

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

### **[ ✓ ] Surveillance**

Name of Management Organisation : **POM 3 subsidiary of PT Dharma Satya Nusantara, Tbk**  
 Plantation Name : **PT Dharma Intisawit Nugraha (Long Kejiak 1 Estate, Long Kejiak 2 Estate, Long Kejiak 3 Estate)**  
 Location : **Muara Wahau Village, Muara Wahau Sub-District, Kutai Timur District, Kalimantan Timur Province, Indonesia**  
 Certificate Code : **MUTU-RSPO/055**  
 Date of Initial Registration : **25 March 2014**  
 Date of Certificate Issue : **08 March 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	17 to 20 January 2023	Rizliani Aprianita Hasibuan (Lead Auditor), Asystasya Aishah Silalahi, and Radytio Puspanjana	Naila Karima	Leonada

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

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 on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

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Figure 1. Location Map of PT Dharma Satya Nusantara and PT Dharma Intisawit Nugraha

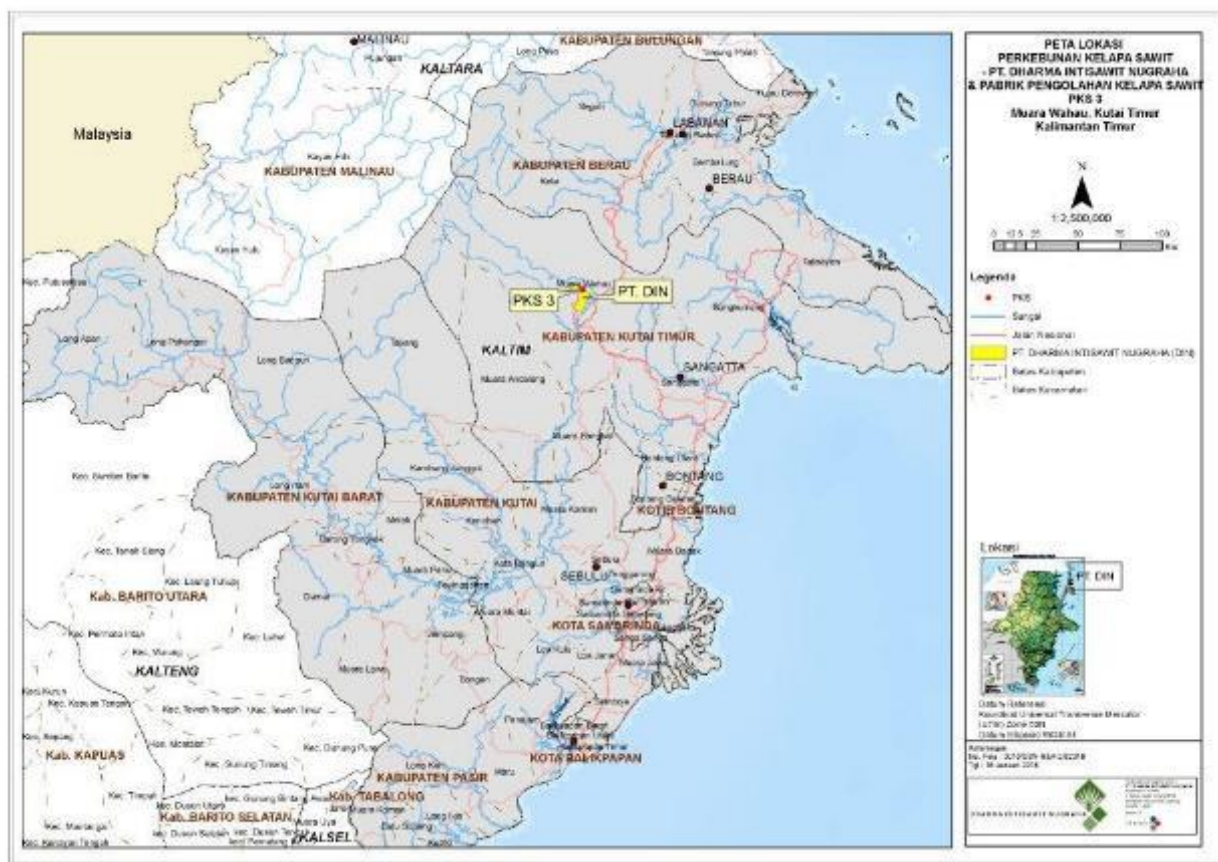
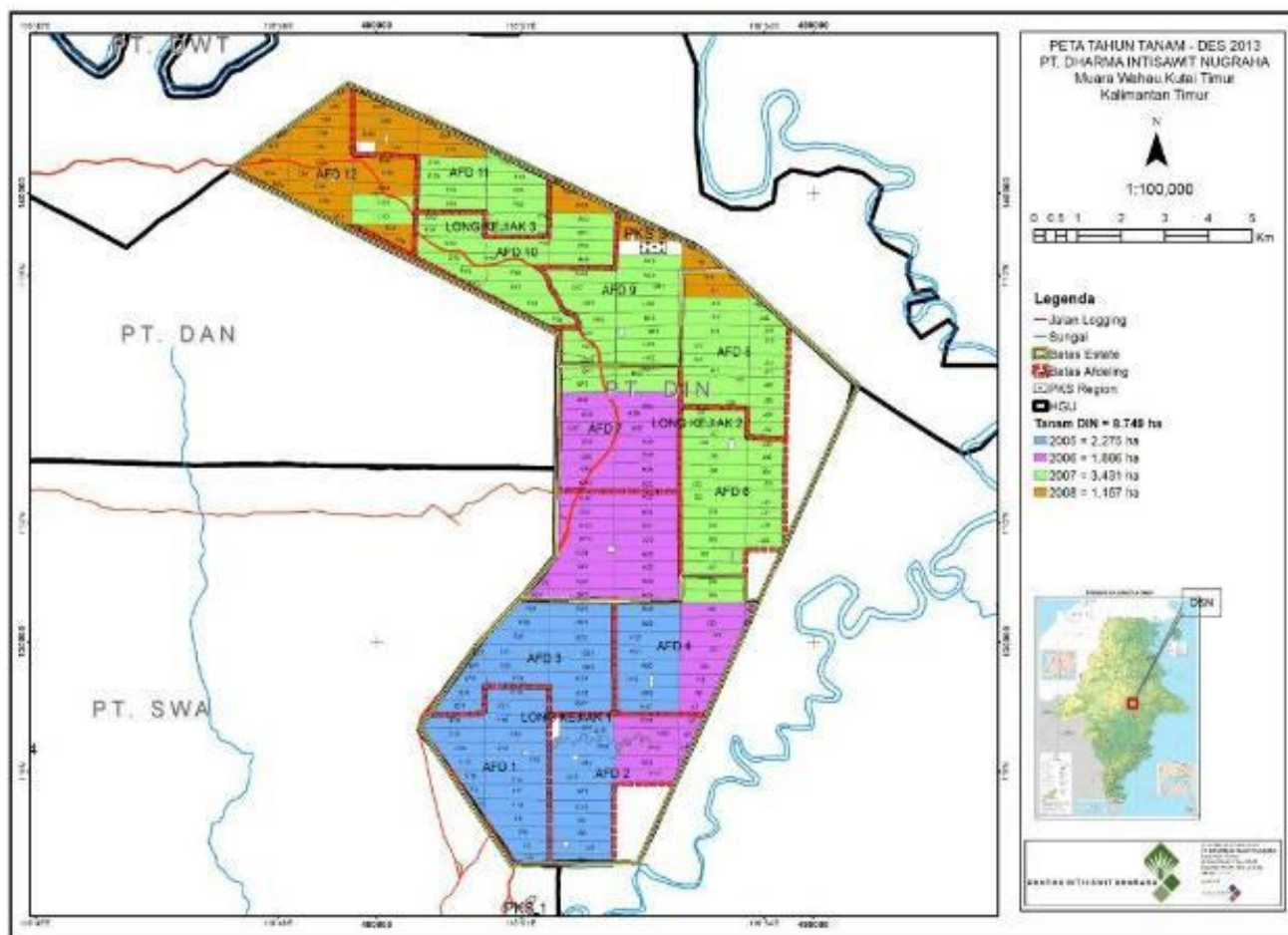


Figure 2. Operational Map of PT Dharma Satya Nusantara and PT Dharma Intisawit Nugraha



**Abbreviations Used**

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

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

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li><li>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020</li></ul>	
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 3 PT. Dharma Satya Nusantara and supply base PT. Dharma Intisawit Nugraha (Long Kejiak 1 Estate, Long Kejiak 2 Estate & Long Kejiak 3 Estate)	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	POM 3 (PT DSN)	Muara Wahau Village, Muara Wahau Sub District, Kutai Timur District, Kalimantan Timur Province, Indonesia	N 01° 15' 22"E 116° 52' 29"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Long Kejiak 1 Estate - PT DIN	Muara Wahau Village, Muara Wahau Sub District, Kutai Timur District, Kalimantan Timur Province, Indonesia	N 01° 09' 30"E 116° 51' 27"
	Long Kejiak 2 Estate - PT DIN	Muara Wahau Village, Muara Wahau Sub District, Kutai Timur District, Kalimantan Timur Province, Indonesia	N 01° 13' 04"E 116° 53' 13"
	Long Kejiak 3 Estate - PT DIN	Muara Wahau Village, Muara Wahau Sub District, Kutai Timur District, Kalimantan Timur Province, Indonesia	N 01° 16' 30"E 116° 48' 58"



1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		HGU	9,797.149	Ha		
			HGB	14.700	Ha		
			Total	9,811.849	Ha		
	• Community		- Ha				
1.5.2	Area Statement						
	• Total area		9,811.70 Ha				
	• Mature area		8,749.00 Ha				
	• Mill		14.70 Ha				
	• Emplacement		151.00 Ha				
	• Road, Bridge		221.00 Ha				
	• Others area / land reserve for Mill		30.00 Ha				
	• HCV		646.00 Ha				
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		LK1 Estate	LK 2 Estate	LK 3 Estate	Total		
	2005	2,275.00	-	-	2,275.00		
	2006	567.00	1,319.00	-	1,886.00		
	2007	88.00	1,512.00	1,831.00	3,431.00		
	2008	-	86.00	1,071.00	1,157.00		
	TOTAL	2,930.00	2,917.00	2,902.00	8,749.00		
1.6.2	New Planting area after January 2010			- Ha			
1.6.3	Planting Cycle			1 <sup>st</sup> Cycle			
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	POM 3	60	227,965.84	50,687.12	22.23	9,473.06	4.16
<i>*Production data source from January to December 2022</i>							
<i>**There is a difference between incoming FFB and processed FFB of 99.62 tonnes due to the presence of restan FFB.</i>							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Long Kejiak 1 Estate	3,225.00	2,930	76,960.72	26.27	29,199.85	12.18
	Long Kejiak 2 Estate	3,498.00	2,917	80,292.65	27.53	22,060.82	9.20
	Long Kejiak 3 Estate	3,088.70	2,902	82,553.92	28.45	29,544.87	12.32
TOTAL	9,811.70	8,749	239,807.29	27.41	80,805.54	33.70	
<i>*Production data source from January to December 2022</i>							
<i>**PT DIN also supply FFB to POM 6 and POM 11</i>							
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		



Kemitraan 3, 5 and 6	Scheme Smallholder	-	-	5,760.99
Jabdan 1 Estate	Subsidiary of PT Dharma Satya Nusantara	-	-	45,610.58
Jabdan 2 Estate		-	-	35,101.51
Melenyu 1 Estate		-	-	59,495.46
Melenyu 2 Estate		-	-	12.02
Long Jenew 2 Estate		-	-	122.23
Puhus 3 Estate		-	-	813.98
Long Teman Estate		-	-	143.91
TOTAL				147,060.68

*\*Production data source from January to December 2022*

1.7.4	Product categories	<b>FFB, CPO, PK</b>
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<b>1.8</b>	<b>Tonnage of Product</b>		
1.8.1	Past Annual Claim Certified Product	<b>Last Year Projected Certified Volume (MT)</b>	<b>Last Year Actual Certified Volume (January to December 2022) (MT)</b>
	FFB Processed	268,000	227,866.22
	CPO Production	63,611	51,274.14
	Palm Kernel (PK) Production	10,787	9,607.36

1.8.2	Product selling	
	Type of selling product	<b>Actual selling product for last year (January to December 2022) (MT)</b>
	CSPO sold as RSPO certified product	50,884.47
	CSPK sold as RSPO certified product	9,542.75
	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 Estate(s)	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
	Long Kejiak 1 Estate	3,225.00	2,930	80,810	27.58
	Long Kejiak 2 Estate	3,498.00	2,917	84,310	28.90
	Long Kejiak 3 Estate	3,088.70	2,902	86,680	29.87
	TOTAL	9,811.70	8,749	251,800	28.78

*\*Projected FFB production for 12 months of certificate*

1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	POM 3	60	251.800	57.900	23	11.300	4.5	IP

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

<b>1.9</b>	<b>Other Certifications</b>	
	ISO 9001:2015	-
	ISO 14001: 2015	-
	ISO 45001:2018	-
	ISCC	-
	Others	

<b>1.10</b>	<b>Time Bound Plan</b>				
<b>1.10.1</b>	<b>Time Bound Plan for Other Management Units</b>				
<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>
<b>Mill</b>	<b>Time Bound Plan</b>				
POM 1 (PT SWA)	June 2012	Jabdan 2 (PT SWA)	2012	Kutai Timur District, Kalimantan Timur Province	Certified
		Smallholder (KM 5.9)	2015		Certified
		Smallholder (Kemitraan 3,6,11,12)	2017		Certified
POM 2 (PT DSN)	June 2013	PT Dharma Agrotama Nusantara	2013	Kutai Timur District, Kalimantan Timur Province	Certified
		Smallholder (KM10a)	2025		Waiting RaCP
POM 3 (PT DSN)	August 2013	PT Dharma Intisawit Nugraha	2013	Kutai Timur District, Kalimantan Timur Province	Certified
POM 4 (PT DSN)	Nov 2014	Jabdan 1 (PT DSN)	2015	Kutai Timur District, Kalimantan Timur Province	Certified
		Long Jenew 1 (PT SWA)			Certified
		Long Jenew 2 (PT SWA)			Certified
		Smallholder	2025		Waiting RaCP
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 District, Kalimantan Timur Province	Certified
		Smallholder	2025		-
POM 7 (PT DSN)	2019	Melenyu 4 (PT Dewata Sawit Nusantara)	2019	Kutai Timur District, Kalimantan Timur Province	Certified
		LTE HGU 504 (PT Karya Prima Agro Sejahtera)	2021		Certified
		LTE (PT Karya Prima Agro Sejahtera)	2024		-
		SWE (PT Karya Prima Agro Sejahtera)	2024		-
		Smallholder (KM 9)	2015		Certified
		Smallholder (KM KPS)	2025		-
-	-	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 District, Kalimantan Timur Province	Certified
		Smallholder	2025		-

	-	-	PT Putra Utama Lestari	2024	Kutai Barat District, Kalimantan Timur Province	RaCP On Process
			Smallholder	2025		-
	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 Langsung	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 November 2022 and signed by Head of Sustainability. The revised TBP has reported to RSPO and approved by RSPO on 29 September 2022.						
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PT DIN have agreement about scheme smallholders with two cooperatives (Serba Usaha Harapan Baru Cooperative and Kel'ean Blom Kejah Cooperative)					

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1.4</b>	<p><b>1. Rizliani Aprianita (Lead Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as lead Auditor ISO 9001:2008, ISO 14001:2004, OHSAS 18001, ISPO Auditor training, RSPO lead Auditor training, RSPO SCCS training, SA 8000, social training by RSPO (Verite) and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During this audit, she conducted an assessment on Worker Welfare, social, OHS aspects, Partial &amp; Time Bound Plan.</p> <p><b>2. Asystasya Aishah Silalahi (Auditor).</b> Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one-year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she conducted an assessment on legal, land conflict and SCCS.</p> <p><b>3. Radityo Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. During the audit, he verified environment aspect, waste management, GHG and conservation aspect.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.4</b>	<p>Number of auditors: 3 auditors</p> <p>Number of days for <b>ASA-1.4</b> onsite audit: 4 days</p> <p>Number of working days for <b>ASA-1.4</b> onsite audit: 12 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1.4</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Dharma Satya Nusantara POM 3 and PT Dharma Intisawit Nugraha (supply base) to the requirements of <b>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 &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020.</b></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-1.4</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>RC</b>).</p> <p>Improvement of findings from ASA 1.3 findings were observed by auditors at this <b>ASA-1.4</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-1.4</b>.</p> <p>The opening meeting will be held on Tuesday, 17 January 2023 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</p>

held on January 20, 2023 at 04.30 PM attended by the same participants as the opening meeting. In general, the audit activities ran smoothly and the management of PT Dharma Intisawit Nugraha (supply base) & POM 3 received all of the audit results presented at the closing meeting.

The assessment program please find Appendix 2

### 2.2.3 Locations of Assessment

**ASA-1.4** 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:

#### POM 3

- **Mill Drainage.** Observations mill effluent lines, sanitation mill and flow of leaching mill.
- **Solid Waste.** Observation of the management of Solid waste consist of fiber and shell from the production process of mill.
- **Empty bunch area.** Field observations related to empty bunch management.
- **Grading Station.** Observations and interviews related to criteria for EFB grading, wages, sampling techniques, and PPE.
- **Engine room.** Observations and interviews related to medical check-up, PPE, and operator understanding of emergencies
- **Boiler.** Observations and interviews related to OHS, understanding of emergency response, and operator licenses
- **Sterilizer.** Observations and interviews related to the duties and responsibilities of daily work
- **Press Station.** Observations and interviews related to medical check-up, PPE feasibility, and operator responsibility
- **Quality Laboratory.** Observations and interviews related to sampling, testing time and handling related to test results that exceed the standard.
- **Hydrant simulation.** Observation related emergency preparedness
- **Weighbridge.** Interview with worker about work procedure, supply chain, and worker welfare.
- **Security post.** Interview with security about worker welfare, FFB supplier, OHS implementation, and emergency response.
- **Grading station.** Observation and interview with worker about work procedure, worker welfare, and OHS implementation
- **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent.
- **Material Storage.** Observation and interview related material handling and PPE stock
- **Chemical Storage.** Observation and interview related to management of agrochemical material and waste, MSDS, emergency response facilities, OHS and the types of pesticides used.
- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **Workshop.** Observation and interview related to OHS, waste management and worker welfare aspect.
- **Hazardous waste storage.** Observation and interview related to storage condition, kind of hazardous waste stored, OHS implementation, worker welfare, and complaint mechanism.

#### Long Kejiak 1

- **HGU stakes and land demarcation No. DIN 043, No. DIN 042 and No. DIN 039.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **Housing Complex division 4.** Observation and interview with residents about housing facilities, domestic waste management, and complaint mechanism.
- **HCV Forest Area, area V.** Observation the implementation of management in HCV of forest area.
- **Conservation area, Kenden Besar River riparian block F14 division 1.** Observation the implementation of management of riparian area.
- **Agrochemical storage.** Observation and interview with worker about agrochemical stock, worker welfare, and OHS implementation.

