit workers from bringing their children to work (specially to help workers carry out his job). The company also periodically socializes this policy to all parties including workers and contractors, for example the socialization which was held on 3 November 2022 which was attended by 23 representatives of workers and contractors.

Based on the verification of the employee list document, it was found that there were no workers under the age of 18 and based on interviews with the unions it was conveyed that the company only accepts workers with a minimum age of 18 years.

6.4.3
Based on field visits to plantation operational activities, such as harvesting, spraying, fertilizing, and factory operations, it was found that there were no workers under the age of 18. Employees also know about the minimum age allowed to work in the company. In addition, there were no students who were doing internships at the company.

Status: Comply

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

6.5.1-6.5.2

The company shows internal memo No. 0011/HCO/M/III/2016 concerning pregnant and breastfeeding workers and SOP for prevention of sexual harassment and violence No. SOP-AGR-049-R01 which explains, among other things, the following:

- Companies will place pregnant and lactating workers in non-hazardous workplaces (away from chemical contact).
- The company will ensure that pregnant workers do not come into contact with chemicals by conducting a pregnancy test once a month.
- The company will provide a special place for breastfeeding.
- Every worker has the right to receive protection against sexual harassment in the workplace and if proven guilty of sexual harassment they will be subject to sanctions in accordance with applicable regulations.

The company periodically conducts outreach to workers and interested parties regarding the prevention of sexual harassment and violence, for example, what was carried out on August 3, 2022, which was attended by 27 people. Based on interviews with workers and the gender committee, it was conveyed that the personnel knew about the prevention of sexual harassment and violence and the function of the gender committee, if such incidents occurred.

6.5.3

The company has identified the needs of new mothers which will be held on June 14, 2022. As a follow-up to these activities, the company has made an activity plan, including the following:

- Classes for pregnant women discussing post-pregnancy preparation
- Discussion about the right time for young mothers to be given permission to breastfeed.
- Dissemination of memos on breastfeeding provisions to mothers.

The results of interviews with women workers and gender committee representatives, stated that the company has rotated female workers so they don't work in the application of chemicals.

6.5.4

The company shows procedure No. SOP-AGR-049-R01 which aims to accommodate complaints and complaints from employees, especially regarding sexual harassment and violence. The procedure also explains that if requested, the company guarantees the confidentiality of the reporter's identity and the disclosure of disgrace or incident (whistleblower). The company also provides whistleblowing via email, company website, and letter complaint reporting unit for any confidentiality complaints.

Based on the verification of complaint documents, there were no reports of sexual harassment and violence. Interviews with the gender and workers' committees also conveyed that there were no complaints regarding sexual harassment and violence and that personnel could submit a complaint mechanism. Complaints regarding sexual harassment can be submitted to the gender committee.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1-6.6.2

The results of verification of the labor list documents, work agreement documents, interviews with the collaboration of trade unions, workers, the Kutai Timur Regency Manpower Office and field observations, it is known that there are no freelance daily workers or contract workers, but only permanent workers and probation workers. From the results of interviews with workers, it is known that there is no forced labor in the company. All workers who work in accordance with an agreement or letter of agreement that has been mutually agreed upon.

The company also shows work agreement letters for employees, for example work agreement letter No. 163/DAN-PU3/SPK-PKWT/WHU/XII/2022 between company representatives and workers with the initials GR who will work as Puhus 3 Estate harvesters. The work agreement also stipulates wages, working hours, remuneration, discipline, deductions, overtime, sick leave and vacation rights and a copy of the work agreement has been given to each worker. Based on interviews with workers, for example harvest, maintenance and sorting workers, it was conveyed that workers had received a work agreement letter and could explain the contents of the work agreement letter.

Status: Comply

6.7

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

6.7.1

The unit of certification has a P2K3 report which has complete information about the person in charge of OHS and regular meetings every month that discusses OHS & Environment aspects in the operational area.

OHS Committee

- PT DSN (POM2)

Decree of the Head of the Office of Manpower and Transmigration of Kalimantan Timur Province number KEP.566/2668/P2K3/PPK/DTKT/2021 concerning Ratification of P2K3 PT DSN – POM-2, November 10, 2021, with a management composition including the chairman on behalf of SF (initial) and secretary on behalf of ALR (initial).

- PT DAN (Estate)

Decree of the Head of the Kalimantan Timur Provincial Manpower and Transmigration Office Number KEP.566/3175/P2K3/PPK/DTKT/2022 dated 27 September 2022 concerning ratification of the PT DAN P2K3 structure. From the letter it is known that the P2K3 secretary is the initial DBS

Records of Periodic Meetings

- OHS Committee Estate

In August 2022 there were 5 work accidents in the light category (no lost workdays). For OHSE inspections, there are still many dirty afdeling and hazardous waste found in housing and plans for constructing landfill monitoring wells to determine potential pollution in the area around its area

- OHS Committee POM

In August 2022 there were no work accidents. For OHSE inspections, several PPE conditions were found that were damaged and needed to be replaced immediately. POM-2 Housing needs to be reaffirmed related to domestic waste management

6.7.2

Emergency Management and Work Accident Management Procedures (SOP-AGR-037-R01) has been ratified by certification unit. In that procedure has explained the handling of accidents from reporting to coordination. Simulation was performed regularly to ensure the preparedness of emergency response equipment in the certification unit. The simulation was performed on hydrants located in the mill and water pump in Puhus Estate, the result of the simulation was concluded that the emergency tool that certification unit have is ready for use.

Based on the field observation to harvesting activities in block D62 division 10 Puhus-3 and manual upkeep of block C69 division 11 it is known that in each activity there is 1 foreman who also functions as a first aid officer. From the results of interviews and field visits it was also known that the first aid officer understood and was able to explain the use of each item contained in the first aid bag. Records of first aid training that have been carried out, for example, are from January to September 2021 for 3down employees regularly provided by company doctors. First aid officer have the ability and good understanding related to the handling of work accidents

Work accident records

Information regarding work accidents can be seen in the recordings at the clinic which will later be recapitulated by the P2K3 team and included in the P2K3 report. During 2022 there were no work accidents resulting in lost days at POM-2 while for estate there were 2 work accidents resulting in lost days for a total of 5 days.

6.7.3

Based on the document verification and interviews with POM-2 and Puhus Estate workers, for example at Boiler stations, WTP stations, Puhus-3 harvesting activities and Manual upkeep, it is known that the company has provided PPE free of charge with PPE standards that refer to HIRAC. The results of visits to rinse houses, for example in division 3 Puhus-1, also found that PPE (for the spraying team) had been provided in full, including masks, boots, rubber gloves, helmets with faceshields, and aprons. The company also has PPE stock as can be seen in the central estate and POM warehouses.

From the recap of the provision of PPE, it is known that in January 2022 POM-2 has just provided PPE with the type of safety shoes, while in the Estate the distribution of routine PPE is planned for the 4th week of January.

Sanitation Facilities

For applicators of agrochemical (fertilizers and pesticides), the company has provided rinse houses available at each estate. The spraying activity is carried out by a team that is from the estate where the rinsing house is available. For example, for Puhus-1, if the house is available in division 3. The results of a field visit to the rinse house show that the facility has been equipped with adequate facilities and infrastructure such as clean water, lockers for storing PPE and clean clothes, a place for washing work tools and a place for bathing/rinsing. . Until now, based on the results of interviews with the Puhus-1 spraying team, there have been no complaints about the sanitation facilities. Even though the bathroom is one (there are 4 showers but they are not separated in a special room) the workers said that the cleaning activities were carried out alternately.

6.7.4

Based on the results of interviews with workers, for example harvesting and sorting workers, it is known that workers have been included in the Social Security Agency of Health and employment. All workers are provided with health services and are protected by occupational accident insurance.

Social Security Agency of Employment for the December 2022 period has been paid on January 10 2023 and Social Security Agency of Health for the November 2022 period has been paid on November 9, 2023 with the following details:

- Puhus 1 Estate: payment for a total of 333 people with proposals next month for probation employees of 7 people.

- Puhus 2 Estate: payment for a total of 335 people by submitting next month for probation employees of 14 people.
- Puhus 3 Estate: payment for a total of 398 people by submitting next month for probation employees of 9 people.
- POM-2: payment for a total of 103 people with proposals next month for 8 probation employees.

Based on the work accident report in 2022 there were 2 work accidents with a total of 5 lost days that occurred at the estate. From this, workers have benefited from work accident insurance (Employment Social Security Agency) in the form of health services in hospitals because the consequences of accidents do not lead to disability.

- 6.7.5**
Unit of certification has record the work accident for 2022 using LTA method with result i.e
- POM-2 : During 2022 period there is no accident which resulting lost day. Then FR and SR value is zero
 - Estate : During the period of 2022 there is 2 work accident cause 5 working days total then the value of FR is 0.58 and SR is 1.45

During 2022 period also confirmed that there is no work accident who need further handling through health insurance/BPJS.

Status: Comply

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

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

7.1.1
The company has procedures for monitoring and controlling pests and diseases as stated in Work Instruction No. IK-AGR-OLP-14-R02 explains that pest control must be based on the concept of Integrated Pest Management (IPM). Pest control uses a holistic or comprehensive approach by combining ecological, biological, physical and chemical approaches. Chemical control as a last resort or when there is an uncontrolled pest population explosion. In applying the integrated pest concept, early detection is the most important basis. This SOP also explains that the critical threshold can be defined as the average population level of healthy larvae per frond, where control measures must be taken on populations above this average. Critical thresholds for controlling pests and diseases as follows:

- The critical threshold for leaf-eating caterpillars is 10 fronds/stems from the observed sample
- The critical threshold for rats is 5% of the observed sample
- The critical termite threshold is 4 trees/ha from the observed sample

A census of plant pests and diseases is carried out once a month, for example in the pest and disease census for the 2022 period it was found that caterpillars that eat oil palm leaves and rats were found but were still below the threshold. This is also influenced by the implementation of beneficial plants which aim to host predatory caterpillars that eat oil palm leaves and the implementation of owls as rat predators.

7.1.2
The company does not use the species mentioned in Permen LHK No. P.94/MENLHK/SEKJEN/KUM.1/12/2016 concerning Invasive Types, for example as shown in the Monitoring of Beneficial Plant Planting document with the types Antigonon and Turnera aimed at overcoming caterpillar attacks.

7.1.3
The company shows procedures related to technical control of pests and diseases contained in IK No. IK-AGR-OLP-14-R02 which was published on July 1 2015 which explains that the method of controlling pests and plant diseases uses ecological, biological, physical and chemical approaches and does not use fire in their control.

Based on field visits to block G59 division 10 Puhus 2 Estate, no pest control using fire was found and interviews with workers, it was also conveyed that control was carried out biologically and chemically.

Status: Comply

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

7.2.1
The company has procedures for monitoring and controlling pests and diseases as stated in Work Instruction No. IK-AGR-OLP-14-R02 explains that pest control must be based on the concept of Integrated Pest Management (IPM). Pest control uses a holistic or comprehensive approach by combining ecological, biological, physical and chemical approaches. Chemical control as a last resort or when there is an uncontrolled pest population explosion. In applying the integrated pest concept, early detection is the most important basis. This SOP also explains that the critical threshold can be defined as the average population level of healthy larvae per frond, where control measures must be taken on populations above this average. Critical thresholds for controlling pests and diseases as follows:

- The critical threshold for leaf-eating caterpillars is 10 fronds/stems from the observed sample
- The critical threshold for rats is 5% of the observed sample
- The critical termite threshold is 4 trees/ha from the observed sample

The company uses pesticides that are registered with the Pesticide Commission. Based on records of pesticide use for the period Jan–December 2022, the pesticides used by companies are, for example, as follows:

Trade Name	Active Ingredients Name	Active Ingredients	No. Permission	Validity period
Kleen Up	Glifosat	480 g/l	RI. 0103011989819	12 Desember 2026
Metafuron	Metil Metsufuron	20%	RI. 01030120011579	21 Desember 2026

A census of plant pests and diseases is carried out once a month, for example in the pest and disease census for the 2022 period it was found that caterpillars that eat oil palm leaves and rats were found but were still below the threshold. This is also influenced by the implementation of beneficial plants which aim to host predatory caterpillars that eat oil palm leaves and the implementation of owls as rat predators.

