



Palm Oil Innovation Group Verification Report

For

GRUPO DAABON

In

Magdalena, Cesar, La Guajira and Santander, Colombia

Certification Body: Control Union

Verification Dates: 12 th to 13th January 2021 and 06th June 2021 – 09th June 2021.

Verification Type: **Remote C.I Tequendama and Onsite audit Palma Y Trabajo.**

Final Report Date: July 28, 2021

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Executive Summary

The company requested by the vice-president of the company to perform the follow-up audit remotely in view of the different restrictions generated by the pandemic of COVID-19. We considered the following:

- We are currently in the "second wave" of high COVID-19 contagion at a national level and specifically in the Departments of Magdalena, the occupation of ICU beds is 100%, according to the notifications of the regional health entities, based on the public statistic information.
- At DAABON's production centers, to date there have been no reports of workers suspected and/or infected by VOCs. infected by COVID-19, therefore, we have established internal guidelines to restrict the movement of employees, workers, or contractors from urban areas to the production center in order to prevent and keep personnel free of contagion.
- We are also complying with all decrees issued by the Colombian national government, which order the creation of strict to create strict biosafety protocols that allow the company to continue to keep production areas safe and free of contagion.

For the reference, these are the decrees published until the study date:

- Decreto 878 de 25 DE JUNIO DE 2020.
- Decreto 749 de 28 DE MAYO DE 2020
- Decreto 666 de 24 DE ABRIL DE 2020

The audit team was, however, able to conduct onsite audit of Palma Y Trabajo, while a remote audit was conducted for C.I Tequendama.

Verification Result

The final results for Palma Y Trabajo is complete. The results for C.I. Tequendama will only be presented once the main indicators are finalized during the additional on-site visit.

List of Abbreviations

FFB – Fresh Fruit Bunch.

BOD – Biological Oxygen Demand.

Palmatra – Unidad Palma Y Trabajo

1. SCOPE OF THE VERIFICATION

1.1 Normative References

The Plantation and supply base was evaluated against the following documents:

- Roundtable on Sustainable Palm Oil [2018]
- Palm Oil Innovation Group Charter Verification Indicators – September 2019

1.2 Organisation and Contact Details

Company name:	Daabon Group
Business address:	Carrera 1 No. 22-58 Piso Once
Contact person:	Carolina Torrado, Sustainability Director
Telephone:	+57 (5) 432-8120
E-mail:	ctorrado@daabon.com.co
Website:	www.daabon.com.co

1.3 Audit Type

Audit Date	12 th to 13th January 2021 (Tequendama) & 6 th to 9 th June 2021 (Palma y Trabajo)
Main / Action plan / Unscheduled / Complaint evaluation	Main: remote on C.I Tequendama and on site audit on Palma Y Trabajo

1.4 RSPO and other Certifications

RSPO certification	RSPO P&C and SCC
Other certifications held	Rainforest Alliance, Fairtrade USA, Organic

1.5 General Description of Supply Base

Daabon has two production sites:

- C.I. Tequendama S.A.S, located in the Magdalena, La Guajira, and Cesar Departments; this company is also certified as RSPO P&C and SCC scopes, Fairtrade USA and Rainforest Alliance.
- Palma y Trabajo S.A.S located in the Santander Department; this company is certified as RSPO P&C scope.

The supply base for both companies is structured with smallholders, out-growers, and owned plantations.

1.6 Location

Mill/Estate	Physical Address	Longitude	Latitude
Extratora Tequendama S.A.S	Km 2 Vía Fundación a Aracataca, Municipio de Aracataca – Magdalena.	W 74°10'52.55'	N 10°32'56.84'
Extratora Palma y Trabajo S.A.S	Km 1 Vía Puente Sogamoso – Km 8 Vía Puerto Wilches; Municipio de Puerto Wilches – Santander.	W 73°48'00.34'	N 07°14'18.56'

1.7 Supply Base Statistics

Name	Plantation Area (Ha)		Annual FFB yield	Year(s) Planted	Date of Next Planting
	Total	Planted			
Tequendama	1,701.74	1187	2519	1969, 1981, 1993 – 1999, 2001, 2002	2021
Ariguaní	1,382.53	980.87	15,175	1994 – 1999, 2003, 2004, 2008	2025
Gavilan	1,030.3	944.32	11,020	2001 – 2003, 2006, 2008, 2011	2025
Gavilan II	786	434,35	7263	1990, 2001 – 2004, 2011, 2012	2027
Las Mercedes	1,240.5	324.8	3070	1994 – 1999, 2003, 2004, 2008	2021
Asopalret	**115	73.8	466	2001	N/A
Association	**66	63	520	2001	N/A
Asopalthea	**402.76	307.61	1632.6	2001	N/A

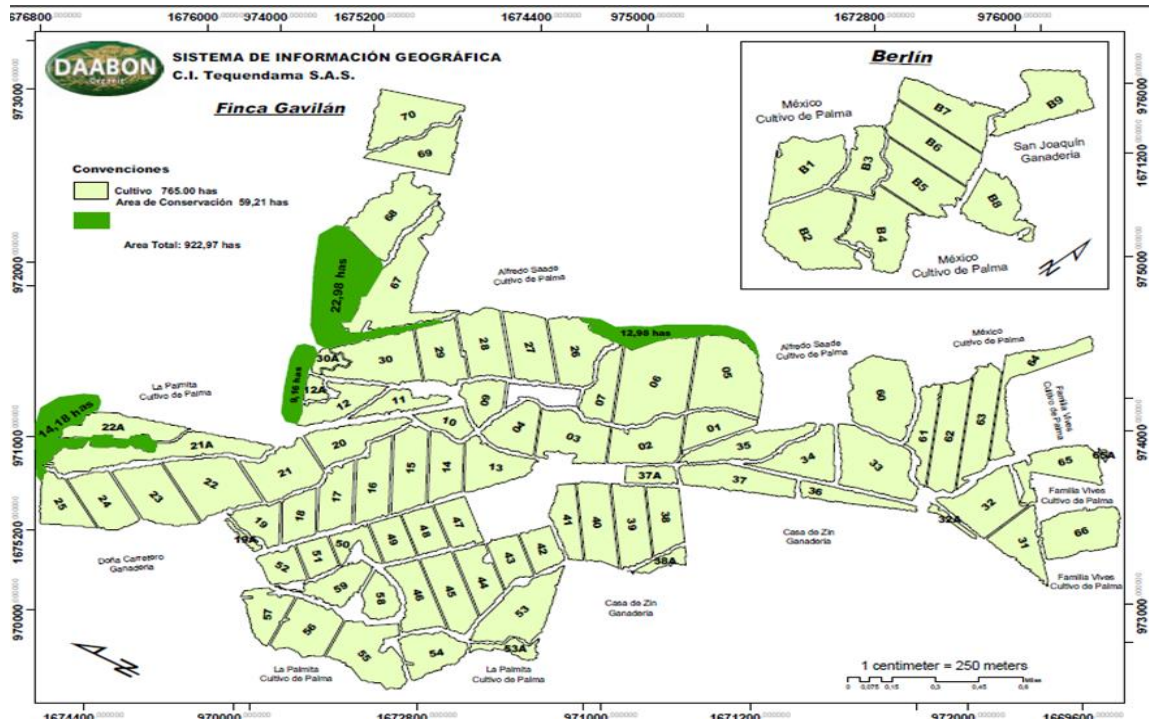
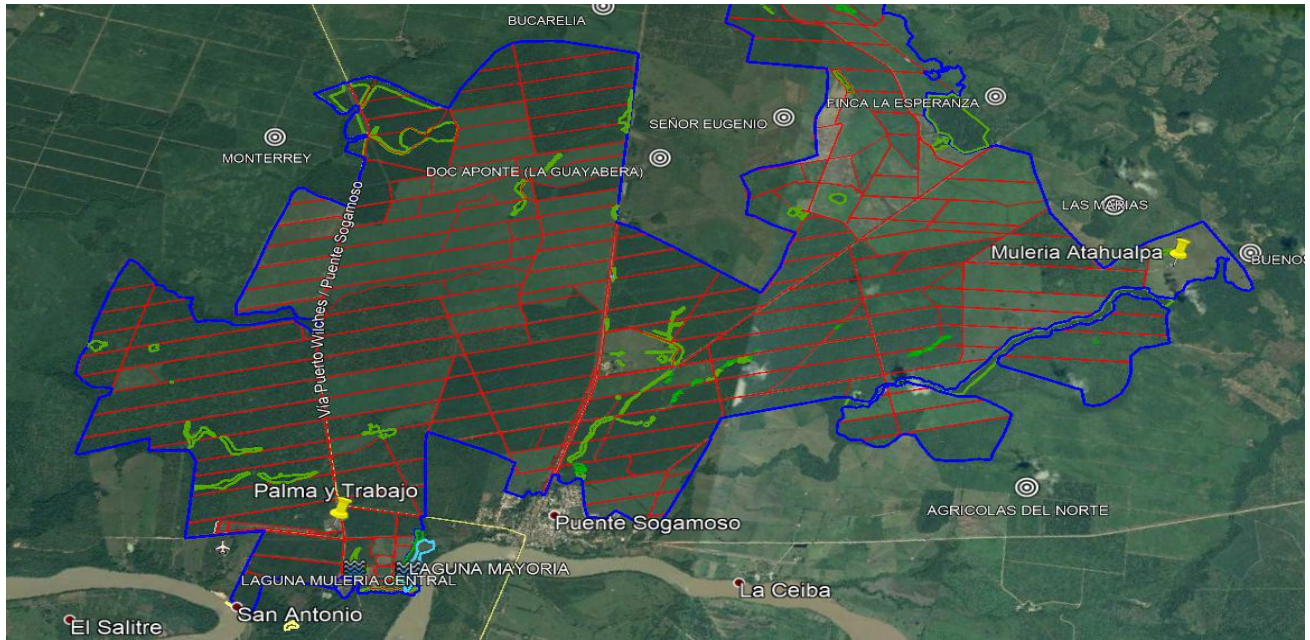
Association	919,4	727,9	4887.4	1985 – 2005	N/A
Oleoyuma S.A.S	3051	2892	43951	1975 – 1987: 301 ha 1988 – 1998: 563 ha 1999 – 2010: 790 ha (replanting) 2011 – 2017: 1106 ha (replanting) 2018 – 2020: 263 ha (replanting)	2021