- **Fertilizer storage.** Observation and interview with worker about fertilizer stock, worker welfare, and OHS implementation.
- **Material storage.** Observation about PPE stock
- **Solar Tank.** Observation about implementation of emergency response and environment management.
- **Fuel and Oil storage.** Observation about implementation of emergency response and environment management.
- **Rinse house and PPE storage.** Observation about storage of PPE for spraying and manuring worker and condition of rumah bilas.
- **Hazardous waste storage.** Observation about hazardous waste stock, emergency response in storage, and OHS implementation.
- **Worker Housing complex emplacement and Division 3.** Observation about management of domestic waste and facilities for workers.
- **Clinic.** Observation and interview about waste management, record of work accident, medical check-up, and health facility.
- **Landfill, Block F17.** Observation about domestic waste management.
- **Barn owl box, Block F21 Division 3.** Observation about owl monitoring
- **Spraying Activity Block G17 afdeling 3.** Observations and interviews related to aspects of BMP, Employment, OHS and Environment.
- **Harvesting activity, Block G21/24 Afdeling 3.** Interview about worker welfare, OHS implementation, and work procedure.
- **Harvesting activity, Block E15/16 Afdeling 3.** Interview about worker welfare, OHS implementation, and work procedure.
- **Harvesting activity, Block F17/18 Afdeling 1.** Interview about worker welfare, OHS implementation, and work procedure.

#### Long Kejiak 2

- **HGU stakes and land demarcation No. GPS 004, No. DIN 060 and No. GPS 003.** Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV Forest Area, HCV area III and IV.** Observation the implementation of management in HCV of forest area.
- **Daycare.** Observation and interview with worker related labor aspect and OHS.
- **Housing Complex division 6.** Observation and interview with residents about housing facilities, domestic waste management, and complaint mechanism.
- **Land fill Block H34.** Observation related domestic waste management.
- **Solar Tank.** Observation about implementation of emergency response and environment management.
- **Fertilizer storage.** Observation and interview with worker about fertilizer stock, worker welfare, and OHS implementation.
- **Hazardous waste storage.** Observation about hazardous waste stock, emergency response in storage, and OHS implementation.
- **Agrochemical storage.** Observation and interview with worker about agrochemical stock, worker welfare, and OHS implementation.
- **Agrochemical mixing area.** Observation about environment and waste management.
- **Rinse house and PPE storage.** Observation about storage of PPE for spraying and manuring worker and condition of rumah bilas.
- **Workshop.** Observation about workshop condition, waste management, and interview with worker about OHS implementation, worker welfare, and environment management.
- **Clinic.** Observation and interview about waste management, record of work accident, medical check-up, and health facility.
- **Fire fighting simulation.** Observation about readiness of emergency response equipment.
- **Harvesting activity, Block H29 Afdeling V.** Interview about worker welfare, OHS implementation, and work procedure.
- **Manual upkeep, Block H28 Afdeling V.** Interview about worker welfare, OHS implementation, and work procedure.
- **Material storage.** Observation about PPE stock



	<ul style="list-style-type: none"> <li>• <b>Land Application Area Block G49 afdeling 10.</b> Field observations and interviews related to aspects of BMP, Employment, OHS and Environment.</li> </ul> <p><b>Long Kejiak 3</b></p> <ul style="list-style-type: none"> <li>• <b>HGU stakes and land demarcation No. GPS 002, No. DIN 063 and No. DIN 064.</b> Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.</li> <li>• <b>FFB Harvesting, Block F46.</b> Observation and interview with harvester related the working procedure, FFB quality, OHS and employment.</li> <li>• <b>Harvesting activity, Block G48/49 afdeling 9.</b> Observation and interview with workers related to Procedure implementation, OHS implementation, workers welfare, wages and complaint mechanism.</li> <li>• <b>Loose fruit picker, Block G48 afdeling 9.</b> Observation and interview with workers related to Procedure implementation, OHS implementation, workers welfare, wages and complaint mechanism.</li> <li>• <b>Manual upkeep, Block E55 afdeling 11.</b> Interview about worker welfare, OHS implementation, and work procedure.</li> <li>• <b>FFB application block H35.</b> Observation related to BMP and waste management.</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.4</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Dharma Satya Nusantara and PT Dharma Intisawit Nugraha was held by:</p> <ul style="list-style-type: none"> <li>• Public consultation meeting with government institution on 17 January 2023.</li> <li>• Public consultation meeting with internal stakeholders and contractor on 17 January 2023.</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, AMAN and Sawit Watch on 9 January 2023.</li> <li>• Public consultation meeting with communities on 17 January 2023.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Dharma Satya Nusantara and PT Dharma Intisawit Nugraha.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit (RC) will be conducted eight (8) month to twelve (12) month after date of annual license



### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has assessed PT Dharma Satya Nusantara (POM 3) with supply bases PT Dharma Intisawit Nugraha (three (3) oil palm estates).

During the assessment, there were no Nonconformities and seven (7) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that POM 3 PT Dharma Satya Nusantara dan PT Dharma Intisawit Nugraha 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	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>		
<b>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.</b>		
<b>1.1.1</b>		
The company has a procedure for communicating and responding if there is a request for information listed in SOP-AGR-044-R02 effective October 14 2019 regarding Communication and Handling of External Complaints. Based on the SOP, information provision that can be fulfilled is data/information relating to environmental, social and legal issues. Except for data/information/documents that are protected by commercial secrecy and information/documents which, if disclosed, have a negative impact. Types of documents/data/information available to stakeholders, including:		
<ul style="list-style-type: none"> <li>• Company policy</li> <li>• EIA documents</li> <li>• Location permission</li> <li>• HGU permit</li> <li>• Plantation Business Permit (IUP)</li> <li>• Company regulations</li> <li>• Report on CSR empowerment activities</li> <li>• Social conflict resolution reports</li> <li>• ISO/RSPO Audit Results, HCVA, SIA and their follow-up</li> <li>• OSH Program</li> <li>• etc</li> </ul>		
<b>1.1.2</b>		
The company has submitted mandatory reports to stakeholders which is provided in appropriate language, such as:		
<ul style="list-style-type: none"> <li>• Mandatory employment report with reporting number 75655.20230116.0003 dated January 16, 2023</li> <li>• Land use report which is submitted to the Land Office of Kutai Timur District on 10 January 2023</li> <li>• OHS report for the 4th quarter period which is submitted to Kalimantan Timur Provincial Manpower Office in January 2023</li> <li>• Report on the progress of plantation activities in the fourth quarter of 2022 submitted to the Plantation Office of Kutai Timur District on 10 January 2023</li> <li>• And others</li> </ul>		
Based on explanation above, company has provide information in appropriate language and accessible to relevant stakeholders.		

**1.1.3**

The company already has records of requests for information from stakeholders and their responses. From the results of verification of incoming letter documents, it is known that all incoming letters have been responded by the company. For example Letter Number B-042/MJD-Alijtihad/VIII/2022 dated 15 August 2022 regarding requests for assistance with carrying out activities and speakers and has been responded on 19 August 2022 and realized on October 7, 2022.

Based on interviews with representatives of surrounding village, it is known that the company has conducted outreach to the village regarding the mechanism for requesting information from the company. If there is a request for information, the village will send a letter to the company and the company will respond.

**1.1.4**

The company has a procedure for responding to stakeholders documented in the Communication and Consultation Procedure document number SOP-AGR-044-R01. It is explained in the procedure that the PIC for communication and consultation is CSR staff.

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

Based on interview with representative of surrounding village, contractors and government agency in Kutai Timur District, it is known that the company has conducted socialization related to SOPs for communication and providing information. The stakeholders also understand how to deliver or submit information request/consultation with the company. Based on explanation above, this indicate that the procedure of consultation and communication has explained to all relevant stakeholders.

**1.1.5**

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

The company has a list of stakeholders that was updated in January 2023 which contains the names, positions, and telephone numbers of village government, community leaders, cooperatives, suppliers, work partners, religious institutions, community organizations, companies around the village, labor organizations, NGO, agencies and others. Auditor has checked by calling the numbers recorded in the document, and from the results of checking that the phone numbers are in accordance with the existing list.

<b>Status: Comply</b>
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<b>1.2</b> <b>The unit of certification commits to ethical conduct in all business operations and business transactions.</b>
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**1.2.1**

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

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

The results of interviews with workers, contractors and interviews with village community representatives obtained information that the company had conducted socialization regarding the code of ethics policy.

**1.2.2**

Regarding the system for monitoring the implementation of business ethics policies, the company has Procedure No. SOP-AGR-054-R03 effective date 30 October 2020 concerning Handling of Employee Complaints, in letter "D" explanation of procedure point 1 describes the mechanism for monitoring compliance and implementation of DSN Group Business Ethics, as follows:

- The DSN Group's business ethics must be socialized to all DSN Group employees
- Every new employee must be ensured to receive socialization materials on 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 (for example with Google Meet)
- Periodically the HC team will evaluate employees' understanding of DSN Group Business Ethics, especially regarding the implementation and consequences of violations.
- Complaints or reports of violations of the DSN Group's Business Ethics follow the complaint mechanism

From the results of verification of the complaint documents, it is known that there were no complaints related to violations of the code of ethics that entered the company.

In addition, the company also conducts internal audits which are conducted every year. From the results of the internal audit which is conducted on July 2022, it is known that there were no violations related to the code of ethics.

**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**

##### **Compliance with Worker Welfare Regulations**

The determination of wages at PT DSN dan PT DIN is based The Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 dated November 30, 2022 concerning the Minimum Wage of Kutai Timur District in 2022 which is Rp. 3,175,427.45.

##### **OHS**

- Workers has had PPE in accordance with working type
- Specific operator has had license
- Medical surveillance has been conducted routinely

##### **Environmental Regulations:**

- POM 3 already has an environmental document in the form of a document on environmental management efforts and environmental monitoring efforts (UKL-UPL) for a palm oil mill with a capacity of 60 Ton FFB/Hour and has been approved/ratified by the Head of the Environmental Agency of Kutai Timur District on August 6, 2010 with number 660/649/3-BLH/VIII/2010.
- PT Dharma Intisawit Nugraha has had an environmental study listed in environmental documents in the form of AMDAL (Andal, RKL, and RPL) for plantations and palm oil mills on behalf of PT. Dharma Intisawit Nugraha in Muara Wahau District, Kutai Timur District, Kalimantan Timur Province. This document has been approved by the Secretary General/Chairman of the Central AMDAL Commission of the Ministry of Forestry and Plantations on 22 December 2000 under number 136/Menhut-II/2000. The scope of this document is an oil palm plantation with an area of + 10,000 Ha and a capacity of 60 tons of FFB/hour.
- The company can show the Decree of the Head of the Investment Service and One Stop Service Office of Kutai Timur District Number 503/01/DPMPTSP-PPNP/LA/II/2020 regarding the extension of the POME disposal permit (utilization of POME from the palm oil industry on the land) at oil palm plantation PT Dharma Satya Nusantara – POM 3 Muara Wahau District, Kutai Timur District on February 28, 2020 with a validity period of 5 years.
- The company has a surface water utilization permit for POM 3 based on the decree of the minister of public works and public housing number 246/KPTS/M/2017 dated April 13, 2017 which is valid for 5 years from the date of stipulation.
- POM 3 has an extension of permit for temporary storage of hazardous and toxic waste based on the decision of the regent of Kutai Timur number 660/K.135/2018 dated March 14, 2018 which is valid for 5 years from the date of stipulation.
- PT Dharma Intisawit Nugraha has obtained a permit for temporary storage of hazardous and toxic waste. The company can show the Decree of the Kutai Timur Regent Number 503/08/DPMPTSP-PPNP/TPS-LB3/IV/2021 regarding the extension of the permit for the temporary storage place (TPS) for hazardous and toxic waste to PT Dharma Inti Sawit Nugraha in Muara Wahau District Kutai Timur District on April 26, 2021 with a validity period of 5 years.

##### **Best Management Practices:**

- 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 Kleen Up trademark, the active ingredient Glyphosate, RI permit No. 0103011989819 and valid until 3 September 2023.

### Legal Aspect

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

- HGU Decree No. 66-HGU-BPN RI-2007 concerning the granting of HGU in the name of PT Dharma Intisawit Nugraha for an area of 9,811.849 Ha which was issued on December 19, 2007. Then a letter from the Head of the Indonesian National Land Agency No. 3829/14.3/XII/2010 dated December 20, 2010 concerning Application for Permit for Release of Partial Cultivation Right No. 22/Muara Wahau on behalf of PT Dharma Intisawit Nugraha. The letter states that in principle the release of a portion of the HGU covering an area of 14.70 Ha can be approved. Therefore, the current HGU area is 9,797.149 Ha.
- HGB Certificate No. 04 which was issued on March 23 2011 for an area of 14.70 Ha and ended on March 23 2031. This certificate was issued based on the Decree of the Head of the BPN Regional Office of Kalimantan Timur Province No. 20/HGB/BPN-64/2011 dated 2 February 2011.
- IUP-P based on Decree of Kutai Timur Regent No. 188.4.45/057/Eko.1-V/2011 dated 10 May 2011 covers 60 tons FFB/hour of Mill capacity

### 2.1.2

The mechanism and system to ensure the legal compliance stipulated in Procedures and Other Legal Requirements (SOP-AGR-024-R01, dated 8<sup>th</sup> 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.

The company has an updated list of legality requirements updating December 2022 including international, national and local regulation. To ensure legal compliance for third parties (contractors), the company conducts contractor evaluations which inform compliance with regulations such as responses to complaints, worker wages, BPJS, OHS and others. In addition, the management unit also monitors the number of contractors, the list of names of contractor workers, social security, wages of contractor workers and others.

Company also has conducted internal audit to ensure legal compliance. The last RSPO internal audit was carried out on July 2022. All non-conformities have been closed with resolutions through quick fixes, identification of root causes and corrective actions.

### 2.1.3

The company has Work Instructions for Installation and Maintenance of Boundary IK-AGR-OLP-33-R01 effective February 1 2019 and has been approved by management. In the Work Instruction it is explained that the location of the boundary markers is adjusted to the applicable regulations and by the authorized official and monitoring the coordinates of each boundary marker are checked according to the list of coordinates for the boundary markers from Land National Agency. The company also shows the monitoring results of all HGU stakes at PT DIN which are equipped with coordinate points.

Based on a visit to HGU No. GPS 004, DIN 060, GPS 003 at LK2 Estate, GPS 002, DIN 063, DIN 064 at LK 3 Estate, DIN 043, DIN 042, and DIN 039 at LK 1 Estate, it is known that all stakes are in good condition and there are no plantings outside HGU.

<b>Status: Comply</b>
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### 2.2

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

**2.2.1; 2.2.2; and 2.2.3**

The company already has a list of contractors included in the stakeholder list. The list of contractors includes all third parties working with PT DSN and PT DIN such as hazardous waste transporter, contractors for CPO & PK, FFB transport contractors, contractors for building construction and others. The list of stakeholders informs the name of the agency, contact name, field of cooperation and contact number.

The company has shown examples of agreement with contractors that have contained clauses regarding legal compliance obligations, such as:

- Agreement for FFB transporter No. 004/DIN/LK1/2022 dated December, 20 2021
- Agreement for FFB transporter No. 007/DIN/LK1/2022 dated December, 20 2021

In the agreements have been explained about:

- Obligation to provide social insurance (BPJS)
- Obligation to provide minimum wages
- Obligation to provide PPE for workers
- Obligation to comply with the provisions regarding OHS and the environment
- Prohibited from employing child labour, trafficked or forced labour

The company has shown documentation of legal compliance by the contractor, such as Local contractor with initial TH that has 1 dump truck and 1 worker (driver).

- Evidence of BPJS employment payment for December, paid on January 9, 2023
- Agreement Letter of worker with initial MO No. SPK 007/DIN/LK1/2022 dated January 2, 2022
- Payslip on December 2022 for workers for example with initial MO. As for the wage is bigger than minimum wage.

The company also shows a contractor evaluation document that informs the name of the contractor and the evaluation results related to legal compliance such as responses to complaints, OHS, Social insurance, wages, etc.

Based on interview with contractors, known that unit certification has socialized about obligation to comply with regulation. In addition, based on interview also known that contractor has paid wages based on minimum wage regulation and has involved employees in BPJS program.

<b>Status: Comply</b>
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**2.3**

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

**2.3.1**

POM 3 receives FFB from its own plantations and other sources within the DSN group, including Jabdan 1 and 2, Melenyu Estate 1 and 2, Long Jenew 2, Puhus 3, LTE Estate, and Kemitraan 3 and 6. All other FFB suppliers has received RSPO certificate. There is also a list of geolocations for FFB suppliers from other sources, for example:

- Kemitraan 3 (Cooperative Harapan Baru)

The area is 1,148 hectares in Muara Wahau Village, Muara Wahau District, Kutai Timur District with coordinates Latitude N 01° 07' 17.32" - 01° 13' 42.74" Longitude E 116° 51' 27.38" - 116° 56' 54.86".

- Kemitraan 6 (Cooperative Kean Blom Kejah)

The area is 150 Ha in Nehas Lah Bing Village, Muara Wahau District, Kutai Timur District with coordinates Latitude N 01° 09' 11.3" - 01° 11' 09.6" Longitude E 116° 53' 38.1" - 116° 54' 49.4"

**2.3.2**

POM 3 do not accepted FFB from outgrowers, agent or middlemen. All FFB process originally from 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

<b>Status: Comply</b>
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**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 unit of certification has presented work plan and budget projection for 2023 -2027. Information in the document consists of general routine operational activities such as target projections for operational estate (land clearing, planting, upkeep and harvesting) and mill (FFB Process, OER, KER, CPO & PK Produced and FFA); CSR program, environmental program; expenses projections including budget plan for operational mill and estate, supporting department (Social community, environmental & conservation and others; income projections (FFB selling, CPO & PK Selling). For example, for the year 2024, among others, the Projection of Plantation Operational Target of 237,399 tons of FFB, Projection of Operational Target of POM 03 for CPO production of 72,580 tons and kernel production of 13,004 tons.

The company has also developed a yearly plan as seen for year 2022 containing information on the budget for each activity (including activities for environmental management programmers and all CSR related expenses, legal compliance and RSPO P & C compliance) and revenue from company's production including all company's liabilities.

In a cash flow projection document, there is also a plan for 5-year cash inflow from sales of CPO and palm kernel sales. The main points of cash outflow is the overall production cost of the estate and the mill include the cost of estate maintenance (sustainability cost), as well as the combination of costs associated with environmental and social monitoring activities.

Budget and target achievement evaluations are carried out quarterly, and the evaluation of achievement for management plan year 2022 was sighted.

**3.1.2**

Based on the area statement data, it is known that the distribution of planting years in the company's operational area was between 2005 and 2008. Thus, replanting will not be implemented for the next five years. In accordance with the procedures owned by the company, replanting will be carried out when the plants are 25-30 years old. It has also been stated by the management representative that there are currently no plans for replanting activities.

**3.1.3**

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

- Minutes of meeting Performance Review Q-1 Agro 2022, 27-28 April 2022, which discussed the mill repair PT DIN
- Minutes of meeting Performance Review Q-2 Agro 2022, 27 -28 July 2022, which among others discussed the FFB potential in July - December has not been seen, Fertilizer spreader fertilization PT DIN and road maintenance program.
- Minutes of meeting Performance Review Q-3 Agro 2022, 26-27 October 2022, which discussed the replacement of spare parts for palm oil mill 3.

Based on the results of document reviews and interviews with management, the company has conducted a quarterly management review to determine the process performance and product conformity as described in the minutes of the meeting Performance review, which among others discusses regarding the repair of POM 3, replacement of spare parts for POM 3 and, pesticide efficiency, fertilization of the fertilizer spreader. The company has also conducted internal audits, both internal audits regarding sustainability (fulfillment of the RSPO P & C) and operational audits regarding the implementation of company procedures both in estate and mill. Sustainability internal audits (RSPO) have been conducted continuously and are documented and reviewed in the management review activities, latest July 2022. Internal audits for estate and mill operations have also been carried out and documented and reviewed the results. Internal audits for POM 3 dated 7-8 July 2022, LK-1 estate date 12-14 July 2022, LK-2 estate date 7-11 July 2022 and LK-13 estate date 4-6 July 2022.

