

# Growing Responsibly with Entrenched Values



20  
22

SUSTAINABILITY  
REPORT

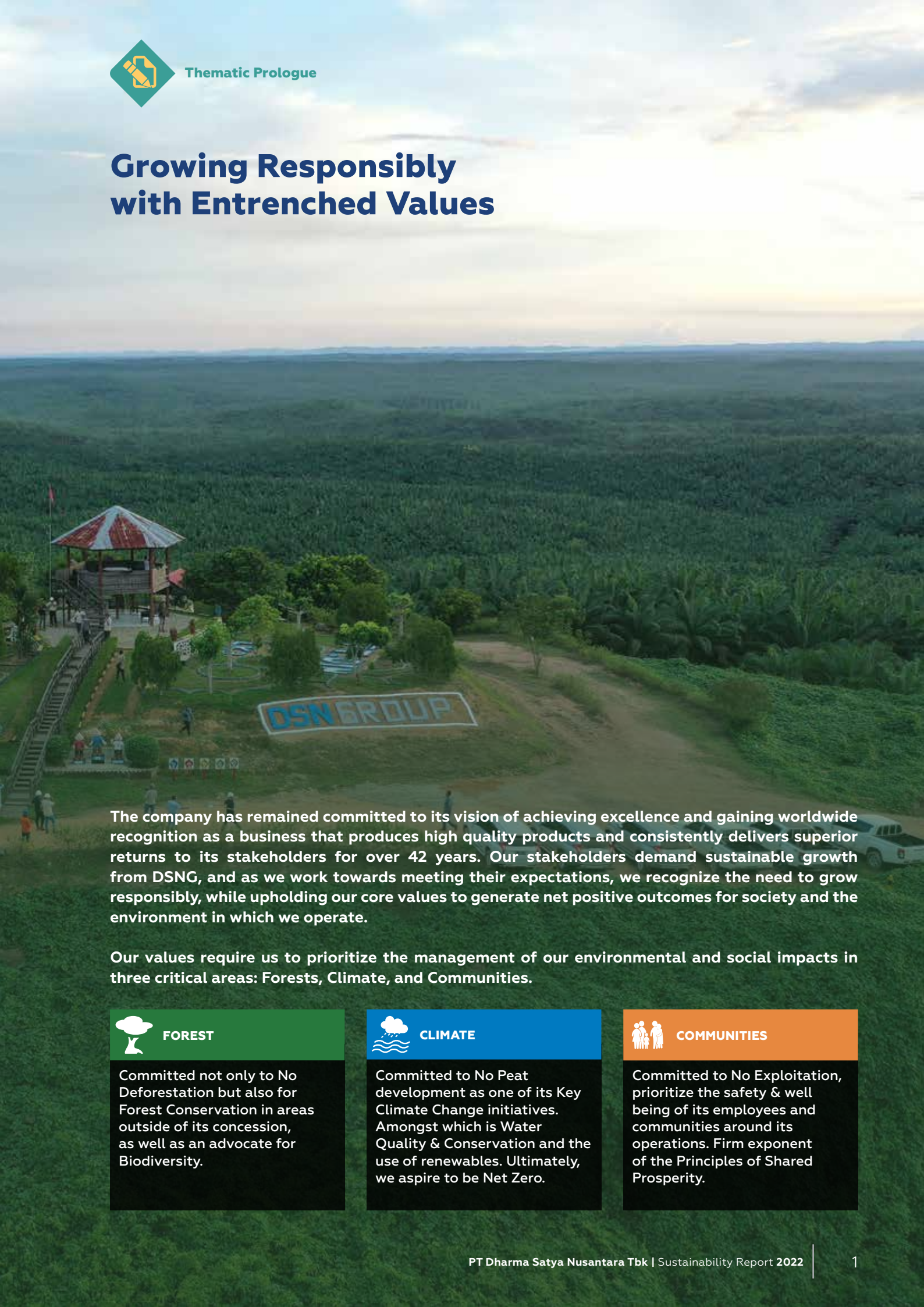


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# Growing Responsibly with Entrenched Values



The company has remained committed to its vision of achieving excellence and gaining worldwide recognition as a business that produces high quality products and consistently delivers superior returns to its stakeholders for over 42 years. Our stakeholders demand sustainable growth from DSNG, and as we work towards meeting their expectations, we recognize the need to grow responsibly, while upholding our core values to generate net positive outcomes for society and the environment in which we operate.

Our values require us to prioritize the management of our environmental and social impacts in three critical areas: Forests, Climate, and Communities.



## FOREST

Committed not only to No Deforestation but also for Forest Conservation in areas outside of its concession, as well as an advocate for Biodiversity.



## CLIMATE

Committed to No Peat development as one of its Key Climate Change initiatives. Amongst which is Water Quality & Conservation and the use of renewables. Ultimately, we aspire to be Net Zero.



## COMMUNITIES

Committed to No Exploitation, prioritize the safety & well being of its employees and communities around its operations. Firm exponent of the Principles of Shared Prosperity.





# Performance Highlights in 2022





# DSNG Sustainability Journey



### 2022 Corporate Emission Transparency Award

Emission Reduction in Emitter Sector  
**Green**  
Emissions Inventory in Emitter Sector  
**Gold**

.....  
BeritaSatu Media Group  
and PT Bumi Global Karbon (BGK)



### Zero Work Accident Award

PT DAN Site Muara Wahau  
PT SWA (POM 1)  
PT DSN (POM 2, POM 6, POM 7)

.....  
Ministry of Manpower

## Palm Oil Business Unit

**67%**

ISPO Certified Palm  
Oil Mills (POM)  
(POM 1-6, 9-10)

**23** unit

Estates

**78,983.50** Ha

ISPO Certified

**58%**

RSPO Certified Palm  
Oil Mills (POM)  
(POM 1-4, POM 6-7,  
POM 11)

**21** unit

Estates

**54,467.65** Ha

RSPO Certified

## Wood Product Business Unit



California Air Resource Board (CARB), U.S.  
EPA TSCA TITLE VI, Japan Agriculture  
Standard (JAS) Certifications for Wood  
Products - Panel.

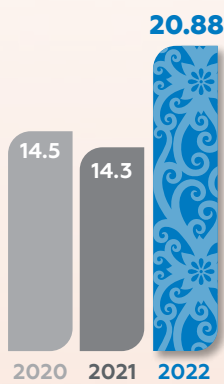


BM Trada, Deck Soft Loc White Oak Active,  
Mutu, Real Wood, PEFC Chain of Custody,  
FSC, ISO 9001:2015 Certifications for Wood  
Products - Engineered Flooring

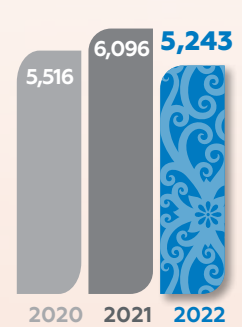
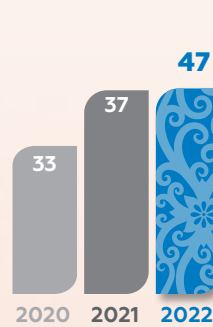
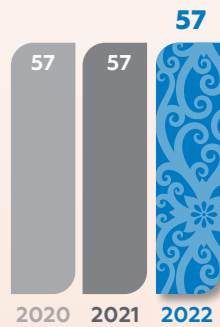
# Sustainability Performance Highlights

## Social [POJK51.B.3]

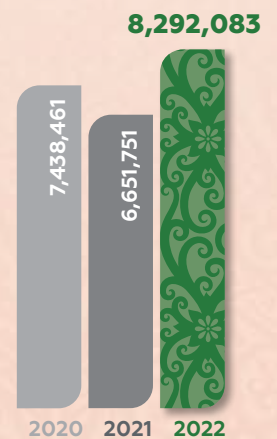
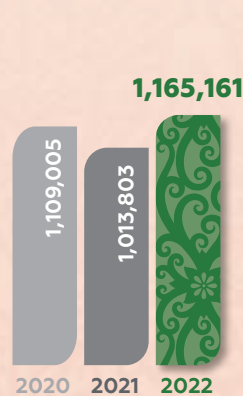
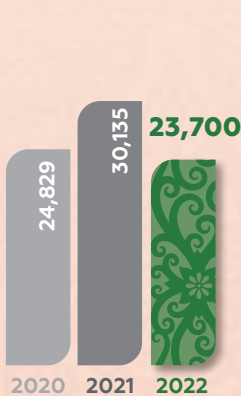
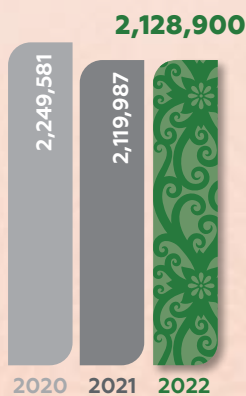
CSR Fund (Rp billion)



Beneficiaries



## Environmental [POJK51.B.2]



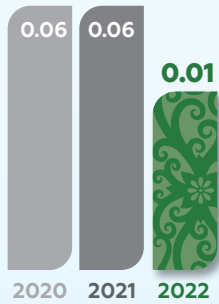


## Performance Highlights in 2022

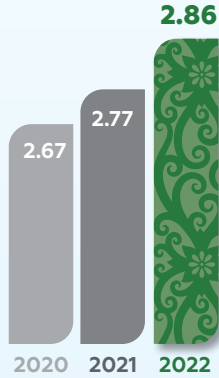
### Intensity of Energy Consumption



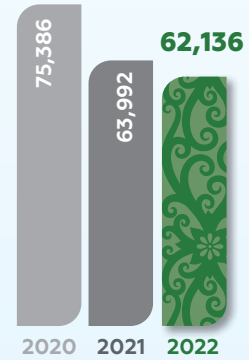
Wood Products Business Unit Engineered Flooring (GJ/m<sup>2</sup>)



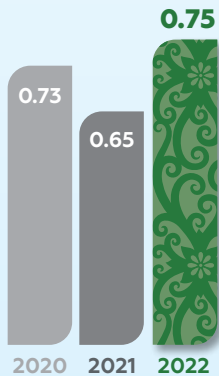
Palm Oil Business Unit (GJ/ton TBS)



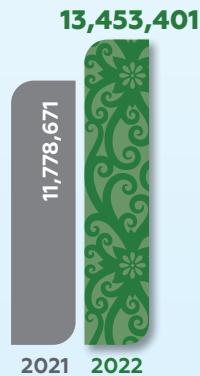
Total Emission (ton CO<sub>2</sub> eq)



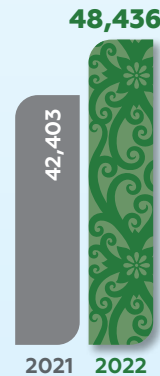
Intensity of GHG Emission (ton CO<sub>2</sub> eq/ton CPO)



Electricity Generated from Methane Capture (KwH)



Use of Renewable Energy from Bio-CNG and Biogas (GJ)

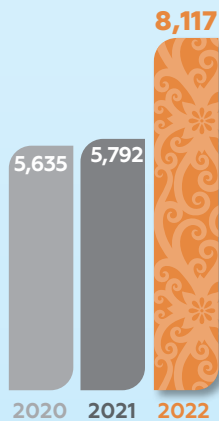


### Economic

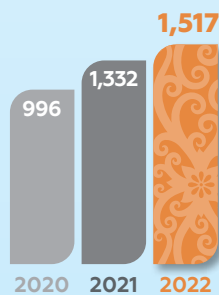
#### Revenue (Rp billion)



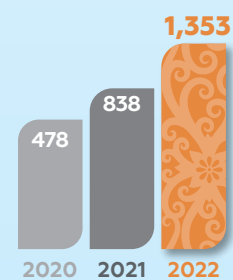
Palm Oil



Wood Products

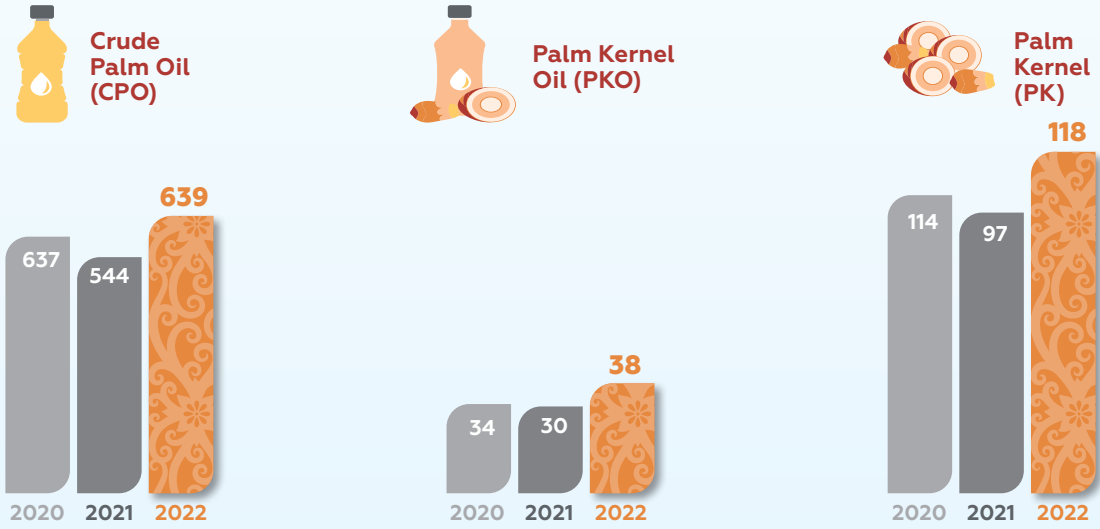


Net Profit (Loss)

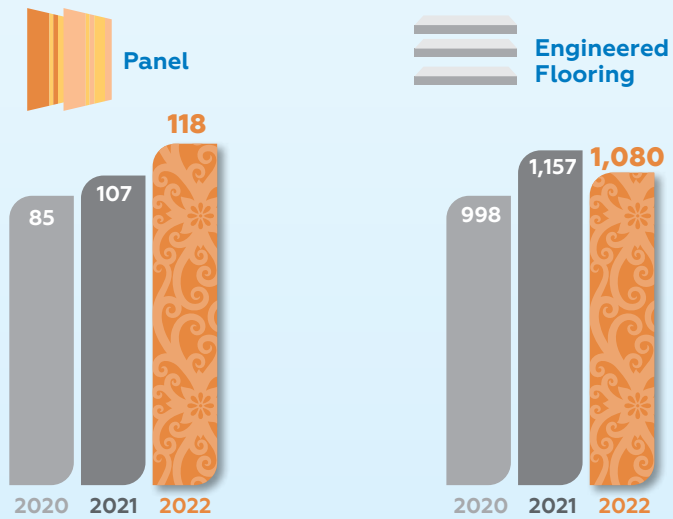




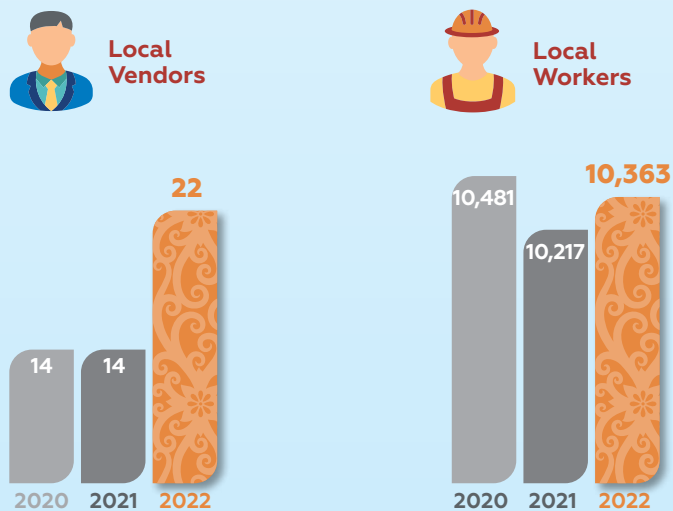
**Production Volume:  
Palm Oil Business Unit (thousand tons)**



**Wood Products Business Unit (thousand m<sup>3</sup>)**







**Engagement of Local Parties**





# Our Contribution to Sustainable Development Targets Based on the SDGs Framework

 <b>Forest</b> 	
<b>11,876 Ha</b>	Total conservation area managed by the company (8,728 Ha within our concession and 3,148 Ha off concession) that has been published in RSPO's ACOP and area of the Off Concession Conservation Area (OCCA).
<b>96%</b>	The proportion of total FFB supply (from nucleus, plasma, and other suppliers) for Palm Oil Business Unit that was formally registered and acknowledged our NDPE Policy
<b>100%</b>	Wood raw material for the Wood Business Unit have been traced
<b>156 Ha</b>	Conservation forest managed with the local community of Laman Satong Village Forest through the RaCP scheme.
<b>2,072 Ha</b>	Area of forest jointly managed by PT PWP Central Kalimantan and PT AAN West Kalimantan with the local community.
<b>SMART Patrol</b>	Established as a standard application tool for our biodiversity monitoring.
<b>6 Villages</b>	With our support, these villages formed their smallholder fire-fighting group (KTPA) in Muara Wahau and Kongbeng Sub-Districts, Kutai Timur.
<b>3,148 Ha</b>	Off Concession Conservation Area (OCCA) in the Memorandum of Understanding (MoU) executed between DSNG - USAID SEGAR and the LPHD (Village Community Empowerment Agency) of Karangany Dalam.
<b>10 units</b>	Camera traps mounted in the HCV areas of 5 subsidiaries as part of our biodiversity monitoring tool.

 <b>Climate</b> 	
<b>104,513 m<sup>3</sup></b>	Volume of POME waste was processed at Bio-CNG Plant to generate 7,703,401 kWh electricity
<b>10,003 tCO<sub>2</sub>e</b>	Equal to emission of 3,749,977 liter of diesel being deducted from the use of Biogas Engine and Bio-CNG
<b>1,38 GWh</b>	Maximum electricity that can be generated from Solar Power Plant (PLTS) of 8,703 m <sup>2</sup>
<b>1,035 tCO<sub>2</sub>e</b>	Reduced emission due to the installation of Solar Power Plant
<b>0.23 m<sup>3</sup></b>	Reduced intensity of processed water per ton of processed FFB compared to that of 2021
<b>2,128,900 m<sup>3</sup></b>	Palm Oil Mill Effluent (POME) that is treated within regulatory standards and applied for fertigation into our estates.
<b>5,355 tCO<sub>2</sub>e</b>	Reduced emission due to the operation of 8 Bio-CNG trucks
<b>21,000 ton</b>	Palm oil shells were exported to Japan as material of biomass power plant

	
<b>People</b>	
<b>64 persons</b>	Local community members participated in our socialization to prevent child stunting.
<b>250 children</b>	From the Dharma Utama School, Muara Wahau received a full dose of Covid-19 vaccination facilitated by DSNG.
<b>14 units</b>	Permanent field toilets built in our palm oil plantation in Muara Wahau for our palm oil maintenance crews and harvesters. Each unit had separate toilets for males and females.
<b>18 villages</b>	Received provision of maintenance and repairs for access roads, settlement roads and village roads.
<b>2,874 parents and kids</b>	Involved in the outreach to raise awareness for the protection and fulfilment of children's and women's rights.
<b>1,633,215 seeds</b>	Cumulative total of Jabon tree seedlings up to the end of 2022 provided to farmers in Temanggung, Purworejo, Wonosobo, and Banjarnegara Districts, Central Java, to diversify their tree plantings and provide added value in their farms.
<b>5,243 farmers</b>	Independent Palm Oil Smallholders received training form DSNG on Best Practices for Oil Palm cultivation.
<b>57 cooperatives</b> <b>4 Credit Union</b>	Established to provide access to micro funding for local business opportunities and agriculture with a total asset value of Rp 97.19 billion.
<b>6 cooperatives</b>	Whose members are independent smallholders in Muara Wahau-Kongbeng, have agreed to pursue sustainable palm oil development and are currently in the process of obtaining RSPO and ISPO certification.
<b>1,246 people</b>	Involved in the activities of transporting FFB.
<b>3 new businesses</b>	New community-based business established in the food, ecotourism, and service sectors as an alternative to palm oil-related livelihood.
<b>81 ton</b>	Rice supplied by the BUMDES (Village owned Enterprises) of Miau Baru to DSNG for its employees in Muara Wahau, with a total purchase value of around Rp 900 million. DSNG's CSR team supported and worked closely the BUMDES of Miau Baru to establish local rice plantings by the local community.
<b>Adiwiyata School Award</b>	Awarded by the East Kutai Regency and East Kalimantan Province Environmental Service to the Dharma Utama School (SDU) in recognition of the school's environmental friendly initiatives.
<b>2 cultural heritage sites</b>	Received support from the Company through collaboration with the local community of four villages (Dea Beq Village, Diaq Lay, Bea Nehas, Tepian Langsat Village).



Covid-19 Vaccination Program for SD Dharma Utama.



## Target 2022

Operation of **2 Bio-CNG plants** **11,202,000 kWh** or equivalent to reducing 3,734,000 liters of diesel.



The operation of the **2 million kWh/year Solar Power Plant (PLTS)** at the WP - Engineered Flooring factory



## 2022 Performance Progress

The first Bio-CNG plant has produced **13,453,401 kWh** or the equivalent of reducing 3,749,977 liters of diesel over 2022:

- > used as alternative energy for power generation;
- > tested as a diesel fuel substitute for operational trucks transporting FFB and CPO.

During 2022, the solar power plant at WP - Engineered Flooring factory has fulfilled the electricity needs for factory operations of **1.38 million kWh**.



The installation of Solar Panel at WP Engineered Flooring Factory

## Target 2022

Implementation of the **OCCA Program through Village Forest conservation** and community livelihood activities in Karangan Dalam covering area of 3,148 Ha and in Tepian Langsat of 396 Ha



The use of **SMART Patrol** in the East Kalimantan and Central Kalimantan areas.

Preparation of **GHG Inventory baseline**, reduction target, and DSNG mitigation plan.



Finalize report and prepare **climate risk assessment** disclosure.

**Covid-19 Vaccination Program:** Children and Booster Doses for All Employees.



## 2022 Performance Progress

- › **The signing of the Memorandum of Understanding** between DSNG through its subsidiary PT BAS and Karangan Dalam Village Forest Management Institute (LPHD) was carried out on December 14, 2022.
- › This program **supports the implementation of social forestry** with assistance from KPHP Bengalon and BPSKL Kalimantan Region.
- › Further engagement is still ongoing with Tepian Langsat Village.

SMART Patrol has been used as a **standard tool for monitoring conservation areas** in our plantations in East Kalimantan, Central Kalimantan, and West Kalimantan

- › DSNG's GHG inventory baseline using **2019 emissions data resulted in 1,595,576 tCO<sub>2</sub>e**.
- › During 2022, the Company conducted **intensive studies** to set reduction targets, and develop further mitigation strategies and plans.

**Publication of climate risk assessment reports** and disclosures can be accessed through the DSNG Website.

- › All **vaccination programs for children**, as well as **booster** doses for **all employees** are well underway.
- › Through a comprehensive "testing - tracing - treatment" approach, DSNG successfully **passed the COVID-19 waves** and returned to 100% WFO settings on March 28, 2022, after approximately 2 years of running at less than 100% settings.

More information about our actions in tackling climate change is accessible on <https://dsn.co.id/esg/our-work-to-combat-climate-change/>.



## Message from the Board of Directors [POJK51.D]

“I would like our business, starting from our palm operations to be fully energy independent by 2028, relying almost exclusively on in situ renewable energy and wherever commercially and technically viable, to be able to generate revenue from the sales our own energy sources.”

**ANDRIANTO OETOMO**  
President Director





**Dear Friends and Valued Stakeholders,**

On this third edition of our Sustainability Report, I am pleased to introduce its theme of "Growing Responsibly with Entrenched Values". As we learn to live past a pandemic and adapt to the future challenges of Sustainability, we now realize that like the lessons of the pandemic, if one person has Covid 19, we will probably all have Covid 19. Air pollution, the Green House Gas emissions, whether emitted in the global North or the South, recognizes no boundaries, it affects all of us. The same goes for the issues before us with climate change, social equity and environmental destruction. Unfortunately its impact, affect more people in developing countries where they have less resources to adapt or mitigate those effects.

Hence, I consistently remind my colleagues at work to ensure that we should Grow Responsibly and do so with Entrenched Values that align our commercial business objectives with our desire to also achieve net positive impacts.

**Our Sustainability Achievements**

In 2022, we continued our sterling effort to remain in all three of IDX-KEHATI ESG Index and improved our performance in Sustainable Policy Transparency Toolkit (SPOTT)'s ESG Policy Transparency Assessment, improving our score from 85.9% to 86.4%. We were also honoured to have the United States Agency for International Development (USAID)'s Sustainable Environmental Governance Across Regions (SEGAR) on board to help us in our effort to establish an Off Concession Coservation Area (OCCA) of 3,148 hectares in Karangan Dalam. Further, we continued our effort in our NDPE implementation with our supply chain, focussing on East Kalimantan especially with smallholders in our supply chain who have limited resources and require the most assistance in helping them comply to a deforestation, peat and exploitation free supply chain.

Sustainable Policy  
Transparency Toolkit  
(SPOTT) Score 2022

**86.4%**

This year with the full integration of our CSR team into the Sustainability Department, aside from our continued support for local community entrepreneurs, we have rolled out more intensive programs for the local communities, especially the youth from the communities around our operations. This involved innovative alternative livelihoods programs such as mentoring the youth to undertake servicing of air-conditioning units in and around their neighbourhoods, as well as our offices, to inducting youths as trainees in our heavy equipment and service units at our plantations. I was pleased to see so many bright young people and many among them were young women, becoming part of the DSNG family over the recent years, because this is also part of renewing our human capital and is a cornerstone of keeping our business sustainable.

An equally important milestone in our sustainability initiative this year was the completion of our baseline accounting of our GHG emissions. Working with South Pole, we begun identifying the key GHG emissions areas of all of our businesses from all three Scopes. This baseline of 2019 has given us the key areas of emissions which we need to address in order to set our path to Net Zero. We followed through with a formal Climate Risk Assesment (CRA) study of our operations, identifying key areas susceptible to Climate Change and risks associated with it.



## Our Policy to Address the Challenges of Climate Change and Gender Equality

The GHG inventory baseline accounting then sets the stage for us in 2023, to finalize our emission reduction plan, mitigate those risks identified in the CRA and plan for the opportunities that inevitably will arise from Climate change. Furthermore, the results of the CRA and GHG inventory baseline accounting made it abundantly clear to myself and the team that we had chosen the right path in investing in our renewable energy projects starting from our methane capture and integrated Bio-CNG plant in our palm oil mills, diversifying our energy sources with Solar Panels for our wood products factory, as well as upscaling our biomass mixture to produce more palm kernel shells for commercial sales for biomass fuel.

Not only had we saved more than 3.7 million litres of fossil fuel since its inception, we had also reduced our costs and dependency on external energy sources, as well as reduced our carbon footprint by 10,003 tCO<sub>2</sub>e. Hence we aim to continue heavily investing in this circular model, by doubling down on our methane capture and Bio-CNG plant in 2022, with double the capacity as the first one commissioned in 2020. If possible, I would like our business, starting from our palm operations to be fully energy independent by 2028, relying almost exclusively on *in-situ* renewable energy and wherever commercially and technically viable, to be able to generate revenue from the sales our own energy sources.

One of the many things that I am proud of DSNG in 2022, was also our initiative to begin improving our facilities to create a safer environment for women in our workforce, which no doubt you will read about in this report. These efforts, started with the forming of women and child protection committees in all of our operations, lactation rooms for nursing mothers, to the building of separate toilet facilities in the field in our oil palm estates, amongst others. Through our Sustainability Advisory Board, we have learnt that women play a vital role in achieving sustainable development through promoting gender equality and

women's empowerment. At times women also stand at the frontline in terms of poverty, yet they provide such an invaluable contribution to sustaining communities.

## Strategy in Achieving Targets and Addressing the Challenges of Our Sustainability

It has always been our goal to make a clear business case for our each and every major sustainability initiative we undertake. There is no doubt in my mind that by adapting strategies to transition our energy mix from fossil fuel to renewable energy, we have managed to significantly reduce our energy costs and as well as our carbon footprint. Hence, while we see healthy growth in our revenues by 35% year in 2022 compared to 2021, I have also noted that we had also increased our CSR expenditure by 46%. In the same period our expenditure for Sustainability has increased to Rp15.4 billion. By also investing more in improving our facilities to create a safer and more conducive environment for women in our workforce as well as closely monitoring our gender pay ratio, I am confident that this will unlock a tremendous human capital potential for DSNG for many future generations to come. This is what growing responsibly with entrenched values means to DSNG.

## Appreciation

I would like to thank and congratulate our Sustainability Report Editorial team for their efforts in delivering this excellent report. I would also like to thank all our staff, partners and supply chain for their work in achieving all that we have this year, which at times could be very challenging. On behalf of the board, we are indeed indebted with your efforts and humbly request your continued support in our sustainability journey.

Thank you,

**Andrianto Oetomo**  
President Director





## Open Letter to DSNG



“Overall, the level of ambition from the leadership of DSNG, to have sustainability firmly embedded within the organisation, is commendable. Sustainability, as we all know, has three pillars. People, Planet and Profit. It’s been my observation that the company’s performance in the “People” pillar of sustainability is exemplary.”

**DATUK DARREL WEBBER**  
Chairman  
Sustainability Advisory Board

During my first year as the chair of the Sustainability Advisory Board (SAB), I familiarised myself with DSNG’s planned strategies and activities. To be honest, it was challenging to understand how these related to the organisation’s operational context. However, in 2022 and the first quarter of 2023, I visited various operating units, which allowed me to understand this context better, which gives me greater confidence in fulfilling my duties as chairperson of the SAB.

During my visits, I saw some exciting elements that could/should be shining examples for sustainable development in the region.

### Site visits to Business Units

Let’s start with the Wood Panel business. At the first opportunity, I visited the wood division in Central Java, Indonesia. Although I knew next to nothing about DSNG’s business practices in the wood sector, I had imagined what those practices would look like. The various assumptions I had prior to the visit, was “tainted” by my previous work experiences in the same sector, decades ago. However, I am pleased to report that I came back from the visit, inspired! The business unit did not grow any of its own feedstock for the mills. They relied, wholly, on independent suppliers. Thousands of them were small farmers. DSNG provides them with free seedlings, in the hope that once mature, these farmers will sell the logs back to the Company. It is also surprising that these farmers plant these trees as part of an agroforestry regime in between their cash crops such as coffee, cocoa, vegetables etc.

These smallholders treat the trees as life savings, which they don’t see as earning money but rather as a bank to save money for a rainy day or for spending on big ticket, or life milestones items. The business units are developing tools to help connect with thousands of their smallholder suppliers, increasing the traceability of the supply chain and, later, hopefully, helping with extension services.



Seeing and walking through the operations made me realise that these were such great mini-models for sustainable development. It inspired me to begin thinking about and exploring the idea of collaboratively scaling up the impacts of this development. I shared these views with DSNG's leadership and the SAB within a few days of my visit. To my surprise, there was warm enthusiasm from the top leadership, and plans are afoot for a landscape initiative with DSNG playing a crucial core role. The recent signing of a USD15 million loan facility from the Asian Development Bank to DSNG is an important piece of the puzzle towards such an initiative. The loan comes with a USD500,000 technical assistance grant, administered by ADB, that will provide capacity building in climate-resilient agricultural practices for complex agroforestry systems and financial literacy for thousands of small farmers in the landscape. Positive, early talks on this landscape initiative have already begun with potential collaborators from civil society and international organisations, all of whom have a common goal of promoting sustainable development. Watch this space! This is an ambitious initiative that, if done well, might be a feasible model for other landscapes globally.

Next was the visit to the palm plantations. Although attempts were made to visit the plantation in 2022, the timings could not fit most of the SAB members' schedules. We finally made the visit happen in early February 2023, and it was such an eye-opener!

Here are some highlights that I took back with me:

1. Replanting to replace old palms: Quite a bit of replanting activities were going on, and it was great to see elements of "future proofing" in the design of how these new palms would be laid out. The layout of the new infrastructure for these replanted areas provides for increased mechanisation in the future.
2. Inspirational Bio-CNG facilities: DSNG has a bio-CNG bottling facility that converts methane from palm oil wastes to provide energy for their many facilities and vehicles. The facility looked extremely modern and somewhat futuristic. The technical benefits of this new plant were quite apparent. Cleaner, greener, and cheaper energy for the business unit, greatly reducing the Company's carbon footprint. I am informed that in 2021, this facility helped DSNG avoid 5,068 tCO<sub>2</sub>e emissions.

When employees spoke about this facility, the immense pride they displayed was palpable. This struck me the most. This was the soft but very significant impact of the plant. This is the sort of inspiration that might even generate more discussion related to new innovations, eventually leading to better and more sustainable outcomes.



DSNG Sustainability Advisory board (SAB), Directors, and staff in front of Bio-CNG Plant 1, Muara Wahau



Permanent separate toilet facility provided in Jabdan 2 Estate, Muara Wahau

3. In-field washroom facilities: I was particularly pleased to see the implementation of this initiative. Last year, I wrote about the piloting of mobile in-field washrooms. This year, I got to see new and more practical designs being rolled out. In the pilot phase, mobile washrooms were trialled. And now permanent ones have been built. Once the roll out is completed, every member of the workforce will always be within 10 minutes walk of a washroom. Amazing, if you consider the size of the management unit is almost 60 thousand hectares.
  - a. Given that we are now in the 21<sup>st</sup> century, it seems only right that we provide our employees with appropriate facilities for the basic human need to excrete waste. It should be unthinkable that, in this century, we would still be okay with open defecation. So, the provision of this basic facility brings back dignity to the workers.
  - b. These facilities make it much safer for women workers to be working in plantations. Not having such facilities would place women in an uncomfortable and vulnerable situation.
  - c. It's common knowledge that attracting a new generation of employees to the agricultural sector is an uphill task now and certainly in the future. Various studies reveal that the real reason they shun 3D (Dirty, Dangerous and Difficult) jobs is not because of the low wages, but because these jobs are seen as lowly and demeaning. So the provision of such basic facilities will certainly help blunt the stigma of being in a 3D job in the plantation.
  - d. The provision of these facilities addresses a real blindspot for the sector. The need to bring dignity back to its workplace. The provision of these facilities could inspire further discussions within the Company that will reveal further blindspots coupled with appropriate solutions.
4. The obvious benefit of having such facilities is that workers in the field now have easy access to bathrooms. The not-so-obvious benefits are the following:
  - a. Youth and Women in the Plantation: I have read reports of the many activities that DSNG were conducting in an effort to recruit more youths to join the workforce. I was pleasantly surprised to see a significant number of youths in the operations, either on an internship, trainee program, or just taken into the permanent workforce.
  - b. It was equally satisfying seeing that the number of women in these groups were significant and almost on par with the men. This was merely my observation and perhaps might not be completely objective. However, having visited many plantations in my career, this significant number of women, especially the youths, is uncommon.
  - c. Smallholder Cooperatives: Like most companies that have mills, DSNG, relies on third-party suppliers of Fresh Fruit Bunches. This supply base includes independent smallholders. We visited a smallholder cooperative that was an independent supplier to the Company. I was impressed by the level of organisation that the cooperative had. Even more surprising was that they were certified against the Roundtable on Sustainable Palm Oil (RSPO) sustainability standards, and that their leader had a deep technical knowledge of oil palm production. He was very proud of the yields of his members. In fact, all of us who listened were astounded by the average yields that were reported. It was on par,



DSNG SAB visit to SUTS Cooperative of PT DIN supply chain

if not better, than the company's yield. The leader, Pak Rizal Umar was certain that his unique formulation and application of fertiliser was the key to his and his members' high yields.

8. This level of leadership for smallholder cooperatives is indeed rare, at least based on my own limited experience. It turns out that Pak Rizal Umar was once a field supervisor at DSNG. Perhaps the unintended consequence of DSNG's presence in the landscape is to produce capable leaders that facilitate the production of sustainable palm oil amongst smallholders.

### Sustainability Advisory Board (SAB) Meetings

The SAB board met twice in 2022, and one of those meetings lasted over two days. Initially, we had planned for four meetings in a year, but it was challenging to pin down meeting dates as we were all adjusting to the post-pandemic resumption of physical meetings and international travels.

Nevertheless, I am pleased to report that the board has gotten into a good rhythm where we now have a systematic approach to reviewing organisational risks at the board level. This takes up a significant portion of a meeting. Apart from this standing agenda item, in 2022, we discussed:

- Key sustainability initiatives/studies that were being conducted by DSNG. The SAB was invited to review and provide high-level feedback.
- The need for additional board members who could potentially fill some existing knowledge gaps. Progress has been made in identifying suitable candidates.
- Upcoming international sustainability/climate-linked policies that might affect the international trade of DSNG's products.

We hope to improve the meeting scheduling for 2023. We have already identified four meeting dates for the year, and we are hopeful that those meeting dates will be kept.

At this point, I would like to thank the board members, Mr. Timotheus Arifin, Mr. Denys Munang, all of DSNG, and Mr. Michael Schlup of Sail Ventures for their active participation during and between our board meetings. And I thank Mr. Andrianto Oetomo, the CEO of DSNG, for being a keen observer and participant in all of those meetings. I wish to extend my thanks, in advance, for their continued active participation in 2023.

### Challenges and Opportunities for 2023

We should celebrate the victories and outstanding performances in any organisation. However, if we want to continue with such positive trends, we should also be keenly aware of the challenges and opportunities that lie ahead.

Whilst my field visits saw excellent examples of what sustainable development could/should look like, I also noticed some challenges and opportunities that would require some focus. I list them as follows:

- Occupational Safety and Health (OSH): OSH is well embedded in some parts of the business but not in others. More work needs to be done on this, and I suggest looking beyond statistics and to cross-fertilize ideas and practices from better-aligned business units.
- Stakeholder engagement: I expressed in my last open letter that DSNG employs a programmatic approach to stakeholder engagement. I believe that there has been some progress on this. I would like to take this opportunity to request that this strategy be sustained and hopefully, ramped up.

- **Forest conservation and deforestation:** DSNG has an obligation to protect 3,148 Ha of forests outside of its concession in partnership with USAID SEGAR. However, recent studies show that existing social forestry areas have not been successful in sustainably managing these forests. DSNG can address this by identifying the right incentives for communities managing the forests and working to right-size these incentives to ensure sustainable forest management. One useful approach is to understand what are the opportunity costs to the communities in keeping these forests standing and then to design suitable incentives that might offset these costs.
- **Soil conservation:** The current replanting program presents an opportunity to implement measures to ensure soil conservation, to address the impending extreme precipitation linked to climate change which could lead to increased soil erosion and runoff. Adequate buffers along all water courses should be designed into the replanting programs. It would be wise to rethink designs of roads that could mitigate excessive runoffs.
- **International policies:** It is certain that there'll be new international laws and policies related to sustainability and climate change that could impact trade in commodities. DSNG, being at the forefront in the sustainability discussions, should be able to adapt to these changes. However, DSNG can be better prepared by becoming more sensitive to the development of such policies and potentially engaging with the creators of such policies and laws.

Overall, the level of ambition from the leadership of DSNG, to have sustainability firmly embedded within the organisation, is commendable. Sustainability, as we all know, has three pillars. People, Planet and Profit. It's been my observation that the company's performance in the "People" pillar of sustainability is exemplary! If this current trend continues, the workforce and community surrounding the operations of DSNG will be willing and active ambassadors for the company. Certainly a position that most companies would like to find themselves in!