1.8 HCV & HCS Areas

Plantation Name	HCV Area		HCS Forest ¹	Total Conservation
	HCV category	Area	Area	Area
Tequendama Farm	2	140.6	0	140.6
Ariguaní Farm	2	69.7	45.8	115.5
Gavilán Farm	2	22.5	56.8	79.3
Gavilan II Farm	3	18.7	197.48	216.18
Las Mercedes Farm	N/A	0	346.7	346.7
Asopalthea Coop.	N/A	0	0	0
Asopalret Association	N/A	0	45	45
Coopalbongo Cooperative	N/A	0	0	0
Oleoyuma S.A.S	N/A	74.22	66	140.22

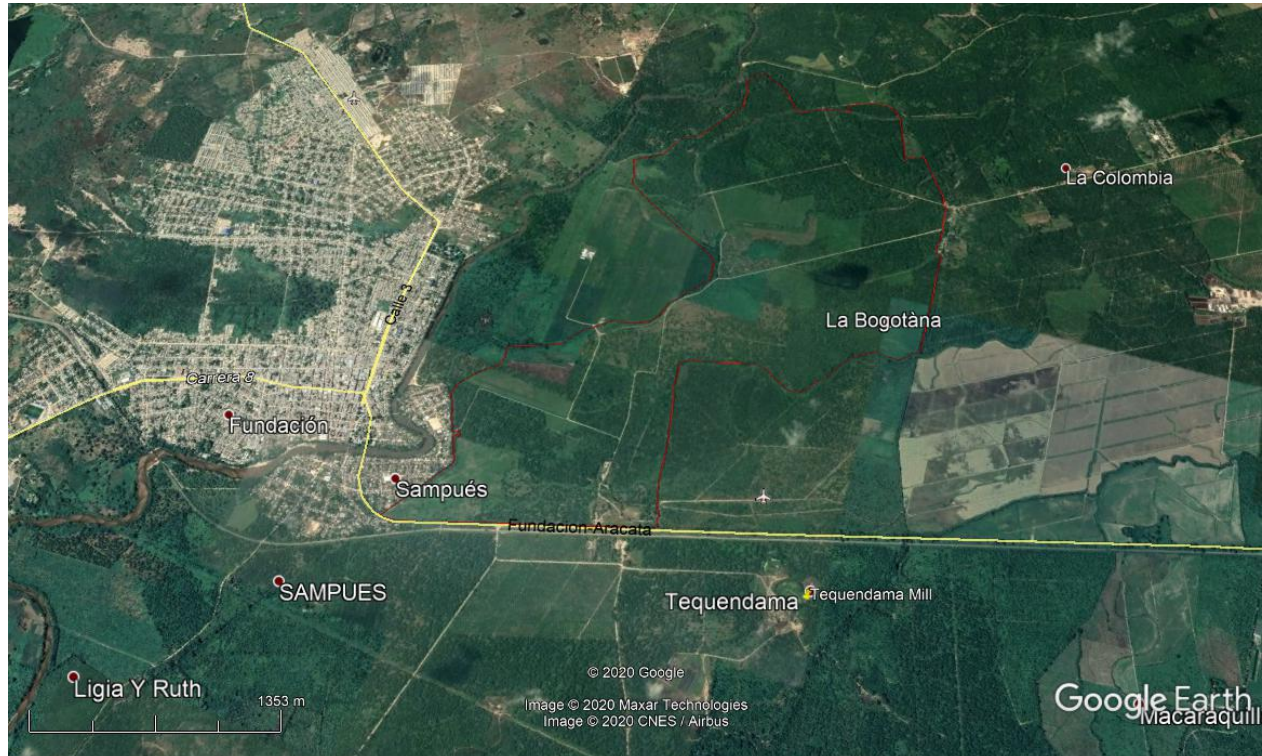
¹ Not Applicable if prior to 2014

1.9 Neighbouring Communities Map²



² The map would show communities bordering, and/or directly affected by, the plantation operations.

1.10 Land Tenure System



2. VERIFICATION PROCESS

2.1 Certification Body

Name	Accreditation Body	Accreditation Code	Expiration date
Control Union (Malaysia) Sdn. Bhd.	ASI (RSPO)	ASI-ACC-069 (RSPO)	14 June 2022
<p>Description:</p> <p>Control Union Certifications is a member of the Control Union – an international inspection and certification body. CUC performs assessments and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP and GTP.</p> <p>Control Union (Malaysia) Sdn Bhd is accredited for RSPO (ASI-ACC-069) for the scope of P&C (Single Site & Group) and SCCS worldwide and accredited by Department of Standards Malaysia (DSM) for ISO 17021, ISO 9001, ISO 14001, and MSPO. When requested, a copy of accredited certificates can be obtained from CUC.</p>			

2.2 Verification Team

Name & Position	Qualification
Jose Coronado Roballo Lead Auditor	Engineer Agronomist of Magdalena University
Jose Coronado, Agronomist, Lead auditor for POIG, RSPO P&C and SCC, Global G.A.P and other standards.	Agronomist with a course in ISO 14000 Environmental Specialist of Magdalena University Environmental adviser for the ISO 14000 implementation, environmental management plans in the oil palm. EU/NOP/JAS leading auditor in organic agriculture.
Mr. Orlando Prada Colombia attorney lawyer specialized in labor law and social aspects Palmas del Cesar y Hacienda la Cabaña.	Mr. Orlando Prada EXTERNAL LEGAL ADVISER. MSC PALMA Y GANADO Company, entity located External Legal Consultant linked to the monitoring of compliance with current labor regulations, advise and document legal processes, guardianships, petition rights, hiring of personnel for Agroindustrial Legal Advisors of Santander Barranca in the municipality of bed sheet de Torres - Santander, dedicated to the production of Fresh Fruit Palm Oil Clusters, June 2018 - To date. External Legal Consultant linked to the monitoring of compliance with current labor regulations, advise and document legal processes, guardianships, petition rights, hiring of personnel and suppliers, etc.
Mr. Boris Villareal Morales; Auditor	Colombian Biologist. Environmental Specialist. Working with the palm industry since 2012 as working as consultant in aspects related to good environmental practices and social aspects.

2.3 Verification Schedule				
Date	Time	Location	Activity	Auditors
12/01/21	08:00 – 08:30	Remote Extractora Tequendama S.A.S	Opening Remote meeting	JC/BV/OP
	08:30 – 17:00		08:30 – 17:00: Document review Supply Chain Certification Assessment of the POM (RSPO SCCS)	JC/BV/OP
			08:30 – 17:00: Document review Supply Chain Certification Assessment of the POM (RSPO SCCS)	JC/BV/OP
13/01/21	08:00 – 17:00	Remote Extractora Tequendama S.A.S	08:30 – 17:00: Document Review – RSPO P&C	JC/BV/OP
			<ul style="list-style-type: none"> • Document review [SOP, EIA, SIA, CIP, Management Plan, Business Plan etc] • Complaint mechanism / Request & Respond • Best agricultural practices • Safety and Health, Environment, Social issues etc. 	
06/06/21	08:00 – 08:30	Remote Extractora Tequendama S.A.S	Document review	JC/ BV /OP
07/06/21	08:30 – 17:00	On site -Planta extractora Palma Y Trabajo S.A.S -Oleoyuma S.A	<ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond • Best agricultural practices • Safety and Health 	JC/ BV /OP
			<ul style="list-style-type: none"> • 16:00 – 17:00: (Remote audit interim closing meeting) 	
06/06/21	08:00 – 08:30	On site -Planta extractora Palma Y Trabajo S.A.S -Oleoyuma S.A	08:00 – 08:30: Opening meeting	JC/ BV /OP
07/06/21	08:30 – 17:00	On site -Planta extractora Palma Y Trabajo S.A.S -Oleoyuma S.A	<ul style="list-style-type: none"> • Introduction by team leader 	JC/ BV /OP
			<ul style="list-style-type: none"> • 08:30 – 17:00: Document review Supply Chain Certification Assessment of the POM (RSPO SCCS) • 08:30 – 17:00: Document review Supply Chain Certification Assessment of the POM (RSPO SCCS) • Demonstration of legal entity • Roles and responsibility • Procedures/manual/SOP • Record of purchase – RSPO certified product • Record of sales– RSPO certified product • RSPO logo & claims. 	