Based on field visits and interviews with workers, there was no use of the chemical paraquat and it was conveyed by workers that the company had not used paraquat pesticide for a long time. In addition, the personnel also explained pest and disease control, prioritizing biological/biological control and then carrying out physical or chemical control.

7.2.2
The pesticide application program is contained in an annual work plan which is then translated into a monthly work plan and a daily work plan. Documentation for recording the use of pesticides in monitoring the use and toxicity of pesticides for the January-December 2022 period, such as:

Puhus 1 Estate

Active Ingredients	Material Use (liter)	Application Area (Ha)	Total a.i/ha (gram/ha)	Pesticide Toxicity Units (gram)
Glyphosate	1,962	6180	0.0000000396	0.000000000014326
Methyl Metsulfuron	90,802	6180	0.0000000004	0.0000000000000003

Puhus 2 Estate

Active Ingredients	Material Use (liter)	Application Area (Ha)	Total a.i/ha (gram/ha)	Pesticide Toxicity Units (gram)
Glyphosate	1,962	6180	0,00000000425	0,0000000000026046
Methyl Metsulfuron	90,802	6180	0,00000000003	0,0000000000000003

7.2.3
The company shows records of the implementation of observation and control of the Integrated Control Organism, including:

- Based on the beneficial plant monitoring documents, it is known that the company has utilized beneficial plants as one of the implementations of integrated pest control including Antigonon and Turnera. From the results of the field visit, for example, in Block 54 Puhus 2 Estate, there is a beneficial plant of the Turnera type which is planted beside the road and is in good condition.

- Based on the monitoring documents for owl cages, it is known that the company has used Tyto alba as a method of biological pest control, for example in Block D35 Puhus 1 Estate with 1 cage of gupon with 1 brood and 3 chicks.

The company shows records of the use of pesticides as follows:

Puhus 1 Estate

Trade Name	2021		2022	
	Application Area (Ha)	Usage (ltrs)	Application Area (Ha)	Usage (ltrs)
Glyphosate	6,180	3,162	6,180	1,962
Methyl Metsulfuron	6,180	113,646	6,180	90,802

Puhus 2 Estate

Trade Name	2021		2022	
	Application Area (Ha)	Usage (ltrs)	Application Area (Ha)	Usage (ltrs)
Glyphosate	5,928	2,965	5,928	1,633
Methyl Metsulfuron	5,928	129,581	5,928	96,250

Based on the review of pesticide use documents, it was found that there was a reduction in the use of pesticides. Based on interviews with company management, the reduction was due to the effectiveness of biological/biological control.

7.2.4

Based on field observations and document verification, it can be show that the company does not use pesticides prophylactically to control plant pests and diseases.

7.2.5

The company does not use pesticides that are registered in the World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions, as well as paraquat. This is also stated in Memorandum No. 001/S&I/I/2020 on January 14 2020 which states the prohibition of the use of pesticides registered in the World Health Organization (WHO) Class 1A or 1B, the Stockholm, Rotterdam and paraquat Conventions in all areas of the DSN Group's oil palm plantations.

Based on field observations, for example in chemical warehouses at Puhus 1 Estate and Puhus 2 Estate, it is known that there are no pesticide stocks listed in World Health Organization (WHO) Class 1A or 1B, the Stockholm Convention, Rotterdam and paraquat.

7.2.6

The company already has procedures for handling chemicals listed in work instructions No. IK-AGR-OLP-17-R02 which explains the mechanism of storage, handling and mixing of chemicals as well as first aid for poisoning.

The company also periodically conducts chemical application training for employees, as shown on 16 May 2022 which was attended by 30 participants. Based on interviews with workers, it can also be concluded that workers understand the technicalities of chemical applications as well as the hazards and risks associated with chemicals. In addition, workers were found to have completely used the free PPE provided by the company, in accordance with the identification and understanding of the mechanism for replacing PPE if there is damage.

Also based on field visits to B3 rinse houses and warehouses, it was found that there were already product labels and MSDS in Indonesian for each chemical and the placement of chemicals had been arranged based on the trade name and type of chemical. Furthermore, the rinse house also has PPE and sanitation facilities for chemical applicators such as bathrooms, washing areas and clotheslines.

7.2.7

Based on the results of field observations in the hazardous materials warehouse as a storage place for pesticides, it is known that the storage of all chemicals is in accordance with recognized best practices, namely referring to PP No. 74 of 2001 concerning Management of Hazardous and Toxic Materials. This can be proven based on the results of field observations which show that the storage area has been equipped with hazard symbols and labels, MSDS, ventilation, channels to accommodate pesticide spills, eyewash and showers, fire extinguishers, OHS Boxes, emergency handling pathways, shelves for the preparation of appropriate packaging and more.

In addition, the location of the pesticide storage warehouse is also far enough from watercourses and employee settlements so as to avoid contamination of the environment and the health of workers. Based on the results of interviews with the manager of the chemical storage warehouse, it was shown that the respondent was able to explain regarding first aid in accidents, good pesticide preparation techniques, logbook inventory of types of pesticides used, use of personal protective equipment and so on. Based on this, the company has been able to manage pesticide storage properly.

7.2.8
 Companies can show the SOP document for Hazardous Waste Storage Number IK-AGR-SHE-09-R02 which was ratified on October 19, 2015. The SOP explains the mechanism for storing pesticides which is carried out according to the recommendations provided in the MSDS, the placement of chemicals that have dissimilar characteristics must be separated according to MSDS recommendations, preparation and release of chemicals is carried out First In First Out (FIFO), chemical containers must have a label, chemicals are only released based on requests approved by the authorities as well as records of storage and release of agrochemical materials (including pesticides) well documented. The company has also conducted outreach to employees regarding the prohibition on the use of hazardous waste packaging, including used pesticide packaging, on April 29, 2022.

Based on field observations at agrochemical warehouses and hazardous waste storage areas, it is known that pesticide waste storage areas are well managed, oil traps are available, air ducts are adequate and isolated. Containers of used pesticides are not reused and stored in well-monitored hazardous waste storage warehouses which are then handed over to licensed collectors. Based on interviews with pesticide application officers at Puhus Estate, it is known that all used pesticide packaging containers were returned and sent to the Hazardous Waste Warehouse and not used for any other purpose than pesticide application activities. All used packaging containers, work tools and work clothes are all washed and stored in a special storage area, so that no contaminated items are brought home.

7.2.9
 Based on the results of document review, interviews with management and field observations, it is known that the certification unit does not spray pesticides through the air.

7.2.10
 Based on the results of a document review and interviews with Puhus Estate spraying workers, it is known that medical checkup for pesticide workers including foremen is routinely carried out every 6 months. Health Examination for pesticide applicators includes CHE and spirometry as well as general examination. The workers said that so far, they have never had any health complaints and have received regular health checks

The results of the last health check carried out in December 2022 by the Permata Medika Utama Clinic showed normal results for all employees. The number of workers participating in the inspection is as follows:

- Puhus-1 Estate : 16 worker
- Puhus-2 Estate : 10 worker
- Puhus-3 Estate : 13 worker

The number and names of these employees are in accordance with the recap of the foreman book and the company list of spraying workers.

7.2.11
 Companies have age requirements for workers listed in company regulations for the 2022-2024 period which state that companies do not use underage workers according to the law or those under the age of 18.

Based on field observations and interviews with workers, It is understood that menstruation leave and maternity leave are provided by the plantation management according to recommendations from the company clinic. Pregnancy detection is carried out by the company clinic every month with a rapid kit test to detect pregnancy and/or informed directly by the employees themselves. Furthermore, the applicators also state that those who are detected positive will not be allowed to work with chemicals and will be diverted to manual maintenance work.

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 already has several procedures related to waste management and utilization which are listed in several documents, including:

- SOP for Waste Management Number SOP-AGR-035-R03 dated 1 December 2021
- SOP for solid and liquid waste management Number IK-AGR-K3L-01-R00 dated 01 August 2012
- SOP for Hazardous and Toxic waste Handling Number IK-AGR-SHE-09-R02 dated 19 October 2015
- SOP for handling exposure to pesticides Number IK-AGR-SHE-10-R00 dated 1 September 2014
- SOP for Handling Oil Spills at Mill and Despatch Number IK-AGR-PKS-03-R00 dated 2 July 2018
- SOP for Handling Leakage of Liquid Waste at Mill Number IK-AGR-PKS-02-R00 dated 2 July 2018

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

Hazardous and Toxic Waste

In managing hazardous and toxic waste, the company does not reuse it but only does temporary storage. The company also has a hazardous waste storage area that has a Permit for Temporary Storage of Hazardous and Toxic Waste in Estates and Factories with the following permits:

- POM-2 (PT DSN): Permit based on Decree of the Kutai Timur Regent Number 660/K.260/2017 concerning the extension of permits for temporary storage of hazardous and toxic waste materials in Muara Wahau District, Kutai Timur Regency on March 22, 2017 with a validity period of 5 years.
- Puhus Estate (PT DAN): permit based on the Decree of the Kutai Timur Regent Number 503/07/DPMPTSP-PPNP/TPS-LB3/IV/2021 concerning the extension of the permit for the temporary storage area of hazardous and toxic waste materials in Muara District Wahau, Kutai Timur Regency on April 26 2021 with a validity period of 5 years.

The waste stored in the temporary storage warehouse will then be transported by a licensed party once every 3 months. The last transportation was proven through the Electronic Manifest document and the minutes of transportation which were carried out on September 17, 2022 by PT Sumber Rezeki Abadi Jaya which is a licensed party. The company can show a cooperation agreement with the carrier, which is based on the Cooperation Agreement Letter Number 002/DAN/JKT/2022 made on January 3, 2022 and is valid until December 31, 2023. The company can also show the legality document of the carrier, such as a transport permit from the Ministry of Environment and Forestry, which is still applies, a special goods transportation operation permit from the Ministry of Transportation that is still valid, a valid Business Identification Number and a Cooperation Agreement between the carrier and the licensed processing and/or beneficiary.

Based on the results of field observations in several sample areas, it can be concluded that there is no use of hazardous waste or chemically contaminated packaging. In several residential areas there were used jerry cans used to collect water, however, based on document verification and interviews, it was shown that the packaging was used cooking oil. The results of field observations at the warehouse for storing hazardous waste also show that the preparation has been carried out based on the characteristics of each type of waste marked with labels and symbols as well as stacking shelves. hazardous waste in liquid form is placed in a special container and not placed in an allocation that can easily fall. Emergency response facilities have also been equipped, for example spill kits, fire extinguishers and alarms.

Non-hazardous and toxic waste

Non-hazardous waste such as domestic waste and used sacks of fertilizer and large packaging of used pesticides are managed in the form of reuse as explained in indicator 7.2.8. In addition, waste that cannot be reused will be collected, if it still has economic value, such as scrap metal and used tires, it will be sold to those who work with the company. Non-hazardous waste that cannot be reused will be disposed of in landfills. Transportation of non-hazardous waste from employee housing or the emplacement area is carried out once a week and immediately disposed of in the landfill, and when the landfill is full, stockpiling and installation of signboards marking the opening and closing dates will be carried out.