**Darrel Webber**

Chairman  
Sustainability Advisory Board





# About This Report

This Sustainability Report is PT Dharma Satya Nusantara Tbk, or DSNG's primary sustainability report which is published annually to report on our sustainability data and performance for DSNG, including its subsidiaries in the palm oil and wood products business. [2-2]

This report is consolidated with DSNG's 2022 Annual Report for the period ending on December 31, 2022. The contents of this report and information on each material topic for DSNG's subsidiaries in the palm oil and wood products represent DSNG's sole approach to its annual sustainability reporting. We are committed to transparent and timely reporting and as such additional sustainability data and disclosures are provided on DSNG's website which is updated throughout the year, as they become available. [2-3]

The 2022 Sustainability report covers the period 1 January to 31 December 2022, unless otherwise stated. This report was prepared using references to the Financial Services (POJK) Regulation No.51/POJK.03/2017, Circular Letter of the Financial Services Authority (SEOJK) No. 16/SEOJK.04/2021, Global Reporting Initiative (GRI) Standards of 2021 with the conformity: 'in accordance with the GRI Standards', the criteria of the Sustainability Policy Transparency Toolkit (SPOTT), and the Task Force on Climate related Financial Disclosures (TCFD). [2-2]

Until the end of 2022, there are changes and restatements of information presented in the previous report, including legal changes in the area under management. This sustainability report has been through a verification process by Moores Rowland Indonesia, an independent external party, while the financial figures have been audited by a public accounting firm Siddharta Widjaja & Rekan. The Company ensures that the information presented in this report has received internal verification from data contributors, and has received approval from the Board of Directors and the Board of Commissioners. All disclosures of information in this report have been approved and verified by responsible internal parties, including the Chairman of the company. [2-2, 2-4, 2-5][POJK51.G.1]

## Feedbacks on the Report of the Previous Year [POJK51.G.3]

Until the end of 2022, DSNG did not receive any feedback regarding the sustainability report submitted previously from stakeholders. Nevertheless, DSNG continues to make improvements in the presentation of data in this year's report.

### Determination, Principles, and Quality of Report Content [3-1]

#### Report Content Determinations

##### Identification

The Company identified the relevant sustainability aspects, and determine the scope of the report.

##### Priority

The company makes the priority of sustainability aspects to be reported.

##### Validation

The validation is done by the governance officer who is responsible for drafting and publishing the Report.

##### Study

The drafting of the report takes into account the advice provided by stakeholders.

#### Report Content Determinations

##### Stakeholder Inclusiveness

Engaging the stakeholder in the material topics determination.

##### Materiality

Delivering important and significant information on every topic.

##### Sustainability

Information in the Report is related to sustainability context that includes economy, environment and social topics.

##### Completeness

The information disclosure is supported by data and its explanation.

#### Report Content Quality Principle

##### Balance

The report discloses objectively both positive and negative information, along with the challenging matters.

Report Content Quality Principle

**Comparability**

The report information disclosure is supported by current and previous reporting period.

**Accuracy**

This is determined by counter verification of the information and data presented in the report.

**Clarity**

The report is delivered in an understandable language to minimize various interpretations.

**Reliability**

All data and explanations related to the disclosed information in the Report comes from authorized parties in the company.

**Contact Person [2-3]**

Name : Teguh Triono  
 Position : Sustainability Engagement Lead

**Sapta Mulia Center**

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 Website : www.dsn.co.id

**Material topics on the Forest pillar**

DSNG supports the commitment to no deforestation, through a variety of forest conservation, biodiversity, and environmental compliance programs.

**Material topics on the Climate pillar**





DSNG supports the commitment to no peat by continuing to encourage water conservation efforts, and not developing plantations on peatlands. DSNG is also committed to the prevention of carbon release through emission control, renewable energy development, waste and effluent management.

**Material topics on the pillars of Society**













DSNG supports a commitment to no exploitation, through social responsibility programs to improve the welfare and prosperity of employees and communities, manage indirect economic impacts, implement occupational health and safety, business practices that support anti-corruption, as well as labor management and respect for human rights.

**Determination of Material Topics [3-2]**

All material topics in this report have been adjusted to sustainability policies which are divided into three pillars, namely Forests, Climate, and Communities. In addition, we have aligned the material topics with commitments of no deforestation, no peat, and no exploitation (NDPE), and support for the Sustainable Development Goals (SDGs).

Material Topics		Sub Topics
<b>Forest</b>	Protecting Forests and Biodiversity 	Deforestation Biodiversity & Conservation Environmental Compliance Fire Prevention and Management
	Supply Chain Practices 	Environmental and Social Practices of the Suppliers Traceability
<b>Climate</b>	GHG Emission and Carbon Footprint 	GHG emission Energy Use and Efficiency Climate Risk and Adaptation
		Water Management and Conservation Renewable Energy Waste Management



Material Topics	Sub Topics
<b>Community</b> Working Condition   	No Exploitation Occupational Health and Safety Diversity and Women Empowerment Training and Education
Workers' Rights   	Freedom for Union Gender Equality Women and Child Protection
Local Communities  	Rights of Local Community Community Welfare
Prosperity and Inclusive Growth    	Social – Economic Prosperity and Livelihood Economic Performance Sustainable Economic Innovations CSR Report Indirect Economic Impacts
Good Governance 	Anti Corruption Whistleblower System



Local people wearing Dayak traditional clothes at the ecotourism site Lelhut Lake



Boundaries of Material Topic Impacts

Material Topics	Impact on the Company [3-3a]	The Company's Response and Commitment [3-3b][3-3c]	The Company's Action [3-3d]	Review and Evaluation [3-3e]	Stakeholder Engagement [3-3f]
<b>Forests</b>					
Protecting Forests and Biodiversity	<ul style="list-style-type: none"> <li>Impacting the plantation management and development.</li> <li>Provision of conservation area, and saving protected species including orangutan.</li> </ul>	<ul style="list-style-type: none"> <li>Compliant to RSPO processes for NPP, HCV &amp; HCS Assessments.</li> <li>Conservation of key species specified by Govt Policy &amp; the IUCN Red List.</li> <li>Conservation in off concession areas through partnerships and collaboration with communities &amp; civil society (Off Concession Conservation Areas- OCCA).</li> </ul>	<p>Amongst others, during the reporting period:</p> <ul style="list-style-type: none"> <li>The company complied to RSPO's NPP, HCV &amp; HCS process.</li> <li>Conducted its RSPO's RaCP commitment to help conserve a community forest with the local community in Laman Satong, Ketapang, West Kalimantan.</li> <li>Implemented SMART patrol monitoring of wildlife in its HCV area in East, Central, and West Kalimantan concessions.</li> <li>Established a Memorandum of Understanding (MOU) with USAID SEGAR and LPHD Karangar Dalam to establish an Off Concession Conservation Area of 3,148 Ha in Karangar Dalam Village, Kutai Timur, East Kalimantan.</li> <li>Committed to implementing best practices and operating in compliance to national and global standards and regulations:                             <ul style="list-style-type: none"> <li>- IFC PS 1 (Environmental &amp; Social Management Systems),</li> <li>- Palm Oil certifications (ISPO, RSPO &amp;, ISCC),</li> <li>- Wood Products Certifications (SVLK,FSC, PEFC, CARB, JAS).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Done on periodical basis, through reporting mechanism of biodiversity monitoring performance.</li> <li>Updating conservation data according to SMART Patrol, and reporting to the authorities.</li> <li>Maintaining the communication with stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Central and regional governments;</li> <li>Employees;</li> <li>Financial Service Authorities (OJK) and Capital Market Authority;</li> <li>Palm oil farmers and local communities; and</li> <li>Non-government organizations (LSM) and environmental activists;</li> <li>International Development/Aid Agency.</li> </ul>
Environmental Compliance	<p>Impacting the implementation of best practices relating to palm oil management according to both national and global regulations and standards.</p>	<p>Implementing the environmental management license and certifications according to the national and global regulations and standardization.</p>	<p>The Company during the reporting period:</p> <ul style="list-style-type: none"> <li>Awarded RSPO, ISPO, ISCC Certifications;</li> <li>Awarded wood Certification;</li> <li>Participated in PROPER 2022 with Ministry of Environment and Forestry and obtained 5 national level blue PROPER, 7 Provincial level green PROPER, 1 Provincial level blue PROPER.</li> </ul>	<ul style="list-style-type: none"> <li>The Company on periodical basis conducts evaluations using mechanism of RSPO, ISPO and ISCC Certification.</li> <li>Participating in PROPER by Ministry of Environmental and Forestry Affairs.</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders and Investor;</li> <li>Employees;</li> <li>Central and regional governments;</li> <li>Financial Services Authority (OJK) and Capital Market Authority;</li> <li>Customers;</li> <li>Suppliers;</li> <li>Palm oil farmers and local communities.</li> </ul>
Supply Chain Practices	<p>Influences the implementation of the Company's No Deforestation No Peat No Exploitation (NDPE) commitments for its Supply Chain.</p>	<p>Support the implementation of its NDPE policy to its supply chain, especially external suppliers and small holder farmers.</p>	<p>During the reporting period, the Company:</p> <ul style="list-style-type: none"> <li>Provided socialization &amp; training to:                             <ul style="list-style-type: none"> <li>- 9 IPC;</li> <li>- 21 Cooperative;</li> <li>- 32 FFB Supplying Agents.</li> </ul> </li> <li>Achieved 100% its target for NDPE Implementation for Muara Wahau, Karangar &amp; Bengalor areas.</li> <li>7 cooperatives of smallholders had been awarded RSPO Certification.</li> </ul>	<p>The Company on a periodical basis reviews this using mechanism of its RSPO Certifications. Through its commitment to &amp;Green, an independent audit is also conducted on the Company's NDPE implementation, amongst others.</p>	<ul style="list-style-type: none"> <li>Shareholders and investors;</li> <li>Central and local government;</li> <li>Suppliers;</li> <li>Customer.</li> </ul>



## About This Report

Material Topics	Impact on the Company [3-3a]	The Company's Response and Commitment [3-3b][3-3c]	The Company's Action [3-3d]	Review and Evaluation [3-3e]	Stakeholder Engagement [3-3f]
<b>Climate</b>					
Energy	The use of energy, especially fossil fuels has direct and indirect impact on our GHG emissions.	<ul style="list-style-type: none"> <li>Implementing the energy efficiency policy, and development of renewable energy.</li> <li>Improving the energy efficiency, and use of renewable energy.</li> </ul>	<p>In the reporting period, the Company invested in renewable energy by:</p> <ul style="list-style-type: none"> <li>Commissioning its first Methane Capture and Bio-CNG plant.</li> <li>Commissioning its Solar Power Panel on wood engineered flooring Factory.</li> <li>Begun construction of its Second Methane Capture and Bio-CNG plant and to be commissioned in 2023.</li> </ul>	Number of energy consumption and saving are reviewed and reported on periodical basis to Board of Directors and interested parties.	<ul style="list-style-type: none"> <li>Shareholders;</li> <li>Employees;</li> <li>Central and regional governments;</li> <li>Financial Services Authority (OJK);</li> <li>Palm oil farmers and local community.</li> </ul>
GHG Emission	Plantation and Wood Product operations has a direct and indirect impact on increasing GHG emissions, which will also contribute to the effects of Climate Change.	<ul style="list-style-type: none"> <li>Implementing the sustainability best practices in development of palm oil plantation and production as well as wood industry.</li> <li>Reducing GHG emission.</li> </ul>	<p>Amongst others, the company reduced emissions by:</p> <ul style="list-style-type: none"> <li>Reduced forest fire hazards from surrounding lands through active interventions and prevention measures</li> <li>Managing fertilizer application, using precision agriculture</li> <li>Replaced fossil fuels with Bio-CNG from its Mill Effluent</li> </ul>	<ul style="list-style-type: none"> <li>The Company conducts a study of the Group's greenhouse gas emission inventory every three years, using the 2019 emission data as a baseline, and has been developing a group-wide emission reduction roadmap.</li> <li>The Company discloses its GHG emission report to the public through the Sustainability Report or DSNP's website.</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders;</li> <li>Employees;</li> <li>Central and regional governments;</li> <li>Financial Services Authority (OJK); and</li> <li>Palm oil farmers and local community.</li> </ul>
Waste	Waste generated by Plantation and Wood Product operations has the potential to impact the environment through pollution.	<ul style="list-style-type: none"> <li>Managing waste generation by reusing it, to support the implementation of the DSNP circular economy.</li> <li>Reducing the generation of waste discharged into nature.</li> </ul>	<p>Amongst others, the company reduced waste by:</p> <ul style="list-style-type: none"> <li>Utilizing palm oil biomass to generate electricity and supplement fertilizer.</li> <li>Converting wood waste into wood pellets to replace other fossil fuels.</li> <li>Utilizing wood waste ash to produce construction materials with the local community.</li> </ul>	Number of waste generation have been monitored, reviewed, and reported on periodical basis to Board of Directors and interested parties.	<ul style="list-style-type: none"> <li>Shareholders and Investor;</li> <li>Employee;</li> <li>Central and local governments;</li> <li>Palm oil farmers, and local communities.</li> <li>Local artist community.</li> </ul>
Water and Effluent	The use of water and effluents from our operations impacts the water bodies and water reserves in our area of operations.	<ul style="list-style-type: none"> <li>Water efficiency.</li> <li>Conducting water conservation. Effluent mainly POME is processed in the Bio-CNG plant facility.</li> <li>Maintaining water availability in nature, and reusing the effluent and waste generation.</li> </ul>	<ul style="list-style-type: none"> <li>During the reporting period, we processed 104,513 tons of POME into the equivalent of 7,703,401 kwh of energy through Biogas production.</li> <li>Our Water intensity use in 2022 was improved by 1.39 m<sup>3</sup>/ton of processed FFB compared to the last year.</li> </ul>	Number of water usage and effluent have been monitored, reviewed, and reported on periodical basis to Board of Directors and interested parties.	<ul style="list-style-type: none"> <li>Employee;</li> <li>Central and local governments;</li> <li>NGOs and environmental activists.</li> </ul>

Material Topics	Impact on the Company [3-3a]	The Company's Response and Commitment [3-3b][3-3c]	The Company's Action [3-3d]	Review and Evaluation [3-3e]	Stakeholder Engagement [3-3f]
<b>Communities</b>					
Local Communities	Impacting on support for operations of plantations and factories, as well as fulfillment of community social responsibility including indigenous people, and equal Welfare.	<ul style="list-style-type: none"> <li>Community empowerment Program and development.</li> <li>Respect for community's rights including Indigenous People Development Plan and Cultural Heritage Preservation.</li> </ul>	<p>Amongst other, the Company implements:</p> <ul style="list-style-type: none"> <li>Community Empowerment Programs</li> <li>Alternative Livelihood Programs</li> <li>Supports and safeguards local cultural heritage</li> <li>Actively engages with local and indigenous communities</li> </ul>	Through the mechanism of periodical reporting on the implementation of activities, and reported to the Board of Directors and external interested parties.	<ul style="list-style-type: none"> <li>Central and local governments;</li> <li>Employee;</li> <li>Palm oil farmers and local communities;</li> <li>NGOs and environmental activists.</li> </ul>
Economic Performance	Impacting the sustainable supply of the fresh fruit bunch (TBS) of palm oil and woods as production materials, as well as sustainable financing.	<ul style="list-style-type: none"> <li>Sustainable development of palm oil estates and community forest,</li> <li>Developing palm oil estates with no deforestation, no peat and no exploitation (NDPE),</li> <li>Doing an environmentally sound operation/production.</li> </ul>	<p>In 2022 the company:</p> <ul style="list-style-type: none"> <li>Implemented traceability of fresh fruit bunch (FFB) and wood materials</li> <li>Conducted socialization on NDPE policy to suppliers.</li> <li>Trained smallholders to implement best agricultural and agroforestry practices.</li> </ul>	Through the reporting mechanism for RSPO Certification audit, as well as the annual audit for our &Green commitments.	<ul style="list-style-type: none"> <li>Shareholders and investors;</li> <li>Employee;</li> <li>Central and local governments;</li> <li>The Financial Services Authority (OJK) and</li> <li>Capital Market Authority.</li> </ul>
Indirect Economic Impacts	<ul style="list-style-type: none"> <li>Involving the surrounding community in supporting the supply chain.</li> <li>Community empowerment and development programs will impact the support from local communities for the Company's sustainable operations and production.</li> </ul>	<ul style="list-style-type: none"> <li>Involving local companies in the Company's supply chain, as well as empowering and developing local economic potential.</li> <li>Encouraging local companies to engage as many local workers as possible.</li> <li>Assisting the development of cooperatives (credit unions) as community economic financing institutions.</li> </ul>	<ul style="list-style-type: none"> <li>During 2022 we engaged 59 local suppliers as assisted cooperatives in the Company's supply chain.</li> </ul>	Conducting periodic assessments of supplier performance, and reporting mechanisms to interested parties.	<ul style="list-style-type: none"> <li>Central and local governments;</li> <li>Employee;</li> <li>Supplier; Palm oil farmers, and local communities.</li> </ul>
Occupational Health and Safety	Prioritizing the health and safety of workers, so as to ensure no disruption to operational and production activities.	<ul style="list-style-type: none"> <li>Implementing employee health and safety operation standards</li> <li>Preventing incidents due to both work accidents and occupational diseases</li> </ul>	<ul style="list-style-type: none"> <li>The company implements occupational health and safety protocols, as well as conducting routine training and outreach to employees on K3</li> <li>Carry out regular inspection on the use of personal protective equipment (PPE)</li> </ul>	Reporting to interested parties periodically.	<ul style="list-style-type: none"> <li>Central and local governments;</li> <li>Employee;</li> </ul>
Employment	<ul style="list-style-type: none"> <li>Providing job opportunities to local community</li> <li>Encouraging the principle of equality to provide fair opportunities to the local communities, to join in the a fair recruitment process.</li> </ul>	<ul style="list-style-type: none"> <li>Recruiting local workers to be DSNG's employees as well as through suppliers, and meeting labor-related regulations.</li> <li>Providing equal opportunities for everyone to work and have a career in DSNG, respecting workers' rights, and eliminating all forms of discrimination against workers and discrimination at work.</li> </ul>	<ul style="list-style-type: none"> <li>Throughout 2022 the percentage of local workers reached 10.363 of the total DSNG employees, and there were no child labor and practice of forced labor in the company's operational areas.</li> <li>The minimum wage for DSNG Employees is the minimum wage set by the local government. <b>[POJK51. F19, F.20]</b></li> </ul>	Reporting to the interested parties periodically	<ul style="list-style-type: none"> <li>Shareholders and investors;</li> <li>Employee;</li> <li>Central and local governments;</li> <li>Palm oil farmers, and local communities.</li> </ul>
Anti-corruption and anti-bribery	Impacting on the demand for the operation and business development that respects the values of transparency, regulations and code of conduct.	<ul style="list-style-type: none"> <li>Implementing the anti corruption and anti bribery policy.</li> <li>Supporting the government program to eradicate corruption.</li> <li>Encouraging an integrity and responsible business operation.</li> </ul>	The Company provides its stakeholders and the public open access to submit reports, grievances or claims regarding any acts of corruption. Via whistle blowing channels, email or its website.	Reporting to the interested parties periodically.	<ul style="list-style-type: none"> <li>Shareholders and investors;</li> <li>Employees;</li> <li>Central and local governments;</li> <li>Customers;</li> <li>Suppliers;</li> <li>Palm oil farmers, and local communities.</li> </ul>





# We are DSNG





## About DSNG [POJK51.C.2]



### COMPANY NAME [2-1a]

PT Dharma Satya Nusantara Tbk



### OTHER NAME

DSNG



### OPERATIONAL AREA [2-1d]

Indonesia, covering Central Java, East Kalimantan, Central Kalimantan, West Kalimantan, and North Kalimantan.



### STOCK OWNERSHIP AND LEGAL STATUS OF ENTITY [2-1b][POJK51.C.3.C]

#### Stock Ownership

- Public : 33.12%
- PT Triputra Investindo Arya : 27.63%
- PT Krishna Kapital Investama : 14.63%
- PT Tri Nur Cakrawala : 7.44%
- PT Mitra Aneka Guna : 6.32%
- Andrianto Oetomo : 5.43%
- Arianto Oetomo : 5.43%



#### Legal Entity

- Limited Liability Company
- Listed on Indonesia Stock Exchange (IDX) on June 14, 2013
- Stock Code: DSNG



### HEAD OFFICE ADDRESS [2-1c]

Information disclosure of the offices of the subsidiaries is submitted on 2022 Annual Report.

#### Sapta Mulia Center

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www.dsn.co.id

## Vision, Mission, Values, and Policies of Sustainability [POJK51.C.1]



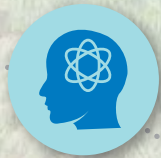
### Vision

To become world class company that grows with society and is the pride of our country.



### Mission

To create continuous growth in the natural resources based industry that adds value all stakeholders through good governance.



### Integrity

We put integrity as our core value in everything that we do

- Prioritize the company's interests over the interests of individual or groups within the company
- Provide information based on facts in a responsible manner
- Walk the talk



### Passion

We act with unrelenting passion

- Intensely focussed
- Persistent and relentless to deliver
- Passion to uplift others

## Core Values [POJK51.F.1]



### Strive for Excellence

We strive for excellence

- Committed to sustainably perform
- Enthusiastic and open to learn and share knowledge
- Ingenious in its decision making



### Respect

We respect our employees, society and environment

- Seek understanding before taking action
- Respect others by giving opportunity to grow together
- Demonstrate concern to the environment



### Synergy and Cohesiveness

We create synergy and cohesiveness within diversity

- Build a sense of belonging in achieving unity towards the company's objectives
- Empower itself and others to create added value
- Maintain a productive family atmosphere



### DSNG Sustainability Vision [POJK51.C.1]

“ To be the responsible choice for the People, Planet, and Prosperity ”

#### Sustainability Policy and Strategies [POJK51.A.1] [2-22]

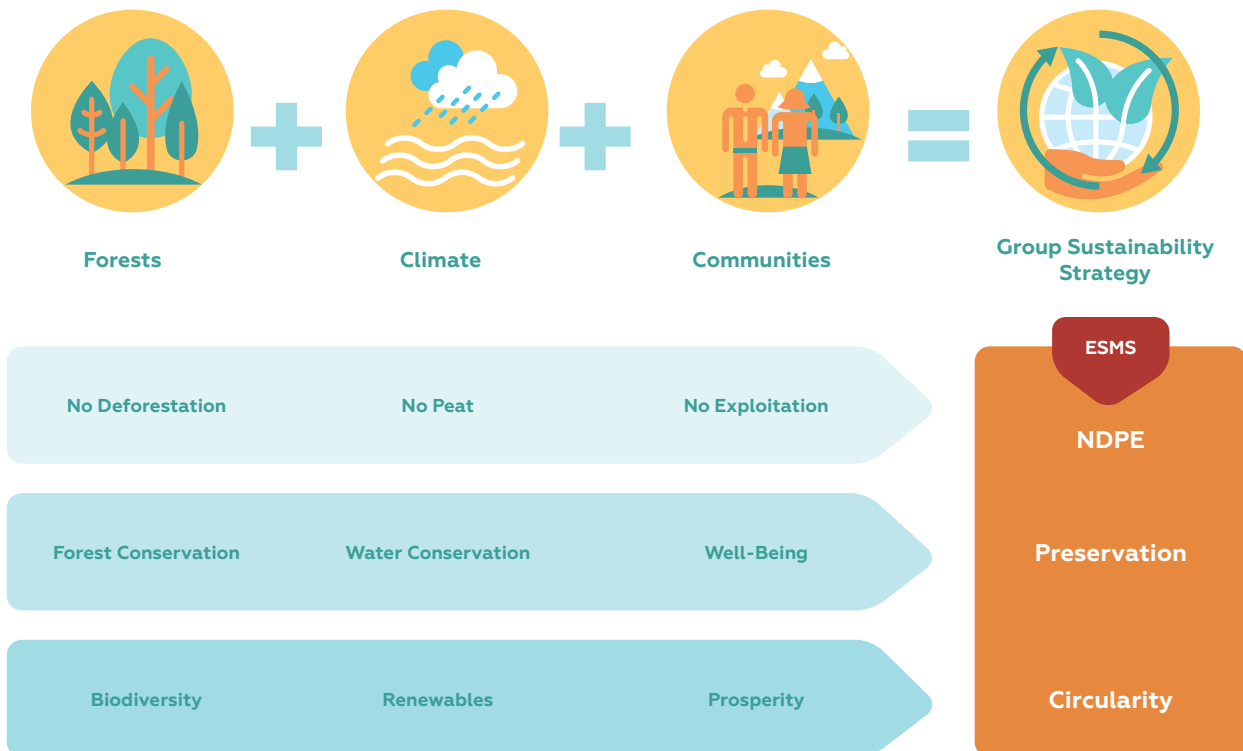
In running its business, the Company has implemented the Group's Sustainability Policy (No. 001/DSN/CSO/VII/2021), with a particular focus on managing its impact in the following areas of Forest, Climate, and Community aspects surrounding its operational location. The Company ensures that this sustainability policy applies to all of its subsidiaries and supply chain, including its plasma farmers. In addition, the Company is dedicated to fulfilling international and national certification standards. Through its adherence to the sustainability policy, the Company endeavors to participate in the conservation of critical ecosystems through conservation activities, the responsible use of natural resources, regeneration of natural systems as well providing support for community well-being.

With this policy, the Company is aligned to supporting the achievement of the Sustainable Development Goals as outlined in the United Nations' 2030 Agenda and Paris Agreement on Climate. The said policy was ratified on July 8, 2021, can be accessed through <https://dsn.co.id/wp-content/uploads/2021/07/DSNG-Sustainability-Policy.pdf>.

In line with DSNG's Sustainability Vision, the Company has set three areas of priorities to focus on mitigating the environmental and social impacts and adopts three key principles.

- Three areas of Priority: forest, climate and the community
- Three key Policies & Principles: No Deforestation, No Peat, No Exploitation (NDPE); Preservation; and Circularity.

### DSNG Sustainability Policy Matrix





## DSNG's Operational Areas [POJK51.C.3.D]

### The Company's Operational Areas – Wood Product Business Unit

Province	Regency/City	Total Factories
Central Java	Temanggung	Kranggan District 1
		Pingit District 1
<b>Total</b>		<b>2</b>

### The Company's Operational Areas – Palm Oil Business Unit [SPOTT 13; 14; 15; 21]

Province	Regency/City	Nucleus Estate (Ha)		Plasma Estates (Ha)	Total Estates
		Managed Area	Planted Area		
East Kalimantan	Kutai Timur*	72,464	59,871	19,393	7
	Mahakam Ulu	1,272	1,029	238	1
Central Kalimantan	Lamandau*	11,580	8,302	3,555	1
West Kalimantan	Sekadau	7,826	3,175	1,011	1
	Sintang	8,815	4,805	1,145	3
North Kalimantan	Bulungan	3,366	2,887	1,202	1
<b>Total</b>		<b>105,323</b>	<b>80,069</b>	<b>26,544</b>	<b>14</b>

\* Change in managed area following legal change in managed area of PT DWT and PT PWP.

### The Company's Operational Area for the Development of Palm Oil Business Unit [SPOTT 16]

Province	Regency/City	Nucleus Estate (Ha)		Plasma Estates (Ha)	Total Estates
		Managed Area	Planted Area		
West Kalimantan	Sintang	5,234	4,095	1,755	1
<b>Total</b>		<b>5,234</b>	<b>4,095</b>	<b>1,755</b>	<b>1</b>



Product sanding process at WP Panel, Temanggung, Central Java



# Our Activities, Supply Chain and Other Relevant Business Relationships

The Company's business activities in 2022 were limited to the production and sales of palm oil and wood products, with no significant change from last year. Within the said business activities Company also produced Biogas to generate renewable energy and Biofuel in the form of Wood pellets and Palm Biomass. [2-6][POJK51.C.4]

During 2022 there were also no significant changes related to the Company's supply chain. Our commitment remains to achieve full traceability and compliance in our supply chain.

In line with our NDPE commitment, the Company assists its suppliers in its palm oil supply chain to achieve compliance by adopting sustainable practices, especially smallholders, who have limited resources. [POJK51.C.6]

In our Wood Products business unit, the Company has implemented its inventory and traceability systems to its community forest supply chain using our proprietary e-RawMat application.

## Activities, Products and Services, Market Share, and Other Relevant Business Relations [2-6]

Activities	Products	Production Volume in 2022	Sales of 2022			
			Domestic		Export	
			Rp Billion	%	Rp Billion	%
Palm Oil Business Unit	Crude Palm Oil	639 Thousand Tons	7,151	100	0	0
	• Palm Oil Estate					
	• Palm Oil Mill					
	Palm Kernel Oil	38 Thousand Tons	680	100	0	0
	• Kernel Crushing Plant					
	Kernel	118 Thousand Tons	200	100	0	0
Wood Product Business Unit	Panel	118 thousand m <sup>3</sup> tons	66	7	832,935	93
	Engineered Flooring	1.080 thousand m <sup>2</sup>	13.8	3	472.8	97

## Palm Oil Business Unit Supply Chain



## Traceability of Fresh Fruit Bunch (FFB) of 2022 (Thousand Ton)

Supplier Type	Total Volume	Traceability Results		
		Supplied	Traceable	% Traceability
Nucleus Estate	1,759,238	1,759,238		
Plasma Estate	455,760	455,760		
Other Estate (Uncontrolled by the Company)	44,793	44,793		96
Other Suppliers	577,533	471,985		
<b>Total</b>	<b>2,837,324</b>	<b>2,731,776</b>		

**FFB Volume, Percentage and Origin of Supply  
(Thousand Ton)**

Sources of Supplies	2022		2021		2020	
	Total	%	Total	%	Total	%
Nucleus Estate	1,759,238	62	1,543,126	65	1,663,358	61
Plasma Estate	455,760	16	371,295	16	362,038	13
Other Plantations (Uncontrolled by the Company)	44,793	2	102,012	4	233,784	9
Third Party	577,533	20	342,061	15	452,161	17
<b>Total</b>	<b>2,837,324</b>	<b>100</b>	<b>2,358,494</b>	<b>100</b>	<b>2,711,341</b>	<b>100</b>

**CSPO RSPO Sales Volume [SPOTT 49]**

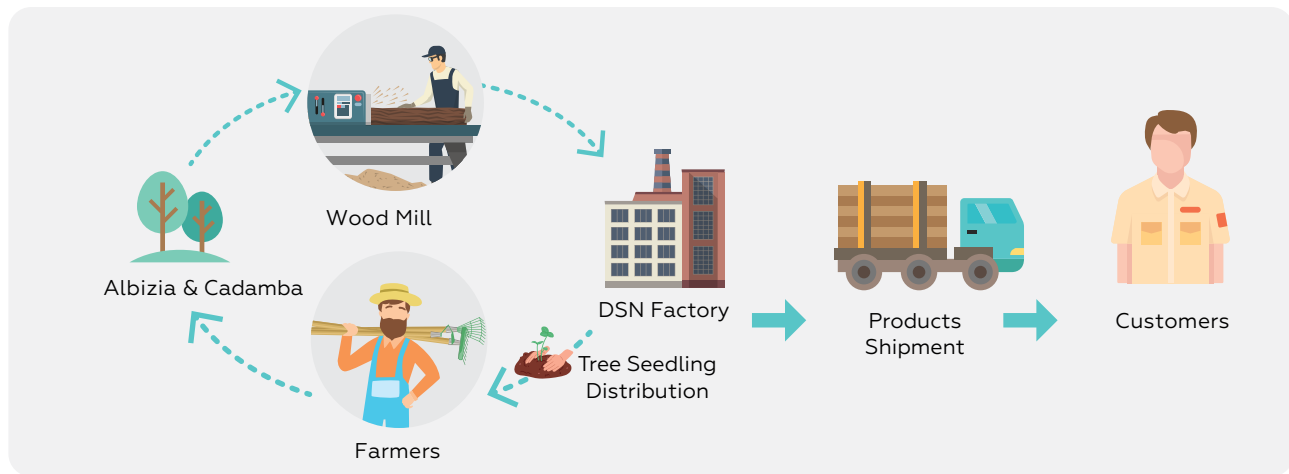
Sales Schemes	Unit	2022	2021	2020
CSPO				
Segregated		112,450	98,000	95,950
Mass Balance Scheme		18,400	-	1,000
RSPO Credits Scheme	Ton	77,757	104,479	122,404
Mass Balance ISCC Scheme		33,900	47,000	24,000
<b>Sub Total</b>		<b>242,507</b>	<b>249,579</b>	<b>243,354</b>
(Non-CSPO) Conventional Scheme				
<b>Sub Total</b>	<b>Ton</b>	<b>397,011</b>	<b>399,815</b>	<b>519,466</b>
<b>Total</b>	<b>Ton</b>	<b>639,518</b>	<b>649,394</b>	<b>762,820</b>

**Traceability of Wood Log in Wood Product Business Unit in 2022**

Supplier Type	Total Volume	Traceability Results		
		Traceable Volume	Untraceable Volume	% Traceability
		Ton		
Community Forest	169,326	169,326	0	100
Industrial Forest	42,624	42,624	-	100
Other Supplier	-	-	-	-
<b>Total</b>	<b>211,950</b>	<b>211,950</b>	<b>0</b>	<b>100</b>



### Wood Product Business Unit Supply Chain



### Wood Supplies for Wood Product Business Unit – Engineered Flooring

Description	Unit	2022	2021	2020
Total Suppliers				
Local	Person	22	14	14
Import		23	30	30
<b>Sub Total</b>		<b>55</b>	<b>44</b>	<b>44</b>
Wood Volume				
Rubber Logs	Metric	22,157	40,592	32,231
Logs		9,680	8,742	7,659
Lumber		9,263	8,275	6,838
<b>Sub Total</b>		<b>41,100</b>	<b>57,609</b>	<b>46,728</b>
<b>Rupiah Value</b>	<b>Rp billion</b>	<b>47</b>	<b>159</b>	<b>101</b>
<b>USD Value</b>	<b>USD</b>	<b>15,812,702</b>	<b>11,168,095</b>	<b>7,118,915</b>

The Company collaborates with sengon farmers and its collection partners to secure sustainable sengon wood supplies from managed Community Forest. The sengon wood is derived from traceable sources compliant with the Indonesian Timber Legality Assurance System (SLVK) as a raw material for its wood products.

### Wood Supplies for Wood Product Business Unit - Panel



Description	Unit	2022	2021	2020
Total Suppliers				
Local	Person	47	46	36
Wood Volume				
Sengon Wood	Metric	171,793	147,214	109,576
Jabon Log		8,344	7,980	13,416
Rubber Log		0	167	2,267
Sengon STBR		30,690	32,196	24,264
Jabon STBR		1,123	588	91
<b>Sub Total</b>			<b>211,950</b>	<b>188,145</b>
<b>Rupiah Value</b>	<b>Rp billion</b>	<b>235</b>	<b>255</b>	<b>218</b>

## Our Employees [POJK51-3.c.2]



The Human Capital Department is responsible for managing the Company's Human Resources. In 2022, DSNG hired 7,419 new employees, of which 18% were female. Further details about the number of employees based on their position, age, and education can be found in the Company's 2022 Annual Report.

### Number of Employees by Position, Gender, and Age Group in 2022 [405-1][POJK51.F.19]

Level Position	Gender		Age Group [2-7]		
	 Male	 Female	<31	31-50	>50
Director and Equivalent	4	2	-	1	5
Senior Management	45	8	-	28	24
Middle Management	71	10	1	62	18
Staff	762	60	298	490	34
Non Staff	4,797	869	1,987	3,474	205
Plantation Workers	9,907	3,675	5,471	7,805	306
<b>Total</b>	<b>15,586</b>	<b>4,624</b>	<b>7,757</b>	<b>11,860</b>	<b>593</b>



**DSNG's Employees in 2022 Based on Gender and Placement Area [2-7a]**

Placement Area		Male		Female	
		Total	%	Total	%
Jakarta	Head Office	159	1.02	64	1.38
Central Java	Temanggung	1,315	8.44	463	10.01
East Kalimantan	Kutai Timur	10,311	66.16	3,089	66.80
	Mahakam Ulu	7	0.04	1	0.02
Central Kalimantan	Lamandau	1,727	11.08	595	12.87
West Kalimantan	Sekadau	795	5.10	126	2.72
	Sintang	820	5.26	151	3.27
North Kalimantan	Bulungan	443	2.84	135	2.92
Others	-	9	0.06	-	-
<b>Total</b>		<b>15,586</b>	<b>100.00</b>	<b>4,624</b>	<b>100.00</b>

**DSNG's Permanent Employees Based on Gender and Placement Area [2-7b]**

Placement Area	2022			2021			2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Jakarta	149	59	208	141	51	192	148	48	196
Central Java	1,033	282	1,315	1,162	309	1,471	1,192	319	1,511
East Kalimantan	9,777	2,851	12,628	6,508	2,036	8,544	6,297	2,087	8,384
Central Kalimantan	1,711	595	2,306	995	398	1,393	1,006	433	1,439
West Kalimantan	1,586	265	1,851	768	160	928	469	69	538
North Kalimantan	408	129	537	252	60	312	208	52	260
Others	7	-	7	1	-	1	-	-	-
<b>Total</b>	<b>14,671</b>	<b>4,181</b>	<b>18,852</b>	<b>9,827</b>	<b>3,014</b>	<b>12,841</b>	<b>9,320</b>	<b>3,008</b>	<b>12,328</b>

**Total DSNG's Workers Other Than Employees [2-8][2-8a][2-8c]**

Description	2022		2021	
	Beginning of the Year	End of Year	Beginning of the Year	End of Year
Outsourced workers*	118	249	118	28

\* Outsourced workers who are stationed in DSN Group's head office.

Data Source: Human Capital Function, based on individuals registered on December 31, 2022. [2-8b]

**Business Scale [POJK51.C.3]**

Description	Unit	2022	2021	2020
Total Liabilities		7,197	6,687	7,921
Total Equity		8,160	7,025	6,231
Total Assets		15,357	13,712	14,151
Cost of Goods Sold	Rp Billion	6,516	5,100	4,947
Sales	Palm Oil	8,117	5,792	5,635
	Wood Products	1,517	1,332	996
<b>Profit</b>		<b>1,353</b>	<b>838,311</b>	<b>478,171</b>

# External Initiatives and Association Memberships

## External Initiatives [2-28][POJK51.C.5]

Roundtable on Sustainable Palm Oil (RSPO) Member

The Company has been a registered member of RSPO since 2008. Our membership covers all business units of the palm oil industry. The first RSPO certification was obtained in 2013. Until the end of 2022, the Company has 21 plantation units and 7 Palm Oil Mill (POM) certified with RSPO. The Company submits a progress report on annual basis to meet the RSPO certification criteria to be further submitted to The Annual Communication of Progress (ACOP).



Up to the end of the reporting period, the Company has 8 ISPO certificates for palm oil mills (POM). The figure reaches 66,67% of the total POM of the Company.

Indonesian Sustainable Palm Oil











DSNG is recognized as one of 25 constituents of SRI-KEHATI index as of December 2020 and has entered the two new stock indexes, i.e. ESG Quality 45 IDX KEHATI and ESG Sector Leaders IDX KEHATI as of December 2021.