08/06/21	08:30 – 17:00:		08:30 – 17:00: Document Review – RSPO P&C <ul style="list-style-type: none"> • Document review [SOP, EIA, SIA, CIP, Management Plan, Business Plan etc] • Complaint mechanism / Request & Respond • Best agricultural practices • Safety and Health, Environment, Social issues etc 	JC/ BV/OP
09/06/21	08:00 – 1700	On site Planta extractora Palma Y Trabajo S.A.S -Oleoyuma S.A	Document review <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond • Best agricultural practices • Safety and Health 16:00 – 17:00: (Remote audit interim closing meeting)	JC/ BV/OP

2.4 Stakeholder Consultation Overview

The stakeholder consultation was performed through a remote meeting. Prior to the audit the stakeholders were contacted, and a phone meeting was arranged.

These group included community leaders, suppliers, workers, and 2 NGOs.

During the meeting, no complaints nor claims were presented to the lead auditor. Some requirements were presented in order to see if more working positions could be open by the companies. Also, some requirements regarding the maintenance of some paths in the area were presented.

Several good actions were commented, such as maintenance of some schools in the area and the inclusion of vulnerable people in the area (such as mothers that are family head).

2.5 Stakeholders Consulted (*Stakeholder identities are confidential*)

Stakeholder Type ³	# of Women	# of Men	Nationality	Role in community or job performed	Demographic
Workers	0	8	Colombia	Workers	
Indigenous People	0	1	Colombia	Indigenous Governor	
Community members	1	0	Colombia	Women Leader	
Contractors	2	1	Colombia	FFB Providers	

³ Some stakeholder types may not be applicable

Management and supervisor staff	0	0			
National government	1	4	Colombia	Environmental Authorities	
Local government	0	2	Colombia	Local Mayors	
Non-Governmental Organisations	1	1	Colombia	Local/ Regional NGO's	
Other					

2.6 Selection of Sites (*Sampling methodology*)

Owned estates (Y)	N = 0.8VY	Smallholders (Z)	N = 0.8VZ
7	3	49	5

The criteria for selection were:
 Estates of different geographic locations.
 Estates with different sizes (area).

Note: There was a decrease in the number of small producer members when they were withdrawn by Daabon because they did not meet some of the requirements.

2.7 Conformance Classification System

The findings from the evaluation are classified as follows:

- **Conformance:** when the evidence in the finding demonstrates that all the indicator requirements are fulfilled.
- **Partial Conformance:** when the evidence in the finding demonstrates partial compliance with the indicator requirements
- **Non-Conformance:** when the evidence in the finding indicates that compliance with the indicator has not been demonstrated
- **Not Applicable:** Some of the indicators can also be not applicable when the condition of the verified company during the verification does not meet the applicability of the indicator

When non-conformance or partial conformance with critical POIG indicators occurs, the company cannot be considered POIG verified until the non-conformance(s) have been corrected.

VERIFICATION CHECKLIST

****NOTE: The major Indicators for each section are highlighted in red**

POIG Indicators	Verification Finding	Conformance
1. Environmental Responsibility		
<p>1.1 High Carbon Stock and High Conservation Values The link between oil palm expansion and deforestation will be broken through undertaking a High Carbon Stock (HCS) approach in addition to a High Conservation Value (HCV) assessment, and a process of obtaining Free, Prior and Informed Consent to use land. The approach combines biodiversity and carbon conservation, as well as social considerations (including community needs).</p>		
1.1.1 Prior to establishing new plantations or expanding existing ones, ⁴ an HCV-HCSA assessment, ⁵ using HCV-HCSA Assessment Manual which combines biodiversity, carbon conservation and social considerations (including community needs) has been conducted. ⁶	No new plantations were detected. According to the list provided by the company in the Oleoyuma S.A.S. area, there is no evidence of new plantations. C.I Tequendama S.A., Gavilan farm, Ariguaní farm there is no evidence of new plantations or expansions after reviewing the list of plantation ages and satellite images. Therefore, it is not necessary to apply a HCV-HCSA assessment.	Pending onsite verification for full conformance.
1.1.2 HCS forest areas are identified and mapped.	No HCS have been identified in the area of influence of the oil palm plantations of C.I Tequendama; Ariguaní farm, Gavilan farm, Oleoyuma farm, or small producers.	N/A

⁴ Does not apply to infill areas less than 2 hectares, provided this is not encroaching on protected lands (e.g. riparian zones, HCV, etc.). Where the previous HCS assessments are older than 36 months, a new assessment would need to be conducted.

⁵ This must be carried out by a licensed assessor under the HCVRN scheme.

⁶ An HCV-HCSA assessment is not required for new plantings:

- i. in areas not covered by native vegetation, provided there is a valid HCV assessment and a Land Use Change Analysis; and
- ii. in areas covered by native vegetation, provided there are valid standalone HCV and HCSA assessments.

<p>1.1.3 After March 2014 no new plantings take place in HCS forest areas identified for conservation.</p>	<p>There is no evidence of new plantations in areas identified as HCVs or forests that have been carried out as seen using the company's Geographic Information System. The company has a public HCV report that indicates that conservation values are associated with migratory biodiversity and local species. None of the areas other than those designated as conservation areas by the company (regeneration strategy) are natural forests. The HCV for Tequendama and Palma y Trabajo and their small landowners has been carried out by Proforest and includes social considerations, community needs and biodiversity from a landscape approach.</p> <p>C.I Tequendama S.A. has not declared any new plantations after March 2014.</p> <p>The last oil palm plantations were established in Finca Gavilán 2000; Finca Ariguani 2001 area (16.81ha).</p> <p>Therefore, it is not necessary to apply a HCS.</p>	<p>Conformance</p>
<p>1.1.4 Community participatory mapping has identified and mapped garden and future farmlands⁷ that are fundamental to meeting their basic food needs over the license period of the plantation and excluded them from being considered HCS forest.</p>	<p>The project has not established new plantations; however, it has participatory mapping of the surrounding communities; without evidence of affectation to agricultural and future lands that are fundamental to satisfy their basic food needs or high conservation value forests.</p>	<p>Conformance</p>
<p>1.1.5 HCS forest areas are actively conserved as part of a community</p>	<p>Palma y Trabajo: No differences observed from previous year, no HCS forest areas, no peatland areas, palm and Trabajo plantation and farmers' areas are private. No use of community areas for palm plantations was detected.</p>	<p>N/A</p>

⁷ Applies to lands where communities have legal, customary or user rights to the land.

<p>participatory land use plan including FPIC,⁸ and an integrated conservation and land use plan (that includes HCV areas, riparian zones, and peatland areas).</p>	<p>C.I Tequendama: As the audit was remote, the information will be verified in the next audit which was postponed to April 2022.</p>	
<p>1.1.6 A summary report of the HCS assessment including maps is made public.</p>	<p>The project does not have HCS areas; in the case of for "Palma y Trabajo" it has a 2018 study by Proforest prepared by licensed personnel reference HCRVN ALS 16008 DA and contains numeral 7 conditions, management, and monitoring of HCVs, as the only detected areas pointing out their potential hazards and their management measures.</p> <p>Final report C.I. Tequendama - Daabon Group dated 05/12/2016 by Proforest does not detect existence of HCS zones, only notes presence of HCVs and contains management and monitoring activities recognizing potential hazards, their control and management measures.</p>	<p>Conformance</p>
<p>Recommendations:</p>		
<p>1.2 Peatland</p> <ul style="list-style-type: none"> • No peat clearance: All areas of undeveloped peatlands (peat of any depth) are protected and all drainage, fires or road building on peat soils is prohibited. • Maintenance of peatlands: Water tables are managed in existing plantations on peat in order to minimise both the subsidence of the peat and the release of GHG emissions. Strategies are employed to progressively restore critical peatland ecosystems, with a preference for replanting on mineral soils, including via 'land swaps'. 		
<p>1.2.1 Undeveloped areas of peatland (of any depth) are not developed or drained.</p>	<p>An email to RSPO declaring no presence of peat soils in the project's plantations was found.</p>	<p>N/A</p>

⁸ Applies to lands where communities have legal, customary or user rights to the land.