Liquid, Solid and Water Waste

The solid waste from the FFB processing process in the form of shells and fiber is reused by the company as a substitute for fossil

fuels (diesel) for electricity generation in boilers, while for EFB it is used to substitute fertilizers that are applied to plantation land. Part of the solid waste in the form of shells is also shipped or sold, while the empty fruit is used as fertilizer. Solid waste utilization data is explained in more detail in indicator 7.9.1.

The company utilizes POME by applying it to land applications and not discharging it into water bodies. Related to regulation and management of POME is explained in more detail in indicator 7.8.3. As for air waste, the company has not made the usual utilization of air waste, namely the Biogas Plan. So far, management related to air waste has only been limited to measuring the quality of air originating from waste-producing sources such as WWTP, Boilers and Gensets.

The company also manages domestic waste by sorting the types of waste before sending it to landfills. Organic waste is collected and managed as compost, while inorganic waste is collected in landfills. Meanwhile, valuable waste is collected for later sale. Based on the results of a field visit to the Afdeling 10 housing complex, it is known that domestic waste has been managed into compost and will be applied to the employees' plants.

7.3.2

Based on interviews with the Mill and Estate Hazardous Waste Warehouse Manager, it was found that they understood the handling of waste disposal, especially hazardous waste and domestic waste and the management of hazardous waste in accordance with the procedures owned by the company, the resource person explained regarding the management of domestic waste by transporting it once a week and sent to landfill which is then stockpiled (without burning). The results of interviews with workers living in the company area also stated that the waste management carried out by the company was very good and organized. Trash bins are properly provided, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins which will be replaced if damaged, hazardous waste warehouses and landfills. The resource person also really understands how to separate the types of waste they produce and what types of waste cannot be reused.

However, based on the results of field observations in the residential areas of Afdeling 3 and Afdeling 4, it is known that domestic waste is still being found in the housing area in the form of former sacks of fertilizer and plastic waste. Apart from that, there was also 1 location of burnt trash and hazardous waste that was not placed in the hazardous waste storage warehouse area. However, the results of field observations show that the company has provided facilities for managing domestic waste, by preparing temporary trash bins which will then be disposed of in landfills. The company has also shown evidence of improvement by cleaning up domestic waste and burnt residue, moving hazardous waste storage that are not in the hazardous waste storage warehouse and conducting outreach to workers who live in those locations.

Based on this, the company has the opportunity to increase the understanding of all employees regarding the management of domestic waste and hazardous waste and ensure that there is no open burning of waste. **(OFI)**.

7.3.3

The company does not carry out open burning for waste destruction, this can be proven from field observations in residential areas and landfills where no traces of burnt waste were found. The results of interviews with employees also stated that they had never burned garbage, because they knew the prohibition of burning and the sanctions they would receive if they did. Organic waste from housing and inorganic waste are disposed of in the bins provided, then transported once a week and disposed of in landfills and then buried when they are full. The results of field observations in employee housing areas also show many warnings to prohibit burning waste and the dangers that can arise from burning. The interview with management also explained that all workers understood the regulations regarding the prohibition of burning.

Status: Comply

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

7.4.1 and 7.4.4

The company has SOPs for managing soil fertility, which include:

- IK-AGR-OLP-09-R03 dated 3 November 2014 regarding fertilization

- IK-AGR-OLP-10-R02 October 2014 regarding implementation of POME in the field
- IK-AGR-OLP-11-R02 dated 3 November 2014 regarding EFB application
- IK-AGR-OLP-25-R01 dated 1 February 2014 regarding soil and leaf sampling

These procedures establish multiple strategies to maintain and increase long-term fertility, incorporating efficient and metered organic fertilization, taking into account the age of the oil palm and soil nutrients by taking leaf and soil samples.

The company also shows records of the fertilization realization program for the 2022 period, for example as follows:

Estate	Fertilizer type	Recommendation		Realization	
		Ton	Area (Ha)	Ton	Area (Ha)
Puhus 1 Estate	HIKAY	3,334	9,270	3,105	8,605
	Borate	43	3,090	48	3,450
	Dolomite	208	1,005	208	1,005
Puhus 2 Estate	HIKAY	515	1,485	138	393
	Borate	21,413	2,726	21,413	2,726
	Dolomite	174,816	831	174,816	831

Based on the report on fertilizer recommendations and realization for the 2022 period, it can be concluded that fertilizer realization in 2022 as a whole has not been realized due to high rainfall. In this regard, the company is committed to making further applications in 2023.

7.4.2

The company regularly conducts soil and leaf tests once every 6 years for soil analysis and once a year for leaf analysis. The company also shows the results of the latest soil and leaf analysis, including the following:

- Results of Soil analysis Number 125/RD-EXT/S/NOV/18 dated 14 September 2018 issued by the R&D Center of PT Nusa Pusaka Kencana for a total of 30 samples. The parameters analyzed included N, P, H2O, Moisture, C-organic, % C/N, H, Al and acidity.
- Leaf analysis results, for example in the results of analysis No. 056/RD/EXT/L/MEI/22 dated 19 April 2022 issued by the R&D Center of PT Nusa Pusaka Kencana for a total of 91 samples. The parameters analyzed include Moist, N, P, K, Mg, Ca, B, Cu and Zn.

7.4.3

A nutrient recycling strategy is available, which includes recycling empty fruit bunches, POME, and optimizing non-organic fertilizers. This is indicated in the following documents:

- Recapitulation of applications for Empty Fruit Bunches for the 2022 period of 63,373.59 tonnes.
- Recapitulation of land application implementation for the 2022 period of 276,262 m3.

Status: Comply

7.5

Practices minimize and control erosion and degradation of soils.

7.5.1

Maps are available which identify marginal and fragile soils, including steep slopes, which are shown as follows:

- The Company has a detailed soil survey document year of 2013 created by the Agro DSN Group RNI Department. Soil and land suitability classes are listed in the document and mapped on a scale of 1: 70,000. In the conclusion 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 to low fertility.
- The slope map informed that 98% area is categorized as flat to undulating (0 – 15% slope) and the rest is categorized as undulating to hilly (15 – 25% slope).

7.5.2 and 7.5.3

Based on the results of document review, management interviews and field observations, it is known that there will be no replanting and/or new planting activities for the 2022-2023 period.

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
Evidence of long-term land suitability for oil palm cultivation is available, which is shown as follows:

- The Company has a detailed soil survey document year of 2013 created by the Agro DSN Group RNI Department. Soil and land suitability classes are listed in the document and mapped on a scale of 1: 70,000. In the conclusion 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 to low fertility.
- The slope map informed that 98% area is categorized as flat to undulating (0 – 15% slope) and the rest is categorized as undulating to hilly (15 – 25% slope).

7.6.2
The company has planted oil palm on marginal and fragile lands such as areas with hilly topography and heath land. However, the company has managed these areas, for example by:

- Making rorak and felt, as well as planting Vetiver and Cover Crop plants such as in the Puhus 1 Afdeling 1 Block C15 area
- Application of EFB in all embedded areas such as the G64 and G65 block areas, Puhus 2

Based on this, the company has carried out extensive planting carried out in accordance with the best practice soil management plan.

7.6.3
The soil survey mentioned in 7.6.1, such as topography maps, is used by the company to arrange blocks, roads, drainage, bridges, etc. It has been verified through field observations, such as building fire monitoring tower in the highest area in Block E24 - Puhus 1 Estate.

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 – 7.7.8
There is no new planting activity on peatland. This is based on the Soil Map document on Detailed Soil Survey and the 2012 HCV Assessment document, it is known that there is no peat land in the operational area.

Status: Comply

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

7.8.1
Based on the 2009 AMDAL and UKL-UPL Addendum documents, 2012 HCV identification results, as well as maps of river flows and water sources, it can be seen that there are several water sources in the company's operational areas. Based on this document, it is known that the water source management plan is to test the quality of surface water in the upstream and downstream of the river every 6 months and drilled wells every 1 year. All tests are carried out by a KAN accredited laboratory (LP-524-IDN). In this regard, the company showed the results of surface water quality testing for the second half of 2022 to be conducted on September 7, 2022. The company conducted surface water tests with 36 indicators which were carried out at 4 sample points, namely the Upstream and Downstream of the Wahau River and the Puhus River, all of which entered within the scope of certification.

Based on the test results data for the Semester 2 period of 2022 there are no parameters that are not in accordance with the quality standards. The results of the analysis of test data for 2022 also show that several parameters have fluctuated but are still in accordance with the quality standard used, namely PPRI Number 22 of 2021 Class 3 concerning surface water quality standards. Based on this, there is no indication of water pollution from the company's operational activities. Class 3 is used as a reference because river water is no longer used for consumption and cultivation by the community.

The results of interviews with workers stated that there had never been any complaints regarding river water, they only used the water for transportation (Wahau River) and not for consumption or daily needs, while other rivers were not specifically used. The results of interviews with the community around the company and related agencies also did not reveal any negative issues related to the condition of the river water. In addition, the company has also made efforts to control potential pollution by protecting all watersheds by designating them as HCV areas and prohibiting the application of chemicals in all watershed areas.

The unit of certification also does not limit access to clean water, and all workers also have adequate access to clean water. Based on the results of field observations in the residential areas of Puhus 1, Puhus 2 and Puhus 3 Estate as well as interviews with fertilizer workers, spraying workers and harvesting workers, information was obtained that clean water facilities for housing were obtained from artificial reservoirs treated with WTP. Clean water testing was also carried out by the company to see the quality of clean water taken from reservoirs which was carried out by a KAN-accredited laboratory (LP-524-IDN) on September 7, 2022. The results of the clean water quality test also showed that all parameters tested were still in accordance with quality standards that applies, namely Regulation of the Minister of Health Number 32 of 2017.

The company also has a riverbank management plan which is explained in the SOP procedure for Riverbank Management Number IK-AGR-SHE-06-R01 which was ratified on 11 January 2018. Based on the results of document verification and field observations to several sampling locations, it shows that the company has carried out activities in efforts to improve water quality, including:

- Conduct outreach to all employees and the surrounding community to maintain water quality.
- Maintain the cleanliness of the environment around water sources so that pollutant sources can be minimized.
- Creating a program to gradually improve water quality in accordance with the provisions of the applicable laws and regulations.
- Report the results of the inspection in accordance with the provisions of the applicable laws and regulations.
- Testing the quality of river water and drilled wells listed in the RKL/RPL report
- Management of surface water erosion and runoff, management of water in the lowlands and monitoring of surface water quality as contained in the implementation of the RKL-RPL each semester.
- Waste water management using WWTP and Land Application.
- Monitoring the use of water for palm oil processing and evaluation of its use.

The results of field observations at several locations along the Kenden and Puhus rivers indicate that the company has a commitment to protecting the riverbanks as evidenced by leaving a 10-20-meter-wide border area not to apply chemicals and to allow natural vegetation to grow. In addition, for the Telen River Rim area, the company left a 100-200-meter-wide secondary forest area to remain as forest. The company is also in the process of preparing an SOP to regulate replanting activities so that they are not carried out in the river border area. Currently, the SOP is under review by TOP Management.

7.8.2

The company has procedures related to the identification, management and maintenance of water sources and quality listed in the SOP for Identification, Management and Maintenance of River Rim Water Resources Number SOP-AGR-070-R00 dated 4 January 2016 and SOP for River Rim Management Number IK-AGR-SHE-06-R01 11 January 2018. The SOP explains several matters related to the management of river riparian areas and other water sources, for example in the context of protecting water resources, determining the width of river borders following Presidential Decree no. 32 of 1990, protects the boundaries, conducts outreach to all parties involved in plantation operations to participate in water protection activities, making boundary markings, and monitoring water resources.