<b>Status: Comply</b>
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**3.2**

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

**3.2.1**

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

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

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

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

Best Management Practices:

- Unit of certification does not use pesticides with the active ingredient paraquat
- EFB application to reduce the inorganic fertilizer.

### 3.2.2

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Base on document verification, for The RSPO metric template known annual data 12-month period use on year 2022 (January to December) for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

<b>Status: Comply</b>
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## 3.3

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

### 3.3.1

The unit of certification has procedures in the form of work instructions in factories and plantations. Work instructions at the factory include weighing bridges, loading ramp operations, sterilizer, conditioner, screw press, vibrating screen, engine room work instructions, boiler control, generator operation, water purification in water treatment, determination of oil content, determination of shell content, loss analysis oil in empty bunches, kernel loss analysis, loose fruit loss analysis in empty bunches, waste pond management and others. Work instructions in the estate include work instructions related to pollinating, pesticide formulation, sorting sprouts, fertilizing, spraying pesticides, calibration of sprayer nozzles, determining fertilizer recommendations, harvesting fresh fruit bunches, planting oil palm, oil palm shoots, castration and sanitation, application empty bunch, compost application, planting legume cover crops, and others. In addition, there are work instructions for handling accident victims, medical check-up, treatment for workers, and work instructions related to working at heights. The Factory Procedure was made on April 10<sup>th</sup>, 2014 and was approved by the Head of the Technology Sub Division. While the Operational Procedure was made on October 1<sup>st</sup>, 2020, it was approved by the Principal Director.

Based on the results of visits to sorting stations, sterilizer stations, boiler stations and engine rooms, it is known that all workers have understood work procedures and can explain the stages of their work. In addition, based on observations and interviews with pesticide



sprayer and harvester it is known that all these employees understand and can explain their work procedures.

### 3.3.2

The companies carry out internal control, for example, by internal audit which carries out agronomic internal control activities. The company has a mechanism to check the consistency of the implementation of procedures by conducting internal audits, both operational and sustainability internal audits. Based on the results of interviews with management, it is known that operational internal audits are carried out every 3 months. The company conducts regular internal audits on the implementation of SOPs for plantations and mills and also inspects harvests, pest detection, rat census, etc.

RSPO internal audit activities are conducted once a year, including contractor performance the last audit conducted 7-8 July 2022. The mechanisms to ensure compliance with RSPO standards for contractor workers are overseen by operational departments such as foremen, foreman I, assistants, security personnel, managers and so on. Then, the safety officer also supervises the contractor's OHS implementation such as the use of PPE and ownership of heavy equipment licenses and others by the contractor. Then the sustainability team also oversees the ongoing work agreement. For example, the addition of insurance provisions and OHS aspects.

Procedures that apply to any non-conformities that arise, are required to take action on the improvement of the action plan and act on prevention and send it to the internal audit department.

### 3.3.3

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

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

- Block Condition Quality Score - All division Period December 2022
- Harvest Quality Score - All division Period December 2022
- Fertilization Quality Score - All division Rotation 3 2022
- Harvest Quality Assessment (document FM-OAD-01e A-R00), PT DIN LK1 Planting year 2005 block H18, inspection date December 1, 2022, which was checked by audit staff, with inspection results including the total of fresh loose fruit not picked 281 loose fruits, weight the average length of 20.5 kg and stands per hectare of 145.

<b>Status: Comply</b>
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## 3.4

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

### 3.4.1

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

#### Environmental Aspect

POM 3 already has an environmental document in the form of a document on environmental management efforts and environmental monitoring efforts (UKL-UPL) for a palm oil mill with a capacity of 60 Ton FFB/Hour and has been approved/ratified by the Head of the Environmental Agency of Kutai Timur District on August 6, 2010 with number 660/649/3-BLH/VIII/2010.

PT Dharma Intisawit Nugraha has had an environmental study listed in environmental documents in the form of AMDAL (Andal, RKL, and RPL) for plantations and palm oil mills on behalf of PT. Dharma Intisawit Nugraha in Muara Wahau District, Kutai Timur District, Kalimantan Timur Province. This document has been approved by the Secretary General/Chairman of the Central AMDAL Commission of the Ministry of Forestry and Plantations on 22 December 2000 under number 136/Menhut-II/2000. The scope of this document is an oil palm plantation with an area of + 10,000 Ha and a capacity of 60 tons of FFB/hour.

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

### **Social Aspect**

The company has a Social Impact Assessment (SIA) document made by Daemeter Consulting in 2011. The document contains the management of oil palm plantations and palm oil mills. The document provides an initial description of the social environment at PT DIN such as the character of the population (the villages taken as samples are Deabeq Village, Nehas Liang Bing Village, Beanheas Village, Diak lay Village, Nehas Liah Bing, Miao Baru Village and Muara Wahau Village), community structure and institutions (the pattern of production inputs is limited and the profiles of respondents taken as samples are farmers, entrepreneurs, employees, laborers, perceptions about companies, the need for facilities and infrastructure. The SIA that has been compiled has been based on community aspirations which were explored through in-depth interviews and Focus Discussion Group.

There are 4 groups of affected recipients, namely indigenous people, transmigration communities, migrant communities, employees, and local governments. Impact assessment is carried out on the types and levels (population relocation, land clearing and acquisition, occupational accident and health risks, community perceptions, public health, employment opportunities, marginalization of minor groups, social conflicts, income generation, capacity building of human resources, strengthening of community organizations, changes in habits and the environment, development of plasma plantations.

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

### **3.4.2**

### **Environmental Aspect**

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

#### **POM 3**

The environmental management and monitoring plan for POM 3 is presented as follows:

- Groundwater, soil monitoring, and monitoring well monitoring.
- Surface water quality in upstream and downstream rivers.
- Generator and boiler emissions and ambient air.
- Solid waste (EFB, fiber, shells, sludge)
- Employment Opportunity

#### **PT DIN**

The environmental management and monitoring plan for PT DIN is presented as follows:

- Decrease in water quality of the Wahau river.
- Disturbed flora and fauna is protected.
- Potential for fire.
- Public health problems in Jabdan Village, Muara Wahau Village, Miao Baru Village, and Nehes Liah Bing Village.
- The emergence of public health in Jabdan Village, Muara Wahau Village, Miao Baru Village, and Nehes Liah Bing Village.

### **Social Aspect**

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

- Risk of occupational accidents and health
- Public perception
- Public health
- Jobs
- Marginalization of minor groups
- Social conflict
- Increased revenue
- Capacity building of human resources

- Organizational strengthening
- Changes in habits and environment
- Plasma plantation development.

Based on the results of interviews with Benhes Village and Muara Wahau Village, it is known that the impact of the existence of the company on the surrounding community such as the development of plasma plantations and employment opportunities such as partnering with local contractors. Both impacts have been listed in the company's SIA management and monitoring plan. The participant for SIA adequate compare all operational activities.

Based on document verification it was known if POM 3 and its supply base, were surrounded by another company under subsidiary PT DSN. Based on document verification the correspondents of SIA is sufficient in term of representation of stakeholder. It will be part of verification during an onsite audit in the next assessment to obtain comprehensive visualization.

### **3.4.3**

#### **Environmental Aspect**

##### **PT DIN**

The company has implemented an environmental management and monitoring plan for the 1st and 2nd semesters of 2022. The environmental management and monitoring plan is in accordance with the environmental documents it has. The results of the verification of the implementation of the environmental management and monitoring plan for semesters 1 and 2 of 2022 are in accordance with the directions of the environmental documents owned. In general, the results of environmental management and monitoring are in accordance with the provisions. The company has also conducted evaluations such as trend evaluation, critical level evaluation, and compliance evaluation. The evaluation also stated that in order not to increase the burden of pollution on the Wahau River, PT. Dharma Intisawit Nugraha will use limited pesticide, use the right dose, select the type of pesticide approved by the government, and periodically control the oil palm plantation area of PT. Dharma Intisawit Nugraha, land fire and hazardous waste management. Activities that have been running in plantation operations to reduce the burden of pollution are the riverbank areas of several palm trees that are directly adjacent to the application of herbicides and fertilization.

##### **POM 3**

The company has implemented an environmental management and monitoring plan for the 1st and 2nd semesters of 2022. The environmental management and monitoring plan is in accordance with the environmental documents it has. The results of the verification of the implementation of the environmental management and monitoring plan for semesters 1 and 2 of 2022 are in accordance with the directions of the environmental documents owned. In general, the results of environmental management and monitoring are in accordance with the provisions. The company has also conducted evaluations such as trend evaluation, critical level evaluation, and compliance evaluation.

#### **Social Aspect**

The company has implemented the SIA management and monitoring plan for the 2022 period. The implementations are as follows:

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

From the document monitoring the progress of PT DIN social impact management plan in 2022, the Company has managed social impacts in accordance with the predetermined plan. Regarding the implementation results in 2022 and the social impact management

plan for 2023, the Company has carried out by the company with involved local communities as presented in the documents of Minutes of Social impacts programs (SIA review) on 5 January 2022. In this activity, it was stated that the social impact managed and monitored are still in accordance with community participation (through direct visits and questionnaires). This activity was attended by several community representatives from the Villages of Deabeq, Benhes, Diahlay, Miao Baru, Muara Wahau, Jak Luay, Long Wehea, Karya Bakti Villages, local contractor, worker union, gender committee, previous land owner, representative worker estate and mill.

In general, the results of environmental and social monitoring carried out by the company are in accordance with the provisions. Such as the results of surface water monitoring, POME monitoring, and environmental emission monitoring have complied with the provisions. In addition, social monitoring is also in accordance with the company's SIA management and monitoring plan. The environmental and social monitoring result no non-conformance arose from the monitoring result.

<b>Status: Comply</b>
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### 3.5

#### A system for managing human resources is in place.

##### 3.5.1

Company has employment procedure including recruitment, selection, promotion, retirement, dan termination of employment in document of:

- Procedure No. SOP-AGR-012-R03 concerning Recruitment, valid from 1 December 2019
- Procedure No. SOP-AGR-016-R00 concerning Worker Training, valid from 15 February 2013
- Procedure No. SOP-AGR-014-R00 regarding Worker Assessment, valid from 15 February 2013
- Procedure No. SOP-AGR-015-R01 concerning Discharge Employees, valid from 1 November 2015
- Procedure No. SOP-AGR-017-R01 concerning Application for Transfer Promotion, valid from 19 October 2015

The company also has a Company Regulation for 2022 – 2024 which was ratified by the Head of the Office of Manpower and Transmigration of Kalimantan Timur Province No. KEP.560/1132/B.PHI & Jamsostek/2022. The Company Regulations also explain the human resource system, such as:

- Acceptance
- Placement
- Transfers
- Promotions
- Training
- Termination of employment
- Termination due to retirement
- And others.

The system regarding human resources system available to their workers and representatives. The human resources system also in accordance with applicable regulations as well as for retirement and termination of employment has been described in company regulations

##### 3.5.2

The company has kept a track record of employees. For employee recruitment, the stages for recruitment are job application letters, CV, copies of identity cards, and supporting documents such as certificates, diplomas, transcripts and others. The company shows employee track record documents stored in each unit (factory and estate).

The company has shown a record of the implementation of employment procedures, for example:

##### Recruitment

Documentation for the recruitment of workers with the initials GAP consisting of ID, job application letter, Assessment Results, Health examination results and others. Probationary period work agreement No. 052/DIN-LK2/SPK/WHU/XI/2021 dated November 23, 2021. Employee appointment letter No. 003/DIN/OS-HC/SKPK/WHU/II/2022 dated 22 February 2022

##### Termination due to retirement

Documentation of pension payments worker with initial RL consisting of payment details for employee compensation which was

signed by the employee on July 19, 2022. The evidence of cash disbursement is July 20, 2022.

### Promotion

Promotional documentation for example No. 003/DIN/Agro/Promotion/IV/2022 dated 8 April 2022 with initial FG from maintenance workers to harvest clerk.

The results of interviews with workers and representatives of labor union revealed that labor procedures have been implemented by the company in accordance with applicable regulations. They also known that workers have already know about employment procedures such as termination, retirement or promotion. Based on that interview known that there is no discrimination against workers. The company has provided employee rights in accordance with company regulations and applicable regulations.

<b>Status: Comply</b>
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### 3.6 An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.

**3.6.1**  
Policy on occupational health and safety (OSH) was issued in December 2010 by Chief Executive AGRO in Jakarta which describes company commitment to create a safe and health working environment through:

- Company operational activity shall in accordance with the respective Laws and Regulations.
- Actively monitoring and improve system management implementation and OSH application.
- Continuous improvement as a part of corporate culture.

Procedure of OSH was presented in document No. SOP-AGR-037-R01 dated November 1<sup>st</sup> 2013, issued by the Executive Director SBU Agro 1. The procedure has describes plan of OSH and environment program for estates and mill, risk identification and management control, work permit application, handling and reporting of accident, evaluation and follow up, monitoring and environment measurement, emergency handling, OSH and environment communication, participation and consultation. Several forms related to OSH environment is as follows:

- FM-SHE-29-R00 about identification risk, appraisal and risk control on risk assessment matrix.
- FM-SHE-12-R00 about safety induction/orientation.
- FM-SHE-07-R00 about OSH inspection schedule.
- FM-SHE-08-R00 about checklist of OSH inspection.
- FM-SHE-09-R01 about OSH inspection report.
- FM-SHE-05-R01 about preliminary report on accident and non conformity.
- FM-SHE-06-R00 about investigation of accident and incidence report.
- FM-SHE-13-R00 about communication matrix.
- FM-SHE-14-R00 about OSH consultation schedule.
- FM-SHE-23-R02 about work permit.

The company shows the Hazard Identification Form, Environmental Impact Analysis and OHSE Risk Assessment which was updated in 2022 and has covered all aspects, which was prepared by OHS Estate and Mill Experts with activities/work processes including harvesting and transportation, maintenance, fertilization, spraying, warehouses, fueling stations, hazardous waste warehouses, polyclinics, electrical installations, generator houses, lawn mowers, infrastructure (heavy equipment, road maintenance), infrastructure (civil), etc.

The results of risk identification and implementation plans are disseminated to management and workers, for example through the placement of HIRAC documents at each Process Station in the POM.

Based on the results of interviews with workers, for example in the Spraying workers and St. Sterilizer operator, it is known that workers have knowledge and understanding of the hazard identification documents, risks and control plans, and are able to implement them in the field. Based on the explanation above, it is known that there are results of risk identification and implementation plans that are socialized to management and workers.

From the results of field observations to the WWTP of mill area it was found that there was spraying activity. From the results of the



verification of the HIRAC documents, it is known that the risks involved in spraying activities in the WWTP area have been identified. However, the document explains that risk control is by carrying out periodic health checks and not providing PPE to avoid exposure to chemicals. From the results of interviews with the WWTP staff it was found that those carrying out the spraying activities were WWTP officer and this officer had his own PPE for spraying activities. The results of a special health check, it is known that WWTP workers have also been examined for cholinesterase. The results of the last examination found that the worker was in good health. Regarding the spraying activities in the WWTP area, the company said that the spraying activities were carried out by the spray team and not other workers. The company has also shown a plan/policy which explains that all spraying activities will be carried out by the spray team from the plantation/estate and are not allowed to be carried out by other workers. Related to this, the company has the opportunity to ensure the HIRAC of Mill and ensure that spraying activities at the mill have been carried out according to the plans that have been made. (OFI)

### 3.6.2

The company demonstrates monitoring of the effectiveness of OHS to handle OHS risks in people including:

- The company showed a recording of the completeness check of the contents of the Estate and Mill First Aid Boxes every month.
- The company has monitored the adequacy of the Certificates and Licenses of personnel and their validity period.
- The company has monitored the inspection period for the OHS equipment and heavy equipment.
- The company showed monitoring of the condition and adequacy of emergency response equipment including fire extinguishers, hydrants and fire prevention and control facilities and infrastructure every month.

Based on the results of field observations and document verification, several facts were found including:

#### Adequacy of Licensed Operators, such as :

Results of field visits and interviews at St. Boiler and St Engine Room, found that Boiler operator and engine operator has active SIO. This has been verified through a document review. The company has 8 class 1 operators for steam aircraft. As for generator engines, the company already has 3 licensed operators.

#### Medical Check-Up

Based on the results of document review and interviews, it is known that the company has carried out special health checks for workers such as audiometry, spirometry (once a year) and cholinesterase (twice a year) for example:

Long Kejiak 1 :

- Audiometry → conduct on April 2022 with result all workers in normal condition
- Spirometry → conduct on October 2022 with result all workers in normal condition
- Cholinesterase → conduct on July 2022 with the results there are no worker examination results above normal limits

#### POM 3

- Audiometry → conduct on April 2022 with result that 1 worker experienced mild deafness and it is recommended to carry out further examinations. The company has carried out a follow-up examination which was carried out on June 10, 2022 with mild deafness results. The workers have been transferred to jobs with minimal noise based on mutation letter No. 011/DSN/AGRO/MUTASI/VII/2022 dated 6 July 2022.
- Spirometry → conduct on October 2022 with result all workers in normal condition
- Cholinesterase → conduct on June 2022 with the results there are no worker examination results above normal limits

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

- Minutes of meeting on 28 June 2022, which included discussing work accidents for the June 2022 period and discussion of safety patrol findings.
- Minutes of meeting on 30 September 2022, which included discussing work accidents for the September 2022 period and discussion of safety patrol findings such as there's fiber overflowing out of the conveyor at st. boiler, there is loose fruit at the loading ramp station and there is a leaky boiler pump packing
- Minutes of meeting on 30 December 2022, which included discussing work accidents for the December 2022 period and discussion of safety patrol findings such as there's wet fiber accumulating and clogging the waterways, there is a hole in the cyclone fiber body, causing fiber to come out of the hole and the sludge pump leaks.

Status: Comply

**3.7**

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

**3.7.1**

The company showed the Training Program for each unit in 2022 that cover all aspects of the P&C RSPO. Based on interview with management, known that the training also covers parties who need training such as staff, workers, smallholder and contractors. As for sustainability and HR department are responsible for the development of the training program scheduling and implementation of training. The training program document informs type of training, plan / timetable and attendance. The 2022 training programs such as:

- Pesticide Training
- Manuring Training
- IPM Training
- Hazardous waste management Training
- First aid Training
- Mill waste management Training
- Conservation Training
- Etc

**3.7.2.**

The company already has training records, such as:

- Hazardous waste management training on January 13, 2022 which was attended by 27 participants.
- First aid training on February 17, 2022 which was attended by 21 participants.
- Generator operator training for afdeling on February 18, 2022 which was attended by 75 participants.
- Etc

As for some training records where appropriate on an individual basis

The results of interviews with labor union and workers such as warehouse officer, harvesters, spraying workers, mill worker such as grading officer, boiler officer stated that the company had provided training or socialization regarding work procedures for each worker in bahasa and understood by the workers. In addition, the results of interviews with workers such as boiler, sterilizer officers etc also conveyed that the worker has been given training. As for the training program which involve contractors such as SOP socialization and training related to OHS. From the results of interviews with workers and contractors, known that workers and contractors can explain the training that has been obtained such as work procedures and OHS implementation.