	As shown by the annual soil surveys carried out by third parties in the company, there are no peatsoils in the area of influence.	
1.2.2 Fires and road- building on peat soils are prohibited.	<p>An email to RSPO declaring no presence of peat soils in the project's plantations is evident.</p> <p>As shown by the annual soil surveys carried out by third parties in the company, there are no peat soils in the area.</p>	N/A
1.2.3 Where there is existing planting on peat, critical peatland ecosystems are identified and assessed for restoration opportunities.	<p>An email to RSPO declaring no presence of peat soils in the project's plantations was found.</p> <p>As shown by the annual soil surveys carried out by third parties in the company, there are no peat soils.</p>	N/A
1.2.4 Based on the results of the assessment above (1.2.3), peatland restoration strategies that are time-bound and expert reviewed are developed and implemented, including those to replant on mineral soils using 'land swaps'.	<p>An email to RSPO declaring no presence of peat soils in the project's plantations was found.</p> <p>As shown by the annual soil surveys carried out by third parties in the company, there are no peat soils.</p>	N/A
1.2.5 For existing plantings on peat, records show that the water table is maintained (at an average of 50cm (between 40 - 60 cm) below ground surface measured with groundwater piezometer readings, or an average of 60 cm (between 50 - 70 cm) below ground surface as measured in water collection drains) through a network of appropriate water control structures e.g.	<p>An email to RSPO declaring no presence of peat soils in the project's plantations was found.</p> <p>As shown by the annual soil surveys carried out by third parties in the company, there are no peat soils.</p>	N/A

<p>weirs, sandbags, etc. in fields, and water gates at the discharge points of main drains (RSPO Criteria 7.5, 7.7 and 7.8).</p>		
<p>1.2.6 Where drainability assessments have identified areas unsuitable for oil palm replanting, including the likely GHG emissions associated with continued cultivation, plans should be in place for appropriate rehabilitation or alternative use of such areas. If the assessment indicates high risk of GHG emissions, fires, flooding and/or saltwater intrusion, growers cease replanting and implement rehabilitation.</p>	<p>An email to RSPO declaring no presence of peat soils in the project's plantations was found.</p> <p>As shown by the annual soil surveys carried out by third parties in the company, there are no peat soils.</p>	<p>N/A</p>
<p>1.2.7 A report will be made public that includes assessments and maps of all peatlands (of any depth) within the company land bank, critical peatland ecosystems, planted peatlands, and degraded or planted areas identified for peatland restoration.</p>	<p>The project does not have peatlands based on documents such as:</p> <p>Colombian Federation of Palm Growers study called Palma Histosols which is verified by UPRA of the Ministry of Agriculture.</p> <p>No peat soils have been identified in the polygons of the Daabon project sites.</p> <p>There is no evidence of plantations established by the project on peat soils.</p>	<p>N/A</p>
<p>Recommendations:</p>		
<p>1.3 Greenhouse gas (GHG) accountability Companies shall publicly report on annual GHG emissions from all sources and on the progress towards reaching targeted reductions of non-land use GHG emissions (per ton of CPO).</p>		

<p>1.3.1 All sources of GHG emissions, including those related to land use and non-land use activities, are identified, and monitored using the RSPO PalmGHG methodology or equivalent.⁹</p>	<p>The project has as sources of information Excel template of input data (fossil fuel, fertilizers, plantation census, conservation area studies, plant productivity data, effluents, production units, compost, electric energy) on land use provided by the agronomy department, plant extraction data, effluent data, among others, which have been used in the palm GHG calculator tool v 4.0 latest update of the RSPO to monitor greenhouse gas emissions for the year 2020.</p> <table border="1" data-bbox="695 634 1709 1214"> <thead> <tr> <th>Emissions per Product</th> <th>tCO2e/tProduct</th> <th>Extraction</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>0.36</td> <td>OER</td> <td>19.51</td> </tr> <tr> <td>PK</td> <td>0.36</td> <td>KER</td> <td>4.52</td> </tr> </tbody> </table> <table border="1" data-bbox="730 850 1226 1003"> <thead> <tr> <th>Production</th> <th>t/yr</th> </tr> </thead> <tbody> <tr> <td>FFB processed</td> <td>129,524.86</td> </tr> <tr> <td>CPO Produced</td> <td>25271,93</td> </tr> </tbody> </table> <table border="1" data-bbox="1304 850 1661 1214"> <thead> <tr> <th>Land use</th> <th>ha</th> </tr> </thead> <tbody> <tr> <td>OP planted area</td> <td>3860.04</td> </tr> <tr> <td>OP planted on peat</td> <td>0</td> </tr> <tr> <td>Conservation (forested)</td> <td>898.30</td> </tr> <tr> <td>Conservation (non forested)</td> <td>0</td> </tr> <tr> <td>Total</td> <td></td> </tr> </tbody> </table>	Emissions per Product	tCO2e/tProduct	Extraction	%	CPO	0.36	OER	19.51	PK	0.36	KER	4.52	Production	t/yr	FFB processed	129,524.86	CPO Produced	25271,93	Land use	ha	OP planted area	3860.04	OP planted on peat	0	Conservation (forested)	898.30	Conservation (non forested)	0	Total		<p>Conformance</p>
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<p>1.3.2 Targeted reductions of non-land use related GHG emissions (per tonne of CPO) and/or targeted adoption of technologies or</p>	<p>A comparison of emissions for 2019 vs 2020 is made. The result of the calculation of emissions generated per TCO2/Tn CPO:</p>																															

⁹ The latest version of the RSPO PalmGHG methodology must be used.

<p>techniques which reduce global emissions of CO2eq are defined and documented.</p>	<p>There is documented evidence of a GHG emission reduction plan (January 2021). Includes fossil fuels, boiler emission gases, maintenance of cogeneration equipment.</p> <p>Extraction mill</p> <p>2019 values: CPO 0.24 tCO2, PKO product -0.1 tCO2P 2020 values: CPO 0.36 TCO2; PKO product 0.37 TCO2.</p> <p>Plantations:</p> <p>2019 values: Own plantations 1833.25 TCO2; Third party plantations -1106.98 TCO2.</p> <p>2020 Values: Own plantations 1924.02 TCO2</p> <p>Third-party plantations: 448.59 TCO2</p> <p>An increase in plant emissions associated with a greater amount of CPO produced is foreseen.</p> <p>GHG sources are correctly identified and monitored using the palm GHG calculator version 4.0; Greenhouse gas estimates have been made for the year 2020; input data are audited under RSPO P/C requirements. The plant has established strategies such as methane capture in its pools and energy cogeneration with the same and conversion to organic agriculture implies the non-use of fertilizers and synthetic pesticides. Control of fuel consumption.</p>	<p>Conformance</p>
<p>1.3.3 Annual GHG emissions from all sources and progress towards the targets documented in 1.3.2 are publicly reported.</p>	<p>In the latest sustainability report of Daabon Group 2018 published on its website http://portal.daabon.com.co/subportal/documents/DAABON%20SUSTAINABILITY%20REPORT%202012-2018.pdf it is reported in</p> <p>the item "DIRECT EMISSIONS GENERATIONSOURCES RELATED TO GROUP PROCESSES" table of existing emissions related to the agricultural and industrial activities of the Daabon.</p>	<p>Partial conformance</p>

	<p>The publication of the new sustainability report 2019 -2020 with data generated related to the processes of the group, according to the policies, is foreseen in the second semester of 2021 in the above-mentioned portal.</p>	
<p>Recommendations:</p>		
<p>1.4 Pesticide use minimisation Highly toxic, bio-accumulative and persistent pesticides shall not be used. These include chemicals on the FSC ‘Highly Hazardous’ list and SAN prohibited pesticide list. Producers shall preference practice natural weed and pest control and IPM, and strive to avoid the use of toxic pesticides, only using them as an absolute last resort. There shall be full transparency of any pesticide use.</p>		
<p>1.4.1 Highly toxic, bio-accumulative, and persistent pesticides (PBT) are prohibited. This includes chemicals listed by the following: a) World Health Organization Class 1A or 1B, Stockholm or Rotterdam Conventions, b) FSC ‘Highly Hazardous’ list, c) SAN prohibited pesticide list and d) Paraquat.</p>	<p>Chemical/synthetic pesticides are not used in the plantations (farms and smallholders). only biological products are applied.</p> <ul style="list-style-type: none"> • Paecilomyces SP to control: Leptopharsa gibbicularina (Hemiptera, tingidas). • Beauveria bassiana to control: Leptopharsa, gibbicularina, Brasolis sophora, Stenoma cecropia. • Metharizium sp to control: • Leucothyreus sp. Strategus Aloeus, Rynchophorus palmarum. • Trichoderma sp to control: ganoderma boninense, phellinus noxious. <p>Interview with certifications manager, Agricultural manager, Alliances Manager. Only biological products are applied in the plantations.</p> <p>Policies “Environmental sustainability policy” point number 8 “prohibit the use of World Health Organization Class 1A or 1B, Stockholm or Rotterdam Conventions pesticides and Paraquat”</p>	<p>Conformance</p>

	<p>Internal Manual of the Organic Management System defines the non-use of products of chemical synthesis.</p> <p>Oleoyuma: Within the document PRODUCTION PLAN the Integrated Management of Pests and Diseases is evidenced where the controls and treatment for the same ones are described, their critical levels. The training given to the personnel in the management of pests and diseases dated July 24 and 25, 2020 by the agronomist Carolina Angel is evidenced.</p> <p>There are records of monitoring of pests and diseases from June 2020 where Euprosterina, Leptopharsa, Opsiphanes and Stenoma and Cogollo Rot disease were monitored.</p>	
<p>1.4.2 The grower preferences natural weed and pest control and IPM.</p>	<p>Mechanical control (caciqueo and Plateo), use of noble coverings (kudzu and spontaneous legumes). In the inspection of records, no herbicide application was evidenced.</p> <p>In the farms Ariguaní and Gavilan 1, natural weed KUDZU (Pueraria phaseloides) is used as coverage, there is a follow-up and maintenance map to control coverage (kudzu- Pueraria phaseloides).</p> <p>For smallholders in the technical visit report Kudzu monitoring is recorded. (July and September 2020).</p> <p>There is the document “Administration and production manual for organic palm plantations-DAABON Group 2020/2022 defines IPM strategies. Such as biological control for pest and disease, tramps for defoliators, “surgery” for bud rot.</p> <p>Phytosanitary application records were reviewed.</p> <p>Gavilan 1:</p>	<p>Conformance</p>