The company also has topographical data in the form of a map with a scale of 1:100,000 which includes the scope of certification sourced from the Data Area Statement and Datum Elipsoid WGS 84. Based on the map, it shows that there are flowing rivers and lakes/reservoirs within the company's area. The results of document reviews and interviews as well as verification of company areas through satellite imagery also show that there are water sources within the company area. In addition, the company showed PT DAN Semi-Detailed Land Survey Land Map with a scale of 1:100,000. Based on the map, the slopes in Puhus Estate are dominated between 0° - 20°.

The company also makes efforts to manage water sources, such as periodically monitoring river conditions from potential pollution and fires every month, testing surface water quality standards to ensure water quality is still within normal limits every semester, and marking the boundaries of chemical application areas in red and markers for chemical application limits. In addition, the company also conducts outreach to employees and the surrounding community regarding conservation efforts which can be proven based on

the minutes of outreach to workers on 25 March 2022 and to the community on 23 October 2022, while for the 2023 period it will be held in March 2023 based on document of the 2023 HCV Management Plan. The results of interviews with spraying and fertilizing workers also stated that they were aware of the rules regarding limits on chemical applications, prohibitions on washing items contaminated with chemicals in water bodies and other activities that have a negative impact on water sources. In addition, the company also gave red/blue marks as limits for chemical application and planted protected local plants, for example *Eusideroxylon Zwageri* as many as 40 pieces.

7.8.3

The unit of certification already has facilities for managing POME produced from palm oil processing with a capacity of 60 tons of FFB/hour using WWTP. POME which has been managed in WWTP is then used as a substitute for fertilizer in Land Application. Before being distributed to the field, all POME is put into the WWTP which consists of 8 ponds which are carried out with a single-feeding system where the waste is channeled directly to all anaerobic ponds simultaneously with a liquid waste circulation installation that is connected to each other between ponds. After that, the search waste from each pond is channeled into the sedimentation pond and then flowed to the Land Application by pumping. Before being used, the waste is treated until it reaches the quality standards for wastewater utilization in oil palm plantations, namely pH 5-9 and a maximum BOD of 5000 mg/l. Fulfillment of these quality standards is obtained from taking test samples in the mixing pond located in the pump house.

The company also has a Liquid Waste Utilization Permit for Land Application based on the Decree of the Head of the One-Stop Investment and One-Stop Services Office of Kutai Timur Regency Number 503/06/DPMPTSP-PPNP/L.A/III/2020 regarding the granting of permit extensions for waste water disposal (water utilization) waste from the palm oil industry on soil) in the oil palm plantation of PT Dharma Satya Nusantara – POM-2, Muara Wahau District, Kutai Timur Regency on March 10, 2020 with a validity period of 5 years.

Companies can show evidence regarding the results of POME quality measurements in the form of test results documents carried out by laboratories accredited by KAN (LP-524-IDN) with reference to KepmenLH regulation Number 28 of 2003. Based on the analysis results of the test results documents for the period January - December 2022 shows that all parameters comply with the applicable quality standards. This shows that the POME produced from FFB management activities is feasible to be applied to the land.

In addition, the company also has procedures related to liquid waste management based on SOP for solid and liquid waste management number IK-AGR-K3L-01-R00 which describes the management of liquid waste produced by the CPO production process. The company has also reported the results of liquid waste management as evidenced based on the 3rd Quarter 2022 Land Application Implementation Report document which was reported to the Environment Agency, Kutai Timur Regency and Kalimantan Timur Province on October 19, 2022.

7.8.4

Companies can show water usage documents for palm oil processing units along with supporting documents in the form of Surface Water Use Permit Documents, water usage recapitulation, as well as proof of payment of surface water use fees. Permit to use/utilize water owned by the company, namely based on the Decree of the Minister of Public Works and Public Housing Number 818/KPTS/M/2022 dated 29 July 2022 concerning the granting of permits to exploit water resources to the limited liability company PT Dharma Satya Nusantara on the Puhus River which is valid until 5 years with a water withdrawal quota of 45,036 m³/month.

The company can also show the results of recapitulating the use of water for FFB processing and other uses. Based on the results of a review of water use documents from January to December 2022, the company has set a budget for water use of 1.2 m³/ton FFB. Data on water use is 274,624 m³ for processing FFB of 282,646 tonnes of FFB or equivalent to 1 m³/ton FFB or 22,885 m³/month. Meanwhile, the total water use is 475,127 m³ or equivalent to 39,594 m³/month. Total water use is the result of a combination of water use for the FFB processing process, as well as other needs such as laboratories, offices, housing and others. Based on this, the company has documented water usage data in detail, and used water according to a predetermined budget.

The company can also show proof of payment of the water levy to the Regional Revenue Agency UPT Regional Revenue for the Kutai Timur Region for the period of water use from January to December 2022 with payments made quarterly. An example of proof of payment for the most recent water levy is based on the document Letter of Regional Tax Granting of Surface Water Tax for October - December 2022 which was paid on January 8 2023. Also attached to the document is proof of transfer, stamp from UPTPPD for Kutai Timur Region along with signature and recipient name.

The results of field observations in the Water Treatment Plan (WTP) and Water Intake areas also show that the flowmeter used is still functioning properly. The results of interviews with officers responsible for WTPs also show that operators are very knowledgeable about how WTPs work and record flowmeter data. Officers can also show data entering and exiting water which is recorded every day.

Status: Comply

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

7.9.1
The Unit of Certification has made efforts to increase the efficiency of using fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a document Converting Biofuels to Solar in POM-2 Period 2022. The biofuels in question are solid waste in the form of shells and fibers used to substitute fossil fuels (diesel) as a producer of electrical energy using a boiler. The recapitulation of solid waste utilization for the period January - December 2022 shows that of the 282,646 Tons of processed FFB, 14,530 Tons of biofuel in the form of shells and 35,310 Tons of fiber can be produced, all of which are used for the combustion process in boilers or equivalent to 17.63% of the total FFB processed.

Based on an analysis of data on diesel use for FFB processing in 2022, information on the estimated diesel needed to generate electricity in the factory area is obtained, namely 1,385,642 liters/year or 4.9 liters/ton FFB. However, due to the efficient use of diesel fuel substituted with biofuels, the use of diesel fuel can be reduced to only 210,735 liters/year or the equivalent of 0.75 liters/ton FFB. This shows that the use of Biofuels can reduce the use of diesel fuel by 85%.

The results of interviews with the company stated that this efficiency is very beneficial because it can reduce diesel consumption. Currently it is needed only to turn on the generator as an initial power generator. This energy efficiency is also applied to all of the company's operational activities by minimizing the use of fuel by contract workers, including all machinery and transportation operations. The total utilization of diesel for Semester 2 of 2022 is 394,460 liters where there is an increase in the use of diesel from Semester 1 of 2022 which is 329,645 liters. This is due to an increase in the use of diesel generators due to a reduced amount of FFB being processed. Currently, the company has not utilized methane gas to produce electricity-producing Biogas but has used Bio-CNG for fuel in generators.

Status: Comply

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

7.10.1
The Certification Unit has carried out a GHG inventory contained in the 2022 Greenhouse Gas Emission Mitigation Program document, based on document analysis it can be concluded that the company has identified the source of GHG produced by the POM-2 unit and its suppliers. Identification of significant sources of GHG emissions identified and mitigation plans have been developed by the company covering mills and plantations. Significant GHG emissions include changes in land use, processing of POME, use of fertilizers and pesticides, use of fossil fuels for operations and transportation. The mitigation plan includes, among other things, the correct dosage of fertilizer uses and application as recommended, reducing reuse and recycling actions, limiting the use of electricity, transportation and machine maintenance, as well as periodic air quality tests. The company has also reported the results of GHG calculations to the public which are submitted to the RSPO GHG website.

The reduction of fossil fuels in POM-2 has been carried out by using fibers and shells for fuel substitution. The company also uses POME to apply to land with test results from the monitoring period January – December 2022 which shows that all parameters of wastewater testing have met the applicable quality standards. Based on document review for example: pesticide use monitoring, diesel fuel monitoring, HCV identification and others it was found that accurate data has been entered into RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January – December 2022 is as follows:

General Information

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	3	211,698.93	8,996.99

Group Plantation	5	70,834.19	16,891.00
3rd Party	0	0.00	0.00
Total	8.00	282,533.12	25,887.99

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	0.30	tCOe2/tProduct	Oil palm planted on mineral soil	25,887.99	Ha
PK	0.30	tCOe2/tProduct	Oil palm planted area on peat	0.00	Ha
PKO	0	tCOe2/tProduct	Total oil palm planted area	25,887.99	Ha
PKE	0	tCOe2/tProduct	Conservation area (Forested)	128.00	Ha
OER	23.04	%	Conservation area (non-Forested)	950.00	Ha
KER	4.28	%	FFB Production per hectare	26.48	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO2e	tCO2e/t FFB	Emission Source	tCO2e
POME	55,381.28	0.20	PK from own mill	0.00
Fuel Consumption	1,405.49	0.00	PK from other sources	0.00
Grid Electricity Utilization	0.00	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00	Total Crusher Emissions	0.00
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
Total	56,786.77	0.20		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	36,690.18	7,057.81	0.00	43,747.99
CO2 Emissions from Fertilizer	10,496.19	2,692.80	0.00	13,189.00
N2O Emissions from Peat	0.00	0.00	0.00	0.00
N2O Emissions from Fertilizer	6,400.71	1,619.83	0.00	8,020.54
Fuel Consumption	1,449.81	5,15.05	0.00	1,964.86
Peat Oxidation	0.00	0.00	0.00	0.00
Sinks				
Crop Sequestration	-78,427.89	-21,839.87	0.00	-100,267.75
Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	-23,390.99	-9,954.37	0.00	-33,345.36

FFB Supplier

Supplier Name	FFB Production by Estate/Plantation (t)	FFB Supplied by Estate/Plantation (t)	Percentage of FFB supplied by Estate/Plantation (%)
Puhus 1	87,025.22	86,657.22	99.58
Puhus 2	69,108.90	68,975.02	99.81
Puhus 3	70,318.65	56,066.69	79.73
Jabdan 1	67,718.38	15,365.38	22.69
Long Jenew 1	140,911.21	52,058.21	36.94
Long Jenew 2	91,567.19	1,868.38	2.04
Melenyu 2	73,896.49	27.34	0.04
Melenyu 3	85,052.18	1,514.88	1.78

Palm Oli Mill Effluent Treatment

Description	Unit	Value
POME Produced	t/yr	190,003.52
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0
COD value before anaerobic digestion	mg/l	0
COD value after anaerobic digestion	mg/l	0
COD removed during digestion	tCOD/tPOME	0.00
POME Produce	t/yr	190,003.52
CH4 (Total)	t/yr	2,489.05
Applied N in POME	t/yr	85.50
Total N2O emission from POME	tCO2e/yr	0.57

*POME is only processed in WWTP

Based on the results of the data analysis above, it can be seen that the emission values from CPO and PK production are quite low, namely 0.30 tCO₂e/tProduct. Likewise, when compared with the emission values of the previous period, it shows that there was an increase in CPO and PK emissions from 0.26 tCO₂e/tProduct to 0.30 tCO₂e/tProduct. The results of interviews with management stated that the increase in emissions was due to the peak season in 2022 resulting in an increase in FFB processing.