**3.7.3**

The company has provided training related to the RSPO supply chain to personnel related to the supply chain process on December 22, 2022. The training was attended by 4 people from POM 3, including weighbridge operators, dispatch operators, and grading employees. Then, based on interview with one of the weighbridge operators, it was discovered that the operator did not yet understand the RSPO supply chain (RSPO SCCS) because the operator was a new employee at POM 3. Related to this, the company had the opportunity to ensure that all personnel involved with supply chain certification standards have received training. (OFI)

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1, 3.8.2**

Based on documents verifications it was known FFB that accepted in POM 3 originally from estate under scope of certification and other source from estate or full managed smallholders under subsidiary of PT Dharma Satya Nusantara, Tbk. FFB suppliers of POM 3 as follows:

- Owned Estates: Long Kejiak 1, Long Kejiak 2 and Long Kejiak 3 Estate with total area 9,797.149 ha.
- Other sources: Kemitraan, PT. Dharma Agrotama Nusantara, PT. Dewata Sawit Nusantara, PT Swakarsa Sinar Sentosa which had RSPO certified.

Therefore, POM 3 implemented SCCS module IP.

**3.8.3**

Below is last year projected certified volume that submit in palmtrace, actual production of certified volume during licensed period and



also projection certified volume for next 12 months. The projection certified volume is estimated based on last year production and it will be reported to palmtrace.

Product	Last Year Projected Certified Volume (Ton)	Actual production from Jan – Dec 2022 (Ton)	Projection certified volume (Ton) (12 months)
<b>FFB</b>	268,000	227,866.22	<b>251,800</b>
<b>CPO</b>	63,611	51,274.15	58,000
<b>PK</b>	10,787	9,667.05	12,600

Based on table above, there is overproduction of FFB, CSPO and CSPK.

### 3.8.4

POM 3 has been registered and met the requirements of reporting supply chain through the RSPO supply chain managing organization (palm-trace), which describing below:

Sub License ID	CB123656
Member Name	PT Dharma Satya Nusantara (PKS3)
Member ID	RSPO_PO1000000939
RSPO Membership Number	1-0135-12-000-00 (PT DHARMA SATYA NUSANTARA)
Issued On	11 May 2022
Issued By	PT Mutuagung Lestari
Start Date	25 May 2022
End Date	24 March 2023

All transaction has been announced to RSPO IT Platform.

### 3.8.5

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

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

### 3.8.6

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

The latest internal audit was done on 7 – 8 July 2022 and there is no nonconformity regarding supply chain indicator.

### 3.8.7

POM 3 Mill record FFB received from certified and noncertified source for 12 months (January – December 2022), below is the details:

Month	FFB Certified (ton)	FFB Noncertified (ton)
January 2022	18,996.88	-
February 2022	16,309.33	-
March 2022	1,155.32	-

April 2022	-	-
May 2022	15,149.27	-
June 2022	21,099.74	-
July 2022	26,658.68	-
August 2022	24,177.95	-
September 2022	22,573.90	-
October 2022	25,742.12	-
November 2022	27,235.94	-
December 2022	28,767.09	-
<b>Total</b>	<b>227,866.22</b>	<b>-</b>

POM 3 also record the production of certified product during 12 months, summarized as table belows.

<b>Product</b>	<b>Last Year Projected Certified Volume (Ton)</b>	<b>Actual production from Jan – Dec 2022 (Ton)</b>
<b>FFB</b>	268,000	227,866.22
<b>CPO</b>	63,611	51,274.15
<b>PK</b>	10,787	9,667.05

Based on table above, there is no overproduction of certified product. Mill also does not buy product from outsider. However, the mechanism for handling non-conforming products is described in the Work Instruction of Traceability of CPO & PK Product with IP and SG Model that presented in document No. IK-AGR-MS-08-R10.

### 3.8.8

Based on document verification it is known that there's CSPK and CSPO transaction on licenses period. The company shows documentation of certified products, such as weighbridge ticket and expedition evidence. These documents describe the names and contacts of the buyers and sellers, delivery dates, product descriptions, quality, quantity, member ID, and others. For examples: Weighbridge ticket transaction number 027768-LBN-220822 about product selling of CSPO to Bulking CPO Labanan on 22 August 2022. This document informs about name and address of seller and buyer, product descriptions, quality, quantity, member ID, RSPO certificate number, unique identification number, etc.

### 3.8.9, 3.8.10, 3.8.11

POM 3 uses third parties for handling certified products, including for the transportation of CPO and PK. The list of contractors informs the name and personal contact of the contractor, the contractor's address, along with the SPK number. From the list, it is known that there are 3 contractors for handling certified products, including Wea Hat Antonius, Elsuf, and BUMDES Uyeng Lahai. There has been no hiring of new contractors at the current assessment

Based on the results of interviews with the PK transport contractors, it is known that the contractors are willing to provide access to the certification bodies to access their respective operations and systems, along with all the information they have, if the audit is notified in advance. POM 3 shows an example of an work agreement with a contractor for transporting kernels on behalf of Elsuf with SPK number 012/DSN/KCP/2022.

### 3.8.12

During assessment, POM 3 has record of all CSPO and CSPK, as well as presented in the table belows:

#### Crude Palm Oil

<b>Month</b>	<b>CPO Production (MT)</b>		<b>CPO Delivery (MT)</b>		
	<b>Certified</b>	<b>Uncertified</b>	<b>Certified</b>	<b>Other Scheme</b>	<b>Noncertified</b>
Opening stock	587.02	-	-	-	-
January 22	4,533.91	-	4,108.43	-	-
February 22	3,949.08	-	3,944.36	-	-
March 22	245.72	-	542.20	-	-

April 22	-	-	-	-	-
May 22	3,188.40	-	2,719.93	-	-
June 22	4,668.35	-	3,917.77	-	-
July 22	5,976.63	-	4,723.12	-	-
August 22	5,512.78	-	7,263.94	-	-
September 22	5,041.95	-	5,301.12	-	-
October 22	5,474.39	-	5,401.26	-	-
November 22	5,840.30	-	5,695.46	-	-
December 22	6,255.62	-	7,266.88	-	-
<b>Total</b>	<b>51,274.14</b>	<b>-</b>	<b>50,884.47</b>	<b>-</b>	<b>-</b>

**Kernel Palm Oil**

Month	PK Production (MT)		PK Delivery (MT)		
	Certified	Uncertified	Certified	Other Scheme	Noncertified
Opening stock	134.30	-	-	-	-
January 22	721.69	-	792.28	-	-
February 22	694.00	-	643.88	-	-
March 22	49.77	-	160.68	-	-
April 22	-	-	-	-	-
May 22	594.77	-	437.13	-	-
June 22	874.99	-	823.52	-	-
July 22	1,111.42	-	983.17	-	-
August 22	1,009.12	-	1,167.21	-	-
September 22	955.34	-	953.19	-	-
October 22	1,084.68	-	885.71	-	-
November 22	1,155.86	-	1,013.86	-	-
December 22	1,221.41	-	1,682.12	-	-
<b>Total</b>	<b>9,607.36</b>	<b>-</b>	<b>9,542.75</b>	<b>-</b>	<b>-</b>

Based on table above, that all CSPO and CSPK is sold as certified product.

**3.8.13; 3.8.14**

The OER and KER is made based on actual production of CPO and FFB processed. Based on production data from January - December 2022, the OER is 22.23% and KER 4.16%. The extraction rate is updated periodically every month based on actual production of CPO and PK and also FFB processed.

**3.8.15**

POM 3 implemented SCCS module IP. Based on documents verifications it was known FFB that accepted in POM 3 originally from estate under scope of certification and other source from estate or full managed smallholders under subsidiary of PT Dharma Satya Nusantara, Tbk. FFB suppliers of POM 3 as follows:

- Owned Estates: Long Kejiak 1, Long Kejiak 2 and Long Kejiak 3 Estate with total area 9,811.70 ha.
- Other sources: Kemitraan, PT. Dharma Agrotama Nusantara, PT. Dewata Sawit Nusantara, PT Swakarsa Sinar Sentosa which had RSPO certified.

**3.8.16**

**Shipping announcement**

- POM 3 showed the example of shipping announcement transaction ID TR-401297c1-76b0 with volume of CSPO 948.25 MT. Based on weighbridge ticket, the CSPO was shipped on 22 August 2022. The shipping announcement creation date 23 August 2022 and confirmation date 23 August 2022.
- POM 3 showed the example of shipping announcement transaction ID TR-12647032-3cc6 with volume of CSPK 953.19 MT. Based on weighbridge ticket, the CSPK was shipped on 1 – 30 September 2022. The shipping announcement creation date 10 October 2022 and confirmation date 10 October 2022.

**Removing stock**

There is no CSPO and CSPK sold as conventional.

**3.8.17**

Based on transaction report documents, all CSPO are claims as segregation and CSPK are claims as Mass Balance.

**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 which explain that Company respect human rights and worker rights, such as Elimination of discrimination, prohibition of forced labor and child labor, provision of fair wages, upholding the principle of gender equality, and respecting freedom of association.

Based on interviews with representatives of labor unions, contractors, and village community leaders, it was found that there were no incidents of human rights violations in the certification unit, no employees were intimidated and/or subjected to violent treatment by the certification unit. The human rights policy also explains that the unit of certification does not tolerate retaliation against someone who discloses violations or allegations with good intentions.

**4.1.2**

The results of interviews with stakeholders such as government agencies, representatives of surrounding villages, labor union, representatives of the gender committee and the results of field observations, it is known that there is no use of mercenaries or paramilitaries in the company. From the results of the interview, it was also informed that there were no issues related to human rights violations in 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**

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

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

The results of interviews with workers and labor union known that workers understand the grievance mechanism. Complaints can also be submitted to labor union. The results of interviews with contractors and representatives of surrounding villages indicated that the village and contractors had understood the grievance mechanism.

#### 4.2.2

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

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

#### 4.2.3; 4.2.4

Company showed some policies related to the grievance/complaint mechanism, here as follows:

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

The company already has documentation of complaints. As for the complaints in last 1 year for example:

- Complaint from worker dated November 30, 2022 regarding damaged door of house and has been responded on December 03, 2022.
- Complaint from worker dated October 26, 2022 regarding the bathroom floor is crushed and has been responded on October 29, 2022.
- Complaint from worker dated December 27, 2022 regarding damage plafon and has been responded on December 29, 2022.

Based on verification of documentation of complaints, known that there is only internal complaints that submitted to the company and no complaints from external parties. Based on interview with internal stakeholder such as workers and labor union, known that all complaints has been responded by company. Based on interview with external stakeholder such as village representatives, government agency, also known that there are no complaints to the company.

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

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

#### 4.3.1

The company has contributed to community development based on the results of consultations with local communities. The company shows evidence of identification of community needs as shown through the Social Visit document. For 2022 social visits will be held in January and April. The company shows documented evidence of community development contributions such as:

- Repair of the Muara Wahau village axis road on March 31, 2022
- Assistance in leveling the Wahau 1 health center yard in March 2022
- And others

In addition, the company also empowers the surrounding community as local contractors for supporting activities. For example, for renting buses for school children, transporting FFB, operational transportation/managerial cars, transporting CPO/PK and others. The results of interviews with representative of surrounding village revealed that the company regularly visits the surrounding community for the discussants related CSR program.

**Status: Comply**

#### 4.4

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

##### 4.4.1

The company has land ownership documents totaling 9,811.849 hectares consisting of 9,797.149 hectares of HGU and 14.7 hectares of HGB.

Following are details of PT DIN and POM 3 land ownership documents.

- HGU Decree No. 66-HGU-BPN RI-2007 concerning the granting of HGU in the name of PT Dharma Intisawit Nugraha for an area of 9,811.849 Ha which was issued on December 19, 2007. Then a letter from the Head of the Indonesian National Land Agency No. 3829/14.3/XII/2010 dated December 20, 2010 concerning Application for Permit for Release of Partial Cultivation Right No. 22/Muara Wahau on behalf of PT Dharma Intisawit Nugraha. The letter states that in principle the release of a portion of the HGU covering an area of 14.70 Ha can be approved. Therefore, the current HGU area is 9,797.149 Ha.
- HGB Certificate No. 04 which was issued on March 23 2011 for an area of 14.70 Ha and ended on March 23 2031. This certificate was issued based on the Decree of the Head of the BPN Regional Office of Kalimantan Timur Province No. 20/HGB/BPN-64/2011 dated 2 February 2011.
- IUP-P based on Decree of Kutai Timur Regent No. 188.4.45/057/Eko.1-V/2011 dated 10 May 2011 covers 60 tons FFB/hour of Mill capacity

Based on interviews with representatives of the Kutai Timur District Land Office, it is known that there has been no change in the area of PT DIN's HGU area.

##### 4.4.2, 4.4.3, 4.4.4, 4.4.5, 4.4.6

There was no change/addition to the area of PT DIN and POM 3. Based on the study of HGU Decree document No. 66-HGU-BPN it is known that from the Kalimantan Timur Province Land Inspection Committee "B" in its Minutes dated 28 November 2006 No. 12/RPT-PAN.B/XI/2006 states:

- The land requested by PT DIN has the status of former state land, part of the forest area that has been released based on the Decree of the Minister of Forestry of the Republic of Indonesia dated May 23, 2005 No. SK.130/Menhut-II/2005 is located in the Sei Wahau Forest group and its surroundings covering an area of 10,125 Ha
- On the requested land there are no fields, fields, arable land, plantations owned by the community, and some of them have been planted with oil palm.
- The land requested based on the 1993 spatial plan for the Province of Kalimantan Timur is entirely within the Non-Forest Cultivation Area (KBNK).

Based on this description, PT DIN's area originally came from a forest area that had received a Forest Area Release Decree and did not originate from land that was compensated by the surrounding community. From the results of interviews with representatives of the villages of Ben Has and Muara Wahau, it is known that there has been no land acquisition from the village community to the company.

**Status: Comply**

#### 4.5

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

##### 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7, 4.5.8

There are no new plantings in the area of the unit of certification. Based on the study of SK HGU documents, it is known that the area of the unit of certification originates from a production forest area. Then, company also has received Decree SK.130/MENHUT-II/05 dated 23 May 2005 which states that had extricate its status for about 10,125 ha. In addition, from the results of interviews with representatives of the Land Office Kutai Timur District as well as village and customary representatives in Ben Has and Muara Wahau,



it is known that the operational area of the certification unit does not derive from customary rights or other legal rights.		
	<b>Status: Comply</b>	
<b>4.6</b> <b>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.</b>		
<b>4.6.1, 4.6.2, 4.6.3, 4.6.4</b> 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 ( <i>tanam tumbuh</i> ).  There are no new plantings in the area of the unit of certification. Based on the study of SK HGU documents, it is known that the area of the unit of certification originates from a production forest area. Then, company also has received Decree SK.130/MENHUT-II/05 dated 23 May 2005 which states that had extricate its status for about 10,125 ha. In addition, from the results of interviews with representatives of the Land Office Kutai Timur District as well as village and customary representatives in Ben Has and Muara Wahau, it is known that the operational area of the certification unit does not derive from customary rights or other legal rights.		
	<b>Status: Comply</b>	
<b>4.7</b> <b>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.</b>		
<b>4.7.1, 4.7.2, 4.7.3</b> 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 ( <i>tanam tumbuh</i> ).  There are no new plantings in the area of the unit of certification. Based on the study of SK HGU documents, it is known that the area of the unit of certification originates from a production forest area. Then, company also has received Decree SK.130/MENHUT-II/05 dated 23 May 2005 which states that had extricate its status for about 10,125 ha. In addition, from the results of interviews with representatives of the Land Office Kutai Timur District as well as village and customary representatives in Ben Has and Muara Wahau, it is known that the operational area of the certification unit does not derive from customary rights or other legal rights		
	<b>Status: Comply</b>	
<b>4.8</b> <b>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.</b>		
<b>4.8.1, 4.8.2, 4.8.3, 4.8.4</b> Based on the areal statement document, it is known that there are no areas of dispute or occupation in the scope of certification. The same thing was also conveyed based on interviews with representatives of the Land Office of the Kutai Timur District and representatives of the Village and Customs of Muara Wahau and Ben Has, namely that there is no disputed area in the operational area of the certification unit.		
	<b>Status: Comply</b>	
<b>PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION</b>		
<b>5.1</b> <b>The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.</b>		



**5.1.1**

PT DIN has a partnership program with oil palm cooperatives, including:

- Harapan Baru Cooperative based on agreement No 193/DIR-ARF/DWT/JKT/VIII/2008 dated 29 August 2008 concerning Development of Oil Palm Plantations for the community. Based on the agreement, the purchase of smallholder FFB is carried out based on the FFB pricing mechanism from the Plantation Agency of Kalimantan Timur Province.
- Kel'ean Blom Kejah Cooperative based on Cooperation Agreement No. 083/DIR-ND/DIN/JKT/IV/10 dated 10 April 2010 regarding Development of Oil Palm Plantations for cooperative members. The agreement explained that the price of FFB was guided by the provisions of the Decree of the Minister of Agriculture

Based on interviews with the management of the Harapan Baru Cooperative, it is known that the price of FFB used so far is the price set by the Plantation Office of Kalimantan Timur Province.

**5.1.2**

Interviews with the management of the Harapan Baru cooperative, it was found that the price of FFB was in accordance with the determination from the Plantation Office of Kalimantan Timur Province and the cooperative was notified periodically whenever there was a change in price.

**5.1.3**

The FFB price for smallholder cooperative is determined by referring to the price set by the Plantation Office of Kalimantan Timur Province. Based on interviews with the management, the price for FFB set for smallholder is according to FFB price set by the Plantation Office. The same information also obtained from interview with the head of the Harapan Baru Cooperative stated that the price for FFB was set by Plantation Office of Kalimantan Timur Province and not by the company.

The company shows the Decree on the Purchase of FFB for the Kalimantan Timur Province for the period November 16-30, 2022, which was determined by the Plantation Office of Kalimantan Timur Province on November 30, 2022.

**5.1.4, 5.1.5**

PT DIN has a partnership program with oil palm cooperatives, including:

- Harapan Baru Cooperative based on agreement No 193/DIR-ARF/DWT/JKT/VIII/2008 dated 29 August 2008 concerning Development of Oil Palm Plantations for the community. Based on the agreement, the purchase of smallholder FFB is carried out based on the FFB pricing mechanism from the Plantation Agency of Kalimantan Timur Province.
- Kel'ean Blom Kejah Cooperative based on Cooperation Agreement No. 083/DIR-ND/DIN/JKT/IV/10 dated 10 April 2010 regarding Development of Oil Palm Plantations for cooperative members. The agreement explained that the price of FFB was guided by the provisions of the Decree of the Minister of Agriculture

The agreement has signed by both parties. Based on the results of interviews with the chairman of the Harapan Baru Cooperative, it is known that the cooperative has understood the contract/MoU with the company and there is no coercion from the company. So far, cooperation with companies has been going well and cooperatives have authority and decision making. In addition, there are savings funds made by cooperatives and companies for future replanting needs.

**5.1.6**

Based on interviews with the management of the Harapan Baru Cooperative, it is known that there were no complaints regarding the payment of FFB. The paid FFB is in accordance with the set price and there is no delay in payment. The company then shows an invoice for payment of TBS KM 3 for the November 2022 period No. 1370001351 dated 30 November 2022. The invoice was then paid on 15 December 2022 by showing proof of payment for FFB KM3 for the November 2022 period.

**5.1.7**

The company showed the Office of Industry and Trade of Kutai Timur District on January 25 2022 regarding Notification Regarding the Implementation of Calibration/Re-Camera at PT DSN. A letter from PT Mugi was also shown to the Office of Cooperatives, Small and Medium Enterprises, Industry and Trade, Kutai Timur District, Kalimantan Timur Province, dated May 30 2022 regarding the Request for Re-calibration at POM 3. However, up to ASA 1.4, the weighing bridge at POM 3 had not been re-calibrated. Based on information from the party POM 3, the re-calibration team visited in September 2022, but the weighing implementation team did not have time to carry out the calibration due to internal vendor problems and could not determine a schedule for re-calibration. This is

proven through the recording of communications between POM 3 and vendors.