	<p>Date: 16/09/2020 product: DIPEL Quantity: 1,5 kg Date: 12/06/2020. Batch: B1 Product: pheromone. Doses/tramp: 1</p> <p>Ariguaní: Date: 07/03/2020 Product: Trichoderma Batch: 11C Quantity: 31,5 kg Doses:10,48 grams/palm Date: 18/07/2020 Product: Trichoderma. Batch: 3D Quantity: 22,5 kg. Doses:10,48 grams/palm* Classification of insects.</p> <p>* Description and diseases management.</p> <p>In the farms Ariguaní and Gavilan 1 the invasive species KUDZU (Pueraria Phaseoloides) has been identified, the activities to prevent and monitor its spread are defined in the "Standard Operating Procedure Management of invasive species classified by the CABI for Colombia "</p> <p>There is a follow-up and maintenance map to control coverage (kudzu- Pueraria Phaseoloides).</p>	
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	<p>The smallholder “La Mariela” has presence of Kudzu (Pueraria Phaseoloides). The document "Invasive Species Sighting" defines management strategies. In the visit report, Kudzu monitoring is recorded.</p> <p>In the PRODUCTION PLAN document, there is evidence of the Crop Maintenance procedure - Guachapeo a Machete, which includes the management and control of spontaneous palms and grasses.</p> <p>It is evidenced in the ENVIRONMENTAL MANAGEMENT PLAN Oleoyuma S.A.S. in item 6.3.4 Vegetal Coverage that the plantation has established the Kudzu cover, however, according to information from the Agronomic Director within the Continuous Improvement Plan, planting, and maintenance of weeds in the plantation was contemplated to replace the Kudzu cover, this is described in the document Continuous Improvement Plan, improvement sheet: crop protection.</p>	
<p>1.4.3 Emergency use of listed pesticides is permitted subject to POIG Organising Committee approval.</p>	<p>Chemical/synthetic pesticides are not used in the plantations (farms and smallholders). only biological products are applied.</p> <p>Interview with certifications manager, Agricultural manager, Alliances Manager. Only biological products are applied in the plantations.</p> <p>Policies “Environmental sustainability policy” point number 8. “Prohibit the use of World Health Organization Class 1A or 1B, Stockholm or Rotterdam Conventions pesticides and Paraquat”</p> <p>There is no evidence of the use of synthetic or prohibited pesticides in the Daabon Group's plantations for pest and disease control.</p>	<p>Conformance</p>

<p>Recommendations:</p>		
<p>1.5 Chemical fertiliser To reduce climate and environmental impacts producers shall strive to minimise chemical fertiliser use, and preferentially use ‘precision agriculture’, organic fertilizers, and where possible use waste as a source of phosphorus. Phosphorus and nitrogen levels in water courses are monitored and disclosed.</p>		
<p>1.5.1 Use of chemical fertilisers is minimised through producers demonstrating preferential use of alternatives¹⁰ to manage soil fertility.</p>	<p>C.I Tequedendama S.A.S is currently certified in organic standard; Chemical fertilizers are not used in the plantations (smallholders and farms).</p> <p>Document “General Supplies List” includes all fertilizer approved and used. The list includes:</p> <ul style="list-style-type: none"> *Compost Daabon (Organic matter). *Potassium Sulfate. *Sulpomag (Potassium sulfate- Magnesium Sulfate). * Bordeaux mixture (lime, copper oxychloride, zinc sulfate). <p>Fertilizer applications records were review.</p> <p>Application records Ariguaní: BORAX date and quantity: 5/10/2020 (1465 kg) 6/19/2020 (635 kg) 8/10/2020 (1235 kg) 30/10/2020 (530). 6/11/2020 (325 kg) 2/12/2020 (1460kg).</p> <p>Application records Gavilan 1: Borax 11/12/2020 (537,6 kg). 12/11/2020 (1031,6 kg). 29/10/2020 (312,25).</p>	<p>Conformance</p>

¹⁰ Alternative methods include: ‘precision agriculture’, the use of organic fertilisers and the use of organic residues as a source of nutrients, including those resulting from the processing of oil palm bunches.

	<p>Smallholders (La Gloria, La Mariela, María Margarita, La Laja, Llegando, El Paraiso, Palestina) did not use fertilizers during 2020.</p> <p>The document OLEAGINOSAS DEL YUMA S.A.S. ENVIRONMENTAL MANAGEMENT PLAN is evidenced in item 6.3.7.4 the Recycling Strategies of nutrients by-products of the plant of benefit, in which the use of rachis, fiber and biosolids in the field and applied in the palm is described. There is a record of fiber and rachis application in the field during 2019 and throughout 2020. This record describes the lot where it was applied, date of application, by-product applied, and quantity applied in kilograms.</p>	
<p>1.5.2 Phosphorus and nitrogen levels in relevant watercourses are monitored and when the results of monitoring indicate an increased level of such elements in water due to fertiliser application, company will adjust fertiliser rates and procedures.</p>	<p>The Gavilan 1 Farm and the small producers (La Mariela, La Gloria, María Margarita, La Laja, El Paraíso, Palestina, Llegando) do not have water courses in the plantation.</p> <p>There is a physical, chemical, and microbiological analysis of the “Ariguaní River” water source at Finca Ariguaní. report n ° 6346 of 10/05/2020. However, phosphorus and nitrogen monitoring were not performed. It could be evidenced through a review of the fertilizer application record (borax applied October, November, and December 2020). that no applications of synthetic nitrogen or phosphate fertilizers were made during 2020.</p>	<p>Non conformance</p>
<p>1.5.3 Results of phosphorous and nitrogen monitoring in water courses are included in public reporting.</p>	<p>The results are published in the 2018 sustainability report, and it is proposed for the new sustainability report. This report is established biannually by internal policies of the Daabon Group.</p>	<p>Partial conformance</p>
<p>Recommendations:</p>		
<p>1.6 GMOs prohibition The cultivation of GMOs in the management area is prohibited.</p>		

<p>1.6.1 The use of GMOs in the management area is prohibited.</p>	<p>The document "Nursery seed certification" from the company "Elite palm seeds for the Americas S.A.S" Nit 900.893.683-6. Where the non-use of genetic engineering techniques for seed production is certified. Signed by the Agronomic Director of the Seed Production Garden.</p> <p>There is a letter from the national seed office of Costa Rica certifying that the company "compact seed & clones S.A." has not introduced, tested, manipulated, reproduced, released, or exported transgenic oil palm seed. Signed by the head of the technical department.</p> <p>No GMOs are used- DAABON is also part of the “Non-GMO Project” that requires third party testing of genetic modifications of crude, intermediary and final products. See: http://www.nongmoproject.org/find-non-gmo/verified-products/results/?brandId=10296.</p>	<p>Conformance</p>
<p>Recommendations:</p>		
<p>1.7 Water accountability The quality and quantity of water is maintained with responsible water management adopted including minimisation and disclosure of water use, pollution elimination, equity with other users, and consideration of catchment level impacts of irrigation.</p>		
<p>1.7.1 Water use, consumption and pollution by plantation operations and mills are monitored.</p>	<p>In the mill there are water consumption meters, which are periodically maintained to ensure their proper functioning, in the document "Water consumption records for the palm oil extraction process" the consumption of water daily recorded. 2020 water consumption records for the mill were reviewed. Example: January: 8331 m3, February: 13848, 39 m3, July: 14008, 48 m3, September: 8171, 67 m3, December: 9973.03 m3, Total 2020: 85151.82 m3.</p>	<p>Conformance</p>