7.10.2

The Unit of Certification did not carry out any new developments after 2014, but the company continued to manage GHG by conducting an inventory of emission sources and making procedures related to the management of greenhouse gases contained in the Mitigation of Greenhouse Gas Emissions Number SOP-AGR-051-R02 dated 27 September 2019. They can show identification documents of activities that generate emissions for the 2022 period for Mills and Plantations. This is done to estimate the carbon stock in the management area along with the potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is developed and implemented.

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

7.10.3

The unit of certification has identified pollution sources and their mitigation plans. The company has also carried out management and monitoring related to the results of the identification and mitigation plan as evidenced through the RKL-RPL Report of PT Dharma Agrotama Nusantara and the Monitoring Report on Immobile Emission Sources Semester 2, 2022 which was reported to the Environmental Office of Kutai Timur Regency and Kalimantan Province. East on January 11, 2023.

Based on the document verification, it shows that in the management of air pollution, the unit of certification has conducted air emission tests on boilers and generators as well as ambient air. The test was carried out by a KAN accredited laboratory (LP-534-IDN) on September 9, 2022. Based on the analysis of the value of the test results, it can be concluded that no value is above the applicable quality standard, namely PermenLH Number 07 of 2007 for Boilers, PermenLH Number 13 2009 for Generators and PPRI Number 22 of 2021 for ambient air.

In addition, the company has also managed disturbances from immovable sources. Tests were carried out by a KAN-accredited Laboratory (LP-534-IDN) on September 9, 2022. Tests carried out by the company included testing for smell, vibration and noise in work and residential areas. Based on the results of document verification, it shows that all test results comply with the quality standards set for each applicable law, namely KepmenLH Number 48 of 1996 for noise, KepmenLH number 49 of 1996 for vibration, and KepmenLH Number 50 of 1996 for odor.

However, for the results of noise measurements, based on Permenakertrans Number 5 of 2018 for several FFB processing areas in

the Mill and generator room area, it was above the required quality standard values. Under these conditions, to reduce the potential for harm to hearing, the company has developed several control action plans to reduce the impact on the health factors of operators working in the workplace. Efforts that have been made by the company include:

- Periodic tool/machine maintenance program to keep it up.
- Setting working time by means of job rotation so that the amount of noise exposure to workers can be controlled (no more than 8 hours/day for a noise level of 85 dBA).
- Preparation of HIRAC (Hazard Identification Risk Assessment and Control) documents for all activities at the Factory and disseminating them to all relevant employees
- Conduct socialization and SOP training on a regular basis to related operators.
- Installation of “Noise Zone” warning signs and mandatory use of PPE.
- Examination and evaluation of the health of workers and the work environment routinely at stations with a level of potential noise hazard.
- Examination of the use of PPE by safety officers related to discipline in the use of PPE.
- Providing PPE in the form of earplugs and earmuffs and conducting audiometric health checks for factory employees.

The results of interviews with boiler and generator staff stated that there had never been any hearing-related problems experienced by the interviewees or other factory workers, the company had also carried out routine related health checks. The resource person also explained that the obligation to use PPE in the form of earplugs and earmuffs in the work area is an obligation that cannot be violated, warnings regarding the use of PPE and checking the completeness of PPE are also implemented in the company.

Status: Comply

**7.11
Fire is not used for preparing land and is prevented in the managed area.**

7.11.1
The POM-2 certification unit gets the Zero Burning Policy as outlined in the No Deforestation, No Peatland Development, and No Exploitation (NDPE) Policy which states that land clearing must be carried out with zero burning and to Ensure no burning for new plantings, re-planting and other developments. The policy explains that land clearing is carried out by not burning but by doing it mechanically.

The company also has SOP for land clearing No. IK-AGR-OLP-01-R04 dated 1 October 2019 and SOP for prevention and handling of fires No. SOP-AGR-056-R00 dated 23 September 2013. These procedures describe the Guidelines for Fire Prevention and Management, for example actions fire prevention (forming a fire team, increasing team readiness and availability by conducting firefighting training with relevant agencies, checking equipment every month, identifying, inventorying fire-prone locations, counseling to carrying out land clearing by implementing Zero Burning), fire prevention, handling after the fire, reporting to agencies and internal, as well as determining the level of fire.

Based on the results of field observations it is known that the company is not in the replanting stage, but when referring to the area of the latest planting year 2012 in the Puhus 1 Estate area, block C15, it shows that all land clearing activities were carried out mechanically and there were no indications of burning. Based on interviews with management, it was stated that all land clearing activities were carried out mechanically. Based on interviews with the Environmental Agency, it was also stated that the company had shown a commitment not to burn and routinely carry out fire simulations involving various stakeholders and outreach to the community as evidenced by the minutes of socialization activities which were carried out on March 20, 2022.

7.11.2
The company already has procedures related to fire prevention and control. Based on the document review, it is known that the company's fire control technique refers to the laws and regulations in force in Indonesia, including Law Number 18 of 2004, Law Number 32 of 2009, Minister of Environment and Forestry Regulation Number 32 of 2016 and Minister of Agriculture Number 5 of 2018 The fire control and prevention program has been included in the Fire Fighting Facilities and Infrastructure Monitoring program for the second half of 2022, for example, monitoring APAR, monitoring firefighting equipment and fire simulation. The company has also managed, monitored, prevented and controlled land and forest fires, including the following:

- Formation of a firefighting team equipped with the necessary equipment.
- Conduct firefighting drills and increase the frequency of fire patrols by involving local communities.

- Training on Land Fire Fighting Simulation and APAR Simulation for the OHS team and POM-2 and Plus Estate employees throughout February 2022.
- Socialization of land fires, for example in surrounding villages on 30 August 2022.
- Providing firefighting equipment referring to the Regulation of the Minister of Agriculture Number 05 of 2018.
- Routinely inspect firefighting equipment.
- Monthly monitoring of APARs with the results of inspections at installation locations for powder, foam and CO2 APARs in plantations and factories in a ready-to-use condition.

Companies can also show a list of facilities and infrastructure owned by referring to standardization of equipment in Permentan 05 of 2018. The results of field observations at the Fire Fighting Warehouse at POM and Estate show that all facilities and infrastructure are in good condition and well maintained, firefighting simulation activities are also running properly and the tools used can function optimally. The company already has complete facilities and infrastructure as shown in the document List of Fire Fighting Equipment and Other Equipment with the latest update in January 2023. Based on field observations and at the location of the Fire Tower at Puhus 1 Estate it also shows that the company manages these facilities and infrastructure properly. The results of interviews with several employees also stated that the company had made efforts to prevent and control fires through the installation of signboards, socialization, and fire simulations by the firefighting team for each unit and as a whole involving relevant stakeholders and the surrounding community.

In addition, the company can also show several documents related to fire management that have been carried out, including:

- Map of fire-prone areas including location points for fire towers, ponds and storage facilities and infrastructure.
- Prepare a document for the 3rd Quarter 2022 Emergency Response Report which was sent to the Plantations Service and the Environment Service on 19 October 2022.
- Documents on patrol records of fire-prone areas for the period January – December 2022 with no fire results. The results of the document inspection revealed that there had been no fire incidents in the company's operational area since the last year.
- The company also reports fire-related management in the RKL-RPL document every semester.
- As an effort to prevent fires, the company can also show minutes regarding the installation of fire warnings, the prohibition on burning garbage and so on.

The results of interviews with the Kutai Timur Regency Plantation Office also stated that the fire extinguisher equipment owned by the company was sufficient for controlling fires. The company has a fire control system that is described in the Emergency Response Alert Report document.

7.11.3

POM-2 already has an Emergency Response Preparedness Team Structure consisting of a coach, daily chairman, secretary, general helper, assisted by fire, security, removal, evacuation and health teams of 27 administrators for each Estate and Mill. In addition, in involving the surrounding community to respond in the event of a fire, the company also conducts outreach to all villages surrounding the company and involves several stakeholders and the surrounding community in fire prevention simulation and training activities and includes several cooperative and community members in the emergency response team who are members of the Partnership OHS Team.

Based on document review, interviews with management units and workers accompanied by fire extinguisher simulations, it can be seen that the company has human resources capable of preventing and dealing with fires. This is also supported by adequate equipment and routine activities in carrying out emergency response team simulations. Members of the Emergency Response Team are employees selected by the company and trained to participate in a simulation that is expected to be able to handle emergency conditions, and master the roles and actions of security. The company has carried out a fire and emergency simulation on August 25, 2022. For the period 2022 – 2023, the company can show a fire management budget, of which a portion is allocated for fire patrols, and will cooperate with surrounding oil palm plantation companies so that they can be synergistic and responsive in fire fighting activities.

In managing fires, the company monitors hotspots from the company area using fire towers and drones so that it can cover the surrounding villages. The company also routinely provides assistance and outreach in the prohibition of land burning activities to minimize the risk of bigger fires which are carried out concurrently with the management of SIA and HCV.

Status: Comply

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

7.12.1

The management unit did not open new land after 15 November 2018. Land clearing was carried out in 2005-2012. To ensure that land clearing from November 2005 to 2012 did not damage primary forest, the management unit has submitted a Disclosure of Liability and Land Cover Change Analysis (LUCA). The results of the LUCA study have been declared fulfilled by the RSPO with a total compensation obligation of PT DSN Group based on the RSPO compensation mechanism covering an area of 156.24 Ha with details namely PT. Dharma Agrotama Nusantara (48.38 ha), PT. Dewata Sawit Nusantara (28.26 ha), and PT. Dharma Intisawit Lestari (79.6 ha). This indicates that the company has cleared primary forest after November 2005 and has an obligation to implement the RaCP which will be explained in more detail in indicator 7.12.8.

7.12.2

Based on verification of land clearing data there is no indication of new land clearing after 15 November 2018, therefore the company has no obligation to conduct a High Carbon Stock (HCS) study. The company already has an Identification Report and Analysis of the Existence of High Conservation Value (HCV) in the Permit Area of PT. Dharma Agrotama Nusantara, Kutai Timur Regency, Kalimantan Timur Province, which collaborated with Daemeter in 2011 with the final document in January 2012. The document contains a map of the High Conservation Value Areas of PT. Dharma Agrotama Nusantara with a scale of 1:100,000. This activity was carried out for the scope of PT DSN Group where there were 4 PTs in it, namely PT DAN, PT DIN, PT SWA and PT DWT which in the document covered the entire estate of PT DAN. Based on this study, it is known that in the PT DAN study area of 9,811 Ha, 2 types of HCV management have been identified, namely HCVA (Conservation Areas designated or planned within the PT DAN area) of 128 Ha, and HCVMA area (HCVMA-1 area in the form of Boundary). Telen River, HCVMA-4 area in the form of the Kenden River border and a tributary of the Puhus River, and HCVMA-6 area in the form of Egung Long Puhus customary land)

However, for the HCVMA area not included in the area identified as HCV that must be managed in the 2012 HCV document, the HCV area listed in the document is only 128 Ha. Even so, the company continues to manage the HCVMA area in the form of a riverbank with the principles of forest conservation and protection. The verification results of the 2021 HCV management report documents also show that the HCV area owned by the company is 128 Ha and the HCVMA-1 area is 368 Ha. Meanwhile, the HCVMA-4 area of the riverbank is counted as an area planted with oil palm. From the results of field observations, information was obtained that there are several forested areas that have the potential to become HCV areas but have not been identified in the 2012 HCV identification results and the 2021 HCV management documents, although implementation shows that these areas have been managed like the HCVMA-1 protected area.