Related to this, the company has the opportunity to ensure that the weighbridge will be calibrated. (OFI)

#### 5.1.8

Companies can show minutes of the socialization of the RSPO certification program to smallholder around the company which was conducted on January 7 2021 to the Kel'ean Blom Kejah Cooperative. The socialization materials provided included: introduction to RSPO certification for independent smallholders, land legality, traceability of FFB, and implementation of field schools for farmers and STDB.

#### 5.1.9

The handling of complaints from farmers/outside has been regulated in the SOP document number SOP-AGR-044-R02 dated 14 October 2019 concerning the procedure for Communication and Handling of External Complaints. The document explains that responses to requests for information or filing complaints must be given immediately, namely no later than is 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.

The company shows records of external complaints for 2022. From these documents there are 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, 5.2.2, 5.2.3

Companies can show minutes of the socialization of the RSPO certification program to farmers around the company which was conducted on January 7 2021 to the Kel'ean Blom Kejah Cooperative. The socialization materials provided included: 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 cooperative managerial training, assistance in making tax reports, training on harvesting, fertilizers, HPT, etc.

#### 5.2.4

Smallholder cooperatives are entirely managed by the company (full managed). The company provided training on handling pesticides to plasma workers on 13 June 2022.

#### 5.2.5

The company has reported the development of smallholder in the Progress Report on Plantation Activities submitted to the Plantation Office of Kutai Timur District. The last report submitted was for the fourth quarter of 2022 which was reported on January 10, 2023.

**Status: Comply**

### **PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**

#### 6.1

**Any form of discrimination is prohibited.**

#### 6.1.1;6.1.2

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

- The company is committed to respecting the human rights of each employee as regulated in applicable regulations.
- In employing all employees, the company committed to the principle of equality and would not discriminate or restrict, harass or exclusion based on human distinctions or the basis of religion, ethnicity, race, ethnicity, group, class, status social, economic status, gender, language, political beliefs.

- The company also committed to not discriminating in recruiting employees. The recruitment process is in accordance with the fields of expertise, so there wouldn't be any forced labor system that can lead to human rights violations and inconvenience of employees.
- Every employee who works in the company is recognized as a person who has the freedom of beliefs, thoughts, opinions and respect to use his conscience with human dignity in accordance with company regulations and applicable laws.

The company has also shown documentation of socialization of company policies including nondiscrimination policies, such as socialization on November 19, 2022 to external parties which attended by 38 participants.

Based on the verification of the labor register documents and interviews labor union, known that the workers come from various ethnic such as Java, Dayak, Bugis and others. From the results of interviews with labor union and workers, known that there is no indication of discrimination against workers. In addition, the results of interviews with village representatives, obtained information that there is no indication of discrimination. The company has provided equal opportunities for the surrounding community to get jobs.

The results of the verification of employment documents, the results of interviews with workers and representatives of labor unions, it is known that the existing worker in the company consists of permanent workers and no contract/daily worker. From the results of interviews with representatives of surrounding villages, it is also known that the company also conveys information on job vacancies to the village.

#### **6.1.3**

The company has kept a track record of employees. For employee recruitment, the stages for recruitment are job application letters, CV, copies of identity cards, and supporting documents such as certificates, diplomas, transcripts and others. The company shows employee track record documents stored in each unit (factory and estate).

The company has shown a record of the implementation of employment procedures, for example:

##### **Recruitment**

Documentation for the recruitment of workers with the initials GAP consisting of ID, job application letter, Assessment Results, Health examination results and others. Probationary period work agreement No. 052/DIN-LK2/SPK/WHU/XI/2021 dated November 23, 2021. Employee appointment letter No. 003/DIN/OS-HC/SKPK/WHU/II/2022 dated 22 February 2022

##### **Termination due to retirement**

Documentation of pension payments worker with initial RL consisting of payment details for employee compensation which was signed by the employee on July 19, 2022. The evidence of cash disbursement is July 20, 2022.

##### **Promotion**

Promotional documentation for example No. 003/DIN/Agro/Promotion/IV/2022 dated 8 April 2022 with initial FG from maintenance workers to harvest clerk.

The results of interviews with workers and representatives of labor union revealed that labor procedures have been implemented by the company in accordance with applicable regulations. They also known that workers have already know about employment procedures such as termination, retirement or promotion. Based on that interview known that there is no discrimination against workers. The company has provided employee rights in accordance with company regulations and applicable regulations.

#### **6.1.4**

Based on interview with women workers as well as gender committees revealed that pregnancy tests were only conducted for chemical material applicators to avoid the employees being exposed with chemical. Further explained that so far there had never been a pregnancy test which was a discriminatory measure.

#### **6.1.5**

The company already has a gender committee to deal with women's or gender issues which is members consisting of male and female workers. The gender committee structure consists of a coach, head of gender committee and representatives of afdeling etc. The work program of the gender committee consists of:

- Conducting outreach/socialization related to the gender committee

- Socialization related to right and obligation of female worker
- *Posyandu*
- And others.

The results of interviews with female workers known that the workers already know the gender committee and the functions of the organization. Workers are also aware of gender committee if there are complaints or complaints related to women's problems or issues. The results of interviews with representatives of committee gender and women workers, it was found that there were no complaints related to sexual harassment, violation etc in the last 1 year.

#### 6.1.6

The determination of wages at PT DSN dan PT DIN is based The Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 dated November 30, 2022 concerning the Minimum Wage of Kutai Timur District in 2022 which is Rp. 3,175,427.45.

The results of interviews and the verification of workers' wages e.g manuring woker with worker initial PM and initial KP (worker with same work and same grade), it is known that the company has given the same wages for the same scope of work and in the same grade.

**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 applicable wage in the company is based on the Minimum Wage for Kutai Timur District based on the Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 dated 30 November 2021 concerning Determination of the Minimum Wage for Kutai Timur District, Kalimantan Timur Province for 2022 of Rp. 3,175,427.45. The company also has documents related to the determination of wages, which are explained as follows:

- Decree of the Board of Directors regarding PT DIN Minimum Wage Changes No. 035/DIR/XII/2021 dated 30 December 2021 which explains that the minimum wage for workers is Rp. 3,175,450 per month.
- Decree of the Board of Directors concerning Changes to PT DSN's Minimum Wage No. 032/DIR/XII/2021 dated 30 December 2021 which explains that the minimum wage for workers is Rp. 3,175,450 per month
- The 2022 Wage Scale is set for January 1, 2022. From this document it is known that the lowest wage is in class 1A with 1 year of service of Rp. 3,175,450 and the highest wage is in class 3F with 30 years of service of Rp. 4,756,470.

#### 6.2.2

The company already has a Company Regulation for 2022 – 2024 which has been ratified by the Head of the Office of Manpower and Transmigration of the Province of Kalimantan Timur, which is explained as follows:

- Company regulation PT DIN Year 2022-2024 based on endorsement decree No. KEP.560/1135/B.PHI&jamsostek/2022 dated April 18, 2022. The Company regulation has explained wages and work conditions, such as worker status and classification, worker responsibilities, working time, wages and wage system, review of wages and appointments, overtime pay , annual leave, big leave, maternity leave, permission to leave work, special permission and others.
- Company regulation PT DSN Year 2022-2024 based on decree No. KEP.560/1132/B.PHI&jamsostek/2022 dated 18 April 2022

Based on interview with workers and labor union known that company has socialized company regulation to the workers. In addition, the company has also involved labor unions in terms of drafting company regulations. Based on interview with workers and labor union representatives known that company has paid wages is accordance with applicable regulation.

The company shows list of the number of workers for the December 2022 as follows:

- LK1 → 519 workers
- LK2 → 508 workers
- LK3 → 400 workers
- POM 3 → 105 workers
- Contractor workers for example Elsuf (PK transporter) → 2 workers

The auditor team has simulated the calculation of workers' wages by verifying slip and payroll documents for example on December 2022. For example workers with ID 0011533 and ID 0005486. From the verification results, it is known that the company has paid wages according to the applicable regulations. Based on the document verification and interview with labor union and workers also known that deduction for workers such as BPJS deduction, tax and etc has been described in the company regulation. In addition, the company also shows payroll documents that provide information related to compensation for all work performance. Based on interview with workers and labor union representatives known that company has paid wages is accordance with applicable regulation.

Based on the results of field observations, it is known that there is a worker who brings his family to help with work. From the interview results, it is known that the worker already knows the prohibition of bringing family or other people to help with work without an employment relationship. Related to this, the company has provided guidance to these workers and has shown documentation photos and minutes of events. In addition, it was reiterated to the worker that bringing family or other people to help with work without a work relationship is a serious violation and the consequence is termination of employment. Related to this, the company has the opportunity to ensure that all workers working in the operational area have a working relationship/agreement. (OFI).

### **6.2.3**

The company has shown evidence of compliance with labor provisions, through:

- Payroll documentation that gives information on compensation for work performance. The results of the simulation of wages and overtime in December 2022 for example with worker ID 0011533, known that the company has paid overtime wages according to the workers' overtime hours and has complied with the applicable regulations.
- Payslip document has informed deductions, working days, holiday and others.
- etc

Based on document verification and interview with workers (harvesting workers, manuring workers, factory workers, etc.) known that there's no indication about the force labor. In addition, they get the wage accordance with the wage minimum regulation. Based on interview with harvester and wage simulation, known that harvest workers' wages are based on their work (base/target). If the worker gets the base/target, then he gets a premium, and if the worker does not get the base/target but has worked for 7 hours, then the worker gets 1 working day's wages (worth the minimum wage per day).

Interview with labor union and workers, said that wages paid and overtime are in accordance with applicable regulations. Workers also has given leave in accordance with applicable regulation. Based on that interview also known that deduction for workers such as BPJS deduction, tax and etc has been described in the company regulation. Based on interview with contractor and verification of wages of contractor workers (sample) known that contractor workers have given wages in accordance with applicable regulation to the contractor workers.

### **6.2.4**

The results of field observations in housing areas and interviews with workers and labor union known that the company has provided housing facilities (1 house consists of 2 bedrooms and 1 bathroom), infrastructure and facilities that are decent/in good condition to workers such as houses, clean water, religious facilities, sports, school bus, clinic and others. The house also has good sanitation. From the interview, also known that in each housing location there are child care areas, trash bins, electrical and others.

### **6.2.5**

Based on the results of interviews with workers and labor unions, it is known that access to food can be reached easily. The company provides bus vehicles every two weeks for employee shopping needs. Periodically there are food vendors who enter the plantation area. Apart from that, there are also cooperatives, one of which is the provision of staple goods (groceries). In addition, there were also workers who open small business stalls to sell daily necessities in each housing.

Based on this, it can be concluded that the unit of certification has made efforts to increase workers' access to proper, sufficient, and affordable food

### **6.2.6**

The determination of wages at PT DSN dan PT DIN is based The Decree of the Governor of Kalimantan Timur No. 561/K.599/2021 dated November 30, 2022 concerning the Minimum Wage of Kutai Timur District in 2022 which is Rp. 3,175,427.45.

In relation to DLW (Decent Living Wage), the company has tried to do Prevailing Wage calculations for each unit, which included



samples of In-Kind Benefits, such as Housing, electricity for home, water, education, etc. As for the amount of Prevailing wage is Rp. 3,973,880. DLW calculation is based on actual and rational price at certification unit location.

#### 6.2.7

Based on employment document verification, interview with management, labor union and field observation known there were no workers with contract status (PKWT/daily workers). The current employee status are permanent workers and permanent workers with 3 months probation.

<b>Status: Comply</b>
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#### 6.3

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

##### 6.3.1; 6.3.2; 6.3.3

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

The results of interviews with labor union and workers such as harvesters, factory workers and others, known that the company has provided socialization related to freedom of association. From the results of interviews with workers, known that there is labor union in the company. The company showed the application document for registering labor union officials with letter Number 001/SP-DIN/I/2023 dated January 9, 2023 and the document has been received by the Office of Manpower and Transmigration of Kutai Timur District on January 10, 2023.

The company shows several records of labor union meetings, such as:

- Minutes of meeting on January 7, 2023 attended by 24 participants.
- Minutes of meeting on July 27, 2022 attended by 22 participants
- Minutes of meeting on May 19, 2022 attended by 11 participants

Based on interview with labor union known that company has given socialization related to guarantee freedom of association for workers/employees. Based on interview with labor union also known that there is no intervention related to election of workers representatives or in the implementation of any activities.

<b>Status: Comply</b>
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#### 6.4

**Children are not employed or exploited.**

##### 6.4.1; 6.4.2; 6.4.3

Company has a policy concerning on children/underage worker protection (No. 055/DIR/XII/2016) validated on 01 December 2021. This policy applies to all operational areas of DSN Grop. It stated that the group prohibited to recruit employees under the age of 18 years old and prohibited the workers to bring children along in doing work (moreover to help the workers doing their work). Company also showed that they had socialized the policy to all parties including external parties for for example socialization on which attended by 38 participants..

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

The company has also shown agreement with contractors that have explained the prohibition on employing children under 18 years of age, forced labor and workers from human trafficking, for example Agreement for FFB transporter No. 004/DIN/LK1/2022 dated December, 20 2021 and Agreement with FFB transporter No. 007/DIN/LK1/2022 dated December, 20 2021

Based on interview with worker and labor union known that company has socialized company policy including prohibition of child



labor. The results of the verification of the labor list document, interviews with internal and external stakeholders, and field observations revealed that there was no indication of any workers under the age of 18.

**Status: Comply**

## 6.5

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

#### **6.5.1; 6.5.2**

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

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

The results of interviews with labor union and workers, especially female workers, revealed that the company had provided socialization related to policies to prevent sexual harassment and violence and protect reproductive rights. The company already has a gender committee to handle women's issues or problems. The results of interviews with representatives of gender committee and female workers revealed that there were no cases of violence or sexual harassment in the last 1 year. In addition, from the interviews known that the company has gave permission/maternity leave, menstrual leave and permission to breastfeed for female workers.

#### **6.5.3**

The company has identified the needs of new mothers which will held on December 31, 2022. As a follow-up to these activities, the company has made an activity plan such as classes for pregnant women discussing post-pregnancy preparation, discussion about the right time for young mothers to be given permission to breastfeed etc.

Based on the interviews with gender committee representatives and field observation at daycare known that the company has provided a certain place for breastfeeding with a special time to breastfeed. There was no prohibition from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered / picked up by the foreman at these times.

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

#### **6.5.4**

Company showed some policies related to the grievance/complaint mechanism, here as follows:

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

The company already has documentation of complaints. As for the complaints in last 1 year only related housing repair for example:

- Complaint from worker dated November 30, 2022 regarding damaged door of house and has been responded on December 03, 2022.
- Complaint from worker dated October 26, 2022 regarding the bathroom floor is crushed and has been responded on October 29, 2022.

- Complaint from worker dated December 27, 2022 regarding damage plafon and has been responded on December 29, 2022.

Based on verification of documentation of complaints, known that there is only internal complaints that submitted to the company and no complaints from external parties. Based on interview with internal stakeholder such as workers, gender committee and labor union, known that all complaints has been responded by company and complaint related to sexual harassment or sexual violence. Based on interview with external stakeholder such as village representatives, government agency, previous land owner also known that there are no complaints to the company.

**Status: Comply**

## 6.6

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

### 6.6.1; 6.6.2

The results of the verification of the labor register documents, work agreement documents, interviews with labor unions, workers, and the Manpower Office revealed that there were no casual daily workers or temporary workers in the company. There are only permanent workers at PT DSN and PT DIN. From the results of interviews with labor union and workers, known that there is no forced labor in the company. All workers who work are in accordance with the mutually agreed agreement or letter of appointment.

Based on interview with workers and labor union and employment document verification known that workers accept work voluntarily and freely, and following are not found during audit such as retention identity, recruitment fees, involuntarily overtime, lack of freedom to resigns, penalty for termination, debt bondage, withholding wages.

**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

Company showed the Decree of ratification of the OHS Committee Organization by the relevant agency in accordance with OHS Committee personnel, as follows:

- Estate (PT DIN)  
Decree of the Head of the Manpower and Transmigration Office of Kalimantan Timur Province Number 566/1771/P2K3/PPK/DTKT/2022 dated June 20, 2022 with the OHS Committee Secretary namely Erwin Asdar in accordance with OHS expert appointment Letter Number 5/1903/AS.02.04/IX/2019 valid until 15 September 2022. Regarding the OHS expert appointment letter that has expired, the company shows a letter from the Occupational Safety and Health Service Company No. 241/EXT-DPJ/IX/2022 dated 13 September 2022 which informed that the OHS expert license is still in the process of being extended at the Ministry of Manpower of Indonesia. In this regard, the Company has the opportunity to ensure the extension of the OHS expert license (OFI)
- POM 3 (PT DSN)  
Decree of the Head of the Manpower and Transmigration Office of Kalimantan Timur Province Number 566/1772/P2K3/PPK/DTKT/2022 dated June 20, 2022 with the OHS Committee Secretary namely Kadek Krisna Jaya Putra in accordance with OHS expert appointment Letter Number 5/17680/AS.01.03/XI/2022 valid until 23 November 2025.

Matters related to OHS have been discussed in OHS Committee meetings which are held every month, for example :

- Minutes of meeting on 28 June 2022, which included discussing work accidents for the June 2022 period and discussion of safety patrol findings.
- Minutes of meeting on 30 September 2022, which included discussing work accidents for the September 2022 period and discussion of safety patrol findings such as there's fiber overflowing out of the conveyor at st. boiler, there is loose fruit at the loading ramp station and there is a leaky boiler pump packing
- Minutes of meeting on 30 December 2022, which included discussing work accidents for the December 2022 period and discussion of safety patrol findings such as there's wet fiber accumulating and clogging the waterways, there is a hole in the cyclone fiber body, causing fiber to come out of the hole and the sludge pump leaks.

Based on the explanation above, it is known that an OHS organization has been established with an adequate number of personnel in accordance with the laws and regulations

### 6.7.2

The company has a procedure about OHS No. SOP-AGR-037-R01 explains about OHS plan, Identification, and Handling of Hazard

and Risk, OHS inspection, Work Accident Handling, Emergency Response, and Communication. Based on the procedure, if there was an accident, then the initial treatment is given according to the first-aid procedure. The company has the first aider in each unit and has completed the first aid training.

Based on the results of the field visit, it is known that the company has placed first aid kits in mill, offices, daycare, warehouse and other facilities in accordance with the material identification that has been carried out, in addition to field employees it is also equipped with a first aid bag brought by the foreman. Based on document review of identification of first aid kits, it is known that the number of first aid kits and the equipment provided by the company is sufficient to cover workers in the field. Based on interview with the first aid officer it's known that they can explain how to use the first aid equipment. Based on field observations at Mill and Estate, it is known that evacuation routes and assembly points have been warned and the workers has knowledge about what to do when an emergency happened.