	<p>The plantations have a flood irrigation system, a calculation of the water consumption is carried out (lot, flow, time, area) this information is consolidated in the document "Agua Riego Fincas 2020". The record of water consumption in the plantations is updated daily.</p> <p>For small producers there is a document "invoicing of medium and large-scale land adaptation districts" where water consumption is recorded. The registry is available for the María Margarita, La Mariela and Palestina farms.</p> <p>For the producers, La Laja, Llegando, El Paraíso and La Gloria, no water consumption monitoring record is available</p> <p>Annual monitoring of the quality of the mill's wastewater is carried out, report 6545 dated 11/19/20. Parameters evaluated: BOD5, COD, SST, surfactants, Fats and oils, Hydrocarbons, phosphorus, chlorides, acidity, calcium hardness, nitrates, ammonia nitrogen, alkalinity, orthophosphates, total hardness, sulphates, fluorides, zinc, cobalt. Among others. The parameter of thermotolerant coliforms and fluorides is above that established in resolution 1207 of 2014. An action plan is established in the continuous improvement plan document C.I Tequendama.</p> <p>Palma Y Trabajo S.A</p> <p>During documentary review it was possible to evidence the monitoring report "Characterization of non-domestic wastewater" Report No. 0204 dated 18-11-2020 issued by the company Chemilab SAS Laboratory accredited according to resolution 0288 of March 19, 2019, by the Institute of Hydrology, Meteorology and Environmental Studies (IDEAM).</p> <p>The following laboratory results were obtained: Chemical Oxygen Demand (COD) Input: 50990 mg O2/ L, Output: 1246 mg O2/L.</p>	
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	<p>Biological Oxygen Demand (BOD) Input: 25800 mg O₂/L, Output: 400 mg O₂/L. Total suspended solids (TDS): Input: 18280 mg/L, Output: 365 mg/L. Which are in compliance with local regulation 631 of 2015.</p>	
<p>1.7.2 The water management plan includes targets and measures to minimise and/or reduce water use, consumption, and pollution, including in both plantations and mills.¹¹</p>	<p>Document "efficient use and saving of water for organic cultivation of African palm, plantations and extractor program, version 2020". The document defines objectives, goals, water saving mechanism and consumption.</p> <p>Measures to avoid water contamination: domestic wastewater treatment (grease traps and septic tanks) and industrial wastewater treatment in plantations (biological beds) and mills (biodigester, grease traps, and septic tanks).</p> <p>Measures to reduce water consumption: leakage control, good engineering practices applied to the irrigation system, irrigation records, climatic considerations for the opportune moment of irrigation in the plantation, saving systems in the sanitary units of the plantations and the mill, training of personnel, preventive maintenance of distribution networks and equipment. The mill has a reservoir for storing rainwater.</p> <p>Consumption: The plantations have a flood irrigation system, a calculation of the water consumption is carried out (lot, flow, time, area). This information is consolidated in the document "Agua Riego Fincas 2020". The record of water consumption in the plantations is updated daily.</p> <p>Ariguaní Farm consumption: Consumption year 2019 (584 539.80 m³) year 2020 (223 408.12 m³). Water consumption m³ / tonRFF 2019 (32.20 m³ / tonRFF). 2020: (9.23 m³ / tonRFF). A decrease in water consumption is observed in 2020 of 61.78%.</p> <p>Gavilán 1 Farm consumption: consumption year 2019 (336 512.07 m³), consumption year 2020 (176 634.00 m³). Water consumption m³ / tonRFF: year 2019 (19.66 m³ / tonRFF).</p>	<p>Conformance</p>

¹¹ The scope is the entire area under management. The plan distinguishes among water that is used and that is consumed (e.g. disappears in industrial processes). It includes specific reduction targets, as well as pollution abatement measures.

	<p>Year 2020 (8.47 m3 / tonRFF). A decrease in water consumption is observed in 2020 of 47.51%.</p> <p>For smallholders there is a "program for the conservation and efficient use of water resources productive alliances C.I Tequendama S.A.S" where objectives, reduction measures and pollution are defined ". Among the reduction strategies is the use of irrigation by "Melgas, leakage control, good engineering practices applied to the irrigation system, irrigation records, climatic considerations for the appropriate time of irrigation in the plantation, saving systems in the units health services of the plantations and staff training.</p> <p>Palma y Trabajo, during the visit and documentary review, it was possible to evidence the EFFICIENT USE AND WATER SAVING PROGRAM - FOLLOW-UP OF LEAKS AND REPAIRS - Palm Oil Mill / Palm and Work SAS Sustainability Department.</p> <p>The purpose of which is to develop a consumption diagnosis for the processing units of the mill by means of consumption indicators in relation to the extraction of FFB. This document also contemplates the sensitization or training to all collaborators regarding the care of water resources.</p> <p>Training No. 12990 for personnel in charge of the industrial wastewater treatment system is evidenced as Re-induction format RG-GH-12 version 3 dated 04-16-2021. For Palma and work.</p>	
<p>1.7.3 Water use, consumption and pollution by plantations and mills are included in public reporting.</p>	<p>The latest 2018 sustainability report published on its website (http://portal.daabon.com.co/subportal/documents/REPORTE%20DE%20SOSTENIBILIDAD%20DAABON%202012%20-%202018.pdf) reports in the item “Water resource management” consumption of 2.001.430 m3, water waste generated was 665,195 m3.</p> <p>This report is established biennially by internal policies of the Daabon Group.</p>	<p>Partial Conformance</p>

<p>1.7.4 A water stewardship assessment is undertaken involving relevant stakeholders to address water equity issues.¹²</p>	<p>There is the document "Environmental Agenda between the regional autonomous corporation of Magdalena-CORPAMAG and FEDEPALMA / CENIPALMA" in alliance with C.I Tequendama S.A. Strategies are defined for the shared use of water from the Aracataca and Tucurinca rivers. Where communities, farmers of other crops and palm plantations were involved.</p> <p>The document defines the following strategies:</p> <ol style="list-style-type: none"> 1. Management of legal aspects 2. Saving and efficient use of water. 3. Mobilization by water. 4. Environmental monitoring and control. 5. Information. 6. Sembrar Program unites us. 7. Participants. 8. Representatives of the entities. 9. Commitments. 	<p>Conformance</p>
<p>Recommendations:</p>		
<p>1.8 Protect and conserve wildlife Following comprehensive biodiversity surveys to identify HCV 1-3, in addition to ensuring the protection and survival of all rare, threatened or endangered species (RTE) within their concession land, concession holders also make a positive contribution to their survival in the wild in areas beyond the concession.</p>		

¹² A plan to engage relevant stakeholders is available, which entails steps towards their engagement to arrive at an equitable and sustainable use of shared water resources.

<p>1.8.1 Comprehensive biodiversity surveys to identify HCV 1-3 have been undertaken.</p>	<p>Community surveys such as:</p> <ul style="list-style-type: none"> • Community council Escobar concession • Educational institution • Use Aracataca • Mayor's Office • Municipal aqueduct • Peace palm <p>There is very little use of the surrounding ecosystem resources, except for the extraction of some timber products and construction materials and illegal hunting of protected species; however, there is no record of food collection or fishing. For the management of workers in the production units associated with the presence of HCVs, training is provided on topics such as HCV disclosure on 16-11-19; RAP species 17-11-2019; updating of RSPO regulations with an emphasis on conservation ecosystems.</p> <p>In 2021, surveys will continue to be conducted in the communities surrounding the presence of HCVs, since these activities were rescheduled for 2020 due to Covid 19 access and mobility restrictions.</p>	<p>Partial conformance</p>
<p>1.8.2 Management plans for all rare, threatened, or endangered species include actions for their protection, survival, and prevention of poaching, in the landscape outside the management area.¹³</p>	<p>There are high conservation value management plan sheets that contain requirements for species-specific monitoring.</p>	<p>Conformance</p>

¹³ Examples of positive actions for the survival of RTE species outside the plantation or concession boundaries include: environmental education programmes with neighbouring communities; business contracts with smallholders/others that include specific clauses requiring no poaching and other protection measures; reporting illegal activities to environmental/other appropriate agencies; hiring patrols for monitoring outside the concession boundary

	<p>It is observable the monitoring report of high conservation values (HCV) carried out in November 2019 by the company's biologist; through the observation methodology locating species according to Cites, UITES and endemic categories.</p> <p>It is evident training program to educate the workforce for the year 2019-2020 by company biologist this contains theme, objectives, company, aimed at workers, agenda, intensity, created by and execution control (Disclosure of species, disclosure of new HCV species, conservation and sustainable use of diversity, training of which animals we are exposed and how to act in almost accidents). The program was completed in December 2019; due to the Covid 19 pandemic, only some of the scheduled training could be carried out and it is planned to start training activities in February 2021.</p> <p>It is evident the formation of a business security front formed between neighboring companies and police authorities where information is provided on acts that affect the preservation of species of flora and fauna in the HCVs of Daabon Group with the objective of preventive actions or control by the police authorities noting the random presence of the authorities to these sites by mutual agreement to prevent these acts.</p>	
<p>1.8.3 The RTE management plan takes into consideration traditional hunting by communities outside the management area and includes specific activities to contribute to the protection and survival of RTE species affected by hunting.</p>	<p>The Environmental Sustainability Policy establishes in point 4 the obligation to conserve rare, threatened, endangered or endangered species of flora and fauna cited in national or international lists or red books (IUCN, CITES, or others), as well as the prohibition of breeding, captivity and trafficking of species.</p> <p>Chapter XV of the internal work regulations, Chapter XV, scale of misconduct and disciplinary sanctions for employees, Article 67, states that failure to comply with any of</p>	<p>Conformance</p>

(if permitted by law); engagement with specialised NGOs or other organisations to work on species and habitat conservation; funding for protected areas outside of concession boundaries; engaging with and supporting adjacent landowners or concession holders in identifying and protecting habitats located outside boundaries that are used by RTE species for reproduction, migration, feeding, and shelter/roosting.

	the company's internal policies, including the aforementioned sustainability policy, constitutes a serious misconduct.	
Recommendations:		
2. Partnerships with Communities		
2.1 Free, Prior and Informed Consent		
<p>Comprehensive FPIC is obtained for all oil palm development including in particular: full respect for their legal and customary rights to their territories, lands and resources via local communities own representative institutions, with all the relevant information and documents made available, with resourced access to independent advice, through a documented process, through a long-term two-way process of consultation and negotiation where the communities are informed and understand that saying no to development is an option, and not constrained by local legal frameworks. Newly acquired already planted plantation areas shall redress any lack of proper FPIC when the plantations were established. Lands will not be acquired through expropriations in the national interest ('eminent domain').</p>		
2.1.1 Resourced access to independent expert advice is offered at each stage of an FPIC or conflict resolution process to affected communities.	The organisation has the document "Protocol for the Identification and Recognition of Customary Rights" version 2020, which includes the Free, Prior and Informed Consent (FPIC) procedure, and the document "Conflict Management Protocol", which describes the possibility during the process to appoint negotiators, advisors or translators freely and autonomously, in the number and expertise deemed appropriate. These documents are publicly available on the website www.daabon.com .	Conformance
2.1.2 Processes of consultation and negotiation, in accordance with internationally recognised FPIC standards, are not constrained by local legal frameworks.	In Colombia there is no limitation in its legal framework for consultation and negotiation processes according to internationally recognised FPIC standards.	Conformance