7.12.3

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

7.12.4

Based on the results of the HCV identification it is known that there are HCV areas within the scope of the certification unit covering an area of 128 Ha which are HCV 1 and 4 and several types of RTE species consisting of mammals, aves and herpetofauna which are identified as HCV 1. The company has prepared and determined an HCV management plan in the 2023 PT DAN Conservation Management Work Program and Realization document with management scope and targets every week. The integrated management plan is developed in consultation with relevant stakeholders and covers areas that are directly managed and takes into account the relevant wider landscape level which is done concurrently with the preparation of the SIA management plan. The company manages the HCV area by providing boundary markers, signboards and markers marking the boundaries of the HCV area. The company renews the management plan which is prepared annually with the aim of updating management and monitoring needs. The annual program for the 2023 period includes:

- Monitoring of flora and fauna and regular patrols to prevent encroachment, hunting and forest fires
- Monitoring attributes, benchmarks and signboards as well as renewal of damaged facilities 18-12-22
- Provision of plant seeds for rehabilitation of conservation and riparian blocks
- Information dissemination of biodiversity to the public and employees, both through direct and indirect activities, on February 24, 2022

- Biodiversity monitoring training
- Training on conflict management with animals
- Training for capacity building for conservation monitoring and management using the Smart Patrol and Camera Trap methods
- Arrest and release if there is conflict with animals

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

- Socialization of HCV areas to POM and Estate employees in February 2022.
- Socialization of the HCV area to the surrounding village community on 30 August 2022 which was attended by 52 representatives.
- HCV Patrol Report for Semester 2 of 2022, as an example of a patrol conducted on 14 September 2022 at the Puhus River Rim and the HCV Block XIII Area to ensure the Signboard and the condition of the HCV area.
- Monitoring of HCV attributes and HCV boundary markers which is carried out once every 3 months. Update in December 2022.

The company also has an HCV and topographic area map with a scale of 1:100,000, the map is also equipped with information about: map title, cardinal directions, map legend, map renewal date, and map source. The company also conducts reviews related to management and monitoring activities in 2022 as evidenced in the 2022 HCV Management Review Report which contains management and monitoring evaluations and recommendations as an effort to improve HCV management activities in 2023.

However, based on the results of field observations to several locations and document verification, the following information was obtained:

- Results of the study of the 2012 HCV Assessment documents, obtained information that there are 2 types of conservation areas namely HCVA (Conservation Areas designated or planned within the PT DAN area) covering an area of 128 Ha, and HCVMA areas (HCVMA-1 area in the form of the Telen river bank, area HCVMA-4 is the border of the Kenden river and the tributaries of the Telen River, as well as the HCVMA-6 area Egun Long Puhus)
- The results of field verification in the HCVMA-1 area obtained information that the location is in the form of a riverbank with secondary forest conditions that are managed as a protected area.
- The results of field verification in the HCVMA-4 area obtained information that the location is a riparian area with PT DAN's oil palm already planted, management is carried out by marking the boundaries of the chemical application area and allowing wild vegetation to grow.
- The results of field verification in the HCVMA-6 area obtained information that the location was a plasma oil palm planted area with a planting year of 2012 – 2015, even though the area had been identified as an HCV area and included in PT DAN's conservation area scope based on the 2012 HCV Assessment results document.
- The results of verification of the 2007 HGU documents show that the HCVMA-6 area is not included in the operational scope and certification scope of PT DAN, the area is currently owned by plasma under full management by PT Swakarsa Sinarsentosa.
- Results of verification of the 2021 HCV management report document also show that the HCV area owned by the company is 128 Ha and the HCVMA-1 area is 368 Ha. Meanwhile, the HCVMA-4 area of the riverbank is counted as an area planted with oil palm.
- From the results of field observations, information was obtained that there are several forested areas that have the potential to become HCV areas but have not been identified in the 2012 HCV identification results and the 2021 HCV management documents, although implementation shows that these areas have been managed like the HCVMA-1 protected area area .
- The company has also conducted a Management Review and prepared a Management Plan which is carried out annually, but the results of the new review cover management for the HCVA and HCVMA-1 areas.

Based on the above information, it can be concluded that there are several areas that have been identified as HCVMA and have potential as HCV areas, but further identification has not been carried out to ensure the conservation value of these areas, for example by carrying out in-depth identification of areas with High Conservation Value as well as re-delineation to ensure the existence of the area as recommended in the 2012 HCV Assessment results document. Therefore, the company has the opportunity to carry out a more in-depth identification for updating data, especially in areas that have the potential for High Conservation Value as requested in the Results recommendation HCV Assessment 2012. **(OFI)**

7.12.5

The company has identified the needs of the community and the areas needed by affected communities to meet their basic needs, taking into account the potential for positive and negative changes in their livelihoods as a result of the company's operational

activities. This can be proven by the existence of an HCV 6 area in the form of the ancient Long Puhus site covering an area of 2 hectares. The company has identified and carried out activities to minimize risks and impacts both for the community and for the environment, for example by providing regular outreach to the public not to apply chemicals to the canal area to avoid pollution, not to clear land by burning, and so on. Other evidence is that for an area of 296 Ha which is an HCVMA-6 area in the form of customary land from Benhes Village which at present is already a plasma oil palm planted area for Benhes Village, even though the area has been identified as an HCV area and is included in the scope of the PT DAN conservation area. based on the 2012 HCV Assessment results document. However, if referring to the 2007 HGU document verification results showing that the HCVMA-6 area is not included in the operational scope and scope of PT DAN's certification, the area is currently owned by plasma under full management by PT Swakarsa Sinarsentosa. This shows that the unit of certification has also considered various land management and tenure options to protect HCV areas in a way that also protects the rights and livelihoods of local communities.

The results of field observations in the HCV 6 area are the ancient Long Puhus site where cultural rights and important places for the surrounding community have been identified in the company area. The environmental condition of the company, both within the scope and in the community area, is almost entirely an area planted with plantation plants. At present, the company also has an agreement with the community members who are members of the Fire Alert Community, for example for monitoring and patrol activities, the company has also made an agreement with the community who are active in the company area not to carry out hunting and trading of wild animals.

Regarding local culture, the company has tried to apply conservation principles by minimizing the hunting culture of the Dayak people, especially those in Kalimantan Timur. Hunting activities are the daily activities of the local community but can be mitigated by outreach and a social approach. Based on the results of interviews with the company, it was stated that currently the company is making efforts to protect animals by involving community leaders in HCV area management activities.

7.12.6

The Unit of Certification already has a policy contained in the procedures related to the Conservation of protected animals and plants Number SOP-AGR-052-R03 with the latest revision on 1 August 2017. The protective measures regulated by the company are not allowed to capture, maintain or kill protected animals by state regulations and it is not allowed to trade wild animals, whether protected or not. If it is proven that there is involvement in the trade in the wild animal in question, severe sanctions will be imposed, including dismissal or cancellation of the contract. The results of interviews with management stated that all superiors in every part of the company must pro-actively socialize this issue, set an example, and give a warning if any of their subordinates encounters a violation of this policy. If there is resistance, immediately report it to the Assistant, Senior Assistant and Manager to take further action.

Information related to the implementation of disciplinary sanctions for employees in accordance with national legal provisions is also listed on the HCV signboard which explains that "anyone who violates will be reported to the authorities with the threat of criminal penalties and fines". These sanctions are imposed by the company by giving the first warning letter to employees who violate work rules. Based on the results of interviews with company employees regarding animal protection, the company has committed to protecting animals that are within the scope of the company's management area, such as implementing a ban on hunting, killing and keeping wild animals in the company's environment. Procedures for animal protection also stipulate sanctions or fines for those who violate these provisions.

In addition, the company has also conducted outreach about the existence of endangered plants and animals to employees and the surrounding community which is indicated in the socialization agenda documents as evidenced by the minutes accompanied by photos and a list of attendees. HCV socialization for employees and the community is carried out as described in indicator 7.12.4. Indirect outreach was also carried out by placing information boards and brochures warning signs regarding conservation areas and the existence of protected rare plants and animals in places that are easily visible, such as area entrances, area roads that are often passed by the community, and places other strategic areas such as offices and other public facilities. The results of field observations via video in several conservation areas show that the company has carried out protected area management such as replanting local plant species, not logging, not using chemicals, and installing HCV signboards and prohibiting hunting and burning to avoid and prevent poaching and/or encroachment on HCV areas. Routine monitoring of HCV areas is carried out by several personnel appointed by the company.

7.12.7

Monitoring of HCV areas in Semester 2 of 2022 is carried out regularly every month to ensure the safety of the area. Monitoring activities are carried out in several river bank locations and all areas managed by the company. This monitoring is carried out to see

the progress of HCV management results from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every year by the HCV team by showing the results of HCV monitoring to be carried out in 2022. The results of fauna observations in the plantation area still found several types of protected animals that are included in protected status according to IUCN, CITES and PermenLHK Number 106 of 2018 include Macaque Monkeys (*Macaca nemestrina*), Kalawat Gibbons (*Hylobates muelleri*), Rat Eagles (*Elanus caeruleus*) and Black Hornbills (*Anthracoceros malayanus*). The results of interviews with employees also stated that there are still common types of Tigers Root (*Prionailurus bengalensis*) and Monitor Lizard (*Varanus salvator*) around the plantation area. The results of field observations during the audit also found several protected species such as Macaque Monkeys (*Macaca nemestrina*) and Black Hornbill (*Anthracoceros malayanus*).

The company also conducts annual monitoring and evaluation for the management of HCV areas where this activity aims to identify risks and impacts on conservation areas and improve protection efforts. The company also carries out follow-up actions to improve the HCV area management plan that is prepared every year by involving all relevant stakeholders in the company's operational areas such as the surrounding community, especially the surrounding community and law enforcement. The company also conducts reviews related to management and monitoring activities in 2022 as evidenced in the 2022 HCV Management Review Report which contains management and monitoring evaluations and recommendations as an effort to improve HCV management activities in 2023.

All evaluation results will be reviewed and will be adjusted to the HCV management program in the 2023 period. The evaluation results also show an increase in species encounters. In addition, HCV management and monitoring has been carried out in a participatory manner, namely by involving the community around the plantation, one of which is by having an agreement with the community to jointly protect the HCV area. Referring to the 2022 HCV Management Program, 2022 HCV Management Report, 2022 HCV Management Review and actual conditions in the field, it can be concluded that the company has managed properly as stated in the document. The condition of the vegetation in the HCV area is lush and without any indication of chemical application.

7.12.8

Related to PT DSN's total compensation obligation regarding the RaCP mechanism of 156.24 ha. This obligation covers three companies where PT. Dharma Agrotama Nusantara has a compensation obligation of 48.38 ha. The fulfillment of RaCP management is carried out within the scope of PT DSN which can be proven based on the Annual Report of RaCP Implementation 3 DSNG Subsidiaries where the RaCP program implemented on Laman Satong Village, Former Hilir Utara District, Ketapang Regency, Kalimantan Timur Province, Indonesia. The Annual Report is a report on remediation implementation activities for the period February 2021 – January 2022. The goal for the compensation actions is to develop social forestry as an effective and sustainable scheme in conservation and livelihood improvement. Two objectives are being delivered in achieving the goal:

- The protection of high conservation value forest through sustainable community-based forest management in Manjau Village Forest (Hutan Desa)
- The improvement of community livelihoods through the improvement of sustainable agriculture, NTFP (Non-Timber Forest Product), and payment for ecosystem services in Manjau Village Forest.

There are five conservation outcomes to be delivered in that project, among others:

- The high conservation value forest (HCVF) is protected
- Community-based Forest management is strengthened
- Sustainable agriculture practices are improved
- NTFP (Non-Timber Forest Product) values are improved and sustainably-utilized
- Payment for Ecosystem Services (PES) is generated.