### 6.7.3

Based on the results of field visits and interviews with workers (harvester, pesticide applicator and mill operators) in the Long Kejiak 1 estate, Long Kejiak 2 estate, Long Kejiak 3 Estate dan POM 3, it is known that workers have received PPE for free according to their respective types of work and if there is PPE damaged, it can be immediately reported to the direct supervisor for replacement. At the time of the audit, all workers were seen to have used PPE in accordance with existing standards and the level of risk, such as pesticide applicators using aprons, masks, face shields, gloves, boots, and others. In addition, the certification unit also has proof of the delivery of PPE to all workers and replacement of PPE that is damaged, for example:

- Evidence of handing over of shoes (boots) on January 11, 2022 to 33 care workers, 5 foremen, 52 harvest workers. As for the distribution of routine PPE (shoes) is planned in the end of January 2023.
- Evidence of handing over of earplugs to 31 workshop workers
- Evidence of handing over of mill workers' shoes (safety shoes) to 94 workers
- And others.

Based on the results of field visits at the central warehouse, it is also known that there are PPE stocks such as boots, masks, face shields, gloves and others.

### **Sanitation Facilities**

Based on the results of the field visit, it is known that the company already has sanitation facilities for workers with chemicals that can clean themselves as well as the equipment used and change clothes, which is also equipped with a storage area for controlling devices and PPE, this is in accordance with the results of interviews with 4 spray workers for example in afdeling 3 Block G17 Long Kejiak 1 Estate.

### 6.7.4

The company has provided accident insurance for all workers, the insurance used is BPJS. Company can show evidence of BPJS payments every month, for example:

BPJS employment

- Evidence of BPJS payment for LK3 for the December 2022 period was paid on January 9, 2023 for 519 workers.
- Evidence of BPJS payment for LK2 for the December 2022 period was paid on January 9, 2023 for 508 workers.
- Evidence of BPJS payment for LK1 for the December 2022 period paid on January 9, 2023 for 400 workers.
- Evidence of BPJS payment for POM 3 for the December 2022 period paid on January 10, 2023 for 105 workers.

The company has also included employees in the BPJS Health program and has shown evidence of payment every month, for example:

- Evidence of payment for Health BPJS for the December 2022 period for LK3 for 519 workers and their spouses on December 9, 2022.
- Evidence of BPJS payment for the December 2022 period for LK2 for 508 workers and their spouses on December 9, 2022.
- Evidence of BPJS payment for the December 2022 period for LK1 for 400 workers and their spouses on December 9, 2022.
- Evidence of BPJS payment for the December 2022 period for PKS3 for 105 workers and their spouses on December 9, 2022.

Based on the results of interviews with workers and labor union, known that the certification unit has provided health insurance for workers and their families (wife and children) and employment insurance for all workers. The workers know the BPJS registration

number and have their cards in hand. The informant also stated that if a family member is sick, the *BPJS* card can be used.

Then from the results of document review and interviews with management representatives, information was obtained that in 2022 there were work accidents that are major or fatal. Then, the unit of certification shows the documents for handling the case, For example work accidents of worker with initial QA on November 2022. Company has showed work accident handling documents such as chronology of events, investigation report, work accidents report etc which has been reported on 17 November 2022

From the description above, it can be concluded that all workers are provided with health services and are protected by occupational accident insurance.

#### 6.7.5

Company has record the work accident for 2022 using LTA method. Here is the result of LTA calculation.

#### POM 3

FR: 8

SR:0

#### PT DIN

FR:0

SR:0

**Status: Comply**

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

#### 7.1

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

##### 7.1.1

The company shows that IPM plan documents are implemented and monitored to ensure effective pest control, which is shown in the 2022 Nettle Caterpillar Detection Recapitulation Document Long Kejiak 1 Estate, Long Kejiak 2 Estate and Long Kejiak 3 Estate. These documents, among others, explain the location of division, block, area, number of trees, attack rate per month which is expressed in units of nettle caterpillar per midrib. Based on this document, it can be concluded that the rate of nettle caterpillar attacks at PT DIN is still below the threshold.

Based on the results of field observations on biological rat pest control activities, at estate, it is known that the owl cage is in an active condition with 1 owls found in it. There is a monitoring form for checking in the owl cage that explains the date of checking, the condition of the owl cage, the category of activity marked by the presence of feathers, rat bones, eggs, chicks and others.

##### 7.1.2

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

The certification unit shows the 2021 and 2022 Monthly Work Guidelines Barchart documents, which among other things explain the program and realization of care and planting of beneficial plants including *Turnera ulmifolia*.

##### 7.1.3

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

**Status: Comply**

#### 7.2

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

##### 7.2.1

The company can show a list of pesticides used in 2022 and the target pests that are controlled, as follows:

Merk	Ingredients	Target	WHO
Meta Prima 20 WB	<i>Methyl Metilmetsulfuron</i>	Woody Growth	U
Kleen Up 480	<i>Isopropilamina Glifosat</i>	broad and narrow leaved weeds	III
Starane	<i>Fluroksipir</i>	broad leaved weeds	U
Starane 290 EC	<i>Fluroksipir metil heptil estate</i>	broad leaved weeds	U

Based on the study of the pesticide list documents used in 2022, it is known that the company does not use pesticides that are listed in the World Health Organization (WHO) Class 1A or 1B or are included in the Stockholm or Rotterdam Conventions, as well as paraquat.

There is justification for the use of all pesticides by prioritizing specific products and specific application methods to deal with the targeted pests, weeds or diseases, based on the Recommendation for the Use of Pesticides, issued by the Plantation Office of Kutai Timur District, dated February 15, 2021, number 521.4/235 /Perlindungan-OPT/II/2021, which among others explains that the Kutai Timur District Plantation Service provides recommendations for the use of pesticides by paying attention to regulations and environmental aspects so that the use of pesticides must be based on the right target, right quality, right type of pesticide, right time, right dose or concentration and the correct method of use is in accordance with the Regulation of the Minister of Agriculture number 43 of 2019 concerning the Regulation on the Use of Pesticides. The recommendations for the use of pesticides are as follows:

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

### 7.2.2

The routine pesticides application was for weed control in circle and path every four months if necessary. The usage documentation was in documents of Pesticide Toxicity for each Estate, that record products name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per ha application. For instance in period of 2022, for Isopropilamina Glifosat toxicity amount of 0,096 Ltr /ha and Fluroksipir metil heptil ester 285 g/L toxicity amount of 0.003 Ltr/Ha.

### 7.2.3

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

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

As an example of the company's efforts, the company is trying to develop owls (*Tyto alba*) as natural enemies of rat pests. Based on the document verification results namely *Tyto alba* and gupon monitoring year 2022 all estate, has been install 355-unit gupon and 515 *Tyto alba*. Base on field observation on gupon, it was found that the activity of owls as mouse pest controllers was marked by the presence of *Tyto alba* in the cage, droppings, feathers and bones of rats around the owl cage. In addition, in an effort to reduce the use of pesticides to control caterpillar pests by developing useful plants such as *Turnera ulmifolia*.

### 7.2.4

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

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

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presence of *Tyto alba* in the cage, droppings, feathers and bones of rats around the owl cage. In addition, in an effort to reduce the use of pesticides to control caterpillar pests by developing useful plants such as *Turnera ulmifolia*.

#### **7.2.5**

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

Based on field observations, review of documents on pesticide use in 2022, interviews with spray foreman and pesticide stocks in warehouses, there was no use of pesticides included in the WHO class 1A, 1B list or included in the Stockholm or Rotterdam Conventions and paraquat.

#### **7.2.6**

The unit of certification can show recordings of training related to the use of pesticides, for example those conducted on January 3 2022 at LK1 Estate. The material presenter in this activity was the Plant Staff and the activity was attended by 23 employees consisting of spray workers, spray foreman and division assistants.

The unit of certification can also show records of training related to Toxic and Hazard Materials control and chemical handling which was carried out on 12 December 2022 at LK3 Estate. The material presenter in this activity was the Sustainability Staff and the activity was attended by 32 employees consisting of foreman, employees, assistants and others.

The unit of certification also evaluates the training participants regarding the understanding of the material and its application in the field.

#### **7.2.7**

Based on the results of visits to the pesticide storage warehouse in LK1, LK2 and LK3 Estate, it is known that the warehouse has been equipped with fire extinguisher, first aid kits, ventilation, MSDS, etc. in accordance with Government Regulation no. 74 of 2001 concerning Control of Hazardous and Toxic Materials. Storage of chemicals is neat and in accordance with the character of the material. Chemical storage warehouse is made permanent, there are pallets, B3 symbols and there is ventilation for air circulation.

#### **7.2.8**

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

In its implementation, the management unit manages pesticide waste by storing pesticide packages in licensed hazardous waste temporary warehouse and handing them over to licensed transporters who have established cooperation with the company. Hazardous waste management cooperation can be seen in the agreement for hazardous waste management between PT DIN and PT Sinar Bintang Albar with agreement Number: 294/DIN/JKT/2022 dated April 20, 2022, which is valid for one year. The transportation of hazardous waste used for pesticide packaging was last carried out on 7 January 2023 by licensed transportation of PT Sinar Bintang Albar according to the KLHK-1677133047 manifest of 0.163371 tons.

Based on the letter, the hazardous waste management plan that is carried out is to wash it 3 times in a special place (mixing area) the used washing water is managed by being accommodated in a special reservoir and reused for activities according to the characteristics of hazardous and waste recording and reporting to the Ministry of Environment and Forestry every 3 months.

Based on field visits and interview with pesticide warehouse operator and the temporary storage area for hazardous and toxic waste in the estate and rinse room, it was found that the pesticide storage area was well managed, oil traps were available, adequate and isolated airways so there was no potential for pesticide exposure to leave the warehouse. Before being stored in a temporary storage place for hazardous and toxic waste or reused the used pesticide packaging (for similar characteristic) in the form of jerry cans is rinse first, before ready to use. The company already has a mixing room to rinse used pesticide container and used fertilizer sack, after to rinse it is storage on specially storage.

#### **7.2.9**



Based on the results of interviews with estate assistants, estate worker and field observations, it is known that there is no spraying of pesticides through the air.

#### 7.2.10

The company has conducted routine health checks for high-risk workers, including pesticide operators. The health check for pesticide operators (cholinesterase check) is carried out 2 times a year. The following are the results of health checks for pesticide operators / chemical operators conducted in July 2022:

- Long Kejiak 1: 18 workers with normal examination results (fit to work)
- Long Kejiak 2: 35 workers with normal inspection results (fit to work)
- Long Kejiak 2: 37 workers with normal examination results (fit to work)

The results of interviews with pesticide operators in in afdeling 3 Block G17 Long Kejiak 1 Estate that all pesticide operators have been checked health periodically and workers have known the results of the examination. From the results of the examination, all workers fit to work.

#### 7.2.11

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

- Pregnant women do not perform tasks related to hazardous chemicals.
- Breastfeeding women do not perform chemical-related tasks until after 9 months and have adequate rest time to breastfeed their babies.

The certification unit has a mechanism to identify pregnant and lactating workers with the following details:

- The employee submits a medical treatment letter to the foreman/foreman 1.
- The letter is brought to the assistant for approval for treatment.
- Employees go to the polyclinic for examination.
- The doctor/nurse makes a pregnancy certificate (if positive).
- Letter is submitted to assistant for approval.
- Assistant makes job transfer/mutation letter from spray job.

Based on the interviews with spraying workers, it is known that there are no pregnant or lactating workers who work in pesticide-related jobs, menstrual monitoring is carried out every month to ensure that there are no pregnant women working related to pesticides. If there are workers who are breastfeeding or pregnant, they will be transferred to the work of removing nuisance plants.

Based on the above, it is known that the certificate holder already has a policy of not spraying for pregnant/ breastfeeding women and a procedure to identify pregnancy for female pesticide applicators so that this is declared appropriate.

<b>Status: Comply</b>	
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### 7.3

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

#### 7.3.1

The company shows identification of waste sources for the 2022 period with details: ex sacks of fertilizer, inner plastic of fertilizer sack, used oil from generator, used neon/lights, wastewater, EFB, Shell, fiber, dash of incinerator, dash of boiler, domestic waste, paper and others.

Sources of emissions include:

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

**Solid waste**

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

**Palm Oil Mill Effluent (POME)**

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

**Domestic Waste**

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

**Hazardous and Toxic waste**

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

- POM 3 has an extension of permit for temporary storage of hazardous and toxic waste based on the decision of the regent of Kutai Timur number 660/K.135/2018 dated March 14, 2018 which is valid for 5 years from the date of stipulation.
- PT Dharma Intisawit Nugraha has obtained a permit for temporary storage of hazardous and toxic waste. The company can show the Decree of the Kutai Timur Regent Number 503/08/DPMPTSP-PPNP/TPS-LB3/IV/2021 regarding the extension of the permit for the temporary storage place (TPS) for hazardous and toxic waste to PT Dharma Inti Sawit Nugraha in Muara Wahau District Kutai Timur District on April 26, 2021 with a validity period of 5 years.

In terms of transporting hazardous waste, the company (POM 3) cooperates with a licensed hazardous waste carrier, namely PT Sinar Bintang Albar. The company can show the SPK with PT Sinar Bintang Albar with Number 294/DIN/JKT/2022 dated April 20, 2022, which is valid for one year.

The company can show the minutes and manifests of the transportation of hazardous waste for the last 2 periods for POM 3 and PT DIN. The types of hazardous waste submitted are:

- Used packaging of hazardous materials as much as 0.163371 Tons with KLHK Manifest-1677133047.
- Used rags as much as 0.0129 Tons with Manifest KLHK-1679004503.
- Used filter as much as 0.0222 Ton with Manifest KLHK-1677130548.
- Used oil as much as 0.3995 Tons with Manifest KLHK-1677132904.

Based on the results of field observations carried out in the central hazardous dan toxic waste storage area, it shows that the company has carried out hazardous dan toxic waste management by installing emergency response facilities such as fire extinguishers, first aid kits, alarm, eye wash, shower and other equipment such as coordinate points, warning boards and installing symbols and labels according to the type of waste stored. Base on interview with management representative (storage officer) known Hazardous waste also handled properly by disposed based on each toxicity and hazardous characteristics, such as medical waste which is classified as infectious.

**7.3.2**

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The effort taken by the company are:

- Domestic waste: based on field observation, the company has collected domestic waste periodically and dump it to the landfill and it's known that location of landfill is far away from waterways and the housing area.
- Empty fruit bunch is composting before applied to estate plantation area to substitute chemical fertilizer. Based on field visit EFB application is well managed.
- Shell and fiber are reused for engine fuel of boiler. It reduces the carbon emission from the combustion of fossil fuel.
- POME managing on WWTP before disposal the environment (surface water) according to the threshold set by the government.
- The managing for clinical waste, the company also has cooperation with licensed parties such as PT Sinar Bintang Albar.

Based on a field visit at the Temporary Storage for Hazardous and Toxic Waste, it was found that the POM 3 and LK-1 Temporary Storage for Hazardous and Toxic Waste had a permanent design with adequate ventilation and a roof that would not be exposed to rainwater and had a watertight floor. The temporary storage place for hazardous and toxic waste is equipped with SOP for storage of

hazardous and toxic waste, SOP for emergency response procedures, logbooks, symbols on buildings, safety signs, fire extinguishers, first aid facilities, emergency alarms/bells, lighting lamps and facilities. emergency response tool (spill kit) for spills in the form of sawdust/fiber.

For fiber and shell are managed by renewable energy usage for boiler and palm oil mill effluent (POME), managed by the effluent pond and land applications as a nutrient cycle.

The company socialization to employees and employees' families accompanied by photo evidence of activities dated 18 July 2022 related hazardous waste and domestic waste management.

The company has an SOP on the management of domestic waste (Non-hazardous) generated from housing No.SOP-AGR-035-R04 effective December 1, 2022 which explains that domestic waste generated from housing is collected and placed in a temporary garbage collection and then disposed of in a landfill final trash.

There is a letter from the Environmental Service number 660/1589/DLH-4.3/XI/2019 dated 22 November 2019 which explains that used sacks of fertilizer can be reused for other activities by treating them first by washing them before use. Fertilizer sacks that have been washed but not reused can be disposed of in landfills as non- hazardous waste.

There is an internal PT DIN memorandum no 001/PH/DIN/I/2023 dated 19 January 2023 which explains the determination of the PIC for supervision of housing cleanliness. The memo also explained that each department has a PIC who is responsible for monitoring housing cleanliness. There is also a check sheet for checking the cleanliness of the barracks, the form must be filled in by the appointed PIC. The information that is filled in the form such as the existence of trash cans, scattered garbage, waste selection, drainage and septic tank conditions.

Based on the results of a field visit to the housing complex 6 LK-2 and block G8 LK-3, the auditor found that there was domestic waste disposed of behind the housing and used fertilizer sacks scattered in block G8 LK-3. The company shows the results of OHS and environmental monitoring which is carried out every 3 months and OHS & environmental monitoring reports for 2021 to 2022. This is due to the high employee turnover so that there are frequent changes in housing occupants, so there are still new employees who do not understand waste disposal procedures.

The company are encouraged to ensure the effectiveness of OHS & environmental monitoring and understanding of employees in disposing of waste according to their own procedures. **OFI**

### 7.3.3

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

**Status: Comply**

## 7.4

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

### 7.4.1

The unit of certification has procedures related to soil fertility management so that harvest yields are optimal and have minimal impact on the environment, which are stated in the following documents:

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

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

- Preparation of fertilizer recommendations based on leaf and soil nutrient levels in 2021 & 2022 as well as field observations including symptoms of nutrient deficiency in plants.
- Provision of organic fertilizers (mill waste) such as empty fruit bunches and palm oil mill effluent

- Documentation of fertilizer recommendations and realization in 2021 & 2022.

Based on the results of the document review, interviews with management and field observations, it is known that fertilization for 2022 has been completed in accordance with the established recommendations.

#### 7.4.2

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

- Foliar Analysis Report from Research and Development PT Nusa Pusaka Kencana Analytical & QC Laboratory No. 124/RD-EXT/L/JUN/21 dated June 16, 2021 with a total of 29 samples. Parameters tested were: Ash, N, P, K, Mg, Ca and B.
- The company conducts soil analysis every 6 years, soil analysis report from Research and Development PT Nusa Pusaka Kencana Analytical & QC Laboratory No. 090/RD/EXT/S/NOV/20 dated November 11, 2017 with a total of 30 samples, with parameters tested including: texture, acidity (pH), contents of C, N, P, K, Mg, Ca, Na, BS, CEC, Al and H.

#### 7.4.3

The nutrient recycling strategies are in place, which include recycling Empty Fruit Bunch (EFB) and POME. For example, it is explained as follows:

- The unit of certification shows the EFB barchart Application 2022 document, for example for the Long Kejiak 3 Estate unit. Based on the document, it is known that the application of EFB is planned for 1,892 ha (73,890.70 tons) and has realized an area of 1,349 ha (60,578.79 tons).
- The unit of certification shows the Land Application barchart 2022 document, for example for the Long Kejiak 3 Estate unit. Based on the document, it is known that the planned land application is 1,980 ha/ 3 rotations (495,000 m<sup>3</sup>) and has been realized for 1,374 ha/3 rotations (280,134 m<sup>3</sup>).

From the field observations block H35 LK-3, the auditor also visited the realization of the application EFB in estate. It was found that the technical application EFB is in accordance with company regulations: applied among trees, using a dose of 30 tons / ha, non-overlapping, and not applied in streams.

#### 7.4.4

Records of fertilizer use are maintained and can be shown during audit activities, which are listed in the Fertilization Monitoring document for 2022 which explains the recommendations and actualization of fertilizers in detail per type of fertilizer. Based on the document, can be briefly explained the achievement of realization in 2022 per type of fertilizer as follows:

- CPD – HIK Fertilizer division 3 Long Kejiak 2 Estate, planned to be 799,134 kg and has been realized 100%.
- CPD – HIK Fertilizer division 1 Long Kejiak 1 Estate, planned for 673,792 kg and has been realized 100%.
- HI-KAY fertilizer division 9 Long Kejiak 3 Estate, planned for 920,000 kg and has been realized 100%.