Indeks SRI KEHATI



DSNG Board of Directors and Senior Management attended RSPO RT 2022, in Kuala Lumpur, Malaysia

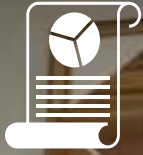
## Membership of Association [2-28][POJK51.C.5]

	<p>A multistakeholder partnership platform which was established to support companies to go through the ongoing global transition towards the deforestation-free supply chains for commodities including palm oil, soybeans, beef, and paper/pulp. Our membership in TFA is very important to embrace a multistakeholder approach in reducing commodity-driven deforestation, through interventions such as the Jurisdictional Approach. In addition, the platform facilitates sharing, learning, and collaboration with civil society, TFA members, as well as regulators. DSNG is also a member of the TFA's Southeast Asia Regional Committee.</p>	Member
<p>Tropical Forest Alliance</p>		
	<p>A synergy between the central and regional government in determining palm oil industry policy to create a conducive climate for palm oil industry.</p>	Member
<p>Indonesia Palm Oil Association</p>		
	<p>A cooperation of various parties to ensure the sustainable supplies of wood raw materials from plantation forests, preserved natural forests and mutually-beneficial use of other wood raw materials (rubber wood, coconut wood, and palm wood).</p>	Member
<p>Indonesia Wood Panel Association</p>		
	<p>A forum that accommodates communication and consultation among Indonesian entrepreneurs and between Indonesian entrepreneurs and the Government on matters related to trade, industry, and service issues.</p>	Member
<p>KADIN Indonesia</p>		
	<p>An association that encouraging members to improve the processing of forest products to help boosting the national economy, especially in the forest sawn timber sector; as well as fostering members to improve quality and efficiency, conducting research on product development, realizing the implementation of education and training to enhance the quality of human resources and protect the interests of members.</p>	Member
<p>Asosiasi Pengusaha Kayu Gergajian dan Kayu Olahan Indonesia</p>		
	<p>Developing a harmonious and productive industrial relations; protecting, defending and empowering the all business owners. Doing an active role in increasing investments; as well as doing an active role in the formulation of the government's policy.</p>	Member
<p>Asosiasi Pengusaha Indonesia</p>		
	<p>An association of Indonesian capital market aim to accelerate the capital market growth. Encouraging members (Emitter) to establish a conducive and professional market climate so as to motivate other private companies to enter the capital market.</p>	Member
<p>Asosiasi Emiten Indonesia</p>		
	<p>A Partnership for Action Against Child Labour in Agriculture (PAACLA) is a multistakeholder partnership that applies coordination action approach and comprehensive and long-term partnership to eradicate child labor practices in the agriculture.</p>	Member
<p>Partnership for Action Against Child Labour in Agriculture</p>		









# Collaboratively Building Economic Prosperity





## Direct Economic Value Generated and Distributed

In 2022, the Company generated a revenue of Rp9.634 trillion, representing a 35% increase from the previous year's revenue. The majority of the revenue, 83%, was generated from palm oil sales, with the remaining 17% from wood products. Although DSNB is presently focusing on developing renewable energy, we exclusively utilize

the energy generated from renewable sources for internal purposes. The Company earned Rp1.353 trillion in profit by the end of 2022, indicating a 61% increase from the previous year. This profit increase was due to the increase in prices of palm oil products, improved performance of the wood products business, as well as other factors.

### Realization of Revenue and Income [POJK51-F.2]

Description	Unit	2022	2021	2020	Δ%	
		1	2	3	1:2	1:3
Total Revenues	Rp billion	9,634	7,125	6,699	13	
Net Profit		1,353	838	478	161	

### Realization of Production and Sale of Wood Products Business Unit

Description	Unit	2022	2021	2020	Δ%	
		1	2	3	1:2	2:3
<b>Panel Production</b>						
Production Realization	Thousands m <sup>3</sup>	118	107	85	110	126
Sales Realization	Thousands m <sup>3</sup>	116	109	87	106	126
	Rp billion	833	651	496	128	131
<b>Engineered Flooring Production</b>						
Production Realization	Thousands m <sup>2</sup>	1,080	1,157	998	93	116
Sales Realization	Thousands m <sup>2</sup>	1,118	1,143	987	98	116
	Rp billion	486	466	462	104	101

### Target and Realization of Wood Product Business Unit [POJK51.F.2]

Description	Unit	Target 2023	Target 2022	2022	Δ%	
		1	2	3	1:2	2:3
<b>Panel Production</b>						
Production Realization	Thousands m <sup>3</sup>	116	120	118	97	102
Sales Realization	Thousands m <sup>3</sup>	116	120	116	97	103
	Rp billion	749	764	833	98	92
<b>Engineered Flooring Production</b>						
Production Realization	Thousands m <sup>2</sup>	713	1,579	1,080	45	146
Sales Realization	Thousands m <sup>2</sup>	713	1,579	1,118	45	141
	Rp billion	311	659	486	47	135

**Realization of Production and Sale of Palm Oil Business Unit**

Description	Unit	2022	2021	2020	Δ%	
		1	2	3	1:2	2:3
<b>CPO Production</b>						
Production Realization	Thousand tons	639	544	637	117	85
Sales Realization	Thousand tons	640	545	640	117	85
	Rp billion	7,151	5,025	5,214	142	96
<b>Non-CPO Production: Kernel</b>						
Production Realization	Thousand tons	118	97	114	122	85
Sales Realization	Thousand tons	27	24	31	112	79
	Rp billion	200	168	126	119	134
<b>Non-CPO Production: PKO</b>						
Production Realization	Thousand tons	38	30	34	126	88
Sales Realization	Thousand tons	39	31	33	125	94
	Rp billion	680	510	323	133	158

**Target and Realization of Production and Sale of Palm Oil Business Unit [POJK51.F.2]**

Description	Unit	Target 2023	Target 2022	2022	Δ%	
		1	2	3	1:2	2:3
<b>CPO Production</b>						
Production Realization	Thousand tons	735	694	639	106	109
Sales Realization	Thousand tons	735	694	640	106	109
	Rp billion	6,983	6,722	7,151	104	94
<b>Non-CPO Production: Kernel</b>						
Production Realization	Thousand tons	135	123	118	110	105
Sales Realization	Thousand tons	28	28	27	98	103
	Rp million	144	120	200	120	60
<b>Non-CPO Production: PKO</b>						
Production Realization	Thousand tons	46	40	38	113	106
Sales Realization	Thousand tons	46	40	39	113	104
	Rp million	588	448	680	131	66

In 2022, DSNG did not accept financial assistance from the Government. The Company generated its economic value only from the sales of wood products, and palm oil products. Some parts of the economic value generated,

were distributed to the stakeholders through dividends, employee remuneration, investment to the community, taxes, and the others according to the prevailing laws and regulations. [201-1, 201-4]



Our SCADA control at POM 11, Muara Wahau

**Economic Values Generated and Distributed (Million Rupiah) [201-1]**

Description	2022	2021	2020
<b>Economic Value Generated</b>			
Revenue	9,633,671	7,124,495	6,698,918
<b>Economic Value Distributed</b>			
Cost of Goods Sold	6,516,096	5,099,969	4,947,242
General and Administrative Expenses (including employee wages and benefits)	431,373	374,343	383,067
Payments to Shareholders	211,997	130,730	52,292
Profits Distributed to Owners of the Parent Entity	1,206,835	727,153	476,637
Payments to Government	462,985	299,414	107,373
Community Investment (CSR)	20,880	14,300	14,500
Total Economic Value Distributed	8,829,286	6,645,909	5,966,611
<b>Economic Value Retained</b>			
<b>Total</b>	<b>804,385</b>	<b>478,586</b>	<b>716,681</b>

**Employee Pension Fund**

The Company has taken measures to ensure the welfare of its employees by enrolling them as members of the Old-Age Security Program (JHT) and Pension Security Program (JP) managed by the Employment Security Program (BPJS Ketenagakerjaan). As such, the Company is not required to disclose the management of its employees' old-age and pension security, including the fulfillment of obligations

to employees who are approaching retirement, as these matters are overseen by BPJS Ketenagakerjaan. In 2022, the Company contributed to the membership fees of both JHT and JP programs of BPJS Ketenagakerjaan. The total contribution amounted to Rp72.45 billion at the Palm Oil Business Unit and Rp6.88 billion at the Wood Product Business Unit. [201-3]

# Our Innovations to Support a Sustainable Business

## Culture of Sustainable Innovation [POJK51.F.26]

The Company has consistently strived to make improvements to increase productivity and cost efficiency while ensuring responsible environmentally sound operations. The Company has encouraged innovations using the latest technology, renewable energy and through the DSN Award – Quality Control Circle (QCC) Convention. DSN Award is an annual awarding event organized by DSNG through adoption of a culture of continuous improvements. The categories of DSN Award include the plantation,

In 2022, we accepted registration from 727 teams representing all business units of DSNG. Around 594 teams (82%) succeeded in completing 8 steps of QCC. The Company compiled some best innovations which were considered to bring positive impacts on the Company's performance. Below are the innovations and the impacts we have identified:



QCC Team Presentation at DSN Award 2022 Convention

## Types of Innovations and the Impacts to the Company [SPOTT 120]

Types of Innovations	Impacts to the Company
<b>Wood Product Business Unit</b>	
Increasing productivity of waste management of boiler ash	Boiler ash reused for production purposes
Increasing productivity of log rolling by lowering candle heating time	Increase efficiency in work process time
Lowering the complaints about the pay description of the vendors on the bank transaction realization	Increased productivity in relation to work process
Reducing the number of seedling failures during the waiting period for planting at Tlogopucang Village in Kandangan District	Increasing the success value of planting activity to increase the raw material quantity from the supply chain
<b>Palm Oil Business Unit</b>	
Modification of bearing of Farm Tractor grabber trailers	Reducing the cost of FT grabber trailer spare parts in the mechanical harvesting process
Reducing the waiting time for a light repair on FT Grabber harvesting on mechanical harvesting process	Increasing the farm tractor grabber productivity in mechanical harvesting process
Reducing the calculation time of FFB census results	Reducing the overtime (man hours needed) in the calculation process of the FFB census results
Making an automatic calculator of empty fruit bunch on the FT Grabber	Improving the accuracy of the calculation of FFB harvesting process in the mechanical harvesting process



Bio-CNG fueled truck loaded with Bio-CNG tanks for distribution to emplacements

## Our Investment towards a Circular Economy

[POJK51.F.26]

In line with our commitment to support a low-carbon economy, we have expanded our business activities to include renewable energy. This move aligns with our transition to a circular economy and a low-carbon economy. At our Palm Oil Business Unit, we utilize palm oil mill effluent (POME), shell biomass waste, and palm kernel fiber to create various renewable energy sources. Meanwhile, at our Wood Products Business Unit, we use solar power to diversify our source of electricity for operations.

In September 2020, we successfully commissioned our first Bio-CNG plant. During 2022, we began building our second Methane Capture Bio-CNG plants at our Muara Wahau palm oil plantations. These plants utilize emissions from the methane captured from 104,513 POME to produce Biomethane Compressed Natural Gas (Bio-CNG), which serves as a source of renewable energy. The Bio-CNG produced has generated 7,703,401 kwh units of electricity for use in our palm oil mills, office, and employee housing. The use of this new energy source has significantly reduced our diesel fuel usage for power generation.

DSNG is not only using Bio-CNG as a source of electricity, but also as a substitute for diesel fuel in its operational vehicles. After a successful trial with Isuzu Bio-CNG trucks in 2021, the company has invested in the development of a fuel conversion technology for diesel engine vehicles, allowing for a more cost-effective transition to Bio-CNG powered vehicles. Conversion trials on FFB transporting trucks from Mitsubishi confirmed that Bio-CNG fuel from the converted trucks were equally efficient when compared to OEM Bio-CNG trucks and the company expects to save approximately 8 million liters of diesel annually while reducing emissions by 21 thousand tCO<sub>2</sub>e based on the conversions. In 2022,

DSNG operated eight Bio-CNG powered trucks, successfully reducing emissions by 5,355 tCO<sub>2</sub>e. The company plans to expedite the transition of its trucks with Bio-CNG from its second Bio-CNG plant.

DSNG has also established a joint venture company, PT Dharma Sumber Energi (DSE), with eREX Singapore PTE Ltd to supply palm kernel shells to Japan as biomass raw material for use in eRex's biomass power plant. DSE has obtained Green Gold Label certification, and the company intends to supply 70,000 tons of palm kernel shells per year based on its 15-year cooperation period in the JV. In 2022, DSE exported 21,000 tons of Palm Kernel Shells to eRex.

At Wood Product Business Unit, the Company has developed a renewable energy through a rooftop solar power plant (PLTS) at our 8,703.85- sqm WP Engineered Flooring plant that can generate 11.5 Mega Watt electricity per day at its maximum capacity. At the end of 2022, the rooftop solar power plant installation has generated 1.38 GW electricity to support internal operation. With the rooftop solar power plant, the Company potentially reduces the total emissions generated, which is equal with 1,035 tCO<sub>2</sub>e per year.

The use of renewable energy allows the Company to potentially reduce GHG emissions of Scope 1 and 2 by 11,038 tCO<sub>2</sub>e per year. The amount is equivalent to planting a total of 182,514 trees, or reducing the use of 2,378 passenger car units, or removing 3,819 tons of garbage from landfills.



**Investment Development and Realization [POJK51-F.3]**

Investment Form	Investment Purpose	Investment Funds
Bio-CNG 2	The Company's commitment to sustainable practices through the use of palm oil mill effluent to be processed into renewable energi.	Rp146.7 billion
Bio-CNG Truck	Technology to convert existing trucks (that transport our Palm oil products) owned by the local community to use Bio-CNG gas, to lower their fuel cost and replace diesel fuel	Rp8.4 billion
Converter Kit Diesel to Bio-CNG		Rp1.52 billion
Electric Forklift at WP	Use the environmental-friendly source of energi.	Rp616.05 million

**New Technologies and Innovations [POJK51.F.26]**

DSN Group is committed to leveraging technology to enhance the efficiency and effectiveness of its business operations while promoting environmental sustainability and workplace safety.

One of the technological advancements implemented at our palm oil plantations and wood products factory is the use of drones for estate and factory security monitoring. This has significantly expanded surveillance and monitoring coverage and improved time efficiency compared to traditional patrolling methods.

To automate the palm oil mill process, we have implemented Supervisory Control and Data Acquisition (SCADA), as well as Automatic Tank Gauge (ATG) to automate the storage tank volume measurement. These automations have improved worker efficiency, and real-time data access, while also providing a safer and comfortable environment for our employees.

DSNG, through its subsidiary WP Panel, has implemented wet scrubbers on the oil boiler chimneys at its wood panel factory in Temanggung, Central Java, as part of its efforts to reduce emissions. The primary goal of this technology is to reduce nitrogen dioxide (NO<sub>2</sub>) emissions by 88 mg/Nm<sup>3</sup> and hydrogen fluoride (HF) emissions below 0.05 mg/Nm<sup>3</sup>. In

addition, the use of wet scrubbers can improve the efficiency of the boilers used in the plants by reducing exhaust gas temperatures by 28.7°C. Since the end of 2021, DSN Panel has installed wet scrubbers on all of their oil boiler chimneys, and as of November 2022, lab analysis has shown that all NO<sub>2</sub> emissions meet the quality standard of 1,000 mg/Nm<sup>3</sup> with an average of 250 mg/Nm<sup>3</sup>, while all HF emissions are now below 0.05 mg/Nm<sup>3</sup>, which meets the quality standard of maximum 10 mg/Nm<sup>3</sup>.

WP Panel is constantly striving to improve the efficiency of its production processes through automation. Some of the efforts in this direction include the installation of conveyors and machine autofeeder to streamline the movement of goods, and the use of a plytec patching machine to expedite material repairs and eliminate hazards for its employees.

To further improve efficiency, WP Panel is also modifying its engines, for instance, by installing automatic engine shutdown tools to conserve energy. In addition to these measures, the company is utilizing SCADA technology to monitor its Kiln Dry (KD) process.

As part of its Internet of Things (IoT) initiative, WP Panel has implemented Smart Office programs to streamline office work and Auto Order Control and Auto Setting programs to automate production operations.



Real-time data visualization system for WP Panel factory operations, Temanggung



Autonomous control supported by SCADA system at POM 11, PT DIN, Muara Wahau



## Management of Indirect Economic Impacts

The principle of mutual prosperity has always been a priority of DSN Group's founders in developing a sustainable source of income and creating indirect economic values that is also inclusive for both the employees and the community surrounding the operational sites. The Company has involved the community in various parts of the company's supply chain, from being the suppliers of the raw materials and agriculture equipment, the vehicle rental provider, building construction service provider, airconditioning services, food suppliers for the employees and their families who reside within our operational sites, amongst others. [203-2a]

### Creating Alternative Livelihoods and Economic Opportunities

One of our efforts to create an indirect economic impact is by creating opportunities for local entrepreneurs, providing trainings for local youth to fulfil DSNG's needs, in cooperation with Miau Baru Community Center, and developing community-based tourism opportunities in Lake Lelhut.

During 2022, DSNG provided entrepreneurial training and AC technical training for 12 youth members of Gen-W in Muara Wahau Village. In addition to providing the training, DSNG has also provided business capital and also acted as the target service user. The purpose of this training is to create business opportunities for local youth to improve the community's economy.



Air conditioner service by Generasi Wahau (GenW) Youth at DSNG office

DSNG has actively supported the development of an ecotourism site around Lake Lelhut by engaging with the local community surrounding its Wahau estate block. The Company provided training and facilities to support the local economy around the Lake Lelhut tourist site. The opening of Lake Lelhut as an ecotourism destination has created several business opportunities for the Nehas Liah Bing Community Center, managed under the Tourism Awareness Community of Fkung Lelhut. Since its grand opening in December 2022, the site has generated revenue from ticket sales totaling Rp12,290,000. Under development by our CSR unit in Wahau, is a collaboration with Pkdarwis Fkung Lelhut community to create a culinary and cultural event for the tourist site.

DSNG has partnered with the Village Enterprise (BUMDES) of Miau Baru to support local farmers by purchasing 81 tons of rice in 2022, worth Rp903,585,625. This contributes to the local economy by assisting farmers find access to direct customers with better terms and prices for their rice. DSNG plans to provide further assistance by enhancing the community's capacity in rice processing and with a target to increase rice supplies by up to 15 tons monthly.

### Other Indirect Significant Impacts

By the end of 2022, approximately 57 local cooperatives and agents were suppliers of agricultural services for our palm oil estates in Muara Wahau. This represents a 3% decrease from the 59 local suppliers involved in 2021.

The Company also collaborates with cooperatives to develop plasma estates with which we source fresh fruit bunches (FFB). Currently, we purchase FFB from 45 plasma estate cooperatives surrounding our business locations throughout Kaimantan. Additionally, we supported local farmers by providing training on good agricultural practices and sustainable agriculture to 5,243 Independent Palm Oil Farmers. [203-2a]

For many years, we have actively supported the local community to provide FFB transportation in our estates and in 2022, we sourced 623 locally-owned trucks for transport, which involved approximately 1,246 individuals (assuming each truck was operated by a driver and an assistant).

**Proportion of Supplier Participation based on Number of Entities**

Description	2022		2021		2020	
	Total	%	Total	%	Total	%
Local Suppliers	57	28	59	28	64	30
National Suppliers	143	71	147	71	149	69
Global Suppliers	1	1	2	1	2	1
<b>Total</b>	<b>201</b>	<b>100</b>	<b>208</b>	<b>100</b>	<b>215</b>	<b>100</b>

**Proportion of Supplier Participation based on Procurement Value \* [204-1]**

Description	Unit	2022		2021		2020	
		Total	%	Total	%	Total	%
Local Suppliers	Rp million	83,176.44	42	67,557.44	38	53,935.37	35
National Suppliers		113,599.60	58	109,766.53	62	99,614.20	65
<b>Total</b>		<b>196,776.04</b>	<b>100</b>	<b>177,323.96</b>	<b>100</b>	<b>153,549.57</b>	<b>100</b>
International Suppliers	USD	62.150	-	19,000	-	313,500.00	
International Suppliers	EUR	-	-	13,990	-		

\*) Besides diesel and fertilizer

**Significant Indirect Impact [203-2a]**

No	Description	Unit	2022	2021	2020
1	Number of Local Workers Absorbed	Person	10,363	10,217	10,481
2	Local Economic Stimulus				
	Payment of local taxes/retributions	Rp million	869,376.92	631,215.79	367,983.85
	Procurement expenditure for local suppliers	Rp million	83,176.44	67,557.44	53,935.37

**Total Assets of Credit Union**

Name	2022		2021		2020	
	Number of Members	Total Assets (Rp billion)	Number of Members	Total Assets (Rp billion)	Number of Members	Total Assets (Rp billion)
CU Mitra Mandiri	2,390	50.06	2,401	44.8	2,498	41.7
CU Blom Bea Ling	1,030	37.90	1,045	30.4	1,033	26.3
CU Satu Hati	326	6.23	308	5.5	280	4.7
CU Padulungan Bersatu	282	3.00	240	2.3	181	1.5

To ensure a sustainable wood material supply chain, the company engages a substantial amount of small independent farmers in Central Java as its supply base since the establishment of its wood factory in Temanggung. Since 2020, the company has distributed jabon seedlings to 8,350 farmers who are members of 143 groups, including 502 female farmers, in order to ensure a sustainable supply chain. By the end of 2022, 1,633,215 jabon seedlings will have been distributed, and the company aims to distribute a further 6 million seeds to farmers across Temanggung Regency, Purworejo, Wonosobo, Banjarnegara, and Magelang by 2027.

To further support farmers, DSNP plans to launch capacity building programs from 2023 onwards. These programs will focus on climate-resistant agroforestry practices, financial literacy, and training for forest management certification (FMFSC). The company will also employ land mapping and monitoring to ensure that its supply chain is free from deforestation practices. With the support of external stakeholders, the DSNP Panel Wood Product Business Unit plans to be actively involved in developing a landscape effort to promote sustainable agroforestry in Central Java over the next few years.





# Forest Pillar





# Our Policies for Forest Protection and Management [2-25]



Farmers training on palm oil industry best practices in the Muara Wahau concession area.

## Managing Environmental and Social Risks

Our Group's Sustainability Policy underlines our commitment to identifying and protecting the High Conservation Value and High Carbon Stock areas, to apply best management practices as well as to minimize carbon footprint through GHG emission reduction across DSNG's operations.

DSNG has compiled an Environment & Social Management System (ESMS) document that will guide the Company and its subsidiaries in managing and minimizing environmental and social risk potentials, and planning the risk mitigations over the company's performance. The ESMS document consists of DSNG's commitment, risks, strategy, budget, target, management system and long term plans for the environment and social.

The Company regularly reviews ESMS every six months to ensure the applied approach is in accordance with the objectives and the internationally applied best practices. ESMS document framework refers to the Principles and Criteria (P&C) of Roundtable on Sustainable Palm Oil (RSPO), Sistem Verifikasi Legalitas Kelestarian (SVLK), Forest Stewardship Council Standard for Chain of Custody (FSC-CoC) Certification, Programme for the Endorsement of Forest Certification (PEFC), California Air Resources Board (CARB) Certification for composite wood products, Japanese Cultural Standards (JAS) and International Finance Corporation – Performance Standard I (IFC-PS 1).

We educate our suppliers, particularly smallholders, on our best practices to enhance their knowledge and promote sustainable practices that improve yields while minimizing negative impacts on the environment and society.

## NDPE Policy and Traceability

The Group Sustainability Policy also contains policies related to the implementation of no deforestation, no peat and no exploitation (NDPE) policy. We have implemented this Sustainability Policy for our entire supply chain without exception. The NDPE policy is one of DSNG's commitments which carried out by involving all our suppliers in the policy socialization for the entire supply chain. The Company ensures that there are no business units, nor supply chains that grow oil palm on peatlands regardless of depth. The Company has also published our NDPE policy through our website, which contains our commitments, implementation baseline, and NDPE policy implementation roadmap. The complete information can be accessed through [https://dsn.co.id/wp-content/uploads/2021/02/NDPE\\_Statement\\_DSNG.pdf](https://dsn.co.id/wp-content/uploads/2021/02/NDPE_Statement_DSNG.pdf).

Up until 2022, DSNG has provided training and socialization on NDPE policy and the required compliance to external suppliers. This initiative has been implemented for 9 out of 10 Independent Plantation Companies (IPCs), 21 out of 25 cooperatives, and 32 out of 56 FFB supply agents. The remaining external suppliers who have not yet received socialization are mostly newly registered suppliers who will be included in the initiative by the end of 2023. DSNG will continue to conduct socialization until it reaches 100% of suppliers by the end of 2023. Additionally, in 2022, self-assessment related DSNG's NDPE policy compliance was also carried out by our suppliers. This assessment was participated by several stakeholders, namely Sumber Rejeki Cooperative and Sawit Usaha Tani Sejahtera Cooperative in Wahau, CV Eka Jaya Agent in Bengalon, CV Wejas Imanuel in Wahau, and PT Perkebunan Warga Rimba (an IPC).

In line with the NDPE policy, the Company provides its stakeholders and the public an access to submit reports, grievances or claims of deforestation or exploitation within the company's operational areas or supply chain. The Sustainability Department's will follow up the reports with verification process which would involve spatial studies, interviews, clarifications and data or fact checks as well as direct field visit to validate the accuracy of the incoming reports. While taking the necessary actions relating to the report, we will continue our communication and engagement with relevant parties concerned. All reports are only declared closed after the reporting party receives a complete response from the Company regarding the process of verification, validation and wherever necessary remediations or follow-up on the said matter.

During 2022, the Company recorded complaints indicating 10 deforestation cases in our plantation areas across East Kalimantan, West Kalimantan and Central Kalimantan. Those cases were all resolved and closed. We have verified and validated the root causes of the complaints regarding the deforestation indications including:

- The location where the deforestation was indicated was outside the cadastral/concession (4 cases);
- Land with deforestation indication was cleared by the local community for livelihoods (2 cases);
- Land where a deforestation was indicated has changed status and was in the release process by the Company, was cleared by the community (3 cases);

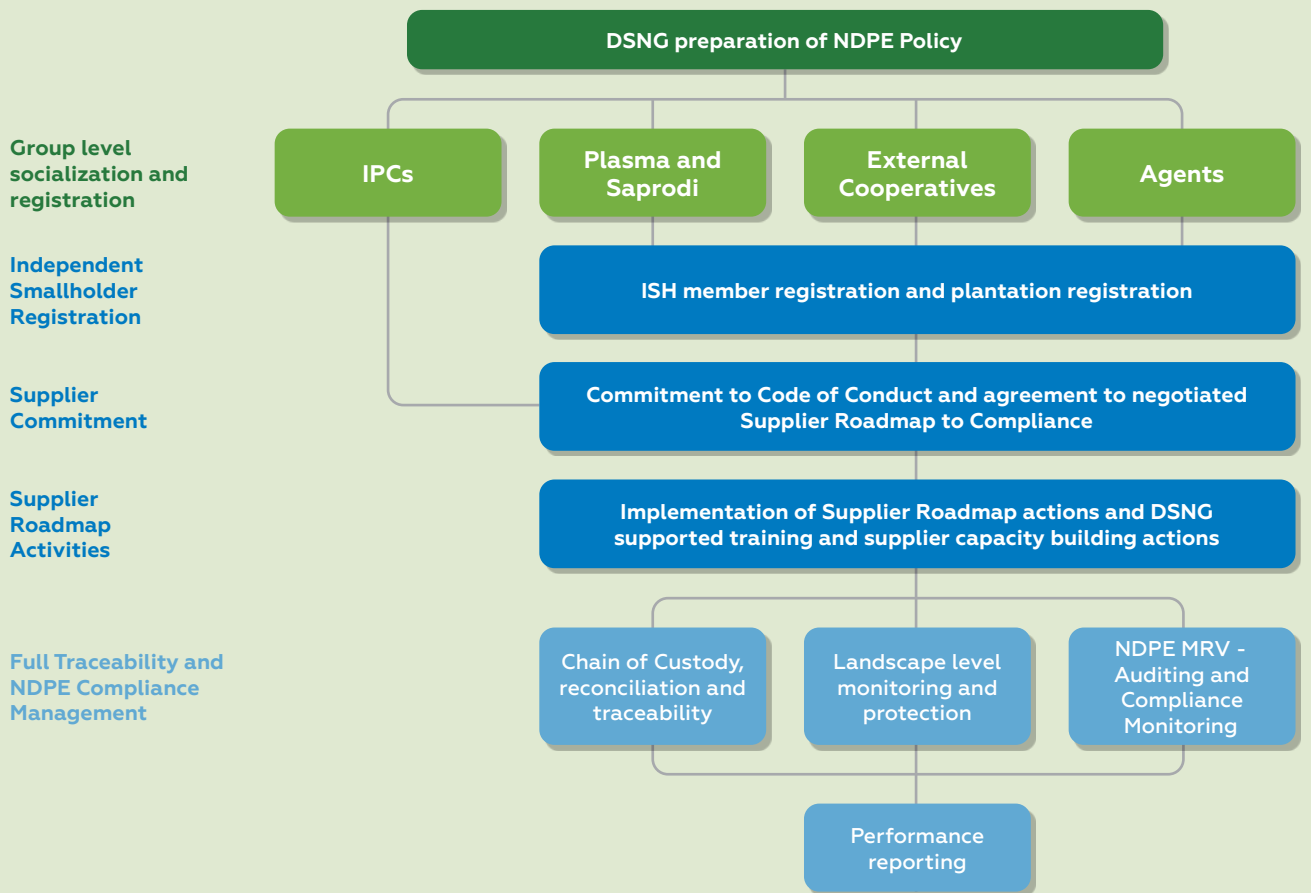
- Land clearing was carried out by the Company as part of partnership fulfillment, and has fulfilled the NPP (1 case).

The description of the above complaints is available in the Appendix.

To ensure that NDPE commitments are implemented across all operational units, including plasma plantations, DSNG has designed a staged roll-out of the NDPE policy between 2021 and 2025. The goal is to ensure that all our palm oil products and their byproducts are 100% compliant and traceable by the end of 2025. DSNG is committed to providing training and capacity-building activities to smallholder farmer groups and their members to achieve this goal.

These training programs are aimed at equipping partner farmers with the knowledge and skills necessary to implement NDPE policies and best practices in managing their oil palm plantations. In 2022, DSNG provided training to 89 plasma farmers on NDPE and Good Agriculture Practices (GAP). The training focused on improving the farmers' understanding of the importance of using personal protective equipment, managing chemical substances, and handling hazardous waste. Over time, these training programs will assist our supply chain, especially small holders, to comply to our NDPE policy.

**Flow of NDPE Implementation Approach**





## Biodiversity and Conservation [POJK51.F.9, F.10]

### Palm Oil Replanting and Integrated Pest Management [2-25]

In 2022, DSN Group carried out the first replanting activity to its palm oil estates with a coverage area of 511 ha in the PT SWA's block, Muara Wahau. The initial replanting activities included the preparation of seedlings in nurseries, uprooting palm trees, chipping palm trees and deboiling palm oil roots. The chipped trees and roots were then scattered back into the field as natural nutrients and for maintaining biomass balance.

After land clearing, land conditioning was carried out to increase the soil organic content and improve the soil physical condition of soil aeration and optimal soil moisture by planting legumes, in accordance with the IK-AGR-OLP-03-R01 standard on Planting Ground Cover Legumes, together with placing protection areas and water channels in the planting area. Subsequently, suitably aged seedlings are planted according to standard IK-AGR-OLP-04-R02 on Oil Palm Planting. Replanting activities will be carried out gradually until the end of 2023.

To ensure the quality of our products, the Company does not use any genetically modified organisms (GMOs) in our palm trees. The Company sources its palm seeds exclusively from certified seed producers, such as PPKS Socfin, Lonsum, Damimas, and Sriwijaya. The company has a strategic investment in Verdant Bioscience Pte Ltd (Verdant), a leader in palm oil breeding and tissue culture, and from time to time, the company collaborates in providing data to assist in the development of palm oil trees that are resistant to drought, pests and diseases, amongst others.

Throughout our oil palm plantations, the Company implements integrated pest management to ensure that oil palm plantations are free from pests such as bush rats, fire caterpillars, and horned beetles. Integrated pest management is carried out by utilizing natural enemies to control pests in oil palm plantations, which are natural predators, such as Owls *Tyto alba* and parasitoid insects. We also plant beneficial plants, such as *Cassia*, *Antigonon leptopus* and *Tunera subulata* to attract parasitoid predator insects.

In line with indicator 7.2.5 P&C of the 2018 RSPO, the Company does not permit the use of paraquat as well as other pesticides categorized as Class 1A or 1B by the World Health Organization, or registered on Stockholm or the Rotterdam Convention, unless in exceptional circumstances. DSNG realizes that the use of pesticides in combating the pests is not a sustainable solution, thus the Company regularly shares best practices which it implements with supply chains including independent palm oil farmers, so that DSNG and its supply chain partners can jointly protect the environment for a better future. [304-2]



*Antigonon leptopus*, a plant that attracts natural enemies of pests planted in plantation areas



**Areas of Operation and Protected Areas**

During the reporting period, the Company's operating area covered 110,557 Ha. The Company manages all concessions for palm oil industry activities. All oil palm plantations are on productive land bearing the status of non-forest area (APL). None of our plantation is located within the forest area. Through the end of 2022, we were assured that no land management activities were carried out below ground level, and no part of the operational area serves as protected forest areas, both according to national and global regulations. Although not located within the conservation area, some of the Company's operations become the trajectory of orangutans, which are endemic animal to Kalimantan with protected status. The Company is aware that its operations potentially generate direct and indirect impacts to biodiversity surrounding the operational areas. Thus we regularly monitor the potential threat to the conservation areas, in and outside of our operational locations.

As an effort to preserve Indonesia's forests and biodiversity, DSNG is committed to protecting forests by establishing High Carbon Stock (HCS) and High Conservation Value (HCV) areas within the concession, as well as deploying resources to protect and restore HCV and HCS areas. The Company upholds its commitment to implementing the principles of RSPO, ISPO, and Performance Standards of the International Finance Corporation (IFC PS) on biodiversity and sustainable management of biological natural resources (PS 6). The Company ensures to have cultivated the land responsibly, maintains environmental balance through the implementation of the best plantation practices and the preservation efforts, as well as mitigates the impact of operations on biodiversity in a sustainable manner. **[304-1]**

Prior to any new development, the Company is obligated to conduct RSPO's New Planting Procedure (NPP). The implementation of RSPO's NPP procedures aims to ensure that a Land Use Change Analysis (LUCA) process is adhered to, so as to mitigate the adverse impacts of our operations on the environment and surrounding communities, as well as to set aside conservation areas that have biological, ecological, social, or culturally high values, which are considered significant or very important to be preserved. Any construction activities of the Company must also not have an adverse and significant impact on the biodiversity around the construction location. **[304-2]**

**Management of Conservation Area [POJK51-F.10]**

Through the end of 2022, the Company has managed a conservation area of 11,876Ha (covering inside and outside of the concession area). The conservation area composes of 13% of the total oil palm plantation area of the Company. These conservation areas are located in several sites under management of our subsidiaries, the Restoration and Conservation Program (RaCP) area – as the Company's commitment to the provisions contained in RSPO certifications, and Off Concession Conservation Area (OCCA) – which fulfils the Environmental Return (ER) of the Company's commitment to the Land Protection Plan (LPP) &Green. **[304-3]**

The Company has a Community-Based Forest Conservation Program which is part of the RSPO Remediation and Compensation Procedure (RaCP) scheme which has been running since January 2021 which was took place in Manjau Hamlet, Laman Satong Village, Ketapang Regency, West Kalimantan, covering an area of 156.24 Ha (out of the total 1,070 ha-area of Laman Satong Village Forest), to meet obligations of compensating the concessions of PT DAN, PT DWT, and PT DIL. The program fund allocated was approximately Rp5.5 billion for a 10-year project term. The goal of implementing this conservation project is to implement sustainable community-based forest management in both village forests, which will have an impact on improving the livelihoods of local communities. The Company implements sustainable agriculture and carries out conservation activities, so as to resolve threats to village forests.

The Company has also prepared a Landscape Protection Plan (LPP). We have aligned these plans and inserted them into the Company's roadmap to give assurance of the product quality and the sustainable production practices. This LPP is implemented through long-term environmental and social return activities consisting of forest protection (ER 1), sustainable intensification of productive land (ER 2), forest restoration (ER 3), and social inclusion (SI). In accordance with DSNG's commitment with &Green, the implementation of LPP will be started in seven plantation areas across East Kalimantan with environmental return targets and achievements as described in the following table:

**Environmental Return through LPP**

Description	Forest Conserved (ER1)	Land Sustainably Intensified (ER2)	Forest Restored (ER3)	Smallholders Benefiting (SI)
Targeted achievements until 2030	>7,550 Ha	>85,750 Ha	110 Ha	>8,025 farmers
Realization in 2022	7,721	77,208	86	13,697



### Off-Concession Conservation Area (OCCA) Program

In 2022, the Company has designated a forest area of 3,148 Ha in Karangan Dalam Village, as an intervention area for our OCCA program through a formal MOU with the LPHD and village government on 14 December 2022. This is in addition to our conservation obligation as a member of RSPO for HCV/HCS and RaCP. The area was chosen due to their proximity to the DSNG plantation area, together with their high conservation value and high potential for degradation.

This OCCA program is part of Environmental Return (ER) commitment of DSNG for the loan facilitated by &Green. DSNG has designed OCCA Program with focus on biodiversity and ecosystem service conservation issues, local economic empowerment and improvement of institutional capacity on local forest management. The program also aimed to strengthen the implementation of NDPE policies applicable to all DSNG’s supply chain, through multi-stakeholder collaboration.

In implementing this program, DSN Group collaborates with the United States Agency for International Development Sustainability Environmental Governance Across Regions (USAID SEGAR), especially in collecting baseline data on the condition of biodiversity and socioeconomic communities, capacity building of Village Forest Management Institutions (LPHD), and joint monitoring and evaluation carried out every six months. The collaboration commenced in June 29, 2022, marked by the signing of a memorandum of understanding (MoU) between DSNG and USAID SEGAR.

In 2023, OCCA program will focus on the data baseline compilation as well as further engagement activities with local governments and communities.

### Protected and Conserved Habitat, Flora and Fauna

The Company is committed to biodiversity conservation. This commitment is implemented through a biodiversity monitoring system that regularly and consistently collects data on our biological resources using an integrated system. Using the Spatial Monitoring and Reporting Tool (SMART) Application, which was created and developed by various groups of conservation practitioners representing a number of international organizations, the company collects and monitors its Biodiversity in its conservation areas. In 2022, the Company has applied SMART Patrol at all of its subsidiaries in Muara Wahau region, including PT BAS, PT BTN, and PT PWP in Central Kalimantan. Hence the phased implementation of SMART Patrol covers all areas of East and Central Kalimantan. The data collected is then used to monitor wildlife and flora within the concession area. The Company intends to expand the coverage of the SMART Patrol monitoring area for West Kalimantan site in the near future, and further utilizing the application system to monitor our HSE implementation. **[304-2]**

To support the effective implementation of SMART Patrol, the Company actively conducts socialization and training related to the implementation of SMART Patrol and Camera trapping. This training is given to Conservation Staff or Assistants along with forest ranger community groups (Petkuq Mehuey). The purpose of this training is to help the trainees to use the SMART Patrol application and effectively support the Company in meeting the Landscape Protection Plan (LPP) targets. The fulfillment of LPP targets aimed to ensure that conservation forests in concessions and landscapes are well-maintained. Complete information regarding the SMART Patrol application can be seen on the <https://smartconservationtools.org/>.