The circumstances that significantly affected the implementation of the project were the delayed implementation of the project and the Covid-19 Pandemic. Those conditions caused some activities to be slowed down and even postponed due to limited resources, mobility, and health. It made the quantity of some regular information dissemination, outreach, and patrol activities reduced. This affects the local community perception in "Village Forest". In Indonesia, particularly in local villages, it is very important to be present, meaning to be actively implementing activities, especially in village forests. This is to demonstrate that the village forest is being actively managed. The project implementation plan, however, has been updated in 2022. Yet, due to the circumstances that occurred, we need to do some corrective actions. We will need to update some of the activities in the following annual report for RSPO. But so far, we have adjusted our activities according to the situation that happened in 2021 to minimize the risk. The RaCP program from DSN has had a significant impact or change on the aspects of the Village Forest ecosystem, the socio-economic community, and culture.

	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-1.4	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-1.4	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-1.4	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-1.4	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 29 September 2022 signed by Head of Sustainability and has been approved by RSPO.

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: <ul style="list-style-type: none"> • PT Dharma Persada Sejahtera located in Sintang District, Kalimantan Barat Province has HCV assessment on March 2012 by PT Sonokeling Akreditasi Nusantara • 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 Regency, Kalimantan Timur Province has HCV assessment on July 2013 by PT Daemeter Consulting • PT Agro Andalan located in Sekadau District, Kalimantan Timur Province has HCV assessment on July 2017 by Remark Asia • PT Bima Palma Nugraha located in Kutai Timur Regency, Kalimantan Timur Province has HCV – HCS assessment on February 2021 by PT Gagag Dinamiga Aksenta

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> • PT Bima Agri Sawit located in Kutai Timur Regency, Kalimantan Timur 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 Carbon Stock Assessment report on October 2015 by PT Gagas Dinamiga Aksenta <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 Regency, 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 Regency, 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 Regency, 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.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> • 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. • 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. Concept note on process.
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 Regency, Kalimantan Timur Province, Indonesia. The NPP verification of PT BAS was conducted by PT TUV Rheinland auditors through document verification and an on-site visit. A preliminary

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>document review was conducted on 14 October 2020 remotely followed by field verification on 4 December 2020. NPP PT BAS has been approved by RSPO (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 RSPO (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 RSPO (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 Langsat, Desa Tebangan Lembak, Desa Tepian Indah and Desa Tepian Raya, Benganlon subdistrict, Kutai Timur Regency, Kalimantan Timur province, Indonesia. The NPP verification of PT BPN was conducted through document 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 RSPO (https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-palma-nugraha-pt-bpn).
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> • 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 RSPO website (https://askrspo.force.com/Complaint/s/casetracker) there is no complaint for PT Dharma Satya Nusantara Tbk (DSN Group).</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	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.
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p>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>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		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 (Kalimantan Timur Province), PT Putra Utama Lestari (Kalimantan Timur Province), PT Dharma Persada Sejahtera (Kalimantan Timur Province), PT Prima Sawit Andalan (Kalimantan Timur Province) and PT Mitra Nusa Sarana (Kalimantan Timur Province) where the current status is on process at Land Agency (BPN).

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

3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.2 and ASA-1.3 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 was no non-conformity when assessing Remote Audit ASA-1.2 and Full Remote Audit ASA-1.3 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):					
Follow up on next audit (filled by auditor):					
Verified by	:				

3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.4 Assessment

NCR No.	: 2023.01	Issued by	: Kiki Fadli
Date Issued	: 20 January 2023	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.2.2 All contracts, including contracts with FFB suppliers, have separate clauses regarding fulfillment of relevant legal obligations, and can be verified by the third party concerned.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"> The company shows a list of Estate and Mill contractors for the period January 2023, for example for the construction of houses at Puhus 1 Estate and the provision of heavy equipment at the Mill, namely with the contractor PT Gemilang Utama Nusantara and for wholesale FFB transportation at Puhus 2 Estate, namely with the contractor Bisam Usat, but the company has not been able to show that the cooperation contract with PT Gemilang Utama Nusantara has its own clause regarding fulfillment of relevant legal obligations and has not been able to show a regulatory compliance evaluation system to contractors and evidence of regulatory compliance for PT Gemilang Utama Nusantara and Bisam Usat. Based on a field visit to the Division 3 Puhus 1 Estate housing, it was found that 2 person PT Gemilang Utama Nusantara workers were carrying out civil works but the company had not been able to provide information on the existence of a work agreement letter, Social Security Agency and proof of wages to these workers. Based on government regulations 35 of 2021 in article 18 which states that "Work Relations between Outsourced Companies and Workers/Laborers who are employed, are based on Fixed Period Working Agreement or permanet worker". Based on minister of labor regulations No 5 of 2021 article 3 paragraph 1 states that every employer is required to register workers as participants in Social Security Agency of labor. 			
Non-Conformance Description (filled by auditor):			
The company has not been able to show that the cooperation contract (PT GUN) has its own clause regarding the fulfillment of relevant legal obligations as well as evidence of its fulfillment such as Social Security Agency membership information, fulfillment of PPE, fulfillment of the minimum wage and employment ties for each worker.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Follow up on next audit (filled by auditor):			
Verified by	:		

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	6.2.4	<p>The unit of certification provides adequate housing, sanitation facilities, water supply, medical needs, education and public facilities according to national standards or higher standards, if public facilities are not available or cannot be accessed. In the case of acquisition of non-certified units, a plan is developed detailing infrastructure improvements. Given reasonable time (5 years) to improve infrastructure.</p> <p>The company shows a list of worker facilities listed in the building data such as 62 houses G10, 70 houses G2, 28 houses type 70/72 and others. In addition, the company also demonstrated a program for repairing and building houses for the 2023 period. The results of a field visit to the division 3 Puhus 1 Estate housing complex found that there were 6 workers living in barracks who did not have toilets and had limited access to clean water, including the barracks located next door. with a residential domestic waste collection site. While the results of a field visit to division 4 found that the lower part of the G10 house (near the kitchen) was stagnant with water and gave off an unpleasant odor.</p> <p>Regarding this, the company has followed up by conducting outreach to employees and contractor workers that single employees can use toilet facilities near the barracks. Apart from that, clean water can be accessed from the WTP provided at each emplacement. For the G10 house, where the lower part (near the kitchen) is inundated with water, excavations have been carried out and a gutter pipe has been provided to drain the stagnant water. The actual conditions on the ground at the moment the construction of permanent housing is still in process and is planned for completion in semester 1 of 2023. So that by 2023 all housing within the scope of certification will be permanent.</p> <p>Thus, the company has the opportunity to make improvements to worker facilities to ensure that the housing is in decent condition and there are sanitation and water facilities.</p>
2	7.3.2	<p>There is evidence of waste disposal according to procedures fully understood by workers and managers.</p> <p>Based on the results of field observations in the residential areas of Afdeling 3 and Afdeling 4, it is known that domestic waste is still found in residential areas in the form of former fertilizer sacks and plastic waste. Apart from that, there was also 1 location of burnt trash and hazardous and toxic waste that was not placed in the hazardous and toxic waste storage warehouse area. However, the results of field observations show that the company has provided facilities for managing domestic waste, by preparing temporary trash bins which will then be disposed of in landfills. The company has also shown evidence of improvement by cleaning up domestic waste and burnt residue, moving hazardous and toxic waste that are not in the hazardous and toxic waste warehouse and conducting outreach to workers who live in those locations.</p> <p>Based on this, the company has the opportunity to increase the understanding of all employees regarding the management of domestic waste and hazardous and toxic waste and ensure that there is no open burning of waste.</p>
3	7.12.4	<p>HCV and HCS forest after 15 November 2018, identified, protected and/or enhanced peatlands and other conservation areas. Integrated management plans to protect and/or enhance HCVs and HCS forests, peatlands and other conservation areas are developed, implemented and adapted where necessary, and complemented by monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and covers areas that are directly managed and takes into account the relevant wider landscape level (if such landscapes have been identified).</p>

No	Ref. Std.	Description
		<p>The results of field observations to several locations and document verification, obtained the following information:</p> <ul style="list-style-type: none"> • Results of the study of the 2012 HCV Assessment documents, obtained information that there are 2 types of conservation areas namely HCVA (Conservation Areas designated or planned within the PT DAN area) covering an area of 128 Ha, and HCVMA areas (HCVMA-1 area in the form of the Telen river bank, area HCVMA-4 is the border of the Kenden river and Telen tributary, as well as the HCVMA-6 area Egun Long Puhus) • The results of field verification in the HCVMA-1 area obtained information that the location is in the form of a riverbank with secondary forest conditions that are managed as a protected area. • The results of field verification in the HCVMA-4 area obtained information that the location is a riparian area with PT DAN's oil palm already planted, management is carried out by marking the boundaries of the chemical application area and allowing wild vegetation to grow. • The results of field verification in the HCVMA-6 area obtained information that the location was a plasma oil palm planted area with a planting year of 2012 – 2015, even though the area had been identified as an HCV area and included in PT DAN's conservation area scope based on the 2012 HCV Assessment results document. • The results of verification of the 2007 HGU documents show that the HCVMA-6 area is not included in the operational scope and certification scope of PT DAN, the area is currently owned by plasma under full management by PT Swakarsa Sinarsentosa. • Results of verification of the 2021 HCV management report document also show that the HCV area owned by the company is 128 Ha and the HCVMA-1 area is 368 Ha. Meanwhile, the HCVMA-4 area of the riverbank is counted as an area planted with oil palm. • From the results of field observations, information was obtained that there are several forested areas that have the potential to become HCV areas but have not been identified in the 2012 HCV identification results and the 2021 HCV management documents, although implementation shows that these areas have been managed like the HCVMA-1 protected area area . • The company has also conducted a Management Review and prepared a Management Plan which is carried out annually, but the results of the new review cover management for the HCVA and HCVMA-1 areas. <p>Based on the above information, it can be concluded that there are several areas that have been identified as HCVMA and have potential as HCV areas, but further identification has not been carried out to ensure the conservation value of these areas, for example by carrying out in-depth identification of areas with High Conservation Value as well as re-delineation to ensure the existence of the area as recommended in the 2012 HCV Assessment results document. Therefore, the company has the opportunity to carry out a more in-depth identification for updating data, especially in areas that have the potential for High Conservation Value as requested in the Results recommendation HCV Assessment 2012.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Have a commitment to implementing the principles of sustainable palm oil management
2	Good coordination and presentation of documents by the companion team
3	Zero accident award for the 2021 period and Green PROPER at the Properda level for the 2021-2022 period
4	Making use of renewable technology with Bio-SNG for diesel fuel substitution
5	Has realized social responsibility programs to the surrounding community