<p>2.1.3 When acquiring land or replanting existing plantations, measures are taken to redress any issues arising from the lack of or inadequate FPIC processes carried out when those plantations were established. In such cases, participatory surveys will be conducted to identify HCVs 4, 5 and/or 6 that existed before the plantation was established.</p>	<p>Palma y Trabajo</p> <p>There is no history or evidence of new plantation acquisition during the period of the inspection for the Palma Y Trabajo project. For replanting activities, it was verified that there are no issues related to FPIC processes carried out in the past. However, the plantations Palma Y Trabajo have a High Conservation Values Assessment dated April 18, 2018, conducted by PROFOREST with lead consultant Daniel Arancibia with provisional HCVRN license ALS16008DA, for Oleoyuma SAS. It identified the different types of HCVs. Current HCV type 3 and potential HCV type 1.</p> <p>C.I Tequendama</p> <p>As the audit was remote, the information will be verified in the next audit which was postponed to April 2022.</p>	<p>Conformance</p>
<p>2.1.4 Plantations have not been developed on land acquired through expropriations in the national interest (eminent domain) after March 2014.</p>	<p>Daabon group It was found that the organization has not acquired new land under any legal or extra-legal criteria.</p>	<p>N/A</p>
<p>Recommendations:</p>		
<p>2.2 Food security</p>		

<p>As part of the Free, Prior and Informed Consent process, participatory Social Impact Assessments and participatory land use planning with indigenous and local communities, food security is maintained or strengthened in order to maintain their land use choice and future food security options. This will include not undermining local control of and diversity of food production systems. There is transparency of the land allocation process.</p>		
<p>2.2.1 Food security for workers, smallholders, and indigenous and local communities affected by existing plantations is assessed and included in a social management plan. The scope of the food security assessment includes the additional impacts that oil palm production operations may have, including on land, water, labour and infrastructure as well as substitutability between income generation for food purchase and subsistence food production of workers, smallholders and affected communities.</p>	<p>The programme "Con el Fogón Prendido" is aimed at the workers and local communities and is currently being maintained in spite of the rickets of the covid pandemic, carrying out activities of distribution of food harvested at low prices to the community and donations in other cases.</p> <p>The social programme for the workers is carried out in three of Daabon's own farms (Ariguani, Tequendama and Gavilán I and II), reaching about 600 workers. There are organic crops of cassava, maize, and chilli, which are managed by the workers themselves. The programme started approximately in 2018 and is monitored by the agricultural technician.</p> <p>The social programme for communities is carried out in the villages of La Loma del Bálsamo, La Bogotana, La Colombia, Sampuesito and Villa María. The organisation opens registrations approximately every 6 months for the beginning of the harvests, currently benefiting some 600 families.</p> <p>The agricultural technician visits the gardens every 15 to 20 days to validate the conditions, constitution of the family, diet, crop rotation for food variety and soil protection, nutritional conditions of the crops. In addition, once a month, talks on healthy eating and psychosocial talks are given in each community.</p>	<p>Conformance</p>
<p>2.2.2 After March 2014, in new plantations or expansion of existing plantations, a</p>	<p>There are no new plantings or new expansions of plantations after 2014 neither in C.I. TEQUENDAMA; Palma y Trabajo nor in the RFF suppliers within the sample chosen for the validation.</p>	<p>Conformance</p>

<p>minimum of 0.5 ha¹⁴ of garden or farmland per person is identified via participatory mapping, and enclaved for meeting food security needs.</p>		
<p>2.2.3 Measures designed to maintain or enhance local food security are included in participatory land use planning, including transparency in any land allocation process.</p>	<p>The Daabon Group's plantations are developed in its own (individual) areas.</p>	<p>N/A</p>
<p>2.2.4 Evidence that measures identified in assessments and planning are being implemented and are effective.</p>	<p>The Daabon Group's plantations are developed in its own (individual) areas.</p>	<p>N/A</p>
<p>Recommendations:</p>		
<p>2.3 Effective conflict resolution A balanced, accountable, mutually agreed and documented conflict resolution system is established that is accessible to smallholders, indigenous peoples, rural communities and other affected parties in order to deal with complaints, grievances and resolve conflicts to the mutual satisfaction of the parties. The system will include the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.</p>		
<p>2.3.1 The mutually agreed and documented system for dealing with complaints and grievances is accessible to all affected parties.</p>	<p>The document "Stakeholders' Attention Manual" version 2020 is available to all affected or interested parties through the website www.daabon.com.</p>	<p>Conformance</p>

¹⁴ The area may be outside the concession, and it may exceed the minimum of 0.5 ha per person (in a family unit of indigenous or local communities) depending on fallow periods, garden and farming systems, soil fertility etc.

	<p>The manual describes the mechanisms (written, telephone, website, or verbal) for submitting a request, complaint, claim or suggestion.</p> <p>In fact, there is a record of the socialisation of the interested parties where they express their reception and agreement.</p>	
2.3.2 The system provides a clear and known procedure with an indicative time frame for each stage.	The Stakeholders' Attention Manual describes the response times for Petitions, Complaints, Claims or Suggestions (PQRS), which is 15 business days or sooner if possible.	Conformance
2.3.3 The system keeps parties to a grievance informed of its progress.	<p>The Stakeholders' Attention Manual describes the methodology and mechanism for submitting a Petition, Complaint, Claim or Suggestion (PQRS), as well as the response times (15 business days) and the terms for the evolution of the PQRS, which will be made within the first 10 business days of receiving the manifestation.</p> <p>The PQRS of direct employees are processed through the DHR application, to which all employees of the business group have access.</p> <p>During 2020, 27 PQRS were received and processed from employees and 3 from local communities, which were processed within the established timeframe, according to the validated indicators.</p>	Conformance
2.3.4 The system includes the options of a) access to independent legal and technical advice; b) support from representatives of local communities' own choosing, and c) third party mediation.	The organisation has the document "Protocol for the Identification and Recognition of Customary Rights" version 2020, which includes the Free, Prior and Informed Consent (FPIC) procedure, and the document "Conflict Management Protocol", which describes the possibility during the process to appoint negotiators, advisors or translators freely and autonomously, in the number and expertise deemed appropriate. These documents are publicly available on the website www.daabon.com .	Conformance

<p>2.3.5 Evidence that where conflicts have arisen the conflict resolution mechanism is being used and outcomes are considered mutually agreed including by affected parties.</p>	<p>During the audit there was no record of conflicts of interested parties. There is evidence of the registration and processing during 2020 of 27 PQRS from workers of which 16 correspond to requests to the company on different aspects and 3 PQRS from local communities that correspond to requests for assistance.</p>	<p>Conformance</p>
<p>2.3.6 Evidence that outcomes and remedies resulting from use of the mechanism are compatible with internationally recognised human rights.¹⁵</p>	<p>There is no record of conflicts with the organisation either by direct workers or workers of contractors or local communities.</p>	<p>Conformance</p>
<p>Recommendations:</p>		
<p>2.4 Social conditions A comprehensive social programme with regular monitoring is in operation to ensure palm oil production does not result in human rights violations, trigger social conflicts, or produce ‘land grabbing’, and addresses key social equity issues including housing, healthcare, education and empowerment of women.</p>		
<p>2.4.1 Social impact assessments and plans for the avoidance or mitigation of impacts address the issues of potential human rights violations, social conflicts, impacts of migrant workers on local communities, and land grabbing.</p>	<p>The Social Impact Study of C.I. Tequendama was carried out during 2020 in a participatory manner with local communities such as Aracataca, El Retén, Algarrobo and Riohacha and workers of both the Extraction Plant and crops. The document contains matrices for the identification of impacts and management measures in the social area, such as food security projects. This study is available on the website www.daabon.com.</p>	<p>Conformance</p>
<p>2.4.2 Social impact assessments and plans for the avoidance or mitigation of impacts</p>	<p>The Social Impact Study was updated during 2020 in a participatory manner with local communities such as Aracataca, El Retén, Algarrobo and Riohacha and workers of both the</p>	<p>Conformance</p>

¹⁵ The [Universal Declaration of Human Rights](#), adopted by the UN General Assembly in December 1948, establishes internationally recognised human rights.