In addition, the Company also conducts periodic monitoring of protected species on the IUCN red list and within the DSNG operational area. We have mounted 10 camera traps for 1 to 3 months along the identified wildlife path in our HCVs area for monitoring wild animals’ activities. Those mounted cameras have captured various species of birds, mammals and reptiles that represent the wildlife diversity in DSNG’s reserved forest. Please see photo below and the detailed list of camera traps findings in our website <https://dsn.co.id/esg/environmental-stewardship/conservation-of-biodiversity/>. **[304-4]**

#### Number of Protected Species in IUCN Red List

Year	Conversation Status	Very critical and near extinct	Critical	Extinct	Near extinct	Least Concern
2022	Total Species	1	2	6	1	62

### Protected Species

The Company adheres to the Regulation of Minister of Forestry No. P.53 of 2014, regarding guidelines for conflict management between human and wildlife. The Company through its subsidiary and in collaboration with the East Kalimantan Resource Conservation Agency (BKSDA) has established a Task Force for Wildlife Conflict Management (Satgas). The Task Force is formed as a mitigation measure to address the risk of conflict between humans and wildlife in Bengalon and Karangan landscapes. Prior to the establishment of the Task Force, the Company provided training and socialization of legal aspects of protected wildlife, conservation of natural resources and ecosystems, and techniques for managing wildlife conflicts. The Company actively educates all of its employees and non-employees who reside in the estates regarding wildlife protection and conservation areas. Through the end of 2022, 25 people have joined in the task forces of PT BPN and PT BAS. The Task Force establishment has resulted in improvements in anticipative acts against human-wildlife conflicts, with aim to minimize the impacts on the wildlife and their habitat.

In addition to the establishment of the Task Force, DSNG carries out the management and monitoring of conservation areas as well as their animals and plants with respect to SOP-AGR-052-R03 Conservation of Protected Animals and Plants and IK-AGR-SHE- 11-R00 – Technical Instructions for Handling Orangutans and Wildlife. DSNG carries out organized patrols and installs signs or warning boards around animal conservation areas. Based on the results of monitoring and direct observation at palm estates, the Company has found 104 protected species based on the IUCN Red List, which are affected by the Company's activities. Full information regarding names of the species of the Flora and Fauna included in the IUCN Red List is presented in the Appendix.



Camera trap installation in HCV area in Muara Wahau, East Kutai, East Kalimantan

Sun bears



In 2022, the Company commissioned Ecositrop to conduct an Orangutan Conservation Action Strategy Study (SRAK-OU) for its subsidiary, PT Bima Palma Nusantara which is located in Bengalon. Ecositrop is a biodiversity and ecological conservation study center in Samarinda, East Kalimantan. The study suggested that PT BPN's concession area was part of the orangutan habitat of the Kutai landscape and the continued clearing of forest areas in the land surrounding PT BPN could potentially trigger the movement of orangutans into the company's forest areas. The survey conducted during the study estimated the total population of orangutans in our concession area to be more than 20 orangutans.

We observed that the orangutans tend to occupy and move across our oil palm planting that border the forests or unplanted areas. These observed movements by the orangutans are normally confined between 10 to 15 rows from the borders of our estate.

The study recommended to maintain various parts of the forests in our concession, river buffer zones, HCVs, swamps and karst hills of approximately 1.200 ha to be conserved as a habitat for the orangutan as a conservation strategy. A critical part of the conservation strategy would include linking some of the fragmented landscapes together as well as capacity building for our personnel in the area. The capacity building will involve counseling, training, monitoring, and collaborative study involving the participation of stakeholders in orangutan habitat landscape. Long term the Company hopes to work with its surrounding landowners to build a larger integrated wildlife corridor in the area.



# Environmental Compliance and Awards

The Company is committed towards responsible environmental management and minimizing any negative impacts caused by its operations. To achieve this, the Company ensures that all of its business units and subsidiaries comply with government regulations, including PROPER, as mandated by Law (UU) No. 23 of 1997 concerning Environmental Compliance and Awards. PROPER is a government policy designed to improve companies' environmental management performance in accordance with existing laws and regulations.

As of the end of 2022, the Company has ensured that none of its palm oil mills (POM) have received a Red PROPER rating, indicating that the Company's environmental management practices are in compliance with applicable regulations. The Company remains committed to upholding its environmental management standards and complying with all relevant regulations to minimize its environmental impact.

## PROPER Ratings in 2022

Palm Oil Mills	PROPER Rating
National	
1, 4, 5, 7, dan 10	Blue
Province	
1, 2, 3, 4, 6, 7, dan 10	Green
9	Blue

The Company conducts annual audits for RSPO, ISPO, and Supply Chain Certification System (SCCS) certifications, covering both the Palm Oil Mill (POM) and Kernel Crushing Plant (KCP). The objective of these audits is to ensure compliance with national and international environmentally-friendly production standards and sustainable palm oil management. Detailed information on environmental certifications and certification audit implementation in 2022 can be found in the Appendix.

During the reporting period, there were no exceptional circumstances or public complaints related to pollution from the POM chimneys. As a result, the Company is unable to provide reports on significant impacts on biodiversity in the surrounding areas. The Company remains committed to complying with all relevant regulations and continuously improving its environmental management practices to minimize any negative impacts on the environment. **[POJK51.F.16]**

## Environmental Expenses **[POJK51.F.4]**



In 2022, the Company incurred approximately Rp9.8 billion on its environmental and conservation activities. Notably some of its expenditure went into the following activities:

- Environmental quality monitoring
- Management and monitoring of High Conservation Value area
- Study and conservation plan of keystone species (ie. orangutan)
- Hazardous waste management
- Competition and award for green and sustainable housing area
- Human-wildlife conflict control
- Socialization of safety and healthy environment to the community
- Provision of seedlings for restoration
- Training for Environmental Management Certification



## Fire Prevention and Management

In addition to the NDPE policy, the Company also applies a very strict no-fire policy ahead of the preparation or development of any land. The Company implements mechanical methods in the development of land, and allows wood debris to rot naturally, so that its nutrients can return to the soil, reduce the need for inorganic fertilizers, as well as reduce our greenhouse gas footprint.

The Company firmly prohibits all forms of burning activities in land clearing process. The Company launches risk mitigation of fire by implementing sustainable soil and

water conservation practices, within its operational areas where there is still a risk of fire from open burning, outside the Company's operational areas, such as open burning with shifting cultivation. The risk of fire in the plantation area can adversely influence the growth of palm trees in the plantation, and cause property damage, endangering the life safety of employees and the surrounding community. The Company has invested resources for community-approached programs in order to create awareness of the dangers of forest and land fires, including the Fire Care Community Movement (GMPA) and Fire Care Farmer Group (KTPA).



The Company together with the community have established a Fire Care Farmer Group (KTPA) in six villages on August 30, 2022. The areas covered by the KTPA program included 2 sub-districts, namely Muara Wahau sub-district (Muara Wahau Village, Dabeq Village, Diaklay Village, Benhes Village, Nehas Liah Bing Village), and Kongben sub-district (Miau Baru Village). The purpose of this program is simply to increase community participation in caring for and helping to prevent and extinguish forest and land fires voluntarily. The Company provides various trainings and facilities to support this program, one of which is made through collaboration with the East Kalimantan Regional Police and Telkom in installing CCTV Digital Under Smoke Detector program.

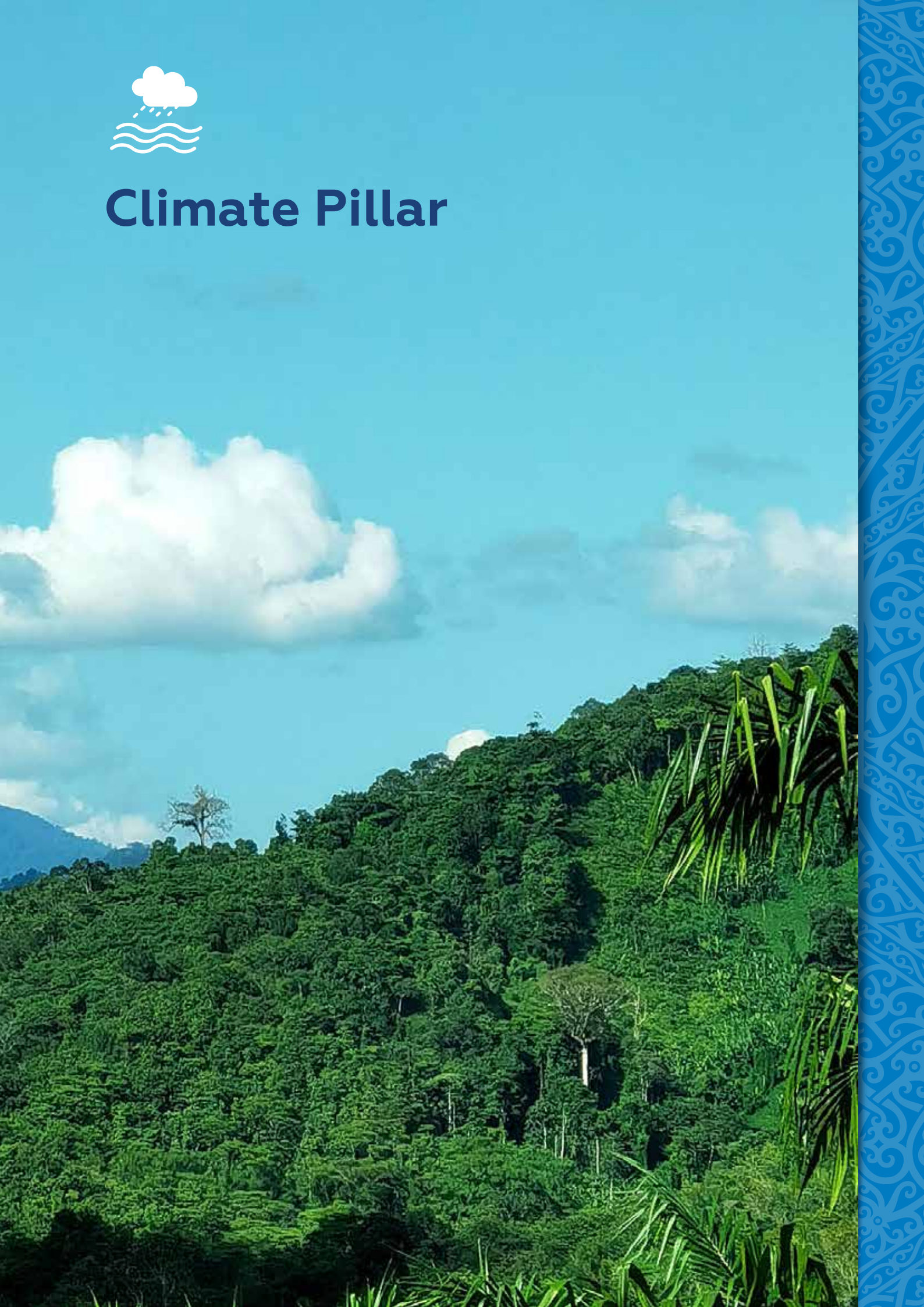
The Company has also established an Emergency Response Task Force (TKTD) Division in each subsidiaries' plantation. The TKTD division is responsible for monitoring any fire occurring in and around the company's operational areas. The Company uses the Visible Infrared Imaging Radiometer Suite (VIIRS) satellite and the National Oceanic and Atmospheric Administration (NOAA) to assist the Company in monitoring and identifying the hot spots. Any detected hot spots will be followed up by field verification and if necessary, the fire will be extinguished by the fire team at our location. Then, the Company will evaluate the fire report to determine the cause of fire, the effectiveness of fire handling and systems/procedures; rehabilitation of burned areas.

During 2022, the Company detected 57 hot spots within the Company's plantation areas and 19 hot spots within its plasma plantation areas. All hot spots were processed for verification and where necessary extinguished. A large part of the hot spots were mostly from small-scale farmers and local communities who continue to practice slash-and-burn practices. Using satellite and consistent ground monitoring, fire incidents are detected, acted upon for regulatory compliance. Complete information regarding the identified hot spots is available in the Appendix.





# Climate Pillar





# Climate Change Mitigation through Operations

## DSNG's Approach toward TCFD's Key Pillars

TCFD's Key Pillars	DSNG's Approach
<p><b>Governance</b></p>	<p>DSNG's President Director and CSO oversee the implementation of the group's Sustainability Policy, addressing climate-related issues. The SAB provides guidance on the Company's sustainability strategy, including climate-related risk management. During quarterly SAB meetings, the CSO presents updates for the board's evaluation and advice. Necessary and relevant issues and recommendations are brought to DSNG's Board of Directors for approval and are consistently assessed to direct the company's strategic, performance, and financial planning.</p> <p>As an agriculturally based company, where the impact of climate change is a crucial risk to the industry, DSNG is committed to take innovative steps to manage the impact while consistently identifying and assessing key risks through the CSO and SAB. In 2022, the SAB conducted two meetings to discuss sustainability risks, prevention, and mitigation strategies, and DSNG's transition to a low-carbon economy. When necessary, the SAB's guidance is further discussed with DSNG's Board of Directors for their consideration and approval. Comprehensive information regarding DSNG's commitment to addressing climate change can be found on the company's website <a href="https://dsn.co.id/esg/our-work-to-combat-climate-change/">https://dsn.co.id/esg/our-work-to-combat-climate-change/</a>.</p>
<p><b>Strategy [201-2]</b></p>	<p>In September 2021, DSNG commissioned assessments of its GHG inventory and climate-related risks with experienced external parties, establishing baselines for the Company's climate action plan, and identifying key climate change risks and opportunities for its strategy and initiatives.</p> <p>The GHG Inventory Accounting study and Climate Risk Assessment were critical for mapping DSNG's climate action strategy, based on reliable data and a science-based approach integrated into future decision-making, business, and operational plans. DSNG have identified climate-related risks, including Physical Risks Assessment, Transition Risks, and Opportunities, with five physical climate risks relevant to its business in Indonesia. The identified climate-related physical and transitional risks of the Company, along with our mitigation measures and estimated cost for the physical risk measures can be found in table below.</p> <p>DSNG takes a holistic approach to sustainability, integrating it into its business model and decision-making while considering various climate-related scenarios, including a low carbon scenario. Strategic plans incorporate climate risks and integrate climate change adaptation and mitigation initiatives, such as renewable energy implementation to reduce fossil fuel reliance.</p> <p>DSNG prioritizes strategies to mitigate climate change impacts on its operations, focusing on policies, technology, and reputation. Comprehensive information on DSNG's climate approaches, impacts, risks, opportunities, and risk mitigation can be found on the Company's website (<a href="https://dsn.co.id/wp-content/uploads/2022/03/DSNG-Climate-Approach-Methods-Impacts-Risks-Opportunities.pdf">https://dsn.co.id/wp-content/uploads/2022/03/DSNG-Climate-Approach-Methods-Impacts-Risks-Opportunities.pdf</a>)</p>
<p><b>Risk Management</b></p>	<p>Through the Audit Committee, DSNG has identified and initiated the mitigation of environmental risks, including climate risks, based on the GHG emission calculation baseline and the climate risk assessment previously mentioned. The company has implemented an Environmental and Social Management System (ESMS) in accordance with IFC-PS, which includes the results of risk identification and mitigation. The ESMS is applied to all aspects of DSNG's business, including its Strategic Business Units (SBUs). Climate change risk is one of the key risks identified by DSNG. Information on managing ESG risks within the ESMS can be found on pages 97-99.</p>



DSNG's Approach toward TCFD's Key Pillars	
TCFD's Key Pillars	DSNG's Approach
<b>Metrics and Target</b>	<p>In 2019, DSNG's total scope 1, 2, and 3 GHG emissions were 1,595,576 tCO<sub>2</sub>e, with palm oil operations accounting for 93.3% and wood products 6.6%. The company aims to reduce GHG emissions by 29% by 2030, in line with Indonesia's commitment. The information on our 2019 GHG emissions is in the table below.</p> <p>In 2022, the emission reduction efforts resulted in a decrease of 11,058 tCO<sub>2</sub>e, which was an improvement of 1,715 tons compared to the 9,343 tCO<sub>2</sub>e reduction achieved in 2021. Additionally, solar power plants contributed to a reduction of 1,104 tCO<sub>2</sub>e emissions. The reduction is due to the utilization of renewable energy sources to replace fossil fuels.</p> <p>In 2023, DSNG expect the SBTi and GHG Protocol to have completed their respective guidance for Agriculture and FOLU. As such DSNG will commission a full GHG Inventory report on its 2022 emissions with an experienced external party, bearing in mind that significant changes have been proposed SBTi and GHG Protocol's reporting guidance since 2021. Further, DSNG will integrate its Climate Action Plan in 2023, with the GHG Protocol guidance from the Intergovernmental Panel on Climate Change (IPCC) as well as prepare its submission to the SBTi platform to transparently report its emission reduction plan according to universally accepted guidelines.</p> <p>Complete information on emission calculations for scopes 1, 2, and 3, as well as the GHG Inventory Accounting Report for 2022 (external party prepared report) will be made available on DSNG's website (<a href="https://dsn.co.id/wp-content/uploads/2022/03/DSNG-Emission-Disclosure-and-Plans-for-Climate-Mitigation.pdf">https://dsn.co.id/wp-content/uploads/2022/03/DSNG-Emission-Disclosure-and-Plans-for-Climate-Mitigation.pdf</a>).</p>

**DSNG's 2019 GHG Emission Disclosure**

Scope	Palm Oil	WP Engineered Flooring	WP Panel	HO	Total	% of Total
Scope 1: Direct GHG Emissions	884,146	574	362	5	885,087	55.47%
Scope 2: Indirect GHG emissions from purchased electricity and district heating	0	15,623	7,900	60	23,583	1.48%
Scope 3: other indirect GHG emissions	603,839	34,701	46,380	1,986	686,906	43.05%
<b>Total</b>	<b>1,487,985</b>	<b>50,898</b>	<b>54,642</b>	<b>2,052</b>	<b>1,595,576</b>	
<b>Percentage of Total</b>	<b>93.26%</b>	<b>3.19%</b>	<b>3.42%</b>	<b>0.13%</b>		

<b>LUC of Palm Oil Business Unit in tCO<sub>2</sub>e</b>	<b>667,888</b>	Based on GHG Accounting Report prepared by South Pole from data provided by DSNG
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According to the draft Forest, Land, and Agriculture (FLAG) Science-Based Target Setting guidance, companies must keep FLAG and non-FLAG targets and accounting separate. All biofuel emissions, LUC emissions, and removals (FLAG emissions) are hence separately reported from the corporate inventory of non-FLAG. Moreover, companies must report removals and emissions separately for both baseline and annual emissions accounting. Companies must calculate their FLAG base year emissions (tCO<sub>2</sub>e) in line with the forthcoming GHG Protocol Land Sector and Removals Guidance (expected end of 2022).



Identified Physical Risks from Climate Change with Financial Implications [201-2]				
Risks Identified	Key Impacts	Estimated Time Frame for Action (years)	Mitigation Measures	Estimated Cost of Measures or Impacts
Availability of Water	Lack of water availability for operations, employee housing, and surrounding communities	2	Increase efficiency of plant process & water use	USD0.5 million per Factory
			Increase awareness through socialization of efficient water use	
			Increase water recycling in all processes that use water	
	Water scarcity does cause plants to stress and reduce palm oil yields	3	Improve soil moisture conservation through cover biological crops and biomass cover	USD100 thousand per site
			Where technically feasible, invest in various types of irrigation	USD50 thousand per site for Land Application from Factory
River Floods and Rain Intensity	Risk of extreme rainfall resulting in river overflow causing operational disruption	2	Improve Water Management in flood prone areas. Install & build water bunds and pumps to control & manage excess water	USD1.5 million per site
	Soil nutrients drifted away from plants potentially causing nutrient depletion			
	Transportation process disrupted			
Extreme Heat	Drastic rise in air temperatures, potentially causing land degradation, wildfires, reducing ground water and stunting plant growth	3	Provide awareness to employee heat exhaustion, provide extra clothing protection, adapt working hours and supplement with liquid nourishment	Less than USD10k per site
	Adverse impact on insect pollination and plant yields		Potentially need to consider alternative forms of Pollination	USD50 thousand per site
	Employee heat exhaustion affecting their productivity		Increase engagement with surrounding communities on fire prevention	
Land Slides	Land movement due to topography, extreme rainfall beyond the carrying capacity of the soils	3	Improve cover crop coverage	USD5 million per site
	Disrupting operations and potentially reducing plant yields		Avoid future planting on certain topographies	
			Improve road and infrastructure within operational sites	
Winds/ Cyclones	Strong wind that occurs for hours or days, potentially hampering plant growth and causing operational disruptions	5	Plant wind barriers on operational sites.	Less than USD50 thousand per site
			Implement/update HSE regulations and procedures for work during adverse storms	

Note: These estimates of time frame and costs are based on future cost estimates that can be expected to be reduced or inflated depending on each site conditions and specifications at the time of implementation.

**The Company's Transitional Risk based on Climate Risk Assessment**

Policy and Legal	Policies that contribute to climate change	<ul style="list-style-type: none"> <li>Restrictions on land use land</li> <li>Carbon tax</li> <li>Ban on Import of products associated with deforestation</li> </ul>	<p>Calculating the internal carbon price based on current regulations current regulations.</p> <p>Establish a climate strategy at scale Group</p>
Technology	Improved technology that supporting the economy towards a lower carbon and efficient economy	<ul style="list-style-type: none"> <li>Low-carbon technology</li> <li>Renewable energy utilization</li> </ul>	Create 2 <sup>nd</sup> Bio-CNG Plant as renewable energy
Market	Shifts in supply and demand for certain commodities, products and services when risks and opportunities are associated with climate risks	<ul style="list-style-type: none"> <li>Sustainability investment</li> <li>Product-related demand sustainable palm oil products</li> </ul>	<p>Towards 100% RSPO Certification</p> <p>Looking for green Investments</p>
Reputation	Public perception of company's contribution to climate change	Monitoring from stakeholders on environmental and sustainability issues	Conduct disclosure reporting through Sustainability Report 2022 and TCFD





# GHG Emissions and Carbon Footprint

## Identification and Calculation of Generated Greenhouse Gas Emissions [POJK51.F.11]

The GHG Inventory accounting study on its 2019 Baseline has been carried out by the company, and the main findings of this study are:

- Identification of key emission sources
  - Scope 1 (emissions from direct operations)
  - Scope 2 (emissions from energy obtained from other parties and used in operations)
  - Scope 3 (emissions from the entire supply chain)
- Emissions from Land Use Change (LUC)
- Opportunities for GHG reduction across all business segments of DSNG, subsidiaries, suppliers, and users of the Company's downstream products;
- Establish a baseline for GHG calculation according to the GHG Protocol standards from the IPCC; and
- Integration of the RSPO PalmGHG Calculator with the Science Based Targets Initiative program.

The said study also identified priority activities to reduce GHG emissions, which includes reviewing the supply chain, analyzing activities, and methods for GHG reduction activities. However, as of September 28, 2022, the SBTi guidance for Forest land & Agriculture (FLAG) and the GHG Protocol guidance for FOLU from the Intergovernmental Panel on Climate Change (IPCC) had not yet been published.

Consequently, the Company decided to only complete its work on its Climate Action Plan in 2023 when both SBTi and the GHG Protocol release their emission guidelines FLAG and FOLU. In 2023, DSNG will incorporate the GHG Protocol guidance from the Intergovernmental Panel on Climate Change (IPCC) and utilize the SBTi platform to transparently report its emission reduction plan based on universally accepted guidelines as part of its Climate Action Plan.

## PalmGHG Calculator Method for our 2022 Emissions

In 2022, using the PalmGHG Calculator method from RSPO, DSNG produced 62,136 tCO<sub>2</sub>e emissions, which decreased from the previous year. The reduction was significantly due to the impact of the full operation of the first Methane Capture and Bio-CNG Plant. It reduced our emissions from our Palm Oil Mill Effluent (POME) and further reduced our emissions from fossil fuels since we used the biogas from POME to replace fossil fuels in our electricity generation and begun to use it for our transportation trucks and heavy equipment.

The Company's 2022 GHG emission intensity was also calculated using RSPO's PalmGHG Calculator method.

## GHG Emission Volume of Palm Oil Business Unit

Sources of Emission	Volume (tCO <sub>2</sub> e) [305-1, 305-2, 305-3]		
	2022*	2021**	2020**
Palm Oil Mill	43,434	42,241	53,630
Fertilizer	14,513	17,739	17,646
FFB Transportation	4,189	4,011	4,091
<b>Total of Emission</b>	<b>62,136</b>	<b>63,992</b>	<b>75,368</b>

Description:

\* The calculation was based on PalmGHG Calculator from RSPO, including Palm Oil Mills 1, 2, 3, 4 and 6.

\*\* The Palm Oil Mills being calculated were POM 1, 2, 3, 4, and 6, along with FFB supply estates.

## GHG Emission Intensity [305-4]

Emission Source	Unit	2022*	2021**	2020**
Palm Oil Mill	tCO <sub>2</sub> e/Ton CPO	0.75	0.65	0.73
Fertilizer	tCO <sub>2</sub> e/Ha	0.75	0.78	0.69
FFB Transportation	tCO <sub>2</sub> e/Ton TBS	0.00377	0.00388	0.00357

Description:

\* The calculation was based on PalmGHG Calculator from RSPO, including Palm Oil Mills.

\*\* The Palm Oil Mills being calculated were POM 1, 2, 3, 4, and 6, along with FFB supply estates.

**GHG Emission Reduction [306-5][POJK51.F.12]**

During 2022, DSNG managed to reduce emissions by 11,058 tCO<sub>2</sub>e. The emission reduction is a manifestation of DSNG's success in shifting operations to use the sources of environmental-friendly renewable energy. Complete information relating to DSNG reduction activities/innovations in line with internal preparation studies on climate action is available on page 46-47.

In addition, the Company actively monitors, reviews and supplements the fertilization program by using organic fertilizers to maintain moisture and improve soil structure. All organic fertilizers used in the plantations are local materials, such as empty fruit bunches, POME and solid waste. Therefore, this fertilization also has an impact on the reduction of carbon and GHG emissions carried out by DSNG. In addition to reducing emissions, the reutilization of organic biomass is proven to maintain and improve soil fertility, especially marginal soils. The Company regularly conducts socialization to our supply chain regarding best practices in land management, land application, mulching, and mud pits.

Some of the efforts of the Company in managing organic materials in our palm oil estates:

- The recommended dose of empty fruit bunches is 40 tons/ha per year.
- The POME applied came from the last batch with a BOD of <5,000 at a dose of 750-1,250 tons per ha per year.
- Solid waste is applied in the silt pit at a dosage of 100 kg per rod.
- The use of other local organic materials, such as fronds and bunches of dried male flowers is carried out according to the procedure while maintaining sanitation and regular pruning of the fronds.

**Carbon Footprint and Climate Action Initiatives**

To reduce its carbon footprint, the Company practices environmentally friendly operations by utilizing sustainable materials. The Company has adopted the reuse of some materials as operational raw materials, which include:

1. Implementation of recycling principle in the wood flooring rental program for customers. This program

aims to conserve natural resources by reducing the need for new sources of wood, and to save energy. The recycled wood flooring will be refurbished and resized to be used in the production of other wood products, such as furniture;

2. Processing of wood chip from wood products factory into milled pellets and then to be marketed in the form of biofuel. The biofuel was already tested by using ASTM D 5865-13 method to contain a gross calorie value of 4,400 Kcal per Kg;
3. POME, is the raw material for the Bio-CNG plant in producing electricity to support the mill operations and the employees' houses;
4. Sludge from POME and empty fruit bunches, for further use as material for mulching and natural fertilizers;
5. Shells and fibers, to be used as the fuel material of the boilers, and also exported as biomass fuel;
6. Natural pest control, such as *Tyto alba*, *Turnera sp*, multi-nucleo polyhydro virus (MNPV), *cordyceps militaris* fungus.
7. Felled and chopped palm biomass are reapplied for soil nutrient enrichment in the replanting area.

**Ambient Air Quality Monitoring**

The Company also routinely conducts ambient air quality measurements from mill operations and wood product mills as an effort to control emissions. Emissions monitored include NO<sub>x</sub>, SO<sub>x</sub>, particulates, opacity, hydrogen chloride, chlorine gas, ammonia, hydrogen chloride. The Company conducts measurements using methods that refer to the Minister of Environment Regulation No.07 of 2007 concerning Emission Quality Standards for Non-Mobile Sources for Steam Boilers. The Company does not use refrigeration/freezing machines that utilize ozone depleting substances (ODS) such as chlorofluorocarbons (CFCs) and hydro chlorofluorocarbons (HCFCs) in the operational process, therefore the Company don't measure ODS emissions. [305-6]

Complete information regarding the results of measurement of POM ambient air quality can be seen in the appendix.

**Measurement Results of Ambient Air Quality of Wood-Panel Plant [305-7]**

No.	Parameters	Standard Quality	Highest Measurement Results		
			2022	2021	2020
1	Nitrogen Dioxide (NO <sub>2</sub> )	1000 µg/Nm <sup>3</sup>	94	23.3	94
2	Sulfur Dioxide (SO <sub>2</sub> )	800 µg/Nm <sup>3</sup>	224	113.8	177
3	Particulate	350 mg/Nm <sup>3</sup>	2.0	9.8	2.1
4	Hydrogen Chloride (HCl)	5 mg/ Nm <sup>3</sup>	< 3.73	< 3.73	< 3.73
5	Chlorine Gas (Cl <sub>2</sub> )	10 mg/ Nm <sup>3</sup>	< 0.067	< 0.067	< 0.067
6	Amonia (NH <sub>3</sub> )	0.5 mg/ Nm <sup>3</sup>	0.084	0.007	0.098
7	Hydrogen Fluoride (HF)	10 mg/Nm <sup>3</sup>	< 0.05	1.82	0.13
8	Opacity	30%	< 20	< 20	< 20



In addition to ambient air quality measurement, the Company also seeks efforts to control the air quality, through:

- Installation of dust collector to filter the exhaust gases from the boiler.
- Reduction in the use of fossil fuels (diesel) by using biogas resulted from the processing of liquid waste methane gas (POME) from POM into Bio-CNG.
- Tree planting programs in degraded and riparian areas of the river.
- Regular monitoring activities of the air quality (emissions, ambient air) by the accredited laboratories.

### Energy Management and Efficiency [POJK51.F.6]

Throughout 2022, DSNG consumed 8,413,615GJ of energy. This was calculated based on the energy consumed for the transportation of raw materials and production processes, within the palm oil, wood products business units and Head

Office. The calculation of energy consumption is obtained from the volume of fuel usage (shell and fiber, diesel oil, Bio-CNG), and electricity converted into energy units: GigaJoule (GJ) based on British Petroleum Conversion Factors. The Company expects to increase the use of renewable energy across all of its operations. [302-1]

In addition, our Bio-CNG Plant produced 7,703,401 kWh of biomethane, equivalent to 27,732GJ. The biomethane production was used for kernel crushing plant operations, and some biomethane in the form of compressed gas (CNG) was distributed for our employees' domestic electricity use. Our second Bio-CNG plant is built with twice the capacity of the previous plant, and is targeted to produce 10,296,000 kWh of biomethane, or equivalent to 37,066 J. In addition to the operational needs of the plant and employee housing, the biogas from this plant will also be used for transportation energy for FFB and CPO trucks. [302-5]

### Energy Consumption By Source

Energy Source	Unit	2022*	2021	2020
Kernel shells and Fiber	Giga Joule	8,050,301	6,497,538	7,162,214
Diesel oil (POM)		73,101	49,435	76,728
Bio-CNG Plant		27,732	26,880	-
Bio Gas Engine		20,700	15,523	-
Electricity from PLN		118,586	217,910	199,518
<b>Total</b>		<b>8,413,615</b>	<b>6,787,054</b>	<b>7,438,460</b>

\*In 2022 there are an additional 2 Palm Oil Mills

### The Company's Total Energy Consumption Volume [302-1]

Sumber Energi	Unit	2022*	2021	2020
Head Office	Giga Joule	123,195	113,132	106,797
Wood Products Business Unit (Panel)		56,206	39,870	35,549
Wood Products Business Unit (Engineered Flooring)		62,380	64,908	57,172
Palm Oil Business Unit		8,050,301	6,546,973	7,238,943
<b>Total</b>		<b>8,292,083</b>	<b>6,651,751</b>	<b>7,438,461</b>

\*In 2022 there are an additional 2 Palm Oil Mills.

### Energy Consumption Intensity (IKE)

The Company calculates intensity of the energy consumption as the ratio of the energy usage to the production volume

of each business unit. The IKE is calculated from the total energy consumption within the company, without separating the energy sources used, against the total product volume. [302-3]

### Intensity of Energy Consumption [302-3]

Business Unit	Unit	2022	2021	2020
Head Office	GJ/m <sup>2</sup>	36.53	33.55	31.67
Wood Products Business Unit (Panel)	GJ/m <sup>3</sup>	0.38	0.47	0.42
Wood Products Business Unit (Engineered Flooring)	GJ/m <sup>2</sup>	0.01	0.06	0.06
Palm Oil Business Unit	GJ/ton TBS	2.86	2.77	2.67
	GJ/ton CPO	12.58	12.03	11.83



**Energy Consumption Efficiency [POJK51.F.7]**

Our energy consumption levels in 2022 recorded an increase by 1,626,561 GJ, because there were 2 new operating mills commissioned in 2022. The Company has carried out efforts to be able to streamline energy use, including through the replacement of fossil fuels with renewable energy sources. The Company calculates overall energy savings by using the difference between the actual amount of energy used with energy saving programs, compared to the estimated energy used without energy saving programs. [302-4] [POJK51-6.d.3.b]

Apart from utilizing renewable energy sources, the Company also undertakes several energy-saving measures such as promoting an energy-efficient lifestyle, using energy-efficient equipment and light bulbs, among others. These energy-saving campaigns are disseminated through electronic posters, banners, and meetings. You can find comprehensive details on renewable energy innovations on pages 46-47.

DSN wood business energy saving efforts also carried out several initiatives to reduce energy demand in its factory operations. One effort involved using an electric forklift, which had an impact within two months by saving 1.5 thousand liters of diesel fuel or 4 tCO<sub>2</sub>e, by eliminating fossil fuels. In addition, DSN Panel is also actively making modifications related to machine on-off switches, ducting, and SCADA installation to be more efficient in energy use.

**Responsible Waste Management [POJK51.F.13, F.14] [306-1. 306-4]**

Waste generation that is not managed properly can have an impact on environmental quality degradation. Therefore, the Company manages and treats waste and significant waste-related impacts by diverting some waste from landfills with a circularity approach. This approach is carried out by reusing waste as optimally as possible, so as to provide economic value and to minimize the impact that can be caused. The palm oil business unit processes POME, a waste liquid from the mill that contains organic solids and has the potential to generate methane gas, which is a greenhouse gas, into biogas to drive turbines to generate electricity. During 2022, a total of 70,904 POME has been treated and converted into Biogas or equivalent to 5,750,000kWh.

As a small but significant step to divert some of the office waste at DSNG's head office in Jakarta, the Company started a waste segregation initiative (see video: [https://youtu.be/c8oHK-jm\\_9o](https://youtu.be/c8oHK-jm_9o)). The Company targets to reduce office waste disposed to landfill by 70% in 2030, as per DKI Jakarta Provincial government regulations. Reporting on this initiative will commence in 2023.



**Types, Volumes, and Mechanisms of Solid Waste Management [306-2, 306-4]**

Waste Types	Unit	2022	2021	2020	Treatment
<b>Palm Oil Business Unit</b>					
Empty fruits bunch	ton	626,439	526,048	601,200	Reused as mulch and natural fertilizer.
Shells and fibers		538,722	487,755	507,805	
<b>Total</b>		<b>1,165,161</b>	<b>1,013,803</b>	<b>1,109,005</b>	
<b>Wood Product Business Unit</b>					
Wood Chips (WP – Panel)	m <sup>3</sup>	10,880	12,820	11,960	It is processed into wooden pallets, and exported as raw materials for other wood products.
Wood Chips (WP – Engineered Flooring)		12,820	17,315	12,896	
<b>Total</b>		<b>23,700</b>	<b>30,135</b>	<b>24,829</b>	

**Types, Volumes, and Mechanisms of Effluent Management in Palm Oil and Wood Product Business Units [306-2, 306-4]**

Waste Types		2022*	2021	2020	Treatment
<b>Palm Oil Business Unit</b>					
POME	m <sup>3</sup>	2,128,900	2,119,987	2,249,581	<ul style="list-style-type: none"> <li>• Reused as material for Bio-CNG plant.</li> <li>• Anaerobic and aerobic treatment of sewage ponds.</li> <li>• Reused as liquid fertilizer and hydration of palm oil trees.</li> </ul>

**Wood Product Business Unit- Engineered Flooring**

None

Description: \*In 2022 there are an additional 2 Palm Oil Mills.

**Types, Volumes, and Mechanisms of Hazardous Waste Management [306-2, 306-4]**

Waste Types	Unit	2022	2021	2020	Treatment
<b>Palm Oil Business Unit</b>					
Used lubricant / oil	m <sup>3</sup>	62.84	62.39	66.34	Handed over to a licensed third party which transported them to the processing site.
Former pesticide packaging, filters used, contaminated cotton cloth		24.87	26.25	27.53	
<b>Total</b>		<b>87.71</b>	<b>88.64</b>	<b>93.87</b>	
<b>Wood Product Business Unit – Panel</b>					
Used lubricant / oil	m <sup>3</sup>	75	21	15	Handed over to a licensed third party which transported them to the processing site.
<b>Total</b>		<b>75</b>	<b>21</b>	<b>15</b>	
<b>Wood Product Business Unit – Engineered Flooring</b>					
Used lubricant/oil	m <sup>3</sup>	1.8	8.18	51	Handed over to a licensed third party which transported them to the processing site.
<b>Total</b>		<b>1.8</b>	<b>8.18</b>	<b>51</b>	



**Waste to Wealth [POJK51.F.5] [306-4]**

In 2022, WP Engineered Flooring collaborated with LAZIZ NU, a national zakat institution involved in community empowerment activities. This collaboration was aimed at creating added value from the Factory boiler waste ash generated by the Company, to be utilized as raw material for concrete brick making. DSNNG provided the facilities in form of the provision of brick making machines, the provision of raw materials in the form of boiler ash, as well as training to the community to be able to make quality bricks that were marketable. This initiative was started since January 2022, and as at the end of the reporting period, WP Engineered Flooring has distributed boiler waste ash ranging from 7-14 m<sup>3</sup> / week, which had in turn been used into making more than 5,000 bricks and worth Rp13.5 million. The proceeds from the sale of these bricks are used to finance social activities and the community group treasury of Pingit Village, Temanggung Regency. In the near future, the Company hopes to collaborate with the local government to providing concrete bricks for the construction and repair of uninhabitable housing (RTLH).



In addition, the Company also reuses *in-situ* biomass or waste from palm oil products and wood products. The waste is used as a renewable fuel for the boilers so as to generate electricity for palm oil mills, organic supplements to fertilize palm trees and is used as a renewable fuel for wood product factory.