3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Village head Benhes village</p> <p>Based on the results of interviews with the village head, information was obtained that the company had routinely carried out CSR programs provided to the village, for example by carrying out routine road repairs every 2 times a year, building churches, providing clean water by building WTP facilities and providing assistance/training to community cooperatives.</p> <p>During the 2020-2023 period there have never been social or environmental issues or conflicts between the community and the company. The company routinely provides information regarding job vacancies. Particularly for Benhes village, quite a few people work with companies because they are already preoccupied with managing their own plantations and plasma. Village head explained that the people of Benhes Village received the most extensive Plasma area compared to other villages around PT DSN.</p>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p>Dayak Traditional Head and as a Previous land owner Benhes village</p> <p>Based on the results of interviews with the village head, information was obtained that the company had routinely carried out CSR programs provided to the village. During the 2020-2023 period there have never been social or environmental issues or conflicts between the community and the company. He explained that the people of Benhes Village received the most extensive Plasma area compared to other villages around PT DSN.</p> <p>He explained that in obtaining land which is currently used as the company's operational area, it was carried out with clear FPIC and there was no compulsion in obtaining the legality of the land. The village community received compensation in the form of plasma where each person received 2 hectares of oil palm land. Until now, the cooperation carried out by the company has been very good by improving the community's economy through the company's operational vehicle contracting activities.</p>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p>Head of Village and as a Previous land owner Muara Wahau Village</p> <p>Based on the results of interviews with the village head, information was obtained that the company had routinely carried out CSR programs provided to the village, for example by carrying out routine road repairs every 2 times a year, building a Muslim Boarding School, providing clean water by building WTP facilities and providing assistance/training to community cooperatives.</p>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>During the 2020-2023 period there have never been social or environmental issues or conflicts between the community and the company. The company routinely provides information regarding job vacancies. Particularly in Muara Wahau Village, quite a lot of people work with the company at the staff level because most of the people from Muara Wahau Village are highly educated. The village head explained that the people of Muara Wahau Village were very grateful because of the significant economic improvement since PT DSN entered their area. He also explained that in obtaining land which is currently used as the company's operational area, it was carried out with clear FPIC and there was no compulsion in obtaining the legality of the land. The village community received compensation in the form of plasma where each person received 2 hectares of oil palm land.</p>	
<p>Kutai Traditional Head and as a Previous land owner Muara Wahau Village</p> <p>Based on the results of interviews with the village head, information was obtained that the company had routinely carried out CSR programs provided to the village. During the 2020-2023 period there have never been social or environmental issues or conflicts between the community and the company. He explained that the people of Muara Wahau Village have working in the company as a staff, contractor or employee.</p> <p>He also explained that in obtaining land which is currently used as the company's operational area, it was carried out with clear FPIC and there was no compulsion in obtaining the legality of the land. The village community received compensation in the form of plasma where each person received 2 hectares of oil palm land. Until now, the cooperation carried out by the company has been very good by improving the community's economy through the company's operational vehicle contracting activities.</p>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p>Head of Harapan Baru Cooperative Muara Wahau Village</p> <p>Based on the results of interviews with the Cooperative head explained that currently, the company still provides assistance to cooperatives on a regular basis to increase the capacity of cooperatives in financial, institutional and management. The company also provides assistance in the form of worker exchanges and comparative studies to broaden the horizons of cooperative management.</p> <p>In a business relationship, the company always fulfills its obligations to make payments on the sales of FFB in a timely manner. In addition to cooperative relations in buying and selling FFB, the company also cooperates in the field of leasing company operational vehicles, for example transportation cars, FFB transport trucks and others. Until now, there have never been any negative issues experienced while working with PT DSN.</p>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Gender Committee of Puhus 1 Estate</p> <p>The company has provided good support in the activities of the gender committee. So far, routine activities carried out include health education, socialization on handling complaints related to sexual harassment and domestic violence as well as skills training.</p> <p>So far, and especially in the past one year, there have never been any cases of sexual harassment or domestic violence.</p>	<p>There is no negative issues that need further verification. Based on interview with women worker they have good understanding related the committee gender activity and function.</p>
<p>Labour union of PT DSN (POM-2)</p> <p>Communication between company and workers can be said to be quite good. Employees are given the freedom to join or not join a labor union without intervention from management, including during the process of electing a chairman and preparing the organizational structure</p> <p>Over the past year there have been no cases regarding industrial relations or the handling of employee complaints. Employee housing facilities are well provided and equipped with electricity and clean water. Currently there are still houses that are semi-permanent and are indeed under construction to make them permanent as a whole</p>	<p>Regarding worker facilities, it is known that currently the company is in the construction phase to replace all semi-permanent houses with permanent houses. Management explained that the construction completion is targeted for completion in 2023. The auditor has also made OFI on indicator 6.2.4</p>
<p>Kutai Timur Regency National Land Agency</p> <ul style="list-style-type: none"> • There are no land disputes or overlapping with forest areas. • The company has routinely submitted annual land use reports. • The company already has a valid HGU. • The company also has HGU boundaries in the form of clear stakes in the field. 	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p>Office of Manpower and Transmigration of Kutai Timur Regency</p> <ul style="list-style-type: none"> • The company has paid wages in accordance with applicable regulations. • There are no issues related to employment. • The company routinely communicates with agencies. • The company routinely reports manpower related reports. 	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p>Kutai Timur Regency Environmental Service</p> <ul style="list-style-type: none"> • Companies routinely report hazardous and toxic waste management and implementation of RKL-RPL every semester. • Communication is going well, and the company is cooperative with DLH's directions. • Has attended PROPER. • There are no negative issues from the community and NGOs/NGOs. 	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> The company already has technical requirements regarding hazardous and toxic waste, LA, domestic waste etc. issued in 2022. 	
<p>CPO Transport Contractor (Suriansyah)</p> <ul style="list-style-type: none"> Cooperation and communication with Mill 2 is going well. The contractor owns 2 units of CPO transport trucks and drivers. The contractor provides PPE and BPJS to the contractor's employees. Wages are paid based on the CPO transport rate. There were no complaints regarding late payments for work completion. 	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p>Kutai Timur Regency Plantation Service</p> <ul style="list-style-type: none"> The company has carried out routine reporting obligations. The company can demonstrate that it has fire prevention and control facilities and infrastructure that are considered sufficient and there is no history of fire incidents in the last 2 years. Communication between the company and agencies has been well established. There are no issues of disruption due to company operational activities that enter agencies. CSR implementation has been carried out and there are assisted villages. 	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>POM-2 PT Dharma Satya Nusantara Management Representative</p>  <p><u>Agustinus Triwibowo</u> Monday, 23 January 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Haikal Ramadhan Kharismansyah</u> Monday, 23 January 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Land Agency	Kutai Timur Regency	-	Via phone	17 Jan 2023	✓	
2	Plantation Agency	Kutai Timur Regency	-	Via phone	17 Jan 2023	✓	
3	Head of Benhes Village	Benhes Village	-	Direct	17 Jan 2023	✓	
4	Head of Dayak Community	Benhes Village	-	Direct	17 Jan 2023	✓	
5	Head of Muara Wahau Village	Muara Wahau Village	-	Direct	17 Jan 2023	✓	
6	Head of Kutai Community	Muara Wahau Village	-	Direct	17 Jan 2023	✓	
7	Head of Harapan Baru Coops	Muara Wahau Village	-	Direct	17 Jan 2023	✓	
8	Environmental Agency	Kutai Timur Regency	-	Via phone	17 Jan 2023	✓	
9	Manpower Agency	Kutai Timur Regency	-	Via phone	17 Jan 2023	✓	
10	Gender Committee	Kutai Timur Regency	-	Direct	17 Jan 2023	✓	
11	Labour union	Kutai Timur Regency	-	Direct	17 Jan 2023	✓	
12	Worldwide Fund	Jakarta	wwf-indonesia@wwf.or.id	Via Email	09 Jan 2023		✓
13	Wahana Lingkungan Hidup Indonesia	Jakarta	informasi@walhi.or.id	Via Email	09 Jan 2023		✓
14	Sawit Watch	Jakarta	info@sawitwatch.or.id	Via Email	09 Jan 2023		✓
15	AMAN	Jakarta	rumahaman@cbn.net.id	Via Email	09 Jan 2023		✓
16	Puhus 1 <ul style="list-style-type: none"> • 3 EFB workers • 3 upkeep workers • 3 Harvester • 2 Nurse • 1 workshop operator • 2 Agrochemical storage officer • 1 Hazardous Waste storage officer • 1 Daycare officer • 1 IPM officer 	Kutai Timur Regency	-	Direct	17 Jan 23	✓	
17	Puhus 2 <ul style="list-style-type: none"> • 2 operator land application • 3 warehouse clerks • 4 fertilizer workers • 2 nurses 	Kutai Timur Regency	-	Direct	17 Jan 23	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> • 6 Harvester • 2 Loading FFB • 1 workshop operator • 2 Agrochemical storage officer • 1 Hazardous Waste storage officer • 1 Daycare officer 						
18	Puhus 3 <ul style="list-style-type: none"> • 3 warehouse clerks • 4 fertilizer workers • 2 nurses • 2 Harvester • 2 Loading FFB • 1 workshop operator • 2 Agrochemical storage officer • 1 Hazardous Waste storage officer • 1 Daycare officer 	Kutai Timur Regency	-	Direct	18 Jan 2023	✓	
19	CPO Transport Contractor	Kutai Timur Regency	-	Direct	17 Jan 2023	✓	
20	POM-2 <ul style="list-style-type: none"> • 2 securities • 2 operator WB • 2 sortation workers • 2 Boiler workers • 1 operator engine room • emergency response team • 1 WWTP operator • 1 WTP operator • 1 Warehouse operator • 1 Hazardous storage operator 	Kutai Timur Regency	-	Direct	17 Jan 23	✓	

Appendix 2. Assessment Program

DATE	16 – 21 January 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 16 January 2023		
04.55 – 08.10	<ul style="list-style-type: none"> Jakarta → Samarinda Samarinda → Berau Berau → Site 	HAI/KID/ART
10.30 – 11.25		
12.00 – 18.00		
Tuesday, 17 January 2023		
08.00 – 09.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) Document review Verification of Basic Information Mill and Estate 	HAI HAI/KID/ART
09.00 – 12.00	Public Consultation <ul style="list-style-type: none"> Government Agency of Kutai Timur (by phone) Gender Committee, Contractor, Worker Union, Village Representatif, Previous Land Owner, etc FFB Supplier, Scheme smallholder 	KID HAI ART
12.00 – 14.00	Break	HAI/KID/ART
14.00 – 16.00	Field observation to Palm Oil Mill 2 <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) Best practice, Implementation of Employment Procedure and Mechanism Aspect 	HAI ART KID
16.00 – 16.30	Presentation of Daily Progress	HRK/KID/ART
Wednesday, 18 January 2023		
08.00 – 12.00	Field Observation to Puhus 2 and Puhus 3 Estate Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Conservation/HCV Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Observation of Workers Facilities (Housing, School, Worship Place). 	ART KID/HRK ART KID/HRK
12.00 – 14.00	• Break	HRK/KID/ART
14.00 – 16.00	<ul style="list-style-type: none"> Document review and completing audit checklist. Verification of stakeholder consultation result and field visit. 	HRK/KID/ART
16.00 – 16.30	• Presentation of Daily Progress	HRK/KID/ART
Thursday, 19 January 2023		
08.00 – 12.00	Field Observation to Puhus 1 Estate Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Conservation/HCV 	ART

DATE	16 – 21 January 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) Observation of Workers Facilities (Housing, School, Worship Place). 	<p>KID</p> <p>HRK</p> <p>HRK</p>
12.00 – 14.00	Break	HRK/KID/ART
15.00 – 16.00	<ul style="list-style-type: none"> Document review and completing audit checklist. Verification of stakeholder consultation result and field visit. 	HRK/KID/ART
16.00 – 17.00	<ul style="list-style-type: none"> Presentation of Daily Progress 	HRK/KID/ART
Friday, 20 January 2023		
08.00 – 11.30	Document review and completing audit checklist.	HRK/KID/ART
11.30 – 14.00	Break (Friday Prayer)	HRK/KID/ART
14.00 - 15.00	Internal discussion by auditor team preparing for Closing Meeting	HRK/KID/ART
15.00 – 17.00	<p>Closing Meeting</p> <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. 	HRK/KID/ART
Saturday, 21 January 2023		
04.00 – 09.30	Site → Berau	HRK/KID/ART
10.30 – 11.30	Berau → Samarinda	HRK/KID/ART
13.35 – 14.45	Samarinda → Jakarta	HRK/KID/ART