Based on the results of document review and interviews with management regarding fertilization in 2022, it is known that fertilization has been carried out in accordance with the recommendations and has been realized 100%. Overall, the certification unit has made efforts to maintain and improve soil fertility. The implementation of fertilizer has followed the recommendation by tim research. Visually, there are no symptoms of nutritional deficiencies in the blocks that have been visited.

<b>Status: Comply</b>
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### 7.5

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

##### 7.5.1

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

- The Company has a detailed soil survey document year of 2013 created by the Agro DSN Group R & E Department. Soil and land suitability classes are listed in the document and mapped in a scale 1: 70,000. In the conclusion, the section stated that there is no marginal or peat area in the operational area.
- The type of soil identified is sandy clay minerals with a class of S2 (Moderately Suitable) land area of 8,249 hectares or 94 % of the total area and the category S3 (Marginal Suitable) covering an area of 500 ha or 6 % of the total area. The limiting factor of marginal suitable soil-related low fertility.

- The slope map informed that 95 % area categorized as flat to undulating (0 – 15% slope) and the rest is categorized as undulating to hilly (15 – 25% slope).

#### 7.5.2

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

#### 7.5.3

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

<b>Status: Comply</b>	
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### 7.6

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

#### 7.6.1

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

- The Company has a detailed soil survey document year of 2013 created by the Agro DSN Group R & E Department. Soil and land suitability classes are listed in the document and mapped in a scale 1: 70,000. In the conclusion, the section stated that there is no marginal or peat area in the operational area.
- The type of soil identified is sandy clay minerals with a class of S2 (Moderately Suitable) land area of 8,249 hectares or 94 % of the total area and the category S3 (Marginal Suitable) covering an area of 500 ha or 6 % of the total area. The limiting factor of marginal suitable soil-related low fertility.
- The slope map informed that 95 % area categorized as flat to undulating (0 – 15% slope) and the rest is categorized as undulating to hilly (15 – 25% slope).

Based on document review and field observation in LK1, LK2 and LK3, it is known that the area is relatively flat and there is no contour terrace, but individual terrace in certain area. Management of certain slopes include the EFB application found, front stacking using U shape system, and selective weeding by cover crop.

#### 7.6.2

The unit of certification does not undertake extensive planting on marginal and fragile soils. Base on data soil survey document year of 2013 created by the Agro DSN Group R & E Department. Soil and land suitability classes are listed in the document and mapped in a scale 1: 70,000. In the conclusion, the section stated that there is no marginal or peat area in the operational area.

#### 7.6.3

The existence of soil map containing information on soil classification, texture, drainage, limiting factors, rocks, and suitability information for the development of oil palm plantation has helped the company used by the company to arrange the block, roads, drainage, bridge, etc. The company also has a Road Maintenance Program equipped with the proper infrastructure and facilities to do such work. According to the result of field visit, the roads are in good condition and the FFB harvested are smoothly transported to the mill. The oil palm in operational area were first cycle, neither replanting nor new planting activity.

<b>Status: Comply</b>	
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### 7.7

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

#### 7.7.1 - 7.7.7

The company no conducted new plantings on peatlands after 15 November 2018. This is based on the Soil Map on Detailed Soil Survey document, interview with representative management, field observation and interview with government known that there is no peat land in operational area.

<b>Status: Comply</b>	
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### 7.8

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



**7.8.1**

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

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

Environmental monitoring efforts to reduce and prevent negative impacts on water quality degradation in the second semester of 2022 at PT. DIN has monitored the water of the Upper and Lower Wahau rivers on August 15, 2022 in collaboration with PT. Sucofindo. The test results are as follows:

Parameter	Standard	Wahau River	
		Upstream	Downstream
Total Suspended Solid (mg/l)	50	35	39
pH	6 – 9	7.39	6.88
BOD <sub>5</sub> (mg/l)	3	2.61	2.80
COD (mg/l)	25	17.28	18.63
Total Dissolved Solid (mg/l)	1,000	18	17

Standard: PP No. 22 of 2021 and Regional Regulation of Kalimantan Timur No. 02 of 2011 concerning Water Quality

Based on the results of the tests carried out, all parameters are still in accordance with the established standards, namely PP RI Number 22 of 2021 and Regional Regulation of Kalimantan Timur No. 02 of 2011 concerning Water Quality.

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

Based on the results of video field observations at the river border *Kenden Besar Estate LK 1 block F14 division 1*, it is known that the river border is protected by the company. Some of the activities carried out by the company are by placing red signs as chemical application limits and planting *Ulin, Kapur, Hopea, Keruing and Jambu Hutan*.

**7.8.2**

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

Wet streams in the company area are protected by the company. The company are by placing red signs as chemical application limits and planting *Ulin, Kapur, Hopea, Keruing and Jambu Hutan*. The company can also show records of planting activities for 10 seeds of *Ulin, Kapur* 3 seeds, *Hopea* 3 seeds, *Keruing* 4 seeds, and 20 Seeds *Jambu Hutan* which were carried out on May 29, 2021.

Based on the results of a field visit in the riparian conservation area, it was found that there was a conservation area boundary in the *Kenden Besar riparian block F14 division 1*. In that area, traces of chemical application activities were found in the riparian area. The result of document verification *LHM (Mandor Daily Report)* of pesticide application was carried out on December 20, 2022.

In this regard, the company showed evidence of outreach to the management of the conservation area to the spray team in *LK 1*. To ensure that there would be no more spraying activities in the river riparian area, the company showed a check sheet document for



chemical inspection in the river riparian area in 2023.

The points to be monitored are not there are spraying activities along the riparian which will be carried out by the spray foreman. The plan for chemical inspection activities will be carried out in April, August and December 2023 together with the spray activity schedule. The monitoring will be carried out every week in that month. The company are encouraged to ensure the implementation and effectiveness of chemical inspection check sheets in river riparian areas by 2023. **OFI**

### 7.8.3

The company can show the Decree of the Head of the Investment Service and One Stop Service Office of Kutai Timur District Number 503/01/DPMPTSP-PPNP/LA/II/2020 regarding the extension of the POME disposal permit (utilization of POME from the palm oil industry on the land) at oil palm plantation PT Dharma Satya Nusantara – POM 3 Muara Wahau District, Kutai Timur District on February 28, 2020 with a validity period of 5 years.

Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Evaluation and water sampling in WWTP outlet were carried out by accredited laboratory. Based laboratory testing, it could be concluded that testing results from January to December 2022 were accordance with regulation of the environment minister Number. 28/2003.

Base on field observation at WWTP also show that liquid waste has been managed at WWTP, there is no indication of leakage and overflow in the WWTP pool and flow meter to calculate the amount of liquid waste that flows into the application area is available and functioning properly.

### 7.8.4

The procedure of water use monitoring in mill available under document Procedure of Water Treatment Plant. Water consumption monitored by using flowmeters installed in piping system of WTP. According to water use data in last period January to December 2022 average of water use for processing still below the determined budget (1.23 m<sup>3</sup>/ton FFB while budget is 1.30 m<sup>3</sup>/ton). Overall use of water under the budget of company.

The company has a surface water utilization permit for POM 3 based on the decree of the minister of public works and public housing number 246/KPTS/M/2017 dated April 13, 2017 which is valid for 5 years from the date of stipulation. The company has also paid surface water tax to the government which is shown with the following proof of payment, for example for the October and November 2022 period payments were paid on December 26, 2022 via Bank BCA transfer.

**Status: Comply**

### 7.9

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

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

PT DSN POM-3 has an Energy efficiency document in 2022 for the use of fossil fuels or the use of renewable fuels. The calculation of efficiency with the use of fossil fuels during 2022 (January-December) is concluded as follows:

FFB Processed during 2022 was 256,773.41 tons using renewable fuels such as shells of 12,367.32 tons and Fiber of 26,711.69 tons. The turbine KWH produced from the use of shells and fiber is 3,900,360 and the generator KWH used is 900,732. The use of renewable energy using shells and fiber to produce a turbine KWH of 0.017 KWH/Ton FFB or 80,336 KWH/Ton CPO.

**Status: Comply**

### 7.10

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

#### 7.10.1

The company also has conducted GHG emission calculations period 2022 use of Calculator Palm GHG version 4.0. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.0) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full Version".

**Summary of Net GHG Emissions**

<b>Emission per product</b>	<b>tCO<sub>2</sub>e/tProduct</b>
CPO	0.81
PK	0.81

<b>Production</b>	<b>t/yr</b>
FFB processed	227,866.12
CPO produced	50687
PK produced	9473

<b>Extraction</b>	<b>%</b>
OER	22.24
KER	4.16

<b>Land use</b>	<b>Ha</b>
Planted area on mineral	31728.71
Planted on peat	0
Total area planted	31728.71
Conservation Area (Forested)	0
Conservation Area (Non-Forested)	1136.00
FFB Production per hectare	27.66

**Summary of field emission and Sinks**

<b>Description</b>	<b>Own crop</b>		<b>Group</b>		<b>Total</b>
<b>Emissions Sources</b>	<b>tCO<sub>2</sub>e</b>	<b>tCO<sub>2</sub>e/ tFFB</b>	<b>tCO<sub>2</sub>e</b>	<b>tCO<sub>2</sub>e/ tFFB</b>	
Land conversion	16709.74	0.21	31588.76	0.21	48298.50
CO <sub>2</sub> emissions from fertilizer	2894.45	0.04	6577.37	0.04	9471.82
NO <sub>2</sub> emissions from peat	0	0	0	0	0
NO <sub>2</sub> from Fertilizer	1684.33	0.02	3948.83	0.03	5633.16
Fuel consumption	496.46	0.01	1548.54	0.01	2045.00
Peat oxidation	0	0	0	0	0
<b>Sinks</b>					
Crop sequestration	-22731.97	-0.28	-39833.82	-0.27	-62565.79
Sequestration in Conservation area	0	0	0	0	0
<b>Total</b>	<b>-946.99</b>	<b>-0.01</b>	<b>3829.67</b>	<b>0.03</b>	<b>2882.67</b>

**Summary Oil Mill Emissions and Credits**

<b>Remarks</b>	<b>tCO<sub>2</sub>e</b>	<b>tCO<sub>2</sub>e/t FFB</b>
<b>Emissions sources</b>		
POME	44665.62	0.20
Fuel consumption	1013.47	0
Grid electricity	0	0
<b>Credits</b>		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>45679.09</b>	<b>0.20</b>

**Palm Oil Mill Effluent (POME) Treatment**

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

**POME Divert to Anaerobic Digestion**

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

The results of the GHG calculation for the period of 2021 have increase compared to the results of the calculations in 2022, this year the total emission is 0.81 tCO<sub>2</sub>/ tProducts. Last year, 0.74 tCO<sub>2</sub>/tProduct. This is proof that GHG mitigation is going well.

The HCV area is not the same as the basic info because in the GHG calculation the company (POM 3) includes the HCV area that is in the DSN Group that sends FFB to POM 3 for example PT DAN, PT Dewata Sawit Nusantara so that the HCV area is not the same as the basic info.

**7.10.2**

Based on data from the year of planting, it is known that the company carried out planting from 2005 to 2008. Until the surveillance audit 1.4 activity was carried out, there were no new planting activities or new land clearing above 2014.

**7.10.3**

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

Efforts to reduce pollutants carried out by the company include:

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

The company has carried out emission tests from boilers and generators, as well as ambient air quality which was carried out in semester 2 of 2022 by the Sucofindo laboratory. Based on the results of the document review, it is known that the results of the assessment are in accordance with the provisions stipulated by the Government.

**Status: Comply**

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

There were no new planting or replanting activities at PT DIN. The oldest planting year was 2005 and the newest planting year was 2008. The company also has a no-burning policy as stated in the Land Clearing Work Instruction document No. IK-AGR-OLP-01-R04 dated 1 October 2019. The document explains that land clearing is carried out with zero burning.

**7.11.2**

The company has established fire prevention and control measures by establishing an emergency response team and conducting simulations to control land fires. The emergency response preparedness team consists of the Commander, secretary and TKTD for each plantation. TKTD consists of a patrol task force, firefighters, and equipment & support. The TKTD fire simulation was carried out on March 8 2022 and was attended by 37 participants.

In addition, based on a visit to the TKTD warehouse, it was discovered that the company already has facilities for handling land fires, such as fire stopper, sacks, rakes, water tankers for firefighting and fire towers. Then from the experimental results of using the fire extinguisher, it is known that the fire extinguisher can function properly.

**7.11.3**

The company conducted socialization related to fire prevention and control which involved stakeholders on August 30 2022. The socialization was attended by 36 participants involving the Muara Wahau Police Chief, Plantation Agency of Kutai Timur District, village heads, BPD, customary institutions, and the fire care team from Muara Wahau, Nehas Liah Bing, Dabeq, Diaklay, Benhes, and Miao Baru Village.

<b>Status: Comply</b>
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**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 company identified HCV in November 2011. There was land clearing after November 2005 without any prior HCV identification activities and the company reported its liability disclosure to the RSPO Secretariat on 23 April 2015 as a RaCP process.

PT DSN has shown evidence of sending LUCA's email to the RSPO. PT DSN also shows an email from the RSPO dated 26 January 2016 stating that LUCA PT DAN, PT DIN and PT DWT have been received by the RSPO.

Based on an email from the Compensation RSPO (Dillon/Compensation Executive) dated 12 Feb 2016 it is known that PT DIN's LUCA results have been reviewed and passed/approved.

There is land clearing after the Nov 2005 conducted without prior identification of HCV and the company has reported Liability disclosure to the RSPO Secretariat on April 23, 2015 for RaCP process. Based on the results of Land Use Change Analysis (LUCA) of PT DIN known that that there are no land clearing on areas with a coefficient of 1, 0.7 and 0.4 after November 2005. All land clearing by PT DIN is in an area with a coefficient of 0 covering 6,115.47 Ha (Nov 2005 - Nov 2007) and 1,426.48 Ha (Des 2007 - Des 2009). Based on an email from RSPO compensation panel on February 12 2016 found that LUCA of PT DIN have been reviewed and passed / approved and organization has no need to process RaCP due to zero liability.

**7.12.2**

The Company has been conducted HCV assessment for the entire area of operations which done by the RSPO Approve Assessor on 2012. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008 and involving local stakeholders by stakeholder consultation on 2011.

These identifications indicate there is HCV 1.2, 1.3, 3, 4.1, 5 presences on PT DIN covered for **646 Ha** areas. All of indicates HCV areas was mapped by 1:50000 scale and this HCV identifications covered all estates/mill operational areas including surrounding landscape and RTE species presence.

Based on the data from the year of planting, it is known that the company carried out planting from 2005 to 2008. Until the surveillance audit 1.4 activity was carried out there were no new planting activities or new land clearing after November 15 2018, so the HCS assessment was not applicable.

**7.12.3**

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

**7.12.4**

The company already has an HCV management plan for 2023 based on the results of a review of the previous year's management plan and the results of consultations with local communities through a questionnaire conducted in 10-12 January 2022. The HCV management plan for 2023 was prepared on January 10, 2022. The HCV management plan for the year 2023 includes:

- Biodiversity management
- Safeguarding conservation areas
- Provision of restoration/Enrichment plant seeds
- Conservation area enrichment

- Riparian area management (restoration)
- Conservation socialization
- Control of wildlife conflicts
- Reporting

The company can also show a report on the implementation of HCV management activities for 2022, for example:

- 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 Wahau river and the HCV Block III LK-1 estate 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 Auditor Team also verified the questionnaires given to the public. The results of the verification are known that the majority of the community knows the existence of the company's HCV area and needs to be protected and install the existence of HCV in the company's area. Based on document verification and previous assessments, it is known that there are no peat areas that are HCV in the areas managed by the Company. In general, the company has implemented HCV management in accordance with its management plan. The results of the implementation of HCV management will be evaluated annually by the company.

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.

Based on field observation, HCV management plan has been implemented by company. Field visits on Kenden Besar river riparian (HCV area) block F14 division 1 LK-1 Estate, there are HCV signboard in certain area, enhance with natural vegetation, and there is no identification spraying activity.

#### **7.12.5**

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

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

#### **7.12.6**

The company's policy on wildlife management is contained in procedure no. SOP-AGR-052-R03 dated August 1, 2017 regarding procedures for wildlife protection. Based on the results of field visits to housing complex LK 2 division 6, it was found that there were no employees who hurt, captured, or killed endangered species, and forest encroachment. This is supported by the results of interviews with Harvester at Estate LK 1 which stated that the company forbade workers to maintain protected animals and plants and was prohibited from catching, hunting, and killing animals.

The program to educate workers on RTE species has been included in the 2022 HCV management plan, namely by conducting direct or indirect socialization by placing warnings on animal protection and protected animal species. The company can show the minutes of socialization of the existence of RTE species to the community and workers, for example:

- Minutes of HCV socialization including the protection of the existence of animals and plants which were held on February 1, 2022, which were attended by 36 workers.
- Minutes of the socialization of HCV including the protection of the existence of animals and plants which were carried out on July 18, 2022, which were established by 20 workers.

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 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.

Based on 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.

#### 7.12.7

Monitoring the status of HCV and RTE Species is carried out every month by the company and will be evaluated every 3 months. The company can show the evaluation records for 2022 every 3 months, namely Quarter 1, 2, and 3. For Quarter 4, an evaluation will be carried out at the end of January 2023. The results of the evaluation of monitoring the status of HCV and RTE species in 2022 are:

- Biodiversity awareness / socialization activities have not been carried out due to pursuing Riparian River Planting / Restoration activities and Conservation Blocks (II & III). These activities will be carried out in July 2023 by means of a Conservation campaign by placing a small banner on Biodiversity in all division offices and Estate Offices PT DIN.
- Awareness/socialization activities on Biodiversity to External Parties (village communities around the plantations or the government), for villages that have not been implemented will be adjusted to the CSR Department's schedule of activities. Because these activities must be accompanied by CSR.
- The results of the disturbance patrol in the HCV area for the period 2022 revealed that there was no disturbance in the HCV area. In addition, there are no hunting and catching activities for animals carried out by the community and employees.

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**

There is land clearing after the Nov 2005 conducted without prior identification of HCV and the company has reported Liability disclosure to the RSPO Secretariat on April 23, 2015, for RaCP process.

Based on the results of Land Use Change Analysis (LUCA) of PT DIN known that that there are no land clearing on areas with a coefficient of 1, 0.7 and 0.4 after November 2005. All land clearing by PT DIN is in an area with a coefficient of 0 covering 6,115.47 Ha (Nov 2005 - Nov 2007) and 1,426.48 Ha (Des 2007 - Des 2009).

Based on an email from RSPO compensation panel on February 12, 2016, found that LUCA of PT DIN have been reviewed and passed / approved and organization has no need to process RaCP due to zero liability.