**Waste Management Mechanism [POJK51.F.14]**

The Company has a well-implemented waste management mechanism in accordance with applicable regulations. The management of all hazardous (B3) waste is handed over to third parties who have permits, to destroy, recycle and restore the potentially contaminating waste on the locations of the third parties yet outside the Company's operational areas. Non-B3 waste is managed by each respective business unit. In addition to the utilization of waste presented on page 69-70, the Company also manages other non-B3 waste which is reused in plantations and factories. The Company provides periodical reports on the entire waste management and treatment process to the authorities. In our wood products business unit, DSN Panel has applied the 3R Principles to save water by reusing blowdown wastewater to wet the roof near the boiler to reduce heat and mitigate fire risks in that area.

**Water Utilization and Management of Effluent**

The total water used during 2022 has decreased from 2021 due to the use and regular maintenance of machinery to improve plant water efficiency by implementing water-saving plant sanitation measures, reusing and recycling water from plant processing, as well as raising awareness about water saving in household water use. The Company has not measured water discharge based on the purpose of discharge. [303-2, 303-4]

**Total Volume of Water by Source (m<sup>3</sup>) [303-3, 303-5] [POJK51.F.8]**

Water Source	2022	2021****	2020***
<b>Palm Oil Business Unit*</b>			
Surface water	3,910,298	4,326,586	4,425,040
Groundwater	NA	NA	NA
Reservoir water (rainwater)**	NA	NA	NA
Water from third parties	NA	NA	NA
<b>Sub Total Water Consumption</b>	<b>3,910,298</b>	<b>4,326,586</b>	<b>4,425,040</b>
<b>Wood Product Business Unit</b>			
Surface water	NA	NA	NA
Groundwater	125,411	112,402	105,224
Reservoir water (rainwater)	17,058	17,625	19,127
Water from third parties	5,676	5,501	5,110
<b>Sub Total Water Consumption</b>	<b>148,145</b>	<b>135,528</b>	<b>129,461</b>
<b>Total Water Consumption</b>	<b>4,058,443</b>	<b>4,402,515</b>	<b>4,501,749</b>

Description:

- \* The main palm oil business unit uses water derived from surface water.
- \*\* Rainwater has not been measured in the reporting period.
- \*\*\* Data sources from POM 1, 2, 3, 4, 5, 6, 7, 8, 9, 10.
- \*\*\*\* Data sources from POM 1, 2, 3, 4, 5, 6, 7, 8, 9, 10.



### Water Source Co-utilization [303-1, 303-3, 303-5]

The rivers surrounding the Company's plantation areas are natural waterways. The Company recognizes the importance of responsible water management to ensure the preservation of limited resources, which are owned and shared with the community. The Company has obtained permission from the local government to collect and utilize water. However, the Company ensures that each POM is involved in maintaining that the utilization of water resources by the Company and all subsidiaries does not affect the availability of fresh water for local communities. The Company also periodically reports to the relevant authorities to prevent a decrease in water pressure or a decrease in water levels, and other negative impacts that can reduce water quality.

As a form of the Company's commitment in ensuring the condition of rivers, tributaries, and rivers borders, the Company implements Work Instruction No. IK-AGR-SHE-06-R01. The instruction regulates the followings:

- Establishing boundaries of river borders and prohibiting the use of chemicals on river borders.
- Monitoring the water quality of the river.
- Installing signs prohibiting the poisoning of fish in the river.

As an effort to maintain shared water sources, The Company applies best practices to conserve water in palm oil plantations. Some of the conservation activities carried out by the Company are:

- Maintaining the shade and canopy of palm oil trees  
The layered leaf frond structure of palm oil trees is able to protect the soil from direct falls of rainwater, so that the soil can absorb more water and reduce flow of surface water.
- Maintaining the root system of palm oil trees  
The root of palm oil trees is able to form natural biopores, particularly near the bottom of the stem, thereby increasing the ability to absorb rainwater into the soil, and reducing the flow of surface water.

- Utilizing empty fruit bunch and planting *Nephrolepis*  
Empty fruit bunch and *Nephrolepis* are used as ground cover to retain the soil moisture.

During 2022, the Company did not receive any public complaints or fines or other penalties from the authorities, related to the use of rivers, tributaries, waterways, or riparian area. Information related to rivers, tributaries, waterways or riparian areas around our operational areas is available in the Appendix.



Wahau River, in Conservation Area PT DWT, Muara Wahau

### Process Water Intensity [POJK51.F16]

The Company maximizes the efficiency of water usage through several efforts, such as optimizing the use of rainwater, surface water, and maximizing the utilization of effluent from the mill. Water is an important resource, as every individual depends on water. Therefore, the Company is committed to keeping the limited water supply as pristine as possible.

To verify water usage at the mill, the Company routinely monitors Water Intensity (WI)/ton of FFB processed. DSNG targets all palm oil operations to reduce or sustain water use intensity consumption to 1.2 m<sup>3</sup>/ton of FFB processed by 2025. The mill's water intensity in 2022 of 0.97 m<sup>3</sup>/ton FFB processed met the target.

### Water Intensity

Indicator	Unit	2022	2021	2020
<b>Palm Oil Business Unit</b>				
Total Water Use	m <sup>3</sup>	3,910,298	4,326,586	4,425,040
Water Use Intensity	m <sup>3</sup> /Tons FFB Processed	1.39	1.66	1.63
<b>Wood Product Business Unit</b>				
Total Water Use	m <sup>3</sup>	148,145	135,528	129,461
Water Use Intensity – Engineered Flooring	m <sup>3</sup> /Producton Flooring (m <sup>2</sup> )	0.137171	0.117137	0.12972
Water Use Intensity – Panel	m <sup>3</sup> /Producton Flooring (m <sup>2</sup> )	1.255466	1.266617	1.523071

### Maintaining the Quality of Treated Effluent

The Company ensures that the treated effluent meets the quality standards set by the Government, so as not to pollute the environment. The following are the guidelines that we apply both at the Headquarters, Palm Oil Business Unit, Wood Products Business Unit, and Subsidiaries. **[306-5]**

- The quality standard for liquid waste for the woodworking product industry is the Regulation of the Minister of Environment No. 5 of 2014.
- The Company maintains the BOD quality standard below 5,000 mg/l in accordance with the Decree of the Minister of Environment No. 28 of 2003 concerning Technical Guidelines for the Assessment of Wastewater Utilization from the Palm Oil Industry on the Soil in Palm Oil Plantations and Decree of the Minister of Environment No. 29 of 2003 concerning Guidelines for Terms and Procedures for Licensing the Use of Palm Oil Industry Wastewater on Soil in Palm Oil Plantations.

The Company through its subsidiaries utilizes its wastewater for land application in accordance with the permits granted by the local government. The wastewater is treated so that the quality standards are in accordance with the standards set by the government before being used for land application. Throughout 2022, the volume of wastewater derived from the production process amounted to 2,128,9000 m<sup>3</sup> with a wastewater intensity of 0.76 m<sup>3</sup>/processed FFB.

Until the end of 2022, there are no significant spills from DSNG operations. **[POJK51 F.15] [306-3]**

#### Results of Quality Measurement of Processed Wastewater of Palm Oil Business Unit

Parameter	Standard Quality	2022	2021	2020
Biological Oxygen Demand (BOD)	5,000 mg/L	530	836	1,888
Chemical Oxygen Demand (COD)	-	1,513	1,787	3,854
Acidity Level (pH)	9	7.4	7.5	7.9

#### Results of Quality Measurement of Processed Wastewater of Wood Product Business Unit - Engineered Flooring

Parameter	Standard Quality	2022 SMT I	2022 SMT II
Biological Oxygen Demand (BOD)	150	31.67	24.75
Chemical Oxygen Demand (COD)	300	99.82	80.18
Acidity Level (pH)	6 - 9	7.4	7.1
TSS	400	1.35	1.83







# Community Pillar





## Respecting Human Rights

As part of the DSN Group's Sustainability Policy, we are committed to upholding and respecting human rights for both our employees and the surrounding communities. The Company's human rights policy is in line with international initiatives and standards, including the Universal Declaration of Human Rights, the main Convention of the International Labour Organization (ILO), the Guidelines on the Principles of Business and Human Rights of the United Nations (UN), the Performance Standards of the International Finance Corporation (IFC PS) on labor and work conditions (PS 2), indigenous people and cultural heritage (PS 7 and PS 8), and the principles of freedom and justice in palm oil production.

The Company upholds the principle and policy of no exploitation. Discrimination in any form, based on gender, ethnicity, race, or religion, is not tolerated by our company, and we promote an anti-corruption culture that aligns with our corporate values. To support the protection of women and children, we have established policies since 2021 that prioritize their welfare, prevent child exploitation, and ensure access to education and protection.

DSNG is dedicated to implementing its Women's Protection Policy, which includes providing support and facilities for female employees and their families, as well as taking

appropriate measures to protect women's rights in operational areas. To achieve this, the company has provided a lactation rooms as well as separate portable or permanent field toilets.

DSNG has implemented a Child Protection Policy to ensure the welfare and safety of children and is committed to protecting children's rights and providing them with appropriate protection, particularly those residing in and around operational areas. The company demands its suppliers to comply with its policy of zero tolerance for child labor as well. DSNG has collaborated with multi-party partnerships, including institutions involved in the prevention of child labor in the agricultural sector in Indonesia, such as the Partnership for Against Child Labour in Agriculture (PAACLA), to demonstrate the company's commitment to child protection. **[F.19]**

To support the implementation of these two policies, the Company has established a women's committee organization and training that involves 62 female employees as women's committee administrators, representatives from all DSNG subsidiaries in East Kalimantan, West Kalimantan and Central Kalimantan oil palm plantations.

Since 2022, the Company has officially had field toilet facilities for employees, especially oil palm maintenance crews and harvesters. This was initiated due to the fact that the majority of maintenance crews in the oil palm plantations are women, and therefore require privacy, safety and comfort when they need to use toilet. Currently, 14 field toilets have been built in 14 afdeling in Muara Wahau oil palm plantations.

The placement, construction and use of this facility has been assessed favorably by the Faculty of Public Health, University of Indonesia (FKM UI), and has been positively received by employees. In addition to good use, employees also participate in maintaining these facilities.

Field toilets and our employee work areas in the plantation are only 10 minutes away. With this facility, we hope to ensure the safety and comfort of our employees, to create a healthy working environment, and to reduce the risk of sexual harassment.



### Enforcement of Human Rights

DSNG supports the enforcement of human rights for companies, in line with the second pillar of the United Nations Guiding Principles on Business and Human Rights (UNGPs), as an obligation to respect human rights by the business sector.

DSNG implements the enforcement of human rights through social impact assessments conducted as part of the implementation of Environmental Impact Assessments (AMDAL) before starting operational activities, which may affect the community and the environment, and provides a mechanism for submitting complaints/ grievances. The purpose of this mechanism is to evaluate and mitigate the impact of the Company's operations on human rights. In addition, we also ensure that every community empowerment activity is carried out with due regard to human rights, especially for local communities in the area.



The frontliners of employee health support in Pratama Clinic PT SWA, Muara Wahau



Full PPE is provided for employees who's managing pesticides



DSNG provides a comfortable and safe lactation room at WP Panel.



## Support for Communities [POJK51 F.23, F.25]

“ We are proud to continue DSNG’s vision and founding tradition of emphasizing the development of sustainable and resilient livelihoods for the communities in and around our operational areas through the principle of shared prosperity. We incorporated this commitment into our Group Sustainability Policy by striving to ensure that the communities around our operations are not only safeguarded but also continue to thrive. ”



### Community Engagement

Since the inception of the Company’s operations, we have engaged communities in participatory social and environmental impact assessments. This assessment is included as part of the Environmental Impact Assessment (AMDAL) document prepared by the operating subsidiaries. As at the end reporting period, all operating subsidiaries completed AMDAL documentation (100%), in compliance with the Decree of the Head of the Environmental Control Agency No. 8 of 2020 on Community Involvement and Information Disclosure in the AMDAL Process. [413-1]

Our initiatives with the community in managing social impacts around the operational area are carried out by the CSR Function by taking a participatory and consultative approach. Several community livelihoods and empowerment programs are carried out to improve the health and business opportunities of the community, especially for youth groups, vulnerable groups and families with limited income. [413-1]

In 2022, DSNG’s CSR function also focused on the Social Impact Assessment (SIA) which has been prepared in 2021, by mapping our impact on the community, and identifying community needs around our operating areas. The SIA is part of the Environmental and Social Management System (ESMS) that is updated by the Company annually. The SIA findings guide us to identify local needs and potential impacts in operational areas, so that the Company can develop community livelihoods and empowerment programs that are sustainable, empowering, and promote the self-reliance of the communities in the affected areas. [413-1]

We are aware that our Company’s operations and CSR programs not only have a positive impact on the surrounding community, but also have the risk of causing unintended negative impacts. The ESMS provides us with the system to manage those risks. [413-2]

### Management of Negative Impact in 2022 [413-1]

Identified Risks	Impact	Mitigation Plan
High demand for palm oil business opportunities	Limited alternative opportunities to palm oil business	<ul style="list-style-type: none"> <li>Developing alternative livelihood opportunities beyond palm oil. DSNG provided training on entrepreneurship and technical guidance for air conditioning services to 12 local youths. In addition to the training, DSNG also provided capital loans and acted as target service users for the 12 trained youth.</li> <li>Empowered BUMDES (Village owned Enterprises). BUMDES of Miau Baru Village became a supplier of rice and 48 tons of rice was purchased by DSNG for its 1,098 DSNG employees. DSNG actively collaborated with the community and BUMDES to develop localised farming of rice in the area.</li> <li>Initiated integrated sustainable farming practices. Supported by DSNG’s CSR team, six farms owned by local communities in Pulau Benia have combined to implement zero burning horticulture farming on 2 hectares of land.</li> </ul>



Identified Risks	Impact	Mitigation Plan
Children's Rights Violation	Lack of awareness and low capacity among the employees concerning the children rights	<ul style="list-style-type: none"> <li>DSNG launched an active campaign calling for the protection of women and children: "PALM OIL IS CHILDREN'S FRIEND". The campaign attracted the participation of 820 children and 1,329 parents. The objective of the campaign was to create awareness of children and their parents on sexual violence and bullying in the community. The participants were given socialization on the laws and rights of children as well as the grievance and reporting channels available to them, amongst other topics.</li> <li>Further, DSNG intends to establish a children's forum in the DSNG's Muara Wahau concession area and a Village of Intergrated &amp; Community-based Children Protection (PATBM) by 2023.</li> </ul>
Gender discrimination	Lack of awareness of gender equality	<ul style="list-style-type: none"> <li>Establishment of women's committee and capacity building of the caregivers.</li> <li>Organizing a series of basic childcare trainings in collaboration with the East Kutai Family Learning Center (PUSPAGA). The training was attended by 206 female committee members and caregivers from all DSNG's subsidiaries in Muara Wahau.</li> <li>Organizing health training in collaboration with the Muara Wahau Health Center, which was attended by Posyandu cadres.</li> </ul>

We are committed to managing our social impacts through Social and Environmental Responsibility (TJSL) activities in accordance with Law No. 40 of 2007 on Limited Liability Companies, and Government Regulation No. 47 of 2012 on Social and Environmental Responsibility of Limited Liability Companies.

### Handling of Community and Stakeholders Grievances

Through our CSR programs, the Company continuously strives to build engagement in an open communication with the community and provides open access for them to share their grievances to us. In 2022, the Company has received 363 complaints from both the community and other stakeholders, of which 89.8% has been resolved and 10.2% is still pending resolution. [413-1]

#### Total Community Reports/Complaints Based on Area in 2022

Region	Number of Complaints	Status	
		Resolved	Pending
<b>East Kalimantan</b>	<b>50</b>	<b>49</b>	<b>1</b>
Muara Wahau	19	18	1
PT BPN	3	3	0
PT BAS	32	32	0
<b>North Kalimantan</b>	<b>5</b>	<b>5</b>	<b>0</b>
PT DIL	5	5	0
<b>Central Kalimantan</b>	<b>16</b>	<b>16</b>	<b>0</b>
PT PWP	20	20	0
<b>West Kalimantan</b>	<b>292</b>	<b>256</b>	<b>36</b>
Kalbar 1	18	17	1
PT MNS	97	83	14
PT DPS	23	22	1
PT KAP	88	88	0
PT AAN	68	48	20
PT PSA	50	49	1
<b>Total</b>	<b>373</b>	<b>336</b>	<b>37</b>
<b>Percentage</b>	<b>100%</b>	<b>90%</b>	<b>10%</b>

Notes:

- Report/complaint data is community report/complaint data managed by CSR on site
- East Kalimantan - Muara Wahau, Karangas and Bengalon (around the operational areas of Muara Wahau/PT SWA-DIN-DAN-DWT-KPS-DSN, Bengalon/PT BPN and Karangas/PT BAS)
- North Kalimantan - Tanjung Selor/Bulungan (around PT DIL's operational area)
- Central Kalimantan - Lamandau (around PT PWP's operational area)
- West Kalimantan - Sekadau/Sintang (around the operational area of PT AAN, PT KAP, PT DPS, PT PSA, PT MNS)



## Community Pillar

Furthermore, the Company also provides alternative access to receive complaints from the public and other stakeholders through: **[POJK51 F.24]**

- Our website <http://dsn.co.id/contact/>, which also allows for grievances to be recorded anonymously.
- In our palm oil business unit, all grievance reports are submitted to the Head of CSR Operation Department. If the complaint cannot be resolved immediately, it shall be followed up in coordination with the Head of Plantation/Factory Area, and where necessary, a Director of the Company. Based on the investigation and reporting process of the Head of Plantation/Factory and/or Director, the CSR Department is tasked to convey the findings and engage with the aggrieved party.
- In the Wood Product Business Unit, product reports are submitted to WP Engineered Flooring's Marketing Team and WP Panel's Head of Quality Assurance Department.



## Status, Types, and Number of Complaints from the Community, Buyers, and Other Stakeholders in 2022

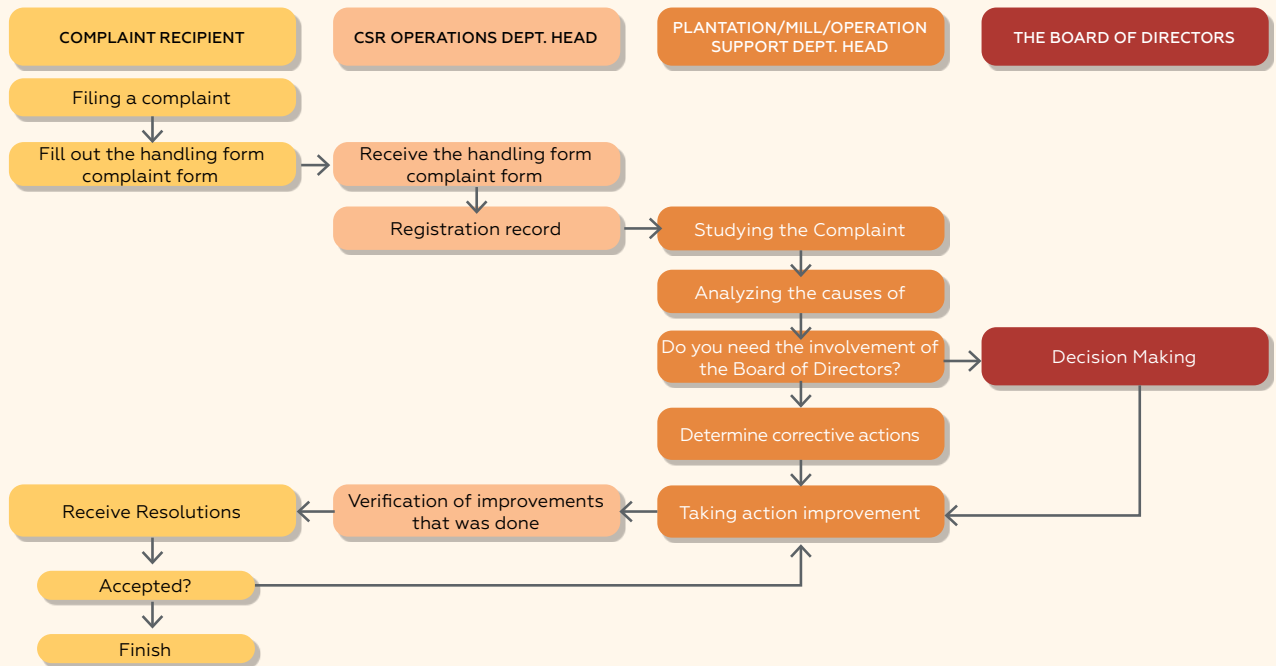
### Types and Numbers of Complaints from Communities and Other Stakeholders and Their Status in 2022 [SPOTT 180]

Types of Complaints	Total	Status	
		Resolved	Pending
Infrastructure	87	75	12
Plasma Estates	58	51	7
Planting Compensation (GRTT)/Land Compensation (GRL)	20	19	1
Employment and Job Opportunities	17	17	0
Land	139	123	16
Community Development	9	9	0
Transportation Services Cooperation	7	7	0
External FFB	12	12	0
Covid-19 Handling	0	0	0
Contractor	4	4	0
Contractor Assistance	0	0	0
Fruit Theft	0	0	0
Partnership Cooperatives	3	2	1
POM / TBS / CPO / Bulking	1	1	0
Operational	1	1	0
Healthcare	1	1	0
Late Payment of Revenue Share	4	4	0
Deforestation	10	10	0
<b>Total</b>	<b>373</b>	<b>336</b>	<b>37</b>

Information:

The complaint data are community complaints managed by CSR in the region/site

**Flow of Complaint Handling Mechanism [POJK51 F.24]**



**Land Conflicts**

Any complaints and land conflicts with indigenous peoples or other community groups will be resolved appropriately by the Company without the use of force or violence, in accordance with the national and provincial laws, the Company's land acquisition policy, as well as other relevant regulations. In any land acquisition, the company observes the principle of Free Prior and Informed Consent (FPIC) and the relevant land ownership laws.

Regarding land claim issues, the Company resolves them by conducting meetings, socialization, checking physical documents, surveying the location, and negotiating with the relevant parties. If no agreement is reached, mediation through a third party or a judicial settlement will be pursued. In 2022, the Company has resolved 88% of land ownership claims or grievances with the community.

**Number and Handling Status of Land Ownership Claims with Communities in 2022**

Region	Number of Claims	Handling Status	
		Finished	Pending
East Kalimantan and North Kalimantan	1	1	0
Central Kalimantan	5	5	0
West Kalimantan	133	117	16
<b>Total</b>	<b>139</b>	<b>123</b>	<b>16</b>

**Respect for Indigenous People**

The Company has always strived to ensure that all of its activities do not violate the rights of indigenous peoples, including legal land tenure and the implementation of traditional cultural practices and customs. The Company respects the rights of indigenous peoples and the community at large in and around its operational areas.

Our commitment to upholding the rights of indigenous people has led the Company to collaborate with specialists to conduct studies on the indigenous population in the surrounding areas of Palm Oil Business Unit subsidiaries in East Kutai Regency, East Kalimantan Province. This studies on the Indigenous population formed a critical part of

Environment & Social Action Plan (ESAP) in accordance with the international sustainability standards IFC Performance Standard (IFC-PS) 7 on indigenous peoples and IFC-PS 8 on cultural heritage, as per our commitment to &Green.

The said study, has guided us in understanding existing social conditions of indigenous peoples to develop a guidance document in developing the economic, cultural and institutional potential of indigenous peoples. Specifically, these guidelines also include DSNG's participation with communities in developing and implementing community empowerment programs, ensuring the implementation of Free, Prior and Informed Consent (FPIC) involving indigenous peoples, as well as identifying and developing cultural heritage management plans in DSNG's operational areas.



## Our Challenge in Protecting the Rights of Communities



Mini Horticulture Program for Women's farmer group in Sakoban Village near PT PWP, Lamandau

One of our key challenges in protecting the rights of the communities that reside in and around the areas we operate, is to manage and prioritize the communities' rights to determine land use. A lesson learnt in managing this challenge occurred in our subsidiary PT Pilar Wana Persada (PT PWP), Nanga Bulik, Lamandau District, Central Kalimantan.

Part of PT PWP's HGU, during the period 2012-2018, was affected following a Government issuance of an updated land zoning status. The affected area was 3,572.81 ha, and subsequently this created a situation wherein this initial area, which we tried hard to conserve since our HGU was issued on 6 January 1999, overlapped with the Production Forest and the Limited Conversion Forest status from the Government. This was further complicated with the permit for "Usaha Hutan Kayu dan Hutan Tanaman Rakyat"

(IUPHHK HTR) granted by MoEF to the Bukit Raya farmer group, based on decision No. 6891/MENLHK-PSKL/PKPS/PSL-0/12/2017 for 1,979 ha area.

As a result of our multiple and consistent stakeholder consultations with the various communities and authorities, we choose to comply with Government regulation to mitigate the overlap in land status with the local community, and PT PWP voluntarily proposed a partial release of its HGU to the relevant authorities. This is a complex issue of choosing between absolute legality and recognizing the need of preserving communal relationships in our areas, in which we are steadfast in our commitment to the principles of Free Prior and Informed Consent (FPIC) and FAO's Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security.

Following various administrative and legal processes, on 19 May 2022, the release process of the partial area of PT PWP's HGU Certificate No. 01 dated January 11, 1999, covering an area of 3,572.81 Ha was completed, in accordance with the Letter of Partial Release of HGU based on the Letter of Release of Land Rights from PT. PWP No. 0125/PWP-LGL-JKT/IV/2022 dated April 5, 2022 and has been registered at the Land Office of Lamandau Regency according to DI 208: 524/2022 dated May 19, 2022 and DI 307: 1890 / 2022 dated May 19, 2022. As per the mentioned letter, PT PWP's HGU area was reduced from the previous area of 15,153 Ha (as stated in the previous HGU certificate No. 01 dated 11 January 1999), to 11,580.19 Ha.

Concurrently with said process, DSNG worked with SatuNama Foundation to conduct a study to engage with relevant stakeholders within and surrounding the land concerned. The objective of the engagement by SatuNama was to understand the livelihood needs and rights of the communities, as well as to present our concern for the conservation of the said areas and to achieve some consensus for land use in the HCV Area in the former HGU area.

Based on SatuNama's engagements in May – June 2022 in the area, the following were assessed:

- Stakeholders mapping of the enclave area
- Updated land ownership (tenurial) data
- Identification of part of the land that has historical, cultural values and conservation values
- Identified the need for community assistance in implementing conservation
- Identified potential risks of land clearing in the HGU-released area
- Identified open conflicts or differences in views between stakeholders in the area

After conducting assessments, SatuNama identified conflicting interests and views regarding conservation and land ownership in the area. To address this, they proposed a 3-year program which has now become an integral part of our CSR team's engagement plan in the area starting in 2023. Based on the report's findings, PT PWP's CSR team has incorporated environmental conservation efforts in the HGU-released area into their plan and is collaborating with customary institutions to manage conservation in the area.



Class of Conservation for Students of SMP Satu Atap 5 Lamandau



Tree Planting at SMP Satu Atap 5 Lamandau



# Achievements in our Social and Environmental Responsibility Programs [POJK51 F.23, F.25]

In 2022, DSNG invested Rp20.88 billion to implement various Social and Environmental Responsibility Programs. This amount represents a 46% increase from the previous year of Rp14.3 billion. This amount excludes dividends paid to the District and Provincial Governments, as well as payments made to local contracting companies for the provision of goods and services. DSNG also provides various supports to the Government, in the form of capability building and training, event sponsorship, joint programs, and provision of public infrastructure.

In addition, the Company also regularly conducts a series of socializations and consultations activities with local communities on the sustainability programs. DSNG delivered materials in the form of Social Impact Assessment (SIA), Livelihood Restoration Program (LRP), Indigenous People Program (IPP), Cultural Heritage Program (CHP), Landscape Protection Plan (LPP), Traceability and Environmental Social Management System (ESMS) to the local community. The Company also continuously conveys related to the FPIC Protocol, NDPE Policy, Human Rights & Employment, Evaluation & Preparation of CSR Programs with the community, Code of Ethics/Business Ethics, grievance mechanism, and mechanism for conveying information and communication as well as a list of documents that can be accessed by external parties. With this socialization, the Company expects to improve the company's performance in carrying out both social and environmental responsibilities.

In 2022, DSNG through its subsidiary in West Kalimantan accepted a total of 12 awards from Sintang Regency, West Kalimantan. The awards were given for 8 categories including socio culture, health, infrastructure, education, prevention of drug misuse and illegal distribution, reduced prevalence of stunting cases, supporting infrastructure of electricity development for the village, and community-based economy. Realization of CSR program activities can be seen in appendix.



Anti-bullying campaign for students in Muara Wahau Sub-District

## Women Empowerment



DSNG has always been committed to empowering women. Empowering women involves ensuring women's self worth whether as an employee, family member, or part of the community, where their rights to determine their own choices as well as to have an equal opportunity to participate in decision-making area is assured.

Within DSNG's operational areas, the Women's Committee regularly provides socialization and training related to the fulfillment and protection of women's as well as children's rights, including providing briefings for our employees' wives and caregivers at daycare centers.

In and around its operational areas, the Company encourages the involvement of women in village economic development activities, through agricultural activities and as well as in the production of handicrafts or culinary products. The Company actively encourages cooperatives and credit unions to involve women as administrators, even leaders in the management of their organizations.



DSNG CSR team provide informal education to children of Dayak Punan

## Education

Continually improving access to quality education is a key part of our community empowerment programs, especially for the youths. Since 2011, DSNG has established Sekolah Dharma Utama (SDU) under the patron of Yayasan Dharma Satya Nusantara Utama (YDSNU). The purpose of establishing SDU is to provide access to quality educational facilities for the children of DSN Group's employees who live in the area around the Muara Wahau estate. Dharma Utama Elementary and Junior High Schools been awarded high levels accreditation from the Ministry of Education and Culture. In addition, the Sekolah Dharma Utama (SDU) in Muara Wahau was also awarded the prestigious Adiwiyata School award at the Kutai Timur District and East Kalimantan Province level in 2022.

The Company also supports both formal and informal education opportunities for the surrounding community. The Company supports the implementation of education by the Education Office of East Kutai District by providing the land and building 6 elementary schools in the district, as filial schools. In addition, the CSR division employees in the Wahau Area continues actively to provide access to informal educational schooling to the children of Punan Dayak ethnic in Longsep, who were traditionally known as a nomadic community. Of which, some in their community decided to settle in the Longsep area, Muara Wahau District.

## Economic Independence

DSNG successfully contributes to local income, employment, and economic independence in several ways. Social responsibility programs in the economic aspect are particularly aimed at supporting community empowerment and development. Details on initiatives to build economic independence and community empowerment can be found in the Management of Indirect Economic Impacts section on page 48.

## Socioculture and Tradition

DSNG believes that the traditional culture of the community surrounding our operations is part of the identity and sustains the social stability and quality of life of the local communities. As part of our commitment to IFC PS-8 relating to Cultural Heritage Preservation, the Company understands that preserving the cultural heritage of the indigenous community for its future generation is paramount and is therefore committed to maintaining it, applying processes in the chance discovery of cultural heritage objects and procedures for respecting local/ indigenous rights in implementing the traditional cultural practices and customs.

In 2022, the implementation of the preservation of cultural heritage has been carried out by the Company in the form of support for implementation of traditional ceremonies, maintenance of cultural heritage (cultural sites and ancestral graves), as well as access for the community to visit and perform rituals at cultural heritage sites located in and around our concession areas.

The Company is very supportive of traditional cultural practices which are held regularly or incidentally. At end of 2022, the Company together with our developed house of learning held "Children Cultural Show 2022". The Cultural Show presented creative dance and traditional music instrument as part of our effort for the preservation of Indonesian culture, and also to promote the importance of children protection to create an environment that is healthy and safe, both physically and mentally.

## Community Areas and Infrastructure

The continued maintenance and improvement of public infrastructure in the residential areas of the communities surrounding the operational areas is a key part of DSNG's community development programs, as it provides facilities and benefits for various levels of society. In 2022, the Company invested Rp1.05 billion, an increase of 17% from 2021, for infrastructure development such as maintenance of inter-village axis roads, construction of inter-village access roads, construction of bridges, and provision of clean water sources. [203-1]

A comprehensive information regarding our CSR programs are presented in the appendix section.



# Management of Diversity and Development of Human Resources Competence

“ Our employees come from diverse backgrounds and we believe that this forms a key part of our company’s competitive advantage, which has contributed to the success of the Company. DSNG is committed to attracting and maintaining talented employees, nurturing them with skills, experience, motivation and the appropriate attitude to ensure the sustainability of DSNG’s business growth and performance. ”

## Diversity and Equal Opportunities

Diversity is an essential aspect for DSNG to establish a transparent and respectful work environment. DSNG's management is committed to gender diversity, and equal opportunity for all employees to build a career irrespective of their gender, ethnicity, religion and political views, as well as other discriminative factors. [405-1][POJK51.F.18]

During 2022, the Company implemented 3 Management Trainee Programs to recruit and train talented new employees, who are projected to become strong leaders for our various business units. The programs successfully recruited 54 outstanding talents for both operational and supporting functions.

### Total New Employees in 2022 by Gender and Age Group [401-1a]

Age Group	Male		Female		Total	
	Total	%	Total	%	Total	%
18 – 30	3,641	59.98	765	56.71	4,406	59.39
31 – 40	1,828	30.12	484	35.88	2,312	31.16
41 – 50	594	9.79	100	7.41	694	9.35
> 51	7	0.12	-	-	7	0.09
<b>Total</b>	<b>6,070</b>	<b>100.00</b>	<b>1,349</b>	<b>100.00</b>	<b>7,419</b>	<b>100.00</b>

While the Company does not have yet a policy regulating the 'parental leave', the Company does provide 'maternity leave' for female employees for 90 calendar days as well as special leave for two calendar days to spouses to support their wives during labor. [401-2] [401-3]

## Local Employees

The Company is committed to recruiting local residents as a priority wherever our subsidiaries operate. In our palm oil business unit, there were a total 10,363 employees who were residents, which composed of 51% of total employees in 2022. The said employees were local residents of East Kalimantan Province, North Kalimantan, Central Kalimantan and West Kalimantan. In our wood product business unit in Central Java, the Company employed local residents from various cities in Central Java, totalling 3,564 employees which made up 18% of the total employees. [202-2]

## Committed to Employee Welfare [202-1] [405-2]

DSNG strives to provide competitive and equitable remuneration to ensure employee retention and the appropriate motivation for them to improve performance. In addition, DSNG also provides other rewards in the forms of allowances dan incentives and does not discriminate in the remuneration packages between male and female employees. DSNG provides competitive remuneration according to job positions, which includes entry level positions, subject to the prevailing regulations, the Minimum Wage Standard prevailing in the province. As a member of RSPO, DSNG fully endorses Decent Living Wages as determined INANI standards, whenever it shall be in effect. [202-1] [405-2]



**Allowances Received based on Employment Status [401-2]**

**Gender Pay Ratio Table**

Management Position Level	Ratio Female to Male
Senior Management	1.02
Middle Management	1.05
Staff	0.93
Non Staff	0.97
Plantation Crews	1.00

**Employee Training and Development [POJK51.F.22]**

Employee training and development is very important to DSNG for its long-term plan to retain employees and ensure their skill and competence is able to achieve the Company's objectives.

Employee training and development is part of the responsibility of DSNG's Human Capital Department. DSNG places a strict emphasis on the safety training to prevent the accidents and obligates all its employees in its sites to have safety as a core competency. [404-1]

During 2022, the Company provided orientation on sustainability as well as other training to support productivity improvement. In addition to training, all employees, whether male or female receive regular evaluations for their career development. [404-2] [404-3]



Refreshment training for palm oil maintenance crews

**Total New Employees in 2022 Based on Gender and Work Station [401-1]**

Work Station	Male		Female		Total	
	Total	%	Total	%	Total	%
Head Office	15	0.25	10	0.74	25	0.34
Palm Oil Business Unit	5,885	96.95	1,240	91.92	7,125	96.04
Wood Product Business Unit	161	2.65	99	7.34	260	3.50
Other Units	9	0.15	-	0.00	9	0.12
<b>Total</b>	<b>6,070</b>	<b>100.00</b>	<b>1,349</b>	<b>100.00</b>	<b>7,419</b>	<b>100.00</b>

**Total Training Hours based on Employee Level [404-1]**

Employee Level	2022	2021 *	2020 *
Level 4 up	45,765	16,812	14,377
Level 3 down	18,991	18,264	21,024
Plantation Crews (SKU)	5,752	2,422	3,975
<b>Total</b>	<b>70,508</b>	<b>37,498</b>	<b>39,376</b>

\*2021 and 2020 data are training data at POM



## Total Outgoing Employees

### Total Outgoing Employees Based on Description and Gender

Description	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Passed away	25	2	12	6	9	2
Laid off	1,673	308	793	44	998	97
Rotation	-	-	-	-	-	-
Others	5,034	920	4,070	974	2,894	722
<b>Total</b>	<b>6,732</b>	<b>1,230</b>	<b>4,875</b>	<b>1,024</b>	<b>3,901</b>	<b>821</b>

### Total Outgoing Employees by Operational Area and Gender

Operational Area	2022		2021	
	Male	Female	Male	Female
Head Office	23	10	42	13
Palm Oil Business Unit	5,861	912	4,347	779
Wood Product Business Unit	845	308	486	232
<b>Total</b>	<b>6,732</b>	<b>1,230</b>	<b>4,875</b>	<b>1,024</b>
	<b>7,962</b>		<b>5,899</b>	



Sonia, our female heavy machinery operator at PT GUN.

## Being Safe, Secure, and Healthy at Work

“ For us no operational outcome is more important than the work safety of our employees. DSNG believes that all accidents can be avoided and therefore we are committed to eliminating any accidents and incidents across all operational areas. ”

### Implementation of Occupational Safety and Health (K3) [POJK51.F.21]

DSNG is committed to providing a safe and comfortable workplace for employees by implementing an Occupational Safety and Health Management System (SMK3). The implementation of SMK3 includes all employees (100%) as well as the employees of our business partners. The policy is applied unexceptionally to them, including other stakeholders who visit or are within the Company operational area. [403-1][403-8]

DSNG has a mechanism for employees to report conditions that may endanger safety and health at work through Go Home Safe program, where reports can be submitted to the direct supervisor. The Company expects this program to be able to encourage the employee awareness of K3 implementation at work and within the scope of their responsibilities. The Go Home Safe program is carried

out by developing habits, awareness, and conducting continuous inspections to employees relating to the K3 implementation. The Company will remove employees from dangerous situations and immediately follow up on reports submitted, including conducting investigations in the event of an incident. Until the reporting period, there was no situation that endangered the safety and health of employees. [403-2]

The application of SMK3 within the Company has been adjusted in Government Regulation No. 50 of 2012 concerning the Implementation of the Occupational Safety and Health Management System (SMK3) by implementing hazard identification risk assessment & control (HIRAC), as well as OHSAS 18001: 2007. [403-1][403-2]

The Company have periodical evaluation of the K3 implementation in its internal organization and involves external parties including the local Manpower Office. The evaluation process includes all facilities and operational units as well as employees of each business unit.