<b>Status: Comply</b>	
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**3.2 Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-1.4</b>	POM 3 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA-1.4</b>	POM 3 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA-1.4</b>	POM 3 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-1.4</b>	POM 3 of PT Dharma Satya Nusantara do not use RSPO Trademark and CB Logo on its product (on-product) and non-product (off-product).	√
	<b>Status: Comply</b>	

### 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 November 2022 and signed by Head of Sustainability.

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

MUTU Auditor has verified company partial certification and concludes that:

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

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
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)	<p>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:</p> <ul style="list-style-type: none"> <li>• PT Dharma Persada Sejahtera located in Sintang District, Kalimantan Barat Province has HCV assessment on March 2012 by PT Sonokeling Akreditas Nusantara</li> <li>• PT Dharma Intisawit Lestari located in Bulungan District, North Kalimantan Province has HCV assessment on January 2013 by PT Daemeter Consulting</li> <li>• PT Karya Prima Agro Sejahtera located in Kutai Timur District, Kalimantan Timur Province has HCV assessment on July 2013 by PT Daemeter Consulting</li> <li>• PT Agro Andalan located in Sekadau District, West Kalimantan Province has HCV assessment on July 2017 by Remark Asia</li> </ul>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>PT Bima Palma Nugraha located in Kutai Timur District, Kalimantan Timur Province has HCV – HCS assessment on February 2021 by PT Gagag Dinamiga Aksenta</li> <li>PT Bima Agri Sawit located in Kutai Timur District, Kalimantan Timur Province has HCV – HCS assessment on July 2020 by PT Gagag Dinamiga Aksenta</li> <li>PT Kencana Alam Permai located in Sintang District, Kalimantan Barat Province has HCV assessment on September 2011 by PT Sonokeling Akreditasi Nusantara</li> <li>PT Mitra Nusa Sarana located in Sintang District, Kalimantan Barat Province has HCV assessment on December 2017 by Remark Asia</li> <li>PT Prima Sawit Andalan located in Sintang District, Kalimantan Barat Province has HCV assessment on January 2012 by PT Sonokeling Akreditasi Nusantara</li> <li>PT Pilar Wanapersada located in Lamandau District, Central Kalimantan Province has HCV assessment on February 2013 by PT Daemeter Consulting</li> <li>PT Putra Utama Lestari located in Mahakam Hulu and West Kutai District, Kalimantan Timur Province has HCV assessment on February 2014 by PT Gagag Dinamiga Aksenta</li> <li>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)</li> <li>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)</li> <li>PT Pilar Wanapersada located in Lamandau District, Central Kalimantan Province has Carbon Stock Assessment report on October 2015 by PT Gagag Dinamiga Aksenta</li> </ul> <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 (<a href="https://rspo.org/certification/remediation-and-compensation/racp-tracker">https://rspo.org/certification/remediation-and-compensation/racp-tracker</a>). Information of LUCA for some uncertified management units as follow:</p> <ul style="list-style-type: none"> <li>PT Karya Prima Agro Sejahtera located in Kutai Timur District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat and LUCA has passed with the result of liability assessment is zero.</li> <li>PT Bima Palma Nugraha located in Kutai Timur District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was available, and it had been submitted to RSPO secretariat year 2020 and LUCA has passed. Concept note is on process.</li> <li>PT Bima Agri Sawit located in Kutai Timur District, Kalimantan Timur Province: LUCA and disclosure of non-compliant land clearing was</li> </ul>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>available, and it had been submitted to RSPO secretariat year 2020 and LUCA has passed. Concept note is on process.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>
2.1.3	Any new plantings since January 1 <sup>st</sup> 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"> <li>• 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</li> <li>• 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 Karangany Seberang, Karangany Subdistrict, Kutai Timur District, Kalimantan Timur Province, Indonesia. The NPP verification of PT</li> </ul>



<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>BAS was conducted by PT TUV Rheinland auditors through document verification and an on-site visit. A preliminary document review was conducted on 14 October 2020 remotely followed by field verification on 4 December 2020. NPP PT BAS has been approved by RSPO (<a href="https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-agri-sawit-pt-bas">https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-agri-sawit-pt-bas</a>)</p> <ul style="list-style-type: none"> <li>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 (<a href="https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-mitra-nusa-sarana-pt-mns">https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-mitra-nusa-sarana-pt-mns</a>)</li> <li>PT Dharma Satya Nusantara has proposed a new planting area located in Tapang Perodah, Nanga Pemubuh, Setawar, Boti, Sungai Sambang, Mondri, and Nanga Menterap village, Sekadau Hulu subdistrict, Sekadau district, Kalimantan Barat Province, Indonesia. NPP AAN has been approved by RSPO (<a href="https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-agro-andalan-pt-aan">https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-agro-andalan-pt-aan</a>)</li> <li>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 district, 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 (<a href="https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-palma-nugraha-pt-bpn">https://rspo.org/certification/new-planting-procedure/public-comments/pt-dharma-satya-nusantara-pt-bima-palma-nugraha-pt-bpn</a>).</li> </ul>
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>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<ul style="list-style-type: none"> <li>• ID card</li> <li>• Document of land ownership</li> <li>• Statement letter about right of land</li> <li>• Map of land compensation</li> <li>• Minute of land checking</li> <li>• Agreement of land compensation (GRTT) price</li> <li>• Agreement of land compensation</li> <li>• Agreement of land clearance</li> <li>• Statement letter of hand over of land compensation</li> <li>• Payment slip</li> <li>• Documentation of hand over of land compensation (photo- graph).</li> </ul> <p>Based on status of complaints on the RSPO website (<a href="https://askrspo.force.com/Complaint/s/casetracker">https://askrspo.force.com/Complaint/s/casetracker</a>) 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,</p>

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
		<p>report of environmental management &amp; monitoring plan year 2021 which has been submitted to government agency etc.</p> <p>Based on self-assessment reports that some of PT Dharma Satya Nusantara's uncertified management units have not comply with legal requirement relates of Land Use Right (HGU) on behalf PT Karya Prima Agro Sejahtera (Kalimantan Timur Province), PT Putra Utama Lestari (Kalimantan Timur Province), PT Dharma Persada Sejahtera (West Kalimantan Province), PT Prima Sawit Andalan (West Kalimantan Province) and PT Mitra Nusa Sarana (West Kalimantan Province) where the current status is on process at Land Agency (BPN).</p>

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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.2 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):  <b>There was no non-conformity when assessing Remote Audit ASA-1.2 and ASA-1.3 Full Remote Audit Assessment</b>					
Root Cause Analysis (filled by organization audited):					
Correction (filled by organization audited):					
Corrective Action (filled by organization audited):					
Assessor Evaluation and Conclusion (filled by auditor):					
Verified by	:				

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

<b>NCR No.</b>	:		<b>Issued by</b>	:	
<b>Date Issued</b>	:		<b>Time Limit</b>	:	
<b>NC Grade</b>	:		<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:				
<b>Evidence observed</b> (filled by auditor):  <p style="text-align: center;">There was no non-conformity when assessing Audit ASA-1.4</p>					
<b>Non-Conformance Description</b> (filled by auditor):  					
<b>Root Cause Analysis</b> (filled by organization audited):  					
<b>Correction</b> (filled by organization audited):  					
<b>Corrective Action</b> (filled by organization audited):  					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):  					
<b>Verified by</b>	:				



**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	3.6.1	The company has the opportunity to ensure the HIRAC POM and ensure that spraying activities at POM have been carried out according to the plans that have been made.
2	3.7.3	Companies have the opportunity to ensure that all personnel related to supply chain certification standards have received training
3	5.1.7	The company has difficulty ensuring that the weighbridge will be calibrated
4	6.2.2	The company has the opportunity to ensure that all employees working in operational areas have a working relationship/agreement.
5	6.7.1	The company has the opportunity to ensure the extension of the OHS General Expert License (Estate)
6	7.3.2	<p>The company has an SOP on the management of domestic waste (Non-hazardous) generated from housing No.SOP-AGR-035-R04 effective December 1, 2022 which explains that domestic waste generated from housing is collected and placed in a temporary garbage collection and then disposed of in a landfill final trash.</p> <p>There is a letter from the Environmental Service number 660/1589/DLH-4.3/XI/2019 dated 22 November 2019 which explains that used sacks of fertilizer can be reused for other activities by treating them first by washing them before use. Fertilizer sacks that have been washed but not reused can be disposed of in landfills as non- hazardous waste.</p> <p>There is an internal PT DIN memorandum no 001/PH/DIN/I/2023 dated 19 January 2023 which explains the determination of the PIC for supervision of housing cleanliness. The memo also explained that each department has a PIC who is responsible for monitoring housing cleanliness. There is also a check sheet for checking the cleanliness of the barracks, the form must be filled in by the appointed PIC. The information that is filled in the form such as the existence of trash cans, scattered garbage, waste selection, drainage and septic tank conditions.</p> <p>Based on the results of a field visit to the housing complex 6 LK-2 and block G8 LK-3, the auditor found that there was domestic waste disposed of behind the housing and used fertilizer sacks scattered in block G8 LK-3. The company shows the results of OHS and environmental monitoring which is carried out every 3 months and OHS &amp; environmental monitoring reports for 2021 to 2022. This is due to the high employee turnover so that there are frequent changes in housing occupants, so there are still new employees who do not understand waste disposal procedures.</p> <p>The company are encouraged to ensure the effectiveness of OHS &amp; environmental monitoring and understanding of employees in disposing of waste according to their own procedures.</p>
7	7.8.2	<p>Based on the results of a field visit in the riparian conservation area, it was found that there was a conservation area boundary in the Kenden Besar riparian block F14 division 1. In that area, traces of chemical application activities were found in the riparian area. The result of document verification <i>LHM</i> (Mandor Daily Report) of pesticide application was carried out on December 20, 2022.</p> <p>In this regard, the company showed evidence of outreach to the management of the conservation area to the spray team in LK 1. To ensure that there would be no more spraying activities in the river riparian area, the company showed a check sheet document for chemical inspection in the river riparian area in 2023.</p> <p>The points to be monitored are not there are spraying activities along the riparian which will be carried out by the spray foreman. The plan for chemical inspection activities will be carried out in April, August and December 2023 together with the spray activity schedule. The monitoring will be carried out every week in that month. The company are encouraged to ensure the implementation and effectiveness of chemical inspection check sheets in river riparian areas by 2023.</p>

**3.4.4. Noteworthy Positive Components**

No	Ref. Std.	Description
1	-	Good cooperation in providing documents during the audit process
2	-	Management commitment to apply the principles of sustainable palm oil management.
3	-	The company received a Company Performance Assessment in Environmental Management from the Regional Government for the 2020-2021 period with a Green predicate.
4	-	Company has implemented social responsibility to the surrounding community

**3.5 Summary of Arising Issues from Public and Auditor Verification**

Public Issues	Auditor Verification
<p><b>FFB Transport/Local Contractor (on behalf of personal) from Nehas Liah Bing village and Benhes village</b></p> <p>The contractor between the company and the contractor has been carried out since 2013. There has been a clause regarding OHS and <b>employment</b> this has also been socialized to contractors. There are no issues related to the cooperative relationship between the company and the contractor. BPJS is paid from the results of contractor payments in the form of deductions.</p> <p>When payment of work is done on time in accordance with the agreement that has been made. In addition, contractor workers have been given PPE by the contractor in accordance with the risk analysis that has been identified. Contractor workers have also provided health insurance for workers.</p>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in Criteria related.</p>
<p><b>Gender <b>Comittee</b></b></p> <ul style="list-style-type: none"> <li>• There is no issue related to immoral action</li> <li>• Company provides reproductive rights, such as menstrual leave and maternity leave.</li> <li>• Company provides special time for breastfeeding. There also "Pojok ASI" in day care.</li> <li>• Women who are breastfeeding are not allowed to work in the chemist and fertilizer department.</li> </ul>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in Criteria related.</p>
<p><b>Contractor of CPO and PK Transporter</b></p> <ul style="list-style-type: none"> <li>• Cooperation and communication with POM 3 is going well.</li> <li>• The contractor owns 1 unit of CPO transport truck and 2 units of PK transport truck.</li> <li>• CPO contractor drivers feel they don't have BPJS yet. As for the PK transport contractor, the BPJS will be cut directly by the company.</li> <li>• Wages are paid based on CPO and PK transport rates.</li> <li>• There were no complaints regarding late payments for work completion</li> </ul>	<p>There are no negative issues that need further verification. The company has contributed in empowering local communities by collaborating with local contractors. Described in Criteria related.</p> <p>Related to insurance for contractor worker, auditor has verified the document and has comply with the applicable regulation. It has describe in related indicator.</p>
<p><b>Labor union</b></p> <ul style="list-style-type: none"> <li>• Determination of the minimum wage at company is based on the District Minimum Wage and complies with applicable regulations</li> <li>• The company has registered all workers in the BPJS program</li> <li>• The company has conducted special and periodic (general) health checks on a regular basis</li> </ul>	<p>There are no negative issues that need further verification</p>



Public Issues	Auditor Verification
<ul style="list-style-type: none"> <li>• There were no serious or fatal work accidents</li> <li>• PPE has been provided free of charge and replaced if damaged</li> <li>• Complaints to the company are only related to housing complaints and have been followed up by the company.</li> <li>• The company has implemented a wage, overtime and employment system that complies with applicable regulations.</li> <li>• There are no industrial relations problems between workers and companies.</li> </ul>	
<p><b>Village head Benhes village</b></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><b>Dayak Traditional Head and as a Previous land owner Benhes village</b></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</p>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

Public Issues	Auditor Verification
<p>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><b>Head of Village and as a Previous land owner Muara Wahau Village</b></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>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>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p><b>Kutai Traditional Head and as a Previous land owner Muara Wahau Village</b></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>



Public Issues	Auditor Verification
<p><b>Head of Harapan Baru Cooperative Muara Wahau Village</b></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>
<p><b>National Land Agency of Kutai Timur District</b></p> <ul style="list-style-type: none"> <li>• There are no land disputes or overlapping with forest areas.</li> <li>• The company has routinely submitted annual land use reports.</li> <li>• The company already has a valid HGU.</li> <li>• The company also has HGU boundaries in the form of clear stakes in the field.</li> </ul>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p><b>Manpower and Transmigration Agency of Kutai Timur District</b></p> <ul style="list-style-type: none"> <li>• The company has paid wages in accordance with applicable regulations.</li> <li>• There are no issues related to employment.</li> <li>• The company routinely communicates with agencies.</li> <li>• The company routinely reports manpower related reports.</li> </ul>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>
<p><b>Environmental Agency of Kutai Timur District</b></p> <ul style="list-style-type: none"> <li>• Companies routinely report hazardous and toxic waste management and implementation of RKL-RPL every semester.</li> <li>• Communication is going well, and the company is cooperative with DLH's directions.</li> <li>• Has attended PROPER.</li> <li>• There are no negative issues from the community and NGOs/NGOs.</li> <li>• The company already has technical requirements regarding hazardous and toxic waste, LA, domestic waste etc. issued in 2022.</li> </ul>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

Public Issues	Auditor Verification
<b>Plantation Agency of Kutai Timur District</b> <ul style="list-style-type: none"> <li>• The company has carried out routine reporting obligations.</li> <li>• 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.</li> <li>• Communication between the company and agencies has been well established.</li> <li>• There are no issues of disruption due to company operational activities that enter agencies.</li> <li>• CSR implementation has been carried out and there are assisted villages.</li> </ul>	<p>There are no issues that need further clarification and this information has been explained in the relevant indicators.</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<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 3 PT Dharma Satya Nusantara Management Representative</p>  <p><b><u>Agustinus Triwibowo</u></b> Friday, 10 February 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Rizliani Aprianita Hasibuan</u></b> Friday, 10 February 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	FFB Transport/Local Contractor (on behalf of personal) form Nehas Liah Bing village and Benhes village.	Kutai Timur District	Via Phone	Direct Interview	17 January 2023	✓	
2	CPO transporter	Kutai Timur District	Via Phone	Direct Interview	17 January 2023	✓	
3	Gender committee of PT DIN	PT DIN	-	Direct Interview	17 January 2023	✓	
4	Manpower Agency of Kutai Timur District	Kutai Timur District	Via Phone	Direct Interview	17 January 2023	✓	
5	Environmental Agency of Kutai Timur District	Kutai Timur District	Via Phone	Direct Interview	17 January 2023	✓	
6	Plantation Agency of Kutai Timur District	Kutai Timur District	Via Phone	Direct Interview	17 January 2023	✓	
7	Land National Agency of Kutai Timur District	Kutai Timur District	Via Phone	Direct Interview	17 January 2023	✓	
8	<b>POM</b> <ul style="list-style-type: none"> <li>• 2 sorter and 1 foreman</li> <li>• 1 crane operator</li> <li>• 1 engine room operator</li> <li>• 1 press operator</li> <li>• 1 kernel operator</li> <li>• 2 boilerman</li> <li>• 4 fire fighter (Hydrant simulation).</li> <li>• 1 weighbridge operator</li> <li>• 1 security</li> <li>• 2 grading operators</li> <li>• 2 workshop officer</li> <li>• 2 warehouse officer</li> <li>• 1 WTP officer</li> <li>• 1 WWTP officer</li> </ul>	PT DIN	-	Field observation and direct interview	17 January 2023	✓	
9	<b>LK 2</b> <ul style="list-style-type: none"> <li>• 1 HCV and HGU pole monitoring officer.</li> <li>• 1 resident of division 6 housing complex.</li> <li>• 1 daycare officer</li> <li>• 2 harvester</li> <li>• 1 storage keeper</li> </ul>	PT DIN	-	Field observation and direct interview	18 January 2023	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> <li>1 welder</li> <li>1 nurse</li> <li>3 harvester and 1 foreman</li> <li>4 manual upkeep workers</li> </ul>						
10	<b>LK 3</b> <ul style="list-style-type: none"> <li>1 HCV and HGU pole monitoring officer.</li> <li>2 harvester</li> <li>3 manual upkeep workers</li> </ul>	PT DIN	-	Field observation and direct interview	18 January 2023	✓	
11	<b>LK 1</b> <ul style="list-style-type: none"> <li>2 HCV and HGU pole monitoring officer.</li> <li>1 storage keeper</li> <li>2 daycare workers</li> <li>1 nurse</li> <li>1 genset operator</li> <li>4 spraying workers</li> <li>3 harvester</li> <li>2 loose fruit picker</li> </ul>	PT DIN	-	Field observation and direct interview	19 January 2023	✓	
12	Benhes Village: Village Head Dayak Traditional Head	Benhes Village, Kutai Timur District	-	Direct Interview	17 January 2023	✓	
13	Muara Wahau Village: Village Head Kutai Traditional Head	Muara Wahau Village, Kutai Timur District	-	Direct Interview	17 January 2023	✓	
14	Labor Union	PT DIN & PT DSN	-	Direct Interview	17 January 2023	✓	
15	WWF	-	wwf-indonesia@wwf.or.id	Email	9 January 2023		✓
16	Sawit Watch	-	info@sawitwatch.or.id	Email	9 January 2023		✓
17	Walhi	-	informasi@walhi.or.id	Email	9 January 2023		✓



**Appendix 2. Assessment Program**

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

DATE	16 -21 January 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.00 – 16.30	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	All Auditor
<b>Thursday, 19 January 2023</b>		
08.00 – 12.00	<b>Field Observation to Long Kejiak 1 Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Conservation/HCV</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>AAS</b>  <b>RAH</b>  <b>TIO</b>  <b>AAS</b>
12.00 – 14.00	<b>Break</b>	All Auditor
15.00 – 16.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Verification of stakeholder consultation result and field visit.</li> </ul>	All Auditor
16.00 – 17.00	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	All Auditor
<b>Friday, 20 January 2023</b>		
08.00 – 11.30	Document review and completing audit checklist.	All Auditor
11.30 – 14.00	<b>Break (Friday Prayer)</b>	All Auditor
14.00 - 15.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
15.00 – 17.00	<b>Closing Meeting</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion) //</li> <li>Comments, Responses and Questions.</li> </ul>	All Auditor
<b>Saturday, 21 January 2023</b>		
04.00 – 09.30	<b>Site → Berau</b>	All Auditor
10.30 – 11.30	<b>Berau → Samarinda</b>	All Auditor
13.35 – 14.45	<b>Samarinda → Jakarta</b>	All Auditor