Palm oil business unit employees use PPE to ensure work safety



### K3 Training Program

To promote the understanding and build K3 culture, the Company involves all employees in the implementation of SMK3 through several activities, so that employees can directly participate, consult, and communicate with

management. This communication is also a forum for employees to develop, implement, and evaluate the implementation of K3. [403-4]

#### K3 Certified and Licensed Trainings in 2022 [403-5]

Training Activities	Number of Participants
Firefighting Training (FMD), First Aid in Accidents (P3K) & Occupational Health and Safety and Environment (K3L)	298
Environmental Safety (K3L), & Emergency Response Task Force (TKTD)	135
General K3 Expert	1
Basic Mentality for Assistants	32
Ways to Take Care for Children & P3K	57
Competence of Air Pollution Control Installation Operator (POPU)	7
Competence of the Person in Charge of LB3 Management (PLB3)	6
Competence of the Person in Charge of Water Pollution Control (PPPA)	6
Competence of the Person in Charge of Air Pollution Control (PPPU)	5
Basic Electrical Training	15
Training for Afdeling Generator Operator & B3 Waste Handling	52
Factory Waste Control	6
Emplament Treatment & Household Management	6
Generator Operator License (SIO)	7
P3K Certification	22
Socialization of Safety Riding	6
Training on B3 Waste Handling	27
Training on Danger Identification	56
Training on General K3 Expert	1
Training on HIRADC	20
Safety Training	25
Firefighting Training	25

#### Occupational Health Facilities [403-3] [403-6]

The performance of each employee in carrying out their work is highly dependent on their healthy physical condition. DSNG's work environment is equipped with health facilities and clinic that is widely accessible for all employees and contractors.

DSNG's work environment is equipped with health facilities and clinics. These include the main clinic, the estate clinic and polyclinics that are dedicated to all employees and their families as well as the surrounding community. In addition, at every workplace, we provide a First Aid (P3K) kit as first aid for minor accidents.



Standby ambulance at Klinik Pratama Muara Wahau

**Patient Visits to Health Facilities in 2022**

Description	Unit	Palm Oil Business Unit					Total
		Muara Wahau Site	Bengalon Site	Karangan Site	Ng. Bulik Site	Kalbar Site	
Outpatient	Times	45,263	8,160	3,778	8,524	4,997	70,722
Hospitalization	Times	834	44	30	-	-	908
<b>Total</b>	<b>Times</b>	<b>46,097</b>	<b>8,204</b>	<b>3,808</b>	<b>8,524</b>	<b>-</b>	<b>71,630</b>

The Company conducts periodical medical check-ups (MCU) for all employees every year. The Company facilitates and conducts MCU activities by the Company's Doctors at health facilities with a period of once a year. **[403-10]**

Health checks for employees included:

1. The condition of the employee's vital organs (head, eyes, ears, nose, throat, thorax, abdomen).
2. Cholinesterase blood test for employees with chemical-related risk scope of work.
3. Spirometry test for employees with scope of work related to breathing.
4. Audiometry test for employees with scope of work related to noise risks.
5. Monthly gynecological check-ups for pregnant employees.

In addition, DSNG also provides health insurance facilities by including all employees in the national health insurance program of the National Social Security Agency (BPJS) Kesehatan and paying the membership contributions. The amount of membership dues paid in 2022 amounted to Rp34.6 billion. As participants of the national health insurance program, DSNG employees will get access to health services of non-Occupational Diseases (PAK). Health services are provided at health facilities that have been agreed upon between BPJS Kesehatan and employees as participants.

**Occupational Health Promotion Activities for Employees in 2022 [403-6]**

Training Activities	Number of Participants
First aid training for employee	458
Health education for caregivers of children's day care	112
Class for expectant mothers	55
Distribution of supplemental food	3,043
Distribution Vitamin A	593
Immunization	2,715
Tropical disease counseling	72
Environmental health Monitoring	73
Socialization of clean and healthy living behavior (PHBS)	48
Health Dialogue	46
Mosquito larvae inspection	245

**Achievements in Work Safety**

Throughout 2022, eight subsidiaries of the Company reported zero work accidents. Additionally, the total number of lost work hours in the palm oil business unit was reduced from 39,702 in the previous year to 36,492. For the wood

products business unit, the total number of lost work hours was reduced from 35 in the previous year to 18. The statistics of K3 performance for Severity Rate and Frequency Rate was calculated using every 1,000,000 working hour. **[403-9]**



**Achievements in Occupational Safety Management for Palm Oil Business Unit [403-9]**

Parameter	2022	2021	2020
Severity Rate	181.74	203.39	194.59
Frequency Rate	1.11	5.44	4.80
Total Working Hour	33,465,287	32,550,180	33,311,181
Total Lost Working Hour	36,492	39,702*	38,892
Fatal Accidents	1	1	1
Subsidiary Zero Accidents	6	2	1

Note:

\* The increase is affected by the number of accidents in the severe and medium categories

**Achievement in Occupational Safety Management for Wood Product Business Unit Employees [403-9]**

Parameter	WP - Engineered Flooring			WP - Panel		
	2022	2021	2020	2022	2021	2020
Severity Rate	6.37	9.84	4.16	6.63	6.6	7.4
Frequency Rate	1.59	5.06	2.08	2.29	2.1	3.3
Total Working Hour	627,679.50	3,557,263	2,888,021	2,184,513.90	3,315,780	3,372,211
Total Lost Working Hour	18	35	72	89	56	88
Fatal Accidents	0	0	0	0	0	0
Subsidiary Zero Accidents	1	1	1	1	1	1

Note:

The Company has not recorded the Total Recordable Incident Rate (TRIR) and Near Miss Frequency Rate (NMFR)

Through various efforts to implement OHS, in 2022 the Company managed to regain appreciation from the Ministry of Manpower through POM 1, 2, 6, 7, PT DAN and PT DIN which won the Zero Accident Award at the OHS Awards.

1. PT Swakarsa Sinar Sentosa - POM 1 managed to achieve 1,223,024 working hours without work accidents, starting from January 2, 2019 to December 31, 2021.
2. PT Dharma Satya Nusantara Tbk - POM 2 managed to achieve 1,626,582 working hours without work accidents, starting from January 2, 2017 to December 31, 2021
3. PT Dharma Satya Nusantara - POM 6 managed to achieve 1,321,898 working-hours without work accidents from January 1, 2017 to December 2021
4. PT Dharma Satya Nusantara - POM 7 achieved 2,747,312 working-hours without work accidents from January 2, 2017 to December 31, 2021
5. PT Dharma Agrotama Nusantara managed to achieve 5,544,663 working-hours without work accidents, starting from January 2, 2020 to December 31, 2021
6. PT Dharma Inti Sawit Nusantara managed to achieve 5,439,800 working hours without work accidents from January 2, 2020 to December 31, 2021.



**Standard PPE for Employees [403-7]**

Form of Threats and Disturbances	Standard PPE
<b>Palm Oil Business Unit</b>	
Fertilization and spraying	Masks, protection glasses and gloves
Machinery noise	Earplug
Waist injury	Corset (especially for permanent)
Welding fire and light exposure	Welding shields and glasses
Falling objects from above, such as FFB, fronds, objects from elevated areas while working	Helmet
Leg injury	Safety shoes, safety boots
Falling from Heights	Body harness
<b>Wood Product Business Unit</b>	
Wood Dust and Adhesive Vapor	Masks, protection glasses and gloves
Machinery noise	Earplug
Eye injury	Welding shields and glasses
Electrical current	Gloves
Falling from Heights	Safety belt

The criterion for high occupational risk is adjustable and determined in the SOPs for identification, assessment, control, hazard-risk and impact aspects.

# Improving Product Quality and Safety [POJK51.F.17, F.27,

F.28, F.29]

DSNG is dedicated to ensuring that all customers receive equal services, quality, and products. To achieve this goal, the company consistently endeavors to assess 100% of its production processes, with a particular focus on ensuring customer safety and well-being. By having several national and international certifications: FSC, PEFC, CARB, ISPO & RSPO, amongst others, the Company and its subsidiaries can guarantee product safety and quality. These certifications are regularly verified and audited by various independent parties, and in various instances provide DSNG with additional premiums.

None of the Company's products were withdrawn or subjected to sanctions or fines related to product quality and safety until the end of 2022. Moreover, each product is manufactured in accordance with the specific production process implemented by each business unit, and has its own target markets, both domestically and internationally.

The Company also provides a channel for customers to communicate their complaints relating to products and services online through <https://grievance.dsn.co.id/>. During the reporting period, the Company did not receive any customer reports/complaints regarding the quality of products and services.

## Business Units, Products, and Target Markets

Business Unit	Product	Target Market and Customers
Palm Oil Business Unit	Crude Palm Oil	Domestic : 100%
	Palm Kernel Oil	Domestic : 100%
	Kernel	Domestic : 100%
Wood Product Business Unit	Panel	Domestic : 7%
		Export : 93%
	Engineered Flooring	Domestic : 3%
		Export : 97%



SAB Chairman visiting the quality assurance laboratory at WP - Engineered Flooring

## Customer Satisfaction Survey [POJK51.F.30]

The Company conducts regular customer satisfaction survey. The survey is carried out so that the Company can determine the level of customer satisfaction with service performance

and product quality. The results of the customer satisfaction survey suggest that in general, customers are satisfied with the services and the quality of the products delivered.

### Customer Satisfaction Survey Rating Based on Parameters

Description	2022	2021	2020
Palm Oil Business Unit*	4.53	4.50	4.38

Note

\* Using a scale of 0-5



# Our Sustainability Governance









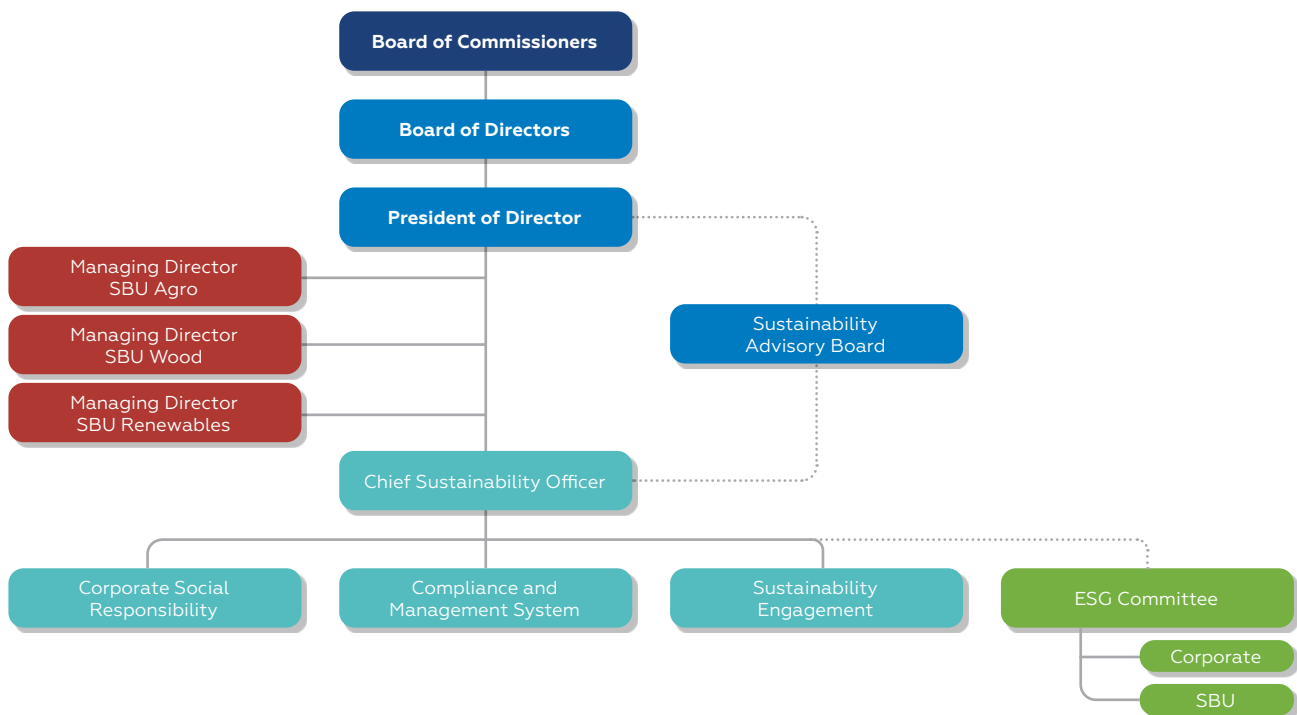
# Sustainability Governance [POJK51.E]

In implementing Good Sustainability Governance (GCG), the Company is committed to complying with applicable regulations. Pursuant to the Law No. 40 of 2007 concerning Limited Liability Companies, the Company's governance structure consists of the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors. A comprehensive information about the corporate governance, the authority of the GMS, the nomination and selection process, duties, responsibilities, the Board of Directors, and the Board of Commissioners, is presented in the 2022 Annual Report. [2-10]

The Board of Directors is responsible for ensuring that the Company's sustainability strategy and performance are relevant to the agenda for realizing a solid performance

across environmental, social, and governance aspects. To ensure the implementation of sustainable practices, the Company has designated a Chief Sustainability Officer (CSO) to support the Board of Directors in the Company's operations. In fulfilling this task, the CSO is assisted by the Department of Sustainability and the ESG Committee to implement, monitor, and report on the Company's Sustainability initiatives, as well as to apply the concept of continuous improvement across our operations, supply chain, and the communities in which we operate. The CSO reports directly to the DSNG President Director and periodically updates the DSNG President Director on the company's sustainability matters. Further information is available for access on our website <https://dsn.co.id/esg/esg-structure/>. [2-9, 2-11][POJK51.E.1]

## Sustainability Governance Structure



In addition to the above, the Company has since December 2020, established a Sustainability Advisory Board (SAB), comprised of very experienced individuals in the field of Sustainability as well as members of the Board and the CSO. The SAB was formed to be able to assist, guide and provide recommendations to the Board of DSNG on matters pertaining to Sustainability, specifically on ESG,

Environmental & Social Risks, Sustainable Business Practices, contemporary and future issues around Sustainability, amongst others. Periodically the Board and the SAB also has various engagements with various stakeholders to assist DSNG address and improve its sustainability performance. Further information can be accessed through our website <https://dsn.co.id/esg/esg-board/>.



SAB visit to WP Panel production area

**Members of Sustainability Advisory Board**

Name	Position
Datuk Darrel Webber	Chairman
Michael Schlup	Member
Timotheus Arifin C	Member
Denys Collin Munang	Member

**Nomination and Selection of Sustainability Governance Members**

We provide a complete information regarding the nomination and selection process for members of the Board of Commissioners and Board of Directors in the 2022 Annual Report. [\[2-10\]](#)

**Conflict of Interest**

During 2022, no conflict of interest occurred between the Supreme Governance bodies. A complete description of conflicts of interest is available in the 2022 Annual Report. [\[2-15\]](#)

**Remuneration Policy**

The Company has a guidelines that forms the basis for the remuneration determination policy applicable to the Board of Commissioners and Board of Directors. The amount of remuneration is determined with respect to the Company’s performance, financial condition, and other

relevant factors and does not conflict with applicable laws and regulations. In 2022, the total compensation of the Board of Commissioners and Directors in 2022 amounted to Rp59.3 billion, increased compared to the total compensation of 2021 amounting to Rp53.5 billion. A complete description of the remuneration policy, the procedures to determine remuneration, and the total annual compensation ratio is presented in the 2022 Annual Report. [\[2-19, 2-20, 2-21\]](#)

**Sustainability-Related Competency Development**

The Company encourages members of the Board of Commissioners, Board of Directors, SAB, ESG Committee, to participate in trainings and/or seminars that can increase knowledge of sustainability practices. We provide a complete information on training and competency development of employees and management executives beyond the sustainability aspect in the 2022 Annual Report. [\[2-17\]\[POJK51.E.2\]](#)

Sustainability Training Director and Equivalent	Organizer	Total Hours
Capita Selecta: Opportunities and Challenges of Indonesia's Sustainable Palm Oil Sector	Indonesian Banking Development Institute	3
UOB Kay Hian Palm Oil Webinar: Dialogue with Mr Dorab Mistry on Palm Oil Market Outlook	UOB Kay Hian	3
UOB Kay Hian Malaysia Webinar: Will Palm Oil Regain Its Market Share	UOB Kay Hian	3
Bank BTPN Sustainability Seminar 2022 - Pathway to Net Zero Economy	Bank BTPN	3
Benchmark : ANJ Learning Center	ANJ Learning Center	8
BNSP GM HR Certification Technology - Batch 4 & Pre-Event National Collaboration Towards a Competent Indonesia 2030	Gerakan Nasional Indonesia Kompeten 2030	3
People Matter - Employee Experience Indonesia Conference 2022	People Matter	8



Sustainability Training Director and Equivalent	Organizer	Total Hours
National Collaboration Towards a Competent Indonesia 2030	GNIK	7
UOB Kay Hian: Annual Palm Oil Webinar 2022	UOB Kay Hian	3
Green Economy Outlook 2022: Indonesia's Policy Direction and Challenges in Realizing a Green Economy	Bisnis Indonesia	14
UOB Kay Hian Malaysia Webinar: Will Palm Oil Regain Its Market Share	UOB Kay Hian	3
Indonesian Palm Oil Conference (IPOC) 2022	GAPKI	24
RSPO Annual Roundtable Conference on Sustainable Palm Oil (RT2022)	RSPO	32
ESG Seminar: Dialogue with Roundtable on Sustainable Palm Oil (RSPO)	UOB Kay Hian	3
Indonesian Palm Oil Conference (IPOC) 2022	GAPKI	24
RSPO Annual Roundtable Conference on Sustainable Palm Oil (RT2022)	RSPO	32
Benchmark Erex Biomass Power Plant	Local Port	4
Benchmark Discharging Biomass Fuel Port	Saiki Biomass Port	4
Benchmark Daiken Corporation	Daiken Corporation	8
Benchmark erex Co., Ltd.	Erex Co., Ltd.	8
Benchmark Sumitomo Forestry Corp.	Sumitomo Forestry Corp.	8
12 <sup>th</sup> Biomass Pellets Trade & Power	Centre for Management Technology	8
Business Simulation Games	Binus Creates	4
Benchmark PT Karya Cipta Unggul	PT Karya Cipta Unggul	8
Benchmark Erex Singapore pte. ltd.	Erex Singapore pte. ltd.	8
Benchmark PT Woodone Integra Indonesia	PT Woodone Integra Indonesia	8
<b>Total Training Hours</b>		<b>348</b>
<b>Average Training Hours</b>		<b>58</b>
<b>Man-days Training</b>		<b>7</b>

### Performance Assessment of the Highest Governance Body

DSNG regularly evaluates its sustainability performance to ensure that it aligns with the company's targets and strategies. The evaluation results show that the sustainability performance of the company has consistently met its long-term targets and strategies. A detailed assessment of the performance of the Board of Commissioners and Board of Directors can be found in the 2022 Annual Report. [2-18]

### Delegation of Responsibilities for Handling ESG Impacts

The management and board of the company regularly reviews the environmental and social impacts of the company's operations. The CSO and the Sustainability Department play a crucial role to monitor and periodically report on the environmental and social risks and impacts to the President Director, Board and the SAB. In 2022, the SAB conducted two meetings to deliberate on internal and external factors that could impact its sustainability. The Company consistently and periodically monitors its environmental and social impacts and implements various programs, with a focus on managing those impacts. [2-16]

### Presentation of Critical Matters and Presenting Mechanisms [2-26][POJK51.E.5]

The company has an extensive Stakeholder Engagement Plan (SEP) in its Environment and Social Management System (ESMS), wherein various concerns can be raised by its stakeholders periodically through the Stakeholder Engagement Forum (SEF). SEF also serves as another formal platform for stakeholders to raise concerns regarding the Company's sustainability. More details on SEF can be found on pages 101-103 of the report. In 2022, DSNG implemented various responsible sustainability governance practices, which aided the Company from facing any significant legal sanctions from the authorities. [2-27]



The Board of Directors appoints the CSO as the person in charge for handling the ESG impacts. In addition, as part of information disclosure, the Company regularly presents Sustainability Reports as a communication instrument to report the Company's sustainability performances to the public. The Board of Directors and the Board of Commissioners play a strategic role in giving approval to the establishment of reporting standards used in the preparation of the Sustainability Report, material topics to discuss in the report, as well as to ratify the report. The CSO has appointed Sustainability Engagement Lead who will be responsible for preparing the Sustainability Report. [2-12, 2-13, 2-14]

# Risk Management for the Implementation of Sustainability [3-3][POJK51.E.3]




The Audit Committee is responsible for the Company's risk management implementation with the support from the Board of Commissioners who actively monitors the implementation of Risk Management by the Board of Directors, evaluates the accountability of the Board of Directors and the implementation of Risk Management Policies, and evaluates and approves the Board of Directors' requests for transactions that require the approval of the Board of Commissioners. DSNG regularly identifies risks



that can affect the Company's performance. We provide a complete information regarding these risks in the 2022 Annual Report.

In order to maintain sustainable performance growth, the Company also identifies ESG risks that may affect the Company's performance. The following are the results of the identification of problems, developments, and impacts of implementing sustainability: [POJK51.E.5]

Risk	Description of the Risk/ Potential Impact of the Risk	Risk Mitigation	Programs
<p><b>Air quality and noise</b></p> 	<p>Decreasing air quality and increasing noise</p>	<ul style="list-style-type: none"> <li>• Minimizing dust by watering access roads</li> <li>• Conducting emission tests on exhaust gases</li> <li>• Doing regular engine and vehicle maintenance to reduce emissions</li> <li>• Using vehicle that pass national emission standards and conducting regular internal emission tests</li> <li>• Conducting a socialization with the communities affected by transportation activities (from plantations to factories)</li> <li>• Engaging relevant agencies to help monitor and manage air quality and noise</li> </ul>	<p>Implementation of best practices</p>
<p><b>Biodiversity</b></p> 	<p>Loss of forest and biodiversity</p> <hr/> <p>Forest fires</p>	<ul style="list-style-type: none"> <li>• Avoiding any development activities within high carbon stock (HCS) areas</li> <li>• Implementing traceability and landscape protection plans</li> <li>• Managing and monitoring supply chains to ensure compliance with NDPE policies</li> <li>• Monitoring, protecting, and managing conservation areas</li> <li>• Collaborating with communities and stakeholders in conserving and restoring the forests outside the concession areas through RSPO RaCP</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Take precautionary measures so as to reduce the potential risk of forest fire</li> <li>• Maintaining the quantity of water in the reservoir around the project area</li> <li>• Identifying the causative factors of forest fire</li> <li>• Developing tools for monitoring hot spots in landscape areas</li> <li>• Carrying out forest fire preventive and mitigation procedures</li> </ul>	<p>Environmental management and the forest fire prevention programs</p>



Risk	Description of the Risk/ Potential Impact of the Risk	Risk Mitigation	Programs
<p><b>Climate</b></p> 	<p>Long droughts that cause deficits in surface water and groundwater</p> <hr/> <p>Flood</p>	<ul style="list-style-type: none"> <li>• Supplying clean water to employee houses</li> <li>• Informing suppliers, employees, and the public to anticipate potential long drought</li> <li>• Conducting the fire mitigation measures</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Informing the employees and communities around the plantation to anticipate potential flood</li> <li>• Identifying, planning, and proactively exploring activities to reduce climate impacts</li> <li>• Providing and planning flood mitigation measures</li> </ul>	<ul style="list-style-type: none"> <li>• Assessing greenhouse gas (GHG) inventory projects</li> <li>• Commissioning a Climate Risk Assessment Study</li> <li>• Conducting a GHG Inventory Accounting Baseline Study</li> </ul>
<p><b>Transparency and accountability</b></p> 	<p>Certifications and challenges in Obtaining license For the expansion of Wood Products business</p> <hr/> <p>Failure to obtain Wood Products certification</p> <hr/> <p>Failure to obtain Sustainability Certifications (RSPO, ISPO &amp; ISCC)</p>	<ul style="list-style-type: none"> <li>• Updating regulations and permits required to obtain the necessary licenses for the Wood Products business</li> <li>• Ensuring the compliance with environmental and social permits and relevant regulatory requirements</li> <li>• Developing cooperation with reputable third parties to obtain the necessary permits for the expansion of the Wood Products business</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Conducting an internal audit of the entire certification system run at the factories and take further necessary action upon the findings</li> <li>• Conducting Refresher Training to refresh knowledge about Quality Audit patterns for the Quality Inspection Team and conducting weekly reviews of the inspection results</li> <li>• Collaborating with QA and QC departments to improve quality inspections according to applicable standards</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Conducting internal audits of all certification systems owned by plantations and the mills, and take further necessary actions on the findings</li> <li>• Conducting refreshing training in order to regain and update knowledge about Quality Audit patterns for the Quality Inspection Team</li> </ul>	<p>Policy socialization and mentoring programs for vendors to get certification involve organization civil society or agencies government related in accompaniment.</p>
<p><b>Work accidents</b></p> 	<ul style="list-style-type: none"> <li>• Potential accidents due to the Company's operational activities</li> <li>• Lack of employee awareness and compliance with personal protective equipment</li> <li>• Providing adequate PPE for workers</li> <li>• Conducting routine inspections and applying sanctions on workers who do not wear PPE properly</li> <li>• Ensuring that workers in high-risk environments must have work permits and skill certifications</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborating with internal stakeholders to drive awareness and compliance with occupational health and safety</li> <li>• Reviewing health and safety standards for contractors and suppliers so that they can meet RSPO standards</li> <li>• Conducting K3 socialization and training</li> <li>• Establishing a K3 Organization</li> <li>• Providing adequate PPE for workers</li> <li>• Conducting routine inspections and applying sanctions on workers who do not wear PPE properly</li> <li>• Ensuring that workers in high-risk environments must have work permits and skill certifications</li> </ul>	<ul style="list-style-type: none"> <li>• OHS socialization involving employees and contractors, and relevant government agencies</li> <li>• Implementation of OSH policies, with regular monitoring and evaluation mechanisms periodically</li> <li>• Handling work accident cases based on emergency preparedness and response mechanisms</li> </ul>

Risk	Description of the Risk/ Potential Impact of the Risk	Risk Mitigation	Programs
 <p><b>Public Health</b></p>	The outbreak of new diseases	<ul style="list-style-type: none"> <li>• Conducting operational activities based on standard operating procedures and occupational health and safety requirements</li> <li>• Providing appropriate personal protective equipment (PPE)</li> <li>• Conducting preliminary health checks prior to employee recruitment and periodical health checks for employees</li> <li>• Providing medical access to the surrounding community</li> <li>• Strengthening collaboration with relevant institutions</li> <li>• Organizing socialization with the community regarding health problems</li> </ul>	<ul style="list-style-type: none"> <li>• Data analysis on Employee Long Term illnesses</li> <li>• Providing socialization on preventative health care to employees and local community</li> <li>• Organize health services for employees, family and local communities</li> </ul>
 <p><b>Labor absorption</b></p>	<ul style="list-style-type: none"> <li>• Limited number of qualified workers required by the Company</li> <li>• People's desire to work in the Company</li> <li>• Lack of skilled labor provided by the surrounding community</li> </ul>	<ul style="list-style-type: none"> <li>• Identifying the availability of labor in surrounding villages</li> <li>• Identifying the types of job opportunities for the community</li> <li>• Disclosing job opportunities transparently, including job descriptions and qualifications during recruitment</li> <li>• Identifying relevant stakeholders</li> <li>• Organizing job skills training</li> <li>• Organizing business skills training</li> </ul>	<p>Providing entrepreneurial training, opening business opportunities by becoming a target market for local youth who have joined in trainings</p>

The risks and mitigation efforts that have been identified by the Company are included in the ESMS, to facilitate the group-level and Business Unit-level monitoring. The results of the ESMS are presented in an ESMS document which becomes the subject of periodical evaluations, in order to help the Company adjust its operational condition and ensure the sustainability and effectiveness of the mitigation of the priority risks. The evaluation is carried out through an internal audit mechanism. [2-18]

**Industrial Relations**

As we seek efforts to establish a good industrial relation, we have developed a Corporate Manual (CM) which was already approved by the Labor Office at Provincial level, for our Palm Oil Business Unit and a Collaborative Agreement (CA) at our Wood Product Business Unit. Both CM and CA are introduced to ensure the fulfilment of employee's rights and obligations, where CA will bind the whole employees (100%) and also applies to both contractors and vendors which work within and/or for the Company. [2-30]

**Stakeholder Engagement [POJK51.E.4]**

The Company has identified the strategic stakeholders for both internal and external which convey direct and indirect impacts to our operations. The internal stakeholders are the employees and their families, whereas the external stakeholders consist of the government, non-governmental organizations, individuals with extensive network and specializations, universities and academic members, multiparty forum, vendors and suppliers, media, investors,

customers, the local community, certification agency and young generation, including millennials.

The stakeholders are identified using AccountAbility (AA) 1000 Stakeholder Engagement Standard and IFC PS 1, in respect to the level of engagement and interests. We provide the comprehensive information about the main stakeholders, reasons for engagement, methodology and frequency in the document of Stakeholder Engagement Plan (SEP) and in the Environmental and Social Management System (ESMS). [2-29]

In 2022, we have taken a series of stakeholder engagement activities, independently or by invitation from other stakeholders. Some of the key activities are:

**1. The First DSN Group's Stakeholder Engagement Forum (SEF)**

The activity was the first forum which DSN held relating to the sustainability, where we welcomed participations of the representatives of various civil institutions (non-governmental organizations or NGOs, researchers, academic members) as well as investors. At the first forum held on May 25, 2022, 13 representatives of the civil institutions and 1 bank representative as the investor attended the forum. Seeing their enthusiasm and the spirit of the attending stakeholders, we are planning to organize the Stakeholder Engagement Forum every year, by bringing forward themes that are relevant to the current trend or to accomplishments DSN makes in its sustainability efforts.



## 2. OCCA Collaboration

For the DSNG's commitment to conserve forest areas outside concessions (OCCA), the Company collaborates with USAID SEGAR and the Karangan Dalam Village Forest Management Institute (LPHD). The collaboration with USAID SEGAR is carried out starting from the planning stage, extracting support from the networks of the two institutions for program implementation, and disseminating best practices from the implementation of this cooperation widely, so as to expand the range of activity beneficiaries. This collaboration will focus on 3 things, namely the preparation of Village Forest management plans; capacity building of Village Forest Management Institutions (LPHD); and joint monitoring and evaluation. As part of our efforts to implement the OCCA program, DSNG is collaborating with LPHD Karangan Dalam as one of the main beneficiaries of the program to protect and restore a part of the Karangan Village Forest Area spanning 3,148 hectares. The program seeks to maintain the functions and benefits of the forest area, protect and restore it as a habitat for flora and fauna, and ensure the continued existence of wildlife populations.

This collaborative effort is planned for July 1, 2022 to June 30, 2025. The signing of the Memorandum of Understanding between DSNG and USAID SEGAR was carried out on June 29, 2022. Meanwhile, the signing of the Partnership Declaration between DSNG and LPHD Karangan Dalam was carried out on December 14, 2022.



## 3. A Visit by the Sustainable Plantation Workshop Participants

On May 19, 2022, DSNG received a visit by representatives of Plantation Office of East Kalimantan Province, the Plantation Offices for East Kutai, Berau and Kutai Kertanegara Regencies, as well as their companions from Sinarmas Group and GIZ, a German government agency to provide development assistance to developing countries such as Indonesia. They visited the palm estates of PT SWA and its conservation areas and the Bio-CNG plant. The visit was an annual activity of the Plantation Office of East Kalimantan Province.

## 4. Education on Sustainability and Cultural Arts Inclusion

DSNG through PT Tanjung Kreasi Parquet Industry (TKPI) and PT Dharma Sumber Nusantara (DSMN) held and participated in various activities that facilitated an exchange of knowledge about architecture and Interior design between experts, practitioners, and students of architecture and interior design. These activities aimed to build awareness of the sustainability, and the use of sustainable wood flooring for the applications on the design.

The TEKArch 1.0 – 3.0 (April 13, June 2, and October 20, 2022) targeting architecture and design students; Exhibition of 10 Wooden Art Painting Artists (March 26 - April 10, 2022) which targeted the community of painting enthusiasts and the public; and The Colours of Indonesia (September 19-30, 2022; a Talkshow on September 24, 2022) targeting at interior designers and the public.





**5. Socialization of NDPE policy and traceability policy for suppliers and vendors**

Throughout 2022, the Company held a socialization and training activity on "Supply Chain and its Requirements" with the aim of providing suppliers with an understanding of the relationships within the palm oil supply chain, in order to meet the requirements of ISPO & RSPO certifications, NDPE policy, amongst others. In addition, we held a socialization to suppliers, especially independent smallholders, regarding the applicable best practices while minimizing potential negative and social impacts, while producing high yielding and quality fruits.

**6. Forest Protection Program at Setawar Village, Sekadau Regency, West Kalimantan**

In collaboration with the Setawar Village Administration, Palm Oil Farmers Union (SPKS), High Carbon Stock Approach (HCSA), and the Strengthening Palm Oil Sustainability (SPOS) Indonesia Program - KEHATI Foundation, DSNG, through PT Agro Andalan (PT AAN), has undertaken an initiative to promote the conservation of forests with high conservation value areas, high carbon stock forests, and indigenous people forests in Setawar Village, Sekadau, West Kalimantan.

This initiative involves the implementation of the HCSA approach and is aimed at encouraging independent palm oil farmers in Setawar Village to protect these vital ecosystems. The declaration on forest protection was made on February 24, 2022. These farmers accordingly received trainings in palm oil cultivation, as well as assistance to establish the Piansak Mandiri Cooperative by SPKS, and established a partnership with PT AAN. The above collaboration also provided support and assistance for the independent palm oil smallholders to obtain their ISPO and RSPO certifications.

**7. PwC's Webinar Series**



Denys Collin Munang as Chief Sustainability Officer of DSNG was invited as a panelist in the webinar series held by PwC Indonesia on August 31, 2022. This webinar raised the theme "Strategies to Improve Your ESG Reporting", which discussed the importance of ESG reporting and ESG Reporting Assurance. The webinar was attended by sustainability practitioners from various industries, including OJK representatives. At the webinar, our CSO conveyed the implementation of ESG principles based on the focused pillars of the Company, including the challenges and strategies for the disclosure of ESG performances.



# Our Responsible Business Commitment

[2-23, 2-24]

Our responsible business commitment in DSNG adopts three core principles to address business impact and sustainability performance. The three core principles are No Deforestation, No Peat, and No Exploitation (NDPE), preservation, and Circularity. Our NDPE commitment is available on [https://dsn.co.id//wp-content/uploads/2021/02/NDPE\\_Statement\\_DSNG.pdf](https://dsn.co.id//wp-content/uploads/2021/02/NDPE_Statement_DSNG.pdf).

## NDPE Principle

The NDPE principle is the Company's commitment to protect forests, peatlands, and the human rights of employees and communities. Some of our implementation efforts include:

1. Implementing and socializing NDPE policies to our supply chains
2. Supporting the socialization of Best Management Practices to our farmers and supply chain, as well as promoting sustainable certifications for smallholders.
3. Socializing practices in protecting forests and biodiversity
4. Towards a net zero emission transition
5. Respecting the rights of indigenous people

## Principle of Preservation

This principle represents the Company's efforts in protecting the surrounding environment from harmful impacts arising from human activities. Some implementations of the preservation principles in place are:

1. Implementing our Landscape Protection Plan along with our traceability efforts with our supply chain to comply with our NDPE policy.
2. Undertaking a survey of key species such as Orangutan in our concessions and adopting interventions to preserve and protect their habitats.
3. Off-Concession Conservation Areas (OCCA) covering an area of 3,148 Ha, where we work with the community to preserve cultural and environmental heritage their nature.

4. Reporting on our climate action plan to continue reducing carbon footprint through resource utilization renewable energy, investing in Bio-CNG plants, and application of carbon sinks in boiler chimneys.

## The Principle of Circularity

Through this principle, we implement a circular economy, by utilizing and managing our waste and by-products. We apply this principle primarily in our operations, and also reflects the approach of some of our initiatives for community development. Some of the efforts that represent the principle implementation are:

1. Utilizing our byproducts for Biomass fuel. Palm Kernel Shells are exported for Biomass Electricity Generation
2. Utilizing POME as an energy source for biogas and Bio-CNG
3. Producing brick using boiler ash waste in collaboration with the local community at our WP Engineered Flooring factory in Temanggung, as part of our community empowerment program.

These three principle are embeded in Group Sustainability Policy No. 001/DSN/CSO/VII/2021. The framework for managing its impact in three critical areas: Forests, Climate, and Community. Our sustainability policy is available on <https://dsn.co.id/wpcontent/uploads/2021/07/DSNG-Sustainability-Policy.pdf>.

## Negative Impact Recovery Process [2-25]

In order to minimize the negative impacts arising from our operations, DSNG is committed to the responsible use of resources. We diligently align our operational and supply chain processes with our No Deforestation, No Peat, No Exploitation (NDPE) policy to promote sustainable practices.

DSNG is dedicated to implementing the highest standards of sustainability practices in our three core areas: forest , climate, and community.



NDPE training conducted by the Sustainability Team for Koperasi Usaha Tani Sejahtera



PT Dharma Sumber Energi (DSE) conducted its first export of palm kernel shell to Japan

## DSNG's Commitment to Human Rights [2-23]

To further enhance DSNG's commitment to Human Rights, in 2021 DSNG has established two new policies. This policy is the Company's commitment to the protection of human rights for women and children. These policies focus on ensuring the welfare of women and their families, preventing child exploitation, access to child education, as well as ensuring their security and protection.

### 1. Child Protection Policy (No. 043/DSN/CHC/ III/2021)

This policy aims to ensure the rights and protection for children living in the surrounding operational areas of DSNG, realize the child welfare, prevent child exploitation, provide access to a decent education, as well as ensure no recruitment of minors under the age of 18. To support the child protection, DSNG through multi-party Partnerships collaborates with an institution engaging in the Prevention of Child Labor in the Agricultural Sector in Indonesia, namely the Partnership for Against Child Labour in Agriculture – PAACLA. [408-1]

### 2. Women Protection Policy (No. 044/DSN/CHC/III/2021)

DSNG's policy demonstrates its dedication to promoting gender equality in the workplace by providing support to female employees. The Company is fully committed to safeguarding the rights of women, both as workers and as family members, and is prepared to take all necessary measures to ensure that such rights are protected in its operations. Since 2021, the Company has begun providing portable toilets for our employees in our palm oil plantations and in 2022 we established 14 field toilets

with separate facilities for male and female employees. Such facilities aim to ensure female employees in privacy, safety, and comfortable environment when using the restroom. This measure also serves to minimize the occurrence of inappropriate behavior. (Full information is presented on pages 142-143 of the 2021 Sustainability Report).

In addition, the Company also ensures there are no act of discrimination against women in the work environment. The Company has a zero-tolerance policy for discrimination, sexual harassment, and other misconduct. Strict action will be taken, including reprimands, disciplinary action, and legal recourse if necessary. Our top priority is the well-being and safety of our employees, and we are committed to creating a harassment-free workplace. [406-1]

Since 2021, the Company has established a committee for women. Until the end of 2022, there were 62 female committee members DSNG subsidiaries in palm oil plantations in Muara Wahau and Kongbeng Districts, Kutai Timur Regency, East Kalimantan Province. The establishment of this women's committee aims to organize socialization and campaigns for the protection and fulfillment of children's rights, as well as workshops and engagements on the needs of protection and fulfillment of children's rights.



Child protection program awareness training by the women's committee team



## Our Commitment to Anti-Corruption and Anti-Bribery

The Company has established various Good Corporate Governance (GCG) measures to strengthen its Code of Conduct policy in line with its commitment as a responsible business entity. One of the GCG policies implemented by DSNG is the Anti Corruption and Anti Bribery Policies which have been fully implemented in the reporting period. Throughout 2022, the Company has conducted socialization of anti-bribery and anti-corruption policies to employees, top management executives management and the Board of Directors, including new employees.

As an evaluation effort, the Company through the Internal Audit Division continues to conduct assessments to identify business processes that have a high risk of corruption. Based on the results of the assessment, during 2022, no corruption cases/incidents occurred. Handling related to anti-corruption allegations is in accordance with anti-bribery and anti-corruption policy No. 032/CHC/VI/2022VI/2022VI/2022. [205-1, 205-2, 205-3]

## Sustainability Linked-Loan Financing



In the reporting period, DSNG worked towards obtaining a USD15 Million Loan Facility from the Asian Development Bank (ADB) for its wood product business. The said loan, which is expected to be in place by the first quarter of 2023, shall be utilized to help the company expand sustainable wood processing, rural livelihood development, and climate-resilient agroforestry in Java, Indonesia. This financing is a tangible manifestation of DSNG and ADM's commitments to preparing for a low-carbon and climate-resilient future. The proceeds from this financing will be used to improve rural livelihoods and climate resilience through innovative programs and trainings held to local farmers. The trainings will include materials relating to climate-resilient practices for complex agroforestry systems and financial literacy provided to approximately 4,000 farmers, of whom 1,200 are female farmers. Through the program, the company shall actively support its sengon and jabon farmers to obtain certifications from the Forest Stewardship Council.

Since 2021, as part of its commitment to &Green financing, the company has consistently engaged an independent party to audit its environmental and social commitment. This audit was aimed at ensuring the fulfillment of several standards that served as the Company's operational guidance, such as the International Financial Corporation Performance Standards (IFC PS) on Environmental and

Social Sustainability; World Bank Group Environmental Health and Safety Guidelines (EHS); Green Landscape Protection Requirements & Plan (LPP); No Deforestation, No Peat, No Exploitation (NDPE) Policy; DSNG's Sustainability Policy; and ESMS. The findings obtained from the audit process become a reference for recommendations from the auditor, which then become the environment and social action plan in the following year.

The report audit is published on both &Green and DSNGs websites as part of its commitment to transparency to its stakeholders. The report can be accessed at <https://www.andgreen.fund/portfolio/ptdharma-satya-nusantara-tbk-dsng/>.



Michael Schlup, Sanjiv Louis, & Vidya Iyer from &Green visiting DSNG's smallholder supplier in Muara Wahau, East Kalimantan

# Whistleblowing System

In 2021, the Company has issued a Whistleblowing System Policy (SPP) No. 042/DSN/CHC/III/2021. This system aims to identify and prevent violations potentially harm all stakeholders of the Company. The Company ensures privacy protection for whistleblowers or witnesses who report complaints. In addition, this system also ensures that all reports or complaints can be resolved effectively and thoroughly by involving the parties concerned. This policy was passed on March 18, 2021. During 2022, there is one report submitted through SPP and has been followed up and declared completed by the Human Capital Department and related functions of the Company. [2-16]

## Complaint Management Mechanism [2-26]

The Company provides access for external stakeholders to be able to submit reports and complaints to improve our governance. Such complaints can be submitted through the External Complaint Reporting System which can be accessed online through our website <https://grievance.dsn.co.id/> or through CSR staffs / Operational staffs available on our site. The company provides privacy protection to the complainant and the parties who carry out investigations from any kind of threats or intimidation from any parties. The type and number of complaints from the public and other stakeholders received in 2022 can be seen on page 80.

### Types and Numbers of Employee Complaints and Their Resolutions in 2022

Types of Complaints	Number of Complaints	%	Status	
			Resolved	Pending
Environment	8	2.09	8	0
Health	2	0.52	2	0
Education	0	0	0	0
Residential Facilities	322	84.07	321	1
Public Facilities	29	7.57	29	0
Provision of Clean Water	10	2.61	10	0
Provision of Electricity	3	0.78	3	0
Shopping Needs	1	0.26	1	0
The others	8	2.09	6	2
<b>Total</b>	<b>383</b>	<b>100</b>	<b>380</b>	<b>3</b>



# Cross References of POJK 51/POJK.03/2017

## [POJK51-G.4]

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# GRI Content Index

Statement of Use	PT Dharma Satya Nusantara Tbk has reported in accordance with the GRI Standards for the period 1 January 2022 until 31 December 2022.	
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# Feedback Form [POJK51-G.2]

We thank you for reading this sustainability report. In order to improve the quality and fulfill future expectations, we would like to receive your feedback. Your response means a lot to us, so please allow us to ask you a few questions regarding this report.

No.	Question	Yes	No
1.	This report provides useful information.	( )	( )
2.	This report is easy to understand.	( )	( )
3.	This report has encouraged you to contribute to sustainability.	( )	( )
How important/interesting is the performance below:		<b>(Scale 1-10)</b>	
4.	Economic Performance		
5.	Social Performance		
6.	Environmental Performance		
7.	What material do you think needs to be added?		
_____			
_____			
8.	What contributions does the Company needs to improve?		
_____			
_____			
9.	Other suggestions and feedback:		
_____			
_____			
_____			

**Stake holder profile**

- ( ) Shareholders/Investors    ( ) Employees    ( ) Consumer    ( ) Community    ( ) Government  
 ( ) Business Partner    ( ) Media    ( ) NGO    ( ) Others

Gender : \_\_\_\_\_  
 Age : \_\_\_\_\_  
 Occupation : \_\_\_\_\_  
 Latest Education : \_\_\_\_\_

Thank you for your participation. Please send this feedback form to the address:

**PT Dharma Satya Nusantara Tbk**  
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# Appendix



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SUSTAINABILITY  
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# Appendix

## PROPER Participation and Achievements

PROPER Assessment Result									
PROPER Ratings	2022			2021			2020		
	Gold	Green	Blue	Gold	Green	Blue	Gold	Green	Blue
Province		POM 1	POM 9		POM 1	POM 9		POM 1	POM 9
		POM 2			POM 2			POM 2	POM 10
		POM 3			POM 3			POM 3	
		POM 4			POM 4			POM 4	
		POM 6			POM 6			POM 6	
		POM 7			POM 7			POM 7	
		POM 10			POM 10				
National			SWA-POM 1, DSN-POM 4, DSN-POM 7, BAS-POM 10 dan PWP-POM 5			POM 1, POM 4 dan POM PWP			POM 1
<b>POM Total</b>		<b>7</b>	<b>6</b>	<b>-</b>	<b>7</b>	<b>4</b>	<b>-</b>	<b>6</b>	<b>3</b>

## Monitoring Results for Protected Species in Conservation Areas in 2022 According to the IUCN Red List [304-3, 304-4] [SPOTT 65]

Scientific Name	Local Name	Conservation Status
Bambusa sp	Bambu	Least Concern
Pterospermum javanicum	Bayur	Least Concern
Dracontomelon spp	Dahu	-
Macaranga spp	Mahang	-
Mangifera sp	Mangga Hutan	-
Shorea spp	Meranti Putih	-
Ficus spp	Pohon Ara/Beringin	-
Peronema canescens	Sungkai	Least Concern
<b>BIRDS</b>	<b>BIRDS</b>	<b>BIRDS</b>
Falconidae	Alapalap	-
Ciconia stormi	Bangau Storm	Endangered
Leptoptilos javanicus	Bangau Tongtong	Vulnerable
Lanius cristatus	Bentet Coklat	Least Concern
Lanius schach	Bentet Kelabu	Least Concern
Lonchura fuscans	Bondol Kalimantan	Least Concern



Scientific Name	Local Name	Conservation Status
<i>Lonchura malacca</i>	Bondol Rawa	Least Concern
<i>Centropus bengalensis</i>	Bubut Alang-alang	Least Concern
<i>Centropus sinensis</i>	Bubut Besar	Least Concern
<i>Chalcoparia singalensis</i>	Burungmadu Belukar	Least Concern
<i>Aethopyga siparaja</i>	Burungmadu Sepah Raja	Least Concern
<i>Ardea cinerea</i>	Cangak Abu	Least Concern
<i>Ardea alba</i>	Cangak Besar	Least Concern
<i>Ardea purpurea</i>	Cangak Merah	Least Concern
<i>Halcyon pileata</i>	Cekakak Cina	Least Concern
<i>Todiramphus chloris</i>	Cekakak Sungai	Least Concern
<i>Orthotomus atrogularis</i>	Cinenen Belukar	Least Concern
<i>Orthotomus ruficeps</i>	Cinenen Kelabu	Least Concern
<i>Pycnonotus aurigaster</i>	Cucak Kutilang	Least Concern
Accipitridae	Elang	Least Concern
<i>Nisaetus alboniger</i>	Elang Gunung	Least Concern
<i>Ictinaetus malaiensis</i>	Elang Hitam	Least Concern
<i>Elanus caeruleus</i>	Elang Tikus	Least Concern
<i>Pandion haliaetus</i>	Elang Tiram	Least Concern
<i>Nisaetus nanus</i>	Elang Wallace	Least Concern
<i>Haliaeetus leucogaster</i>	Elanglaut Perut-putih	Least Concern
<i>Zosterops simplex</i>	Kacamata Biasa	Least Concern
<i>Phaenicophaeus curvirostris</i>	Kadalan Birah	Least Concern
<i>Anthracoceros malayanus</i>	Kangkareng Hitam	Vulnerable
<i>Anthracoceros albirostris</i>	Kangkareng Perut-putih	Least Concern
<i>Amaurornis phoenicurus</i>	Kareo Padi	Least Concern
<i>Rhipidura javanica</i>	Kipasan Belang	Least Concern
<i>Argusianus argus</i>	Kuau Raja	Least Concern
<i>Copsychus pyrrropygus</i>	Kucica Ekor-kuning	Least Concern
<i>Copsychus malabaricus</i>	Kucica Hutan/Murai Batu	Least Concern
<i>Copsychus stricklandii</i>	Kucica Kalimantan	Least Concern
<i>Copsychus saularis</i>	Kucica Kampung/Kacer	Least Concern
<i>Egretta eulophotes</i>	Kuntul Cina	Least Concern
<i>Egretta garzetta</i>	Kuntul Kecil	Least Concern
<i>Bubulcus ibis</i>	Kuntul Kerbau	Least Concern
<i>Hirundo rustica</i>	Layanglayang Asia	Least Concern
<i>Hirundo javanica</i>	Layanglayang Rumah	Least Concern
<i>Delichon dasypus</i>	Layanglayang Rumah Asia	Least Concern
<i>Pycnonotus goiavier</i>	Merbah Cerukcuk	Least Concern
<i>Anhinga melanogaster</i>	Pecukular Asia	Near Threatened
<i>Pelargopsis capensis</i>	Pekaka Emas	Least Concern
<i>Geopelia striata</i>	Perkutut Jawa	Least Concern



Scientific Name	Local Name	Conservation Status
Treron olax	Punai Kecil	Least Concern
Alcedinidae	Rajaudang	Least Concern
Lophura ignita	Sempidan Biru	Least Concern
Eurylaimus ochromalus	Sempurhujan Darat	Least Concern
Muscicapa dauurica	Sikatan Bubik	Least Concern
Dicrurus annectens	Srigunting Gagak	Least Concern
Dicrurus macrocercus	Srigunting Hitam	Least Concern
Psilopogon australis	Takur Tenggeret	Least Concern
Spilopelia chinensis	Tekukur Biasa	Least Concern
Gracula religiosa	Tiong Emas/Beo	Least Concern
Collocalia esculenta	Walet Sapi	Least Concern
Cacomantis variolosus	Wiwik Uncuing	Least Concern
<b>MAMMALS</b>	<b>MAMMALS</b>	<b>MAMMALS</b>
Sus spp	Babi	Least Concern
Sus scrofa	Babi Hutan	Least Concern
Sundasciurus tenuis	Bajing Bancirok/Ramping	Least Concern
Nasalis larvatus	Bekantan	Endangered
Macaca nemestrina	Beruk	Vulnerable
Muntiacus muntjak	Kijang Muncak	Least Concern
Presbytis spp	Lutung	-
Macaca fascicularis	Monyet Ekor Panjang	Vulnerable
Pongo pygmaeus	Orangutan Kalimantan	Critically Endangered
Tupaia tana	Tupaia Tanah	Least Concern
<b>REPTILES</b>	<b>REPTILES</b>	<b>REPTILES</b>
Varanus salvator	Biawak Air	Least Concern
Crocodylus porosus	Buaya Muara	Least Concern
Ophiophagus hannah	King Cobra	Vulnerable
Naja sumatrana	Kobra Peludah	Vulnerable
Malayopython reticulatus	Sanca Batik	Least Concern

Grievance on Deforestation Indication

No	Location	Complaint Details	Verification and Clarification	Status
1	PT DPS	Deforestation Alert at Suppliers' Estate from POM 8 - DSN (PT DPS).	Deforestation was spotted outside the cadastral of PT DPS; land clearing was done by community (individual)	Closed Clarification Letter dated January 7, 2022
2	PT PWP	Deforestation Alert at Suppliers' Estate from POM5 (PT PWP)	<ul style="list-style-type: none"> <li>- The first spot was outside the concession; clearing was done by the community for farming.</li> <li>- The second spot was within the part of the concession that was in the process of partially release of HGU due to changes in the Central Kalimantan Provincial Spatial Plan.</li> </ul>	Closed Clarification Letter dated February 28, 2022
3	PT KAP	Deforestation Alert at Suppliers' Estate from POM 8 - DSN (PT KAP)	Both spots were within the concession; the land clearing was under community tenure.	Closed Clarification Letter dated February 28, 2022
4	PT DWT	Buyer requested clarification regarding indications of deforestation at PT DWT from 2016	<ul style="list-style-type: none"> <li>- Two spots were in the riparian zone, cleared by the community for farming.</li> <li>- The other two spots were fire breaks that were built during the 2017 fires.</li> </ul>	Closed Clarification Letter dated March 1, 2022 along with the Minutes of Field Verification.
5	PT PWP	Deforestation Alert at Suppliers' Estate from POM 5 - PT PWP	The detected spot was within the part of the concession that was in the process of partially release of HGU due to changes in the Central Kalimantan Provincial Spatial Plan.	Closed Clarification Letter dated May 30, 2022 along with the Minutes of Field Verification.
6	PT BPN	Deforestation Alert at Suppliers' Estate from POM 9 - PT BPN (PT NIKP)	The deforestation sites were outside of PT BPN's supplier plantations	Closed Clarification Letter dated July 14, 2022
7	PT DWT	Deforestation Alert at Suppliers' Estate from POM 6 - DSN (PT DWT).	Two spots were on the riparian zone, cleared by the community for farming.	Closed Clarification Letter dated March 1, 2022 along with the Minutes of Field Verification.
8	PT PWP	Deforestation Alert at Suppliers' Estate from POM 5 - PT PWP (KM)	The land clearing spot was outside PT PWP's concession.	Closed Two clarification letters were sent, dated July 31, 2022 and August 29, 2022
9	PT BAS	Deforestation Alert at Suppliers' Estate from POM 10 - BAS (PT BAS)	The area was opened for partnership plantation and had previously undergone NPP.	Closed Clarification Letter dated July 27, 2022
10	PT PWP	Deforestation Alert at Suppliers' Estate from POM 5 - PWP (KM)	Field verification was performed	Closed Minutes of Field Verification had been sent to Buyer, dated September 2022



## Community Empowerment Activities in the Economic Sector

PT	Activities	Location			Beneficiaries	
		Total	Village Name	District/ Regency	Total	Institution
<b>A. EAST KALIMANTAN</b>						
<b>a. MUARA WAHAU</b>						
1	Education & training on PPh 23, Invoice Number and Electronic Certificate.	1	Miau Baru Village	Kongbeng District, Kutai Timur Regency.	4	Koperasi Seleq Sejahtera Bersama, Karya Sejahtera, Lai Sejahtera, Cahaya Miau Bersatu.
		4	Nehas Liah Bing Village, Dea Beq, Bea Nehas, Diaq Lay & Juak Luay.	Muara Wahau District, Kutai Timur Regency	10	Koperasi Kel'ean Blom Kejah, Usaha Baru, Min Bea Glang Mandiri, Petsosang Wehea, Sawitan Surya, Sawit Usaha Tani Sejahtera, Usaha Baru, Kombeng Lestari, Jengea Bong Pet Kuq, Min Sun Lekut, Gerdabang Agri Center.
2	Education & training on OSS RBA (One Single Submission Risk Based Approach) & LKPM (Investment Activity Report).	1	Miau Baru Village	Kongbeng District, Kutai Timur Regency	3	Koperasi Karya Sejahtera, Seleq Sejahtera Bersama, Lai Sejahtera.
		7	Nehas Liah Bing Village, Jak Luay, Muara Wahau, Dea Beq, Muara Wahau, Bea Nehas, Diaq Lay.	Muara Wahau District, Kutai Timur Regency	10	Koperasi Kel'ean Blom Kejah, Sawitan Surya, Harapan Baru, Min Bea Glang Mandiri, Sawit Usaha Tani Sejahtera, Kombeng Lestari, Karya Prima Wehea Sejahtera, Jengea Bong Pet Kuq, Min Sun Lekut, Gerdabang Agri Center.
3	Training related to the application of e-faktur 3.2 and Annual Tax e-Form.	1	Miau Baru Village	Kongbeng District, Kutai Timur Regency	4	Koperasi Seleq Sejahtera Bersama, Karya Sejahtera, Lai Sejahtera, Cahaya Miau Bersatu.
		6	Nehas Liah Bing Village, Jak Luay, Muara Wahau, Dea Beq, Bea Nehas, Diaq Lay	Muara Wahau District, Kutai Timur Regency	11	Koperasi Kel'ean Blom Kejah, Usaha Baru, Sawitan Surya, Sawit Wehea Tlan Sejahtera, Min Bea Glang Mandiri, Sawit Usaha Tani Sejahtera, Usaha Baru, Kombeng Lestari, Karya Prima Wehea Sejahtera, Jengea Bong Pet Kuq, Min Sun Lekut.
4	Education & training on Tax Invoice Per DJP 03/PJ/2022.	1	Miau Baru Village	Kongbeng District, Kutai Timur Regency	4	Koperasi Seleq Sejahtera Bersama, Karya Sejahtera, Lai Sejahtera, Cahaya Miau Bersatu.
		6	Nehas Liah Bing Village, Jak Luay, Muara Wahau, Dea Beq, Bea Nehas, Diaq Lay.	Muara Wahau District, Kutai Timur Regency	12	Koperasi Kel'ean Blom Kejah, Usaha Baru, Sawitan Surya, Petsosang Wehea, Sawit Wehea Tlan Sejahtera, Min Bea Glang Mandiri, Sawit Usaha Tani Sejahtera, Usaha Baru, Kombeng Lestari, Karya Prima Wehea Sejahtera, Jengea Bong Pet Kuq, Min Sun Lekut.
5	Education & training relating to Tax Invoice Per DGT 03/PJ/2022.	1	Sidomulyo	Kongbeng District, Kutai Timur Regency	1	Koperasi Makarti
		3	Nehas Liah Bing Village, Wahau Baru, Karya Bakti	Muara Wahau District, Kutai Timur District.	4	Koperasi Kel'ean Blom Kejah, Sawit Usaha Tani Sejahtera, Sumber Rejeki, Karya Indah.

PT	Activities	Location			Beneficiaries	
		Total	Village Name	District/Regency	Total	Institution
6	Provision of technical assistance & study program for rice & vegetable farming.	1	Longsep Hamlet, Muara Wahau Village	Muara Wahau District, Kutai Timur District.	1	Punan Dayak Tribe Community, Longsep Hamlet, Muara Wahau Village.
7	Provision of technical assistance for Lake Lelhut ecotourism development.	1	Nehas Liah Bing Village	Muara Wahau District, Kutai Timur District.	1	Tourist Awareness Group (Pokdarwis) of Lake Lelhut
8	Development of Air Conditioner service business	1	Muara Wahau Village	Muara Wahau District, Kutai Timur District.	1	Wahau Generation (Gen. W) - Youth community of Muara Wahau Village.
9	Strengthening the role of Community Center in the supply chain of local food security.	1	Miau Baru Village	Kongbeng District, Kutai Timur Regency	1	BUMDES Miau Baru Village.
<b>b. PT BPN</b>						
1	Comparative study & provision of technical assistance for village governance	1	Tepian Langsung Village	Bengalon District, Kutai Timur Regency	2	Village Administration of Tepian Langsung & Kutai Timur Regency Administration
2	Agronomic training for independent smallholders	1	Tepian Makmur Village	Rantau Pulung District, Kutai Timur Regency	2	Palm Oil Farmers Forum of Kutai Timur Regency and Gapoktan Desa Tepian Makmur.
3	Business partnership development	1	Tepian Langsung Village	Bengalon District, Kutai Timur Regency	3	Tepian Langsung Village Government, BUMDES Tepian Bina Bersama & Tepian Prima Sawit Cooperative.
4	Transport safety first standardization training CPO	1	Tepian Langsung Village	Bengalon District, Kutai Timur Regency	2	BUMDES Tepian Bina Bersama & Koperasi Tepian Prima Sawit.
<b>c. PT BAS</b>						
1	Provision of technical assistance & study program rice farming	1	Baay Village	Karangan District, Kutai Timur Regency	3	Baay Tapestry Farmer Group, Baay Berkarya Farmer Group & Bina Utama Farmer Group.
<b>B. CENTRAL KALIMANTAN</b>						
<b>PT PWP</b>						
1	Good oil palm plantation training for independent smallholders.	6	Tamiang Village, Bakonsu Village, Sekoban Village, Suja Village, Tapin Bini Village & Liku Mulya Sakti Village.	Bulik & Lamandau Districts, Lamandau District.	6	Tamiang Village, Bakonsu Village, Sekoban Village, Suja Village, Tapin Bini Village & Liku Mulya Sakti Village.
2	Provision of technical assistance & study program vegetable farming.	2	Bakonsu Village & Sekoban Village.	Lamandau District, Lamandau District.	2	KWT (Women's Farmer Group) Sangkuang Manis Sekoban Village & Kampuk Hibul Bakonsu Village.



PT	Activities	Location			Beneficiaries	
		Total	Village Name	District/Regency	Total	Institution
3	Strengthening credit union capacity.	1	Tamiang Village.	Bulik District, Lamandau District.	1	Credit Union Pandulangan Bersatu.
<b>C. WEST KALIMANTAN</b>						
a. PT AAN						
1	Development of paddy demplot	2	Setawar Village, Tapang Perodah	Sekadau Hulu District, Sekadau Regency	2	Glo Tado Farmer Group, Jundak Mayang Unraveling
b. PT KAP						
1	Land Tenure Study	-	PT KAP's developed villages	Sepauk District, Sintang Regency	-	PT KAP assisted villages

Note:

East Kalimantan - Muara Wahau, Karang and Bengalon (around Muara Wahau operational area/PT SWA-DIN-DAN-DWT-KPS-DSN, Bengalon/PT BPN and Karang/PT BAS).

North Kalimantan - Tanjung Selor/Bulungan (around the operational area of PT DIL).

Central Kalimantan - Lamandau (around the operational area of PT PWP).

West Kalimantan - Sekadau/Sintang (around the operational area of PT AAN, PT KAP, PT DPS, PT PSA, PT MNS).

## Empowerment of Indigenous People & Cultural Heritage Preservation Activities

PT	Activities	Beneficiaries				
		Indigenous People	Village		Total	
			Village Name	District/Regency		
<b>A. EAST KALIMANTAN</b>						
a. Muara Wahau						
1	Supporting harvest celebration activities (Lomplai - Bob Jengea).	Indigenous People of Wehea Dayak Tribe.	Nehas Liah Bing Village, Dea Village Beq, Diaq Lay Village, Bea Nehas Village & Jak Luay Village.	Muara Wahau District, Kutai Timur Regency.	5	village
2	Management of Wehea Tlan Site	Indigenous Dayak of Wehea. People	Dea Beq Village, Diaq Lay, Bea Nehas.	Muara Wahau District, Kutai Timur Regency.	3	village
3	Provision of contextual education			Muara Wahau District, Kutai Timur Regency.		
4	Provision of technical assistance & saprodi for rice & vegetable farming.	Indigenous People of Dayak Punan Tribe.	Longsep Hamlet, Muara Wahau Village.		1	Hamlets
5	Provision of technical assistance for the ecotourism development around Lake Lelhut.	Indigenous People of Wehea Dayak Tribe.	Nehas Liah Bing Village.	Muara Wahau District, Kutai Timur Regency	1	village
b. PT BPN						
1	Ancestral tomb care activity	Indigenous People of Basap & Benuaq Tunuk Dayak Tribes. Indigenous People of Kutai Tribe.	Tepian Langsung Village	Bengalon District, Kutai Timur Regency	1	village

PT	Activities	Beneficiaries				Total
		Indigenous People	Village		District/ Regency	
			Village Name			
<b>c. PT BAS</b>						
1	Village Pelas.	Indigenous People of Basap.Dayak Tribe	Baay Village & Karangon Seberang Village	Karangon District, Kutai Timur Regency	2	village
2	Provision of technical assistance & saprodi for rice field farming.	Indigenous People of Basap Dayak Tribe	Baay Village.	Karangon District, Kutai Timur Regency	3	farmer groups
<b>B. NORTH KALIMANTAN</b>						
<b>PT DIL</b>						
1	Participation in the Local Dialogue of Indigenous Kenyah Tribe.	Indigenous People of Kenyah Dayak Tribe	Pura Sajau Village.	Tanjung Palas Timur District, Bulungan Regency	1	village
2	Participation in the Local Dialogue of Indigenous Kayan Tribe.	Indigenous People of Kayan Dayak Tribe	Long Bang Village.	Peso Hilir District, Bulungan Regency	1	village
3	Implementation of Lentera Hati Learning House (RB)	Indigenous People of Punan Dayak Tribe	Wonomulyo Village.	Tanjung Palas Timur District, Bulungan Regency	1	village
<b>C. CENTRAL KALIMANTAN</b>						
<b>PT PWP</b>						
1	Traditional Rituals of Babantan Babia.	Indigenous People of Tomun, Dayak Tribe	Tamiang Village.	Bulik District, Lamandau Regency	1	village
<b>D. WEST KALIMANTAN</b>						
<b>a. PT AAN</b>						
1	Providing support for Gawai Dayak Kobat Menak Karabat Sekadau	-	-	Sekadau Hilir District, Sekadau Regency	1	village
<b>b. PT KAP</b>						
1	Support for the National Dialogue of Tariu Borneo Bangkule Rajakng.	Community organization (CO) of Tariu Borneo Bangkule Rajakng (TBBR) of Sintang Regency	-	Sintang Regency	-	-
<b>c. PT DPS</b>						
1	Providing support for Gawai Dayak Nyelapat of Sekubang Tribe	Sekubang Dayak Tribe Community	Sekubang Village	Sepauk District, Sintang Regency	1	village
<b>d. PT PSA</b>						
1	Providing support for Gawai Dayak Nyelapat of Sekubang Tribe	Sekubang Dayak Tribe Community	Bernayau Village	Sepauk District, Sintang Regency	1	village

Note:  
 East Kalimantan - Muara Wahau, Karangon and Bengalon (around Muara Wahau operational area/PT SWA-DIN-DAN-DWT-KPS-DSN, Bengalon/PT BPN and Karangon/PT BAS).  
 North Kalimantan - Tanjung Selor/Bulungan (around the operational area of PT DIL).  
 Central Kalimantan - Lamandau (around the operational area of PT PWP).  
 West Kalimantan - Sekadau/Sintang (around the operational area of PT AAN, PT KAP, PT DPS, PT PSA, PT MNS).



## Community Empowerment Activities in the Socio-Cultural Sector

PT	Activities	Location			Beneficiaries	
		Total	Village	District/ Regency	Total	Institution/ Group/ Individual
<b>A. KALIMANTAN TIMUR - KALIMANTAN UTARA</b>						
<b>a. MUARA WAHAU</b>						
1	Flood response	3	Sanggata Utara Village, Swarga Bara village, Teluk Lingga Village	Sanggata Utara District, Kutai Timur Regency	-	Families affected
		2	Sanggata Selatan Village & Singa Gaweh Village	Sanggata Selatan District, Kutai Timur Regency	-	Families affected
2	Child protection campaigns	1	DSNG's Palm Oil Estates in Muara Wahau Village & Miau Baru Village	Muara Wahau & Kongbeng Districts, Kutai Timur Regency	1,769	Children
					1,004	Mothers/adult women
3	Basic Parenting Class	1	DSNG's Palm Oil Estates in Muara Wahau Village & Miau Baru Village	Muara Wahau & Kongbeng Districts, Kutai Timur Regency	206	Member of Child and Babysitter Protection Committee & Daycare Center (TPA)
4	Anti-bullying campaign in elementary schools surrounding the plantation areas.	1	DSNG's Palm Oil Estates in Muara Wahau Village & Miau Baru Village	Muara Wahau & Kongbeng Districts, Kutai Timur Regency	392	Six (6) elementary schools student & 1 junior high school student in the plantation area.
5	Harvest party activity support (Lomplai - Bob Jengea)	5	Nehas Liah Bing Village, Dea Beq Village, Diaq Lay Village, Bea Nehas Village & Jak Luay Village.	Muara Wahau District, Kutai Timur District.	8	Four village administrations, 5 traditional institutions of the Wehea Dayak Tribe (Nehas Liah Bing Village, Dea Beq, Diaq Lay, Bea Nehas & Juak Luay Village)
6	Wehea Site Management	1	Bea Nehas Village	Muara Wahau District, Kutai Timur Regency.	6	Three village administrations, 3 traditional institutions of the Wehea Dayak Tribe (Dea Beq Village, Diaq Lay, Bea Nehas)
<b>b. PT BPN</b>						
1	Flood response	1	Tepian Langsat Village	Bengalon District, Kutai Regency	-	Families affected
2	Socialization of child protection	1	DSNG's Palm Oil Estates at Tepian Langsat Village	Bengalon District, Kutai Regency	50	Female representatives of the company.



PT	Activities	Location			Beneficiaries	
		Total	Village	District/ Regency	Total	Institution/ Group/ Individual
3	Ancestral tomb care.	1	Tepian Langsung Village	Bengalon District, Kutai Regency	3	Indigenous People Community of Basap Dayak Tribe, Benuaq Tunuk Dayak Tribe & Kutai Tribe.
c. PT BAS						
1	Flood response	1	Baay Village, Karangan Dalam, Karangan Seberang & Pengadan Villages.	Karangan District, Kutai Timur Regency	626	Families affected
2	Village Pelas.	2	Baay Village & Karangan Seberang Villages.	Karangan District, Kutai Timur Regency	210	Dayak Basap Tribe, Baay Village & Karangan Seberang Village
3	Socialization of child protection	1	Karangan Dalam Village	Karangan District, Kutai Timur Regency	24	Representatives of organizations of village women
		1	DSNG Palm Oil Estates in the Baay Village	Karangan District, Kutai Timur Regency	27	Female representatives of the company.
<b>B. NORTH KALIMANTAN</b>						
PT DIL						
1	Support for Integrated Care Center (posyandu)	4	Jelarai Selor Village, Wonomulyo, Sajau & Tanjung Agung Villages.	Tanjung Selor District & Tanjung Palas Timur District, Bulungan Regency	-	Residents of Jelarai Selor Village, Wonomulyo, Sajau & Tanjung Agung Village.
2	Participation in the Local Dialogue of Indigenous Kenyah tribe.	1	Pura Sajau Village	Tanjung Palas Timur District, Bulungan Regency.	-	Indigenous People Community of Kenyah Dayak
3	Participation in the Local Dialogue of Indigenous Kayan tribe.	1	Long Bang Village	Peso Hilir District, Bulungan Regency.	-	Indigenous People Community of Kayan Dayak
<b>C. CENTRAL KALIMANTAN</b>						
PT PWP						
1	Support for traditional rituals of Babantan Babia	1	Tamiang Village	Bulik District, Lamandau Regency	-	Residents of Tamiang Village
2	Flood response	7	Tamiang Village, Bakonsu, Skeoban, Suja, Tapin Bini, Nangan Belantikan & Liku Mulya Sakti Village	Bulik, Lamadau & Belantikan Raya Districts, Lamandau Regency	-	Residents of Tamiang, Bakonsu, Skeoban, Suja, Tapin Bini, Nangan Belantikan & Liku Mulya Sakti Villages



PT	Activities	Location			Beneficiaries	
		Total	Village	District/Regency	Total	Institution/ Group/ Individual
<b>D. WEST KALIMANTAN</b>						
<b>a. PT AAN</b>						
1	Supporting Gawai Dayak Kobat Menak Karabat Sekadau	-	Sintang District	Sintang District	1	Community organization (CO) of Tariu Borneo Bangkule Rajakng (TBBR) of Sintang Regency
<b>b. PT KAP</b>						
1	Supporting the National Dialogue of Tariu Borneo Bangkule Rajakng.	1	Setawar Village	Sekadau Hulu District, Sekadau Regency	-	People from Setawar Hamlet, Setawar Village
<b>c. PT DPS</b>						
1	Supporting Gawai Dayak Nyelapat of Sekubang Tribe	1	Sekubang Village	Sepauk District, Sintang Regency	1	Residents of Sekubang Village
<b>d. PT PSA</b>						
1	Supporting Gawai Dayak Nyelapat of Sekubang Tribe	1	Bernayau Village	Sepauk District, Sintang Regency	1	People from Bernayau Village

Note:

East Kalimantan - Muara Wahau, Karang and Bengalon (around Muara Wahau operational area/PT SWA-DIN-DAN-DWT-KPS-DSN, Bengalon/PT BPN and Karang/PT BAS).

North Kalimantan - Tanjung Selor/Bulungan (around the operational area of PT DIL).

Central Kalimantan - Lamandau (around the operational area of PT PWP).

West Kalimantan - Sekadau/Sintang (around the operational area of PT AAN, PT KAP, PT DPS, PT PSA, PT MNS).

## Community Empowerment Activities in the Residential and Environment

PT	Activities	Location			Beneficiaries	
		Total	Village	District/Regency	Total	Description
<b>A. EAST KALIMANTAN</b>						
<b>a. MUARA WAHAU</b>						
1	Inter-village shaft road maintenance	4	Muara Wahau Village, Dea Beq, Diaq Lay, Bea Nehas	Muara Wahau District, Kutai Timur Regency	1.928	Residents of Muara Wahau Village, Dea Beq, Diaq Lay, Bea Nehas
2	Construction of community places of worship	1	Diaq Lay Village	Muara Wahau District, Kutai Timur Regency	168	People from Miau Baru Utara Village
3	Establishment of GMPA (Fire Care Farmer Group)	1	Miau Baru Village	Kongbeng District, Kutai Timur District.	-	Farmer of Miau Baru Village.
		5	Nehas Liah Bing Village, Muara Wahau, Dea Beq, Diaq Lay & Bea Nehas Villages.	Muara Wahau District, Kutai Timur Regency	-	Farmers of Nehas Liah Bing Village, Muara Wahau, Dea Beq, Diaq Lay & Bea Nehas Village.
4	Firefighting training	1	Nehas Liah Bing Village	Muara Wahau District, Kutai Timur Regency	-	Farmers are members of the Kel'ean Blom Kejah Cooperative, Sawit Usaha Tani Sejahtera , Karya Prima Sawit Sejahtera.
<b>b. PT BPN</b>						

PT	Activities	Location			Beneficiaries	
		Total	Village	District/ Regency	Total	Description
1	Renovation of community places of worship	1	Tepian Langsung Village	Bengalon District, Kutai Timur Regency	-	Residents of Tepian Langsung Village
2	Socialization of dalkarhutla	1	Tepian Langsung Village	Bengalon District, Kutai Timur Regency	-	Residents of Tepian Langsung Village
c. PT BAS						
1	Shaft road repair	4	Baay Village, Karangon Seberang, Karangon Ilir & Batu Lepoq Village	Karangon District, Kutai Timur Regency	2.939	Residents of Baay, Karangon Seberang, Karangon Ilir & Batu Lepoq. Villages
2	Settlement road & bridge repair	1	Baay Village	Karangon District, Kutai Timur Regency	488	Residents of Baay Village.
3	Socialization of dalkarhutla	1	Karangon Dalam Village	Karangon District, Kutai Timur Regency	-	Representatives of Baay Village, Karangon Seberang Village, Karangon Dalam, Karangon Ilir, Batu Lepoq Village & Kawal Borneo Community Foundation (KBCF)
<b>B. CENTRAL KALIMANTAN</b>						
PT. PWP						
1	Village road maintenance	1	Sekoban Village.	Lamandau District, Lamandau District.	-	Residents of Sekoban Village.
2	Opening of access roads between villages	2	Tamiang Village & Beruta Village.	Bulik District, Lamandau District.	-	Residents of Tamiang Village & Beruta Village.
3	Bukit Bulo forest conservation declaration, Lajamanah & Pandulangan.	4	Tapin Bini Village, Tamiang, Bakonsu & Suja Village.	Bulik & Lamandau Districts, Kab. Lamandau.	-	Residents of Tapin Bini, Tamiang, Bakonsu, Suja & Lamandau Regency Administration
<b>C. WEST KALIMANTAN</b>						
a. PT. AAN						
1	Forest conservation declaration of Rimba Bris, Bukit Jundak & Geradok	1	Setawar Village	Sekadau Hulu District, Sekadau Regency	-	Residents of Setawar Village, SPKS (Palm Oil Farmers Union), Customary Institution & Setawar Village Administration and Sekadau Regency Administration.
2	Socialization, apple alert & training on forest & land fire control (dalkarhutla)	1	Setawar Village	Sekadau Hulu District, Sekadau Regency	-	PT AAN/KAP/PSA/DPS' developed villages
3	Socialization & forest and land fire patrol	-	PT AAN's developed Villages	Sekadau Hulu District, Sekadau Regency	-	Farmers of PT AAN's developed villages



PT	Activities	Location			Beneficiaries	
		Total	Village	District/ Regency	Total	Description
<b>b. PT. KAP</b>						
1	Bridge construction	2	Sungai Buluh Village & Sekobang Village	Sepauk District, Sintang Regency	-	Residents of Sungai Buluh Village & Sekubang Village
2	Socialization & forest and land fire patrol	-	PT KAP's developed villages	Sepauk District, Sintang Regency	-	PT KAP's developed villages
3	Construction of places of worship	1	Kemantan Village	Sepauk District, Sintang Regency	-	Residents of Kemantan village
<b>c. PT. DPS</b>						
1	Inter-village shaft road maintenance	2	Gonis Tekam, Engkresik Villages	Sekadau Hilir District, Sekadau Regency	-	Residents of Gonis Tekam & Engkresik Villages
		3	Setawar, Nanga Pemubuh, Tapang Perodah Villages	Sekadau Hulu District, Sekadau Regency	-	Residents of Setawar, Nanga Pemubuh, Tapang Perodah Villages
		4	Limau Bakti Village, Sinar Pekayau, Bernayau, Nangapari	Sepauk District, Sintang Regency	-	Residents of Limau Bakti, Sinar Pekayau, Bernayau, Nangapari Villages
2	Socialization & forest and land fire patrol	-	PT DPS' developed Villages	Sepauk District, Sintang Regency	-	Farmers of PT DPS' developed villages
<b>d. PT. PSA</b>						
1	Socialization & forest and land fire patrol	-	PT PSA's developed Villages	Sepauk District, Sintang Regency	-	Farmers of PT PSA's developed villages
<b>e. PT. MNS</b>						
1	Repair of access roads & bridges	1	Nanga Bugau Village	Sepauk District, Sintang Regency	-	Residents of Nanga Bugau village
2	Socialization & forest and land fire patrol	-	PT MNS' developed villages	Kemite Hulu District, Sintang Regency	-	Farmers of PT MNS' developed villages

Note:

East Kalimantan - Muara Wahau, Karangas and Bengalon (around Muara Wahau operational area/PT SWA-DIN-DAN-DWT-KPS-DSN, Bengalon/PT BPN and Karangas/PT BAS).

North Kalimantan - Tanjung Selor/Bulungan (around the operational area of PT DIL).

Central Kalimantan - Lamandau (around the operational area of PT PWP).

West Kalimantan - Sekadau/Sintang (around the operational area of PT AAN, PT KAP, PT DPS, PT PSA, PT MNS).

### Community Empowerment Activities in Education

PT	Activities	Location		Tools		Beneficiaries					
		Village	District/ Regency	Total	Unit	Protege		Village		Institution	
						Total	Unit	Total	Unit	Total	Unit/Name
<b>A. EAST KALIMANTAN</b>											
<b>a. MUARA WAHAU</b>											
1	School Transport Provision	Nehas Liah Bing Village	Muara Wahau District, Kutai Timur Regency	3	unit	80	children	1	village	1	SMK N 1 Muara Wahau.
		Muara Wahau Village	Muara Wahau District, Kutai Timur, Regency	4	unit	80	children	1	village	3	SMPN 2 Muara Wahau, SMP 1 Kongbeng, SD IT Muara Wahau
		Miau Baru Utara Village	Kongbeng District, Kutai Timur Regency	1	unit	20	children	1	village	2	SMP dan SMA

PT	Activities	Location		Tools				Beneficiaries			
		Village	District/ Regency	Total	Unit	Protege		Village		Institution	
						Total	Unit	Total	Unit	Total	Unit/Name
2	Capacity building for teachers	Nehas Liah Bing Village, Muara Wahau Village, Diaq Lay Village, Dea Beq Village & Bea Nehas Village	Muara Wahau District, Kutai Timur Regency	14	teachers	465	children	5	village	8	SDN 001 Muara Wahau, SDN 002 Muara Wahau, SDN 005 Muara Wahau, SDN 006 Muara Wahau, SDN 018 Muara Wahau, TK Petsos Sang, TK Tunas Mulia, SD Arnoldus Yansen
3	Strengthening learning houses (RB)/Sunday schools (SM)/TPA	Nehas Liah Bing Village & Muara Wahau Village	Muara Wahau District, Kutai Timur Regency	2	activities	50	children	2	village	2	RB Petsot Sang Enggeh Blom Wehea and RB Bintang
		DSNG's palm oil estates	Kutai Timur Regency	1	activities	74	children	-	-	3	RB Ceria, RB Pintu Ilmu and RB Impian
4	Management of Islamic boarding schools and Islamic School	Muara Wahau Village	Muara Wahau District, Kutai Timur Regency	16	teachers	300	children	1	village	2	Pondok Pesantren and Madrasah Al-Khairaat
b. PT. BPN											
1	Capacity building for teachers	Tepian Langsat Village	Bengalon District, Kutai Timur Regency	5	teachers	39	children	1	village	1	TK/PAUD Tepian Ma'au
c. PT. BAS											
1	School transportation services	Baay Village	Karangan District, Kutai Timur Regency	2	unit	19	children	1	village	2	SMPN 1 dan SMKN 1 Karangan
2	Capacity building for teaching personnels	Baay Village, Karangan Dalam, Karangan Seberang & Batu Lepoq Villages	Karangan District, Kutai Timur Regency	6	teachers	312	children	4	village	6	TK Yapis, TK Pembina, PAUD Ananda, TPA Raudatul Jannah, TPA Masjid Nurul Qomar, TPA Darurrahmah
<b>B. NORTH KALIMANTAN</b>											
PT. DIL											
1	Capacity building of students	Wonomulyo Village & Tanjung Agung Village	Tanjung Palas Timur District, Bulungan Regency	5	Teachers	132	children	2	village	3	RB Lentera Hati, TPA Baiturrohman and TPA Miftahul Huda
2	Strengthening learning houses (RB)/Sunday school (BC)/TPA	Wonomulyo Village & Tanjung Agung Village	Tanjung Palas Timur District, Bulungan Regency	2	RB/SM/TPA	132	children	2	village	3	RB Lentera Hati, TPA Baiturrohman and TPA Miftahul Huda



PT	Activities	Location		Tools				Beneficiaries			
		Village	District/ Regency	Tools		Protege		Village		Institution	
				Total	Unit	Total	Unit	Total	Unit	Total	Unit/Name
C. CENTRAL KALIMANTAN											
PT. PWP											
1	School transportation services	Tamiang Village, Bakonsu Village, Sekoban Village & Suja Village	Bulik & Lamandau Districts, Lamandau Regency	6	unit	525	children	4	village	14	PAUD Tunas Harapan, TK Harapan Baru, SDN Tamiang, SMP SATAP 7 Lamandau, SDN Bakonsu, SMP SATAP 5 Lamandau, PAUD Mandiri, TK Harum Manis, SDN Sekoban, TK Bina Karya, SDN Suja, TK Bina Bangsa, PAUD Tunas Bangsa, TK Bunga Tanjung.
2	Capacity building for teachers	Tamiang Village, Bakonsu Village, Sekoban Village & Suja Village	Bulik & Lamandau Districts, Lamandau Regency	39	Teachers	525	children	4	village	14	PAUD Tunas Harapan, TK Harapan Baru, SDN Tamiang, SMP SATAP 7 Lamandau, SDN Bakonsu, SMP SATAP 5 Lamandau, PAUD Mandiri, TK Harum Manis, SDN Sekoban, TK Bina Karya, SDN Suja, TK Bina Bangsa, PAUD Tunas Bangsa, TK Bunga Tanjung.
3	Scholarship award	Pangkalan Bun	Arut Selatan District, Kotawaringin Barat Regency	1	scholarship	1	scholarship awardee	1	village	1	Universitas Palangkaraya

PT	Activities	Location		Tools				Beneficiaries			
		Village	District/ Regency	Total	Unit	Protege		Village		Institution	
						Total	Unit	Total	Unit	Total	Unit/Name
<b>C. WEST KALIMANTAN</b>											
<b>a. PT. AAN</b>											
1	Strengthening learning houses (RB)/Sunday schools (SM)/TPA	Setawar, Tapang Perodah, Sungai Sambang, Boti, Mondi Villages	Sekadau Hulu District, Sekadau Regency	11	RB/SM/TPA	302	children	5	village	11	SM Sulang Betung, RB Engkorong, SM Aur Tekam, TPA Dusun Sungai Sambang, Sm Dusun Setawar, RB RT Sejoang, TPA Dusun Sidap, RB Dusun Roca, SM Dusun Tapang Birah, Sm Dusun Mondi, RB Dusun Tapang Perodah
<b>b. PT. KAP</b>											
1	School transportation services	Riam Kempadik Village	Sepauk District, Sintang Regency	1	Unit	20	children	1	village	1	Elementary, Junior High School, High School
2	Capacity building for teachers	Bangun, Riam Kempadik Villages	Sepauk District, Sintang Regency	4	teachers	100	children	4	village	2	SDN 34 Bangun, SDN 43 Tapang Aceh
		Sungai Buluh, Kuala Tiga Villages	Tempunak District, Sintang Regency	4	teachers	100	children	2	village	3	SDN 06 Sungai Buluh, SDN 014 Merayak, SDN 04 Jelimpau
3	Scholarship award	Bangun, Riam Kempadik Villages	Sepauk District, Sintang Regency	6	scholarship	6	scholarship awardee	2	village	3	STKIP Sintang, UNIKA Sintang
		Sungai Buluh Village	Tempunak District, Sintang Regency	3	scholarship	3	scholarship awardee	1	village	3	STKIP Sintang, UNIKA Sintang
<b>c. PT. PSA</b>											
1	School transportation services	Bernayau Village	Sepauk District, Sintang Regency	1	Unit	19	children	1	village	1	SMPN 11 Sepauk
2	Capacity building for teachers	Bernayau Village, Nanga Pari	Sepauk District, Sintang Regency	2	teachers	51	children	2	village	2	PAUD Pelangi Kasih, SDN 12 Nanga Pari
3	Scholarship award	Bernayau Village	Sepauk District, Sintang Regency	2	scholarship	2	scholarship awardee	1	village	2	Tanjung Pura University
4	Strengthening learning houses (RB)/Sunday school (BC)/TPA	Bernayau Village	Sepauk District, Sintang Regency	1	RB/SM/TPA	15	children	1	village	1	RB Kadam Betung



PT	Activities	Location		Tools		Beneficiaries						
		Village	District/ Regency	Total	Unit	Protege		Village		Institution		
						Total	Unit	Total	Unit	Total	Unit/Name	
d. PT. DPS												
1	Capacity building for teachers	Sinar Pekayau Village & Tanjung Mawang Village	Sepauk District, Sintang Regency	3	Teachers	131	children	3	village	3	TK Sinar Kasih Pekayau & SD Kelas Jauh Tanjung Mawang	
2	Strengthening learning houses (RB)/Sunday school (BC)/TPA	Sinar Pekayau Village, Tanjung Mawang Village	Sepauk District, Sintang Regency	3	RB/SM/TPA	51	children	3	village	3	RB Sinar, TPA Pekayau & TPA Menyakat Raya	

Note:

East Kalimantan - Muara Wahau, Karangan and Bengalon (around Muara Wahau operational area/PT SWA-DIN-DAN-DWT-KPS-DSN, Bengalon/PT. BPN and Karangan/PT BAS).

North Kalimantan - Tanjung Selor/Bulungan (around the operational area of PT DIL).

Central Kalimantan - Lamandau (around the operational area of PT PWP).

West Kalimantan - Sekadau/Sintang (around the operational area of PT AAN, PT KAP, PT DPS, PT PSA, PT MNS).



**RSPO and ISPO Certification List**

Identification Number	Certificate type	Plantation Unit and Area (Ha)	Validity Period	Certificate Issuers	Supplier plantation
824 502 17068	RSPO	5 Unit 7,883 Ha	10 Jan 2018 - 09 Jan 2023	PT TUV Rheinland	JB2, KM3, KM5, KM11, KM12
MUTU-RSPO/056	RSPO	3 Unit 9,960 Ha	02 May 2019 - 24 Mar 2024	PT Mutu Agung Lestari	PU1, PU2, PU3
MUTU-RSPO/055	RSPO	3 Unit 9,811.7 Ha	08 Mar 2019 - 24 Mar 2024	PT Mutu Agung Lestari	LK1, LK2, LK3
MUTU-RSPO/060	RSPO	3 Unit 11,729 Ha	28 April 2020 - 31 May 2025	PT Mutu Agung Lestari	JB1, LJ1, LJ2
824 502 19113	RSPO	4 Unit 13,629.5 Ha	10 Dec 2019 - 09 Dec 2024	PT TUV Rheinland	ME1, ME2, ME3, ME4
MUTU-RSPO/156	RSPO	2 Unit 1,304.5 Ha	2 Juli 2021 - 1 Juli 2026	PT Mutu Agung Lestari	LTE, KM9
MUTU-RSPO/178	RSPO	1 Unit 150 Ha	28 Desember 2022 - 27 Desember 2027	PT Mutu Agung Lestari	KM6
824 501 13005	ISPO	4 Unit 16,850 Ha	04 Dec 2019 - 03 Dec 2024	PT TUV Rheinland	JB1, JB2, LJ1, LJ2
824 501 19058	ISPO	3 Unit 9,955 Ha	01 Sep 2019 - 31 Aug 2024	PT TUV Rheinland	PU1, PU2, PU3
824 501 19059	ISPO	3 Unit 9,797 Ha	01 Sep 2019 - 31 Aug 2024	PT TUV Rheinland	LK1, LK2, LK3
824 501 19060	ISPO	4 Unit 13,629.5 Ha	01 Sep 2019 - 31 Aug 2024	PT TUV Rheinland	ME1, ME2, ME3, ME4
MISB - ISPO/ 024	ISPO	3 Unit 11,868 Ha	27 Jul 2018 - 26 Jul 2023	PT MISB	BP1, BP2, BP3
AJAINDO/ISPO-IN/042/II/2021	ISPO	4 Unit 11,662 Ha	4 Feb 2021 - 3 Feb 2026	PT AJA Sertifikasi Indonesia	SM1, SM2, DP1, TL1
IN.9/AJA-ISPO	ISPO	2 Unit 5,222 Ha	27 Jul 2018 - 26 Jul 2023	PT AJA Sertifikasi Indonesia	BA1, MB1



## RSPO, ISPO, ISCC, SCCS POM Certification List [SPOTT 42]

Identification Number	Certificate type	Management Unit	Validity period	Certificate issuers	POM/KCP/Bulking
824 502 17068	RSPO	PT Swakarsa Sinarsentosa, POM 1 (MB)	10 Jan 2018 - 09 Jan 2023	PT TUV Rheinland	POM 1 (MB)
MUTU-RSPO/056	RSPO	PT Dharma Satya Nusantara, POM 2 (IP)	02 May 2019 - 24 Mar 2024	PT Mutu Agung Lestari	POM 2 (IP)
MUTU-RSPO/055	RSPO	PT Dharma Satya Nusantara, POM 3 (IP)	08 Mar 2019 - 24 Mar 2024	PT Mutu Agung Lestari	POM 3 (IP)
MUTU-RSPO/060	RSPO	PT Dharma Satya Nusantara, POM 4 (MB)	01 Jun 2015 - 31 May 2020	PT Mutu Agung Lestari	POM 4 (MB)
824 502 19113	RSPO	PT Dharma Satya Nusantara, POM 6 (IP)	10 Dec 2019 - 09 Dec 2023	PT TUV Rheinland	POM 6 (IP)
MUTU-RSPO/156	RSPO	PT Dharma Satya Nusantara, POM 7 (MB)	2 Juli 2021 - 1 Juli 2026	PT Mutu Agung Lestari	POM 7 (MB)
MUTU-RSPO/178	RSPO	PT Dharma Intisawit Nugraha, POM 11 (MB)	28 Desember 2022 - 27 Desember 2027	PT Mutu Agung Lestari	POM 11 (MB)
824 501 13005	ISPO	PT Swakarsa Sinarsentosa, POM 1	04 Dec 2019 - 03 Dec 2024	PT TUV Rheinland	POM 1
824 501 13006	ISPO	PT Dharma Satya Nusantara, POM 2	01 Sep 2019 - 31 Aug 2024	PT TUV Rheinland	POM 2
824 501 13012	ISPO	PT Dharma Satya Nusantara, POM 3	01 Sep 2019 - 31 Aug 2024	PT TUV Rheinland	POM 3
MISB - ISPO/ 018	ISPO	PT Dharma Satya Nusantara, POM 4	30 Nov 2017 - 29 Nov 2022	PT MISB	POM 4
MISB - ISPO/ 023	ISPO	PT Pilar Wanapersada, POM 5	27 Jul 2018 - 26 Jul 2023	PT MISB	POM 5
MISB - ISPO/ 015	ISPO	PT Dharma Satya Nusantara, POM 6	04 Aug 2017 - 03 Aug 2022	PT MISB	POM 6
AJAINDO/ISPO-IN/042/II/2021	ISPO	PT Bima Palma Nugraha, POM9	4 Feb 2021 - 3 Feb 2026	PT AJA Sertifikasi Indonesia	POM 9
IN.9/AJA-ISPO	ISPO	PT Bima Agri Sawit, POM10	27 Jul 2018 - 26 Jul 2023	PT AJA Sertifikasi Indonesia	POM 10
EU-ISCC-Cert-ID215-23221197	ISCC	PT Dharma Satya Nusantara, POM 4	13 Nov 2022 - 12 Nov 2023	PT Mutu Agung Lestari	POM 4
824 503 15017	SCCS	Bulking Labanan	10 Jun 2020 - 9 Jun 2025	PT TUV Rheinland	Bulking Labanan
INTERTEX-RSPO-0100180	SCCS	Kernel Cruising Plant (KCP)	13 Apr 2020 - 12 Apr 2025	PT INTERTEK	KCP

## Achievements

Award Name	Recipients	Organizer
Corporate Sector Emission Reduction Transparency Award Issuer - Green Category		BeritaSatu Media Group dan PT Bumi Global Karbon (BGK)
Corporate Emission Calculation Transparency Award Issuer Sector - Gold Category		BeritaSatu Media Group dan PT Bumi Global Karbon (BGK)
Zero Accident Award	<ul style="list-style-type: none"> <li>PT DAN Site Muara Wahau</li> <li>PT SWA (POM 1)</li> <li>PT DSN (POM 2, POM 6, POM 7)</li> </ul>	Ministry of Manpower

## Number of Identified Hot Spots in 2022 in the Company's Plantation Area (Nucleus) [SPOTT 92; 93]

Hot Spots Location	Total Hot Spot	Identified Hotspot Source
<b>East Kalimantan</b>		
- PT Swakarsa Sinarsentosa	0	
- PT Dharma Agrotama Nusantara	1	Cause: Land clearing by burning conducted by local community.
- PT Dharma Intisawit Nugraha	0	
- PT Dewata Sawit Nusantara	1	Location: Outside DSNG Concession Area Cause: Land clearing by burning conducted by local community.
- PT Karya Prima Agro Sejahtera	0	
- PT Bima Palma Nugraha	0	
- PT Bima Agri Sawit	0	
- PT Putra Utama Lestari	0	
<b>North Kalimantan</b>		
- PT Dharma Intisawit Lestari	2	Cause: Land clearing by burning conducted by local community.
<b>Central Kalimantan</b>		
- PT Pilar Wanapersada	0	-
<b>West Kalimantan</b>		
- PT Agro Andalan	23	Cause: Land clearing by burning conducted by local community.
- PT Dharma Persada Sejahtera	2	Cause: Land clearing by burning conducted by local community.
- PT Prima Sawit Andalan	0	
- PT Kencana Alam Permai	3	Cause: Land clearing by burning conducted by local community.
- PT Mitra Nusa Sarana	25	Cause: Land clearing by burning conducted by local community.
<b>Total</b>	<b>57</b>	<b>-</b>

**Number of Identified Hot Spots in 2022 in the Company's Plantation Area (Plasma) [SPOTT 94]**

Hot Spots Location	Total Hot Spot	Identified Hotspot Source
<b>East Kalimantan</b>		
- Plasma PT Swakarsa Sinarsentosa	2	Cause: Land clearing by burning conducted by local community.
- Plasma PT Dharma Agrotama Nusantara	0	
- Plasma PT Dharma Intisawit Nugraha	1	Cause: Land clearing by burning conducted by local community.
- Plasma PT Dewata Sawit Nusantara	3	Cause: Land clearing by burning conducted by local community.
- Plasma PT Karya Prima Agro Sejahtera	0	
- Plasma PT Bima Palma Nugraha	0	
- Plasma PT Bima Agri Sawit	0	
- Plasma PT Putra Utama Lestari	0	
<b>North Kalimantan</b>		
		River
- Plasma PT Dharma Intisawit Lestari	0	
<b>Central Kalimantan</b>		
- Plasma PT Pilar Wanapersada	0	-
<b>West Kalimantan</b>		
- Plasma PT Agro Andalan	13	Cause: Land clearing by burning conducted by local community.
- Plasma PT Dharma Persada Sejahtera		
- Plasma PT Prima Sawit Andalan		
- Plasma PT Kencana Alam Permai		
- Plasma PT Mitra Nusa Sarana	0	
<b>Total</b>	<b>19</b>	<b>-</b>

Rivers and Creeks in Company's Plantation Location

Plantation Location	Rivers and Creeks
Muara Wahau, East Kutai District, East Kalimantan	Wahau River
	Telen River
	Kenden Besar River
	Kenden Kecil River
	Long Sengat River
Lamandau, Central Kalimantan	Sempayat River
	Matan River
	Kaboi River
	Lamaga River
	Kampau River
	Kaang River
	Jamutan River
Bulungan, North Kalimantan	Sajau River
	Pungit River
Sekadau, West Kalimantan	Menterap River
	Kayak River
	Engkayas River
	Kungkang River
Sintang, West Kalimantan	Bangun River
	Kelangau River
	Merayak River
	Penubuh Sebung River
	Melamur River
	Berauh River
	Butu River
	Sekubang River
	Mangkap River
	Jelimpau River
Bengalon, East Kutai District, East Kalimantan	Bengalon River
	Koran River
	Lenjitu River
	Mangkupa River
	Tebengan River
Karangan, East Kutai District, East Kalimantan	Muara Bulan River
	Keladan River



**Ambient Air Quality Results from POM and Static Source Emission Quality Standard for Steam Boilers with Biomass Fuel from Fibers and/or Shells [305-7]**

Parameter	Standard Quality		2022				2021	
	Unit	Standard	Semester 1		Semester 2		Semester 1	
<b>A. Ambient Air</b>			Jabdan Village	Front Office	Jabdan Village	Front Office	Jabdan Village	Front Office
CO	mg/Nm <sup>3</sup>	30,000.00	701.62	507.77	477.66	540.64	535.21	1,654.67
NO <sub>2</sub>		400.00	21.39	27.23	30.06	29.37	10.52	33.12
SO <sub>2</sub>		900.00	21.39	51.40	32.34	36.50	33.95	57.94
O <sub>3</sub>		235.00	8.06	4.47	13.60	16.93	2.72	6.23
HC		160.00	1.14	1.22	12.61	5.28	0.61	1.39
PM10		150.00	48.95	25.05	6.00	9.32	28.25	52.77
Dust		230.00	106.52	107.77	56.21	60.34	42.37	171.23
Pb		2.00	<0.01	<0.01	<0.01	<0.01	<0.01	<0.01
Dustfall	Ton/Km <sup>2</sup> /month	-	0.02	0.02	0.02	0.02	0.01	0.02
<b>B. Boiler Emission</b>			Boiler I	Boiler II	Boiler I	Boiler II	Boiler I	Boiler II
Particulate	mg/m <sup>3</sup>	300.00	-	-	88.90	78.44	38.71	34.27
Sulphur Dioxide (SO <sub>2</sub> )		600.00	-	-	407.40	221.70	27.00	50.00
Nitrogen Oxide (NO <sub>2</sub> )		800.00	-	-	125.30	163.37	118.00	223.00
Hydrogen Chloride (HCl)		5.00	-	-	<0.1	<0.1	< 0,1	< 0,1
Chlorine Gas (Cl <sub>2</sub> )		5.00	-	-	<1	<1	<1	<1
Ammonia (NH <sub>3</sub> )		1.00	-	-	<0.01	<0.01	<0.01	<0.01
Hydrogen Fluoride (HF)		8.00	-	-	<0.1	<0.1	<0.1	<0.1
Opacity	%	30.00	-	-	25.00	23.00	26.00	23.00

2020						2019			
Semester 2		Semester 1		Semester 2		Semester 1		Semester 2	
Jabdan Village	Front Office	Jabdan Village	Front Office	Jabdan Village	Front Office	Jabdan Village	Front Office	Jabdan Village	Front Office
320.33	696.86	633.57	1,015.88	469.98	836.58	286.91	425.73	108.45	389.90
18.44	21.52	10.38	19.75	8.40	18.69	29.21	78.64	50.71	117.76
29.15	40.58	23.61	29.56	50.87	93.21	56.35	117.92	58.22	210.04
3.15	4.79	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
0.97	2.18	0.75	1.71	42.51	40.55	0.01	0.01	0.01	0.01
10.76	25.05	23.61	19.35	30.71	87.36	29.87	51.64	13.77	65.91
79.02	125.11	37.61	57.20	76.72	217.83	23.56	163.16	88.62	124.93
<0.01	<0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
0.01	-	0.09	0.04	0.04	0.06	0.01	0.07	0.07	0.83
Boiler I	Boiler II	Boiler I	Boiler II	Boiler I	Boiler II	Boiler I	Boiler II	Boiler I	Boiler II
-	-	24.42	33.30	48.57	37.49	62.08	49.78	60.63	49.78
-	-	49.00	194.00	22.00	38.00	70.00	105.00	221.00	105.00
-	-	685.00	738.00	306.00	310.00	607.00	662.00	85.00	662.00
-	-	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
-	-	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
-	-	0.10	0.10	0.10	8.00	0.10	0.10	0.10	0.10
-	-	20.00	25.00	20.00	20.00	20.00	21.00	20.00	21.00



**Company’s Palm Oil Mills Unit and Location in 2022 [SPOTT 22] [102-9]**

Palm Oil Mills	Managing Subsidiary	Location	Production Capacity (Ton FFB/Hour)
POM 1	PT Swakarsa Sinarsentosa	Muara Wahau Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province	80
POM 2	PT Dharma Agrotama Nusantara		60
POM 3	PT Dharma Intisawit Nugraha		60
POM 4	PT Swakarsa Sinarsentosa	Benhes Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province	60
POM 5	PT Pilar Wanapersada	Bakonsu Village, Lamandau District, Lamandau, Central Kalimantan Province	60
POM 6	PT Dewata Sawit Nusantara	Benhes Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province	60
POM 7	PT Karya Prima Agro Sejahtera	Miau Baru Village, Kongbeng District, Kutai Timur Regency, East Kalimantan Province	60
POM 8	PT Agro Andalan	Setawar Village, Sekadau Hulu District, Sekadau Regency, West Kalimantan Province	30
POM 9	PT Bima Palma Nugraha	Tepian Langsung Village, Bengalon District, Kutai Timur Regency, East Kalimantan	60
POM 10	PT Bima Agri Sawit	Baay Village, Karang District, Kutai Timur Regency, East Kalimantan Province	30
POM 11	PT Dharma Intisawit Nugraha	Muara Wahau Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province	60
POM 12	PT Pilar Wanapersada	Bakonsu Village, Lamandau District, Lamandau, Central Kalimantan Province	45

\*POM11 and POM12 are new POMs that are included in the 2022 reporting scope.

**Company’s Palm Oil Mills FFB Sources of Supply in 2022 [SPOTT 23; 25]**

Palm Oil Mills	Subsidiary’s Plantations	Third Party supplier	
		Quantity (Tonnes)	Plasma Estate Cooperative (KM)
POM 1	PT Swakarsa Sinarsentosa	27,998	<ul style="list-style-type: none"> <li>- KM1 (Min Sun Lekut Cooperative)</li> <li>- KM2 (Min Bea Glang Mandiri Cooperative)</li> <li>- KM3 (Harapan Baru Cooperative)</li> <li>- KM4 (Gerdabang Agri Center Cooperative)</li> <li>- KM5 (Sawit Usaha Tani Sejahtera Cooperative)</li> <li>- KM9 (Karya Sejahtera Cooperative)</li> <li>- KM11 (Usaha Baru Cooperative)</li> <li>- KM12 (Sawitan Surya Cooperative)</li> <li>- KM13 (Kongbeng Lestari Cooperative)</li> <li>- KM14 (Lai Sejahtera Cooperative)</li> <li>- KM16 (Cahaya Miau Bersatu Cooperative)</li> <li>- KM18 (Petsotsang Wehea Cooperative)</li> <li>- KM19 (Piak Makmur Sejahtera Cooperative)</li> <li>- KM20 (Sam Karya Bersama Cooperative)</li> </ul>
POM 2	PT Dharma Agrotama Nusantara	-	



Palm Oil Mills	Subsidiary's Plantations	Quantity (Tonnes)	Third Party supplier
			Plasma Estate Cooperative (KM)
POM 3	PT Dharma Intisawit Nugraha	5,761	- KM3 (Harapan Baru Cooperative) - KM6 (Kel'ean Blom Kejah Cooperative)
POM 4	PT Swakarsa Sinarsentosa	110,324	- KM1 (Min Sun Lekut Cooperative) - KM2 (Min Bea Glang Mandiri Cooperative) - KM4 (Gerdabang Agri Center Cooperative) - KM8 (Sawit Wehea Tlan Sejahtera Cooperative) - KM10 (Jengea Bong Pet Kuq Cooperative)
POM 5	PT Pilar Wanapersada	52,872	- KL1 (Batu Sagulak Ramay Malaju Cooperative) - KL2 (Laja Manah Cooperative) - KL3 (Mitra Usaha Cooperative) - KL4 (Lamanku Sukses Bersama Cooperative) - KL5 (Pajar Alam Sejahtera Cooperative) - KL8 (Mitra Jaya Abadi Cooperative) - KL9 (Labora Makmur Sejahtera Cooperative)
POM 6	PT Dewata Sawit Nusantara	55	- KM3 (Harapan Baru Cooperative) - KM7 (Seleq Sejahtera Bersama Cooperative) - KM8 (Sawit Wehea Tlan Sejahtera Cooperative) - KM9 (Karya Sejahtera Cooperative) - KM13 (Kongbeng Lestari Cooperative) - KM14 (Lai Sejahtera Cooperative) - KM16 (Cahaya Miau Bersatu Cooperative) - KM17 (Long Sep Hidup Baru Cooperative)
POM 7	PT Karya Prima Agro Sejahtera	121,414	- KM5 (Sawit Usaha Tani Sejahtera Cooperative) - KM7 (Seleq Sejahtera Bersama Cooperative) - KM9 (Karya Sejahtera Cooperative) - KM11 (Usaha Baru Cooperative) - KM12 (Sawitan Surya Cooperative) - KM13 (Kongbeng Lestari Cooperative) - KM14 (Lai Sejahtera Cooperative) - KM15 (Karya Sejahtera Cooperative) - KM16 (Cahaya Miau Bersatu Cooperative) - KM17 (Long Sep Hidup Baru Cooperative) - KM18 (Petsotsang Wehea Cooperative) - KM19 (Piak Makmur Sejahtera Cooperative) - KM20 (Sam Karya Bersama Cooperative)
POM 8	PT Agro Andalan	20,669	- KD1 (Tunas Mandiri Cooperative) - KD2 (Bui Nasi Cooperative) - KD3 (Kempadik Bersatu Cooperative) - KD4 (Betung Jaya Cooperative) - KD5 (Mutiaru Kujau Cooperative) - KD7 (Raja Swa Cooperative) - KD8 (Betung Jaya Cooperative) - KD9 (Bernayau Permai Cooperative) - KD12 (Dayang Obun Cooperative)
POM 9	PT Bima Palma Nugraha	22,067	- KT (Tepian Prima Sawit Cooperative)
POM 10	PT Bima Agri Sawit	15,126	- KT1 (Permata Jaya Cooperative) - KT2 (Dharma Mulia Palma Cooperative)



Palm Oil Mills	Subsidiary's Plantations	Quantity (Tonnes)	Third Party supplier
			Plasma Estate Cooperative (KM)
POM 11	PT Dharma Intisawit Nugraha	54,882	<ul style="list-style-type: none"> <li>- KM1 (Min Sun Lekut Cooperative)</li> <li>- KM2 (Min Bea Glang Mandiri Cooperative)</li> <li>- KM3 (Harapan Baru Cooperative)</li> <li>- KM4 (Gerdabang Agri Center Cooperative)</li> <li>- KM5 (Sawit Usaha Tani Sejahtera Cooperative)</li> <li>- KM6 (Kel'ean Blom Kejah Cooperative)</li> <li>- KM7 (Seleq Sejahtera Bersama Cooperative)</li> <li>- KM8 (Sawit Wehea Tlan Sejahtera Cooperative)</li> <li>- KM9 (Karya Sejahtera Cooperative)</li> <li>- KM10 (Jengea Bong Pet Kuq Cooperative)</li> <li>- KM11 (Usaha Baru Cooperative)</li> <li>- KM12 (Sawitan Surya Cooperative)</li> <li>- KM13 (Kongbeng Lestari Cooperative)</li> <li>- KM14 (Lai Sejahtera Cooperative)</li> <li>- KM15 (Karya Sejahtera Cooperative)</li> <li>- KM16 (Cahaya Miau Bersatu Cooperative)</li> <li>- KM 17 (Long Sep Hidup Baru Cooperative)</li> <li>- KM18 (Petsotsang Wehea Cooperative)</li> </ul>
POM 12	PT Pilar Wanapersada	17,241	<ul style="list-style-type: none"> <li>- KL1 (Batu Sagulak Ramay Malaju Cooperative)</li> <li>- KL2 (Laja Manah Cooperative)</li> <li>- KL3 (Mitra Usaha Cooperative)</li> <li>- KL4 (Lamanku Sukses Bersama Cooperative)</li> <li>- KL5 (Pajar Alam Sejahtera Cooperative)</li> <li>- KL8 (Mitra Jaya Abadi Cooperative)</li> <li>- KL9 (Labora Makmur Sejahtera Cooperative)</li> </ul>

**Comparison of Total FFB Processed Based on Source in 2022 [SPOTT 27]**

Palm Oil Mills	Total Volume sourced from owned plantations (Ton)	Total Volume sourced from owned plantations (%)	Total Volume sourced from third-party plantations (Ton)	Total Volume sourced from third-party plantations (%)	Total Volume sourced from plasma estate (Ton)	Total Volume sourced from plasma estate (%)	Total (Ton)
POM 1	22,937	29.3	27,998	35.8	27,313	34.9	78,248
POM 2	282,533	100.0	-	0.0	-	0.0	282,533
POM 3	222,105	97.5	5,761	2.5	-	0.0	227,866
POM 4	186,734	60.6	110,324	35.8	11,002	3.6	308,061
POM 5	174,495	74.4	52,872	22.5	7,316	3.1	234,683
POM 6	254,042	100.0	55	0.0	-	0.0	254,097
POM 7	62,063	18.0	121,414	35.3	160,943	46.7	344,420
POM 8	80,416	37.9	20,669	9.7	111,282	52.4	212,367
POM 9	187,157	72.1	22,067	8.5	50,456	19.4	259,680
POM 10	96,540	65.7	15,126	10.3	35,236	24.0	146,902
POM 11	135,559	50.9	54,882	20.6	75,654	28.4	266,095
POM 12	37,314	22.9	17,241	10.6	108,687	66.6	163,242

Third Party Name and Location for Mills and Plantations in 2022 [SPOTT 20; 26]

Palm Oil Mills	Subsidiary's Plantations	Supplier Name	Location
POM 1	PT Swakarsa Sinarsentosa	Koperasi SSWJ-Sidomulyo/Makarti s/d PT Wejas Imanuel	Muara Wahau Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province
POM 2	PT Dharma Agrotama Nusantara	No third party supplier	
POM 3	PT Dharma Intisawit Nugraha	No third party supplier	
POM 4	PT Swakarsa Sinarsentosa	Koperasi Sawit Usaha Tani Sejahtera s/d PT Roni Putra Abadi	Benhes Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province
POM 5	PT Pilar Wanapersada	CV Bukit Sawa Makmur s/d CV Ragil Putra	Bakonsu Village, Lamandau District, Lamandau, Central Kalimantan Province
POM 6	PT Dewata Sawit Nusantara	No third party supplier	
POM 7	PT Karya Prima Agro Sejahtera	Koperasi Jasa Daun Hijau s/d PT Wejas Imanuel	Miau Baru Village, Kongbeng District, Kutai Timur Regency, East Kalimantan Province
POM 8	PT Agro Andalan	CV Cahaya Sawit s/d CV Agro Jaya Lestari	Setawar Village, Sekadau Hulu District, Sekadau Regency, West Kalimantan Province
POM 9	PT Bima Palma Nugraha	CV 'EL79 s/d CV Eka Jaya	Tepian Langsung Village, Bengalon District, Kutai Timur Regency, East Kalimantan
POM 10	PT Bima Agri Sawit	Agen Nurul Suprapti s/d PT Perkebunan Warga Rimba	Baay Village, Karangan District, Kutai Timur Regency, East Kalimantan Province
POM 11	PT Dharma Intisawit Nugraha	Koperasi SSWJ-Sidomulyo/Makarti s/d PT Wejas Imanuel	Muara Wahau Village, Muara Wahau District, Kutai Timur Regency, East Kalimantan Province
POM 12	PT Pilar Wanapersada	CV Bukit Sawa Makmur s/d CV Ragil Putra	Bakonsu Village, Lamandau District, Lamandau, Central Kalimantan Province

## Independent Assurance Statement

Report No. 0623/BD/0044/JK

### To the Management of PT Dharma Satya Nusantara Tbk,

We were engaged by PT Dharma Satya Nusantara Tbk ('DSNG') to provide assurance in respect to its Sustainability Report 2022 ('the Report'). The assurance engagement was conducted by a multidisciplinary team with relevant experience in sustainability reporting.

### Independence

We carried out all our assurance undertakings with independence and autonomy having not been involved in the preparation of any key part of the Report, nor did we provide any services to DSNG during 2022 that could conflict with the independence of the assurance engagement.

### Assurance Standards

Our work was carried out in accordance with ISAE3000 'Assurance Engagements other than Audits or Reviews of Historical Financial Information,' issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

### Level of Assurance

By designing our evidence-gathering procedures to obtain a limited level of assurance based on ISAE3000, readers of the Report can be confident that all risks or errors have been reduced to a very low level, although not necessarily to zero.

### Scope of Assurance

The scope of our work was restricted to the following selected information:

- Occupational health and safety
- Energy management
- Deforestation and biodiversity
- Gender equality and training development

### Responsibility

DSNG is responsible for the preparation of the Report and all information and claims therein, which include established sustainability management targets, performance management, data collection, etc. In performing this engagement, meanwhile, our responsibility to the management of DSNG was solely for the purpose of verifying the statements it has made in relation to its sustainability performance, specifically as described in the selected information, and expressing our opinion on the conclusions reached.

### Methodology

In order to assess the veracity of certain assertions and specified data sets included within the report, as well as the systems and processes used to manage and report them, the following methods were employed during the engagement process:

- Review the report, internal policies, documentation, management and information systems

- Interview relevant staff involved in sustainability-related management and reporting
- Following data trails to the initial aggregated source, to check samples of data to a greater depth.

### Limitations

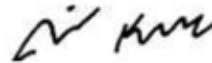
Our scope of work was limited to a review of the accuracy and reliability of selected sustainability performance-related information. It was not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement was not performed continuously throughout the period and the procedures performed were undertaken on a test basis.

### Conclusions

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Report has not been properly prepared and presented, in all material respects.

All key assurance findings are included herein, while detailed observations and follow-up recommendations have been submitted to DSNG management in a separate report.

Jakarta, June 16, 2023



**James Kallman**  
Chief Executive Officer

*Moores Rowland is an international organization specializing in auditing, accounting and outsourcing, tax, legal and advisory, business and human rights services in Indonesia. Moores Rowland is a member of Praxity AISBL, the world's largest Alliance of independent and unaffiliated audit and consultancy companies.*

*With more than 65,000 professionals operating in 120 countries across the globe, each sharing the same values and sense of responsibility, Praxity is served by Moores Rowland in Indonesia, one of the leading sustainability assurance providers.*







SUSTAINABILITY REPORT

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