<p>address key equity issues, including housing, healthcare, education, and empowerment of women.</p>	<p>Extraction Plant and crops. Through surveys and workshops, access to health, education, housing, food, land conflicts, environmental impacts, among others, were evaluated.</p>	
<p>Recommendations:</p>		
<p>2.5 Workers' rights Palm oil producers shall respect worker's rights including the International Labour Organization (ILO) requirements for 'decent work' and core conventions on child labour, forced or compulsory labour, freedom of association, and elimination of discrimination.</p>		
<p>Terms and contracts of employment</p>		
<p>2.5.1 Permanent, full-time employment is used for all core work performed by the company. Casual, temporary and day labour is limited to jobs that are genuinely temporary or seasonal, and account for no more than 20% of the workforce.</p>	<p>According to those audited, there are currently no temporary workers, all workers are hired directly through permanent employment contracts and fixed terms. There are 14 active workers at both the extraction and cultivation plants, and there is evidence of compliance with applicable labour legislation.</p>	<p>Conformance</p>
<p>Remuneration</p>		
<p>2.5.2 A living wage assessment for all workers, whether employed directly by the company or indirectly by a private employment agency, is conducted based on a credible methodology.¹⁶</p>	<p>The organization is FAIR TRADE CERTIFIED. It is evident that the hiring of workers is carried out within the legal terms in force and signed by the parties (employer and employee). The organization has a Human Development area through which it provides all the support and advice to workers regarding wages and agreed rates.</p>	<p>Conformance</p>

¹⁶ A methodology for measuring the living wage has been established by the [Global Living Wage Coalition](#), a group of six international, multi-stakeholder standard-setting initiatives. A [report](#) published by the International Labor Organization (ILO) also reviews methodologies to estimate a living wage.

<p>2.5.3 Wages are paid to all workers regularly, on time, directly to the worker and in legal tender or cheque.</p>	<p>All workers in the organization receive their salaries directly through bank deposits in local currency (pesos) and according to the periodicity established in the employment contracts, i.e., administrative staff paid monthly, and operational staff paid fortnightly.</p> <p>The payment slips for 14 workers from both the extraction and cultivation plants for the months of June, July and August 2020 were validated, detailing the amounts accrued and the discounts made.</p>	<p>Conformance</p>
<p>2.5.4 Wage advances, loans and deductions are legal, recorded, communicated and available to workers upon request, and do not result in debt bondage.</p>	<p>The payment slips for 18 workers from both the extraction and cultivation plants for the months of June, July and August 2020 were validated, detailing the amounts accrued and the discounts made, both those authorized by the current legal regulations (social security discounts) and others authorized by the worker (discounts for employee funds and funeral services).</p>	<p>Conformance</p>
<p>2.5.5 All workers, including casual, temporary, seasonal and migrant workers, are provided compensation and benefits consistent with applicable law, including health, pension and social security.</p>	<p>It is evidenced that all workers in both the extraction plant and crops have comprehensive social security (health, pension, and professional risks), which is validated through the payment of contributions in the integrated social security contributions spreadsheet. In addition, the recognition of annual vacation and service premiums is validated through the DHA application and payment receipts.</p>	<p>Conformance</p>
<p>Working hours and leave</p>		
<p>2.5.6 The normal work week does not exceed 48 hours, not including overtime, and workers are entitled to at least one day off in 6 consecutive days. Overtime in excess of what is permitted by law is prohibited, and workers report that all overtime is voluntary.</p>	<p>It is evident that the organizations have internal work regulations that describe the working hours of both operational and administrative staff in the extraction plant and plantations, which do not exceed 48 hours per week (those permitted by the current legal regulations) and define the work from Monday to Saturday, with Sunday as a rest day.</p> <p>Payroll slips show the payment of overtime, daytime, and night-time overtime (when applicable). Permission to work overtime is evidenced through Resolution 0158 of 07-09-2020 of the Ministry of Labour.</p>	<p>Conformance</p>

<p>2.5.7 All workers are provided legally mandated public holidays and periods of leave consistent with applicable law, including paid annual, parental, compassionate and sick leave. Workers not covered under applicable laws are entitled to equivalent benefits.¹⁷</p>	<p>It is evidenced through the DHR application and payroll receipts, that workers have access to legal annual leave, rest on Sundays and holidays regulated in Colombia and the right to paid leave such as maternity leave, paternity leave, bereavement leave, domestic calamity, death of a co-worker and marriage. These policies are described in the "MANUAL OF HUMAN DEVELOPMENT POLICIES" dated 21-10-2019 version 2.0, to which all employees have access through the DHR application.</p>	<p>Conformance</p>
<p>2.5.8 Records are maintained and demonstrate that hours of work do not exceed the maximum allowed by local law, regulation or collective agreement or 48 hours (per 2.5.6 above), whichever is lower.</p>	<p>In the extraction plant, the payment of overtime, daytime and night time overtime (when applicable) is evidenced through the payroll slips. Permission to work overtime is evidenced through Resolution 0158 of 07-09-2020 of the Ministry of Labour.</p> <p>In plantations there is evidence of personal attendance records for the month of October 2020 (daily entry and exit of each worker), in compliance with the work schedule (6:00 am - 2:00 pm) and there is no evidence of overtime work or night surcharges.</p>	<p>Conformance</p>
<p>Child labour</p>		
<p>2.5.9 A clear policy and compliance system is in place that prohibits child labour and its worst forms and sets the minimum age for employment consistent with applicable law.¹⁸</p>	<p>The child policy in the plantations, extraction plants and supply chains of the companies of the Daabon group" is published in (http://portal.daabon.com.co/subportal/documents/Pol%C3%ADtica%20al%20Menor.pdf).</p> <p>In the internal structure of the DAABON GROUP companies. The express prohibition of not hiring people under eighteen years of age, covers all areas of production and / or handling, the document defines:</p>	<p>Conformance</p>

¹⁷ Entitlements for workers not covered under applicable law will be calculated on a pro rata basis, in proportion to the entitlement of a similar full-time worker.

¹⁸ Per ILO Convention 138 on the Minimum Age for Admission to Employment and Convention 182 on the Worst Forms of Child Labor.

	<ul style="list-style-type: none"> • In the structure of the supply chain. The Policy will comply with the Childhood and Adolescence Code (Law 1098 of November 2006) * Validity period: 10 years. • Sanctions • Procedure applicable to the supply chain. • In its supply chain, assuming the co-responsibility of protecting the minor worker, as a constitutional mandate, the companies of the DAABON Group are governed by the provisions of the Childhood and Adolescence Code 3; according to which, "the minimum age for admission to work is fifteen (15) years" • Monitoring and follow-up. 	
<p>2.5.10 Young workers legally permitted to work but subject to compulsory education laws only work outside school hours.</p>	<p>According to the Human Development Policy Manual (Code MN-GH-01 Ver 02) this covers the internal structure of the Daabon group companies. The express prohibition of not hiring people under the age of eighteen covers all areas of primary production, processing, logistics, storage, physical and administrative security. In the interviews carried out in the Palma y Trabajo unit, there was no evidence of the hiring of minors under 18 years of age. This is monitored in the supply chain through unannounced visits and sanctions are established in the event of non-compliance, including complaints to legal authorities.</p> <p>C.I Tequendama's implementation will be verified in an on-site visit postponed to April 2022.</p>	<p>Conformance</p>
<p>2.5.11 The company maintains an up-to-date list of hazardous activities and functions in the workplace that are prohibited for young workers consistent with or exceeding national regulation, where applicable.</p>	<p>In the internal work regulations, Chapter XI. Prohibited work is defined for women and those under 18 years of age. Articles 49 and 50 list the activities that are prohibited for young workers according to the national regulation "substantive labor code" (article 242).</p> <p>Examples of dangerous activities included in the document:</p> <ol style="list-style-type: none"> 1. Management of toxic substances. 	<p>Conformance</p>

	<p>2. Work at abnormal temperatures or in polluted environments.</p> <p>3. All kinds of work that involves exposure to high voltage electrical currents.</p> <p>4. Agricultural or agro-industrial activities that imply a high risk to health.</p> <p>5. Jobs that involve the handling of heavy loads.</p>	
Forced or trafficked labour		
<p>2.5.12 No fees or costs are charged to workers, directly or indirectly, for recruitment or employment services by recruitment agencies, private employment agencies or the employer. Where it is discovered that fees have been charged, workers are reimbursed the total amount paid.</p>	<p>Organizations carry out the selection and hiring processes directly through their Human Development areas and following the Selection and Hiring procedures. There is no evidence that workers pay fees or charges before or after hiring.</p>	<p>Conformance</p>
<p>2.5.13 The retention of passports, other government-issued identification and any personal valuables by the employer or third-party recruitment or employment agency is strictly prohibited in policy and monitored in practice.</p>	<p>The organization has the Human Development Policy Manual T-MN-GH-01 dated 21-10-2019 version 2.0 which describes the FORCED LABOUR PROHIBITION POLICY which states that "forced labour, modern forms of slavery and trafficking in human beings are prohibited" and therefore entry and withdrawal from the organization is done freely, voluntarily, and safely, additionally it is defined as a policy: "The freedom of movement of workers will not be limited, their salaries or their identity documents will not be withheld". The Manual is available to all employees of the corporate group through the DHA application.</p>	<p>Conformance</p>

<p>2.5.14 Growers and millers conduct a risk assessment of their Fresh Fruit Bunches (FFB) supply chain to identify and take steps to address risk of forced labour, human trafficking and child labour.</p>	<p>There is no evidence that a Fresh Fruit Bunches (FFB) supply chain risk assessment is being conducted to identify and take action to address the risk of forced labor, human trafficking, and child labor.</p>	<p>Non conformance</p>
<p>Recommendations:</p>		
<p>2.6 Support to smallholders Contracts with smallholders are based on a fair, transparent and accountable partnership. Smallholders are supported to improve economic, social and environmental outcomes including: increase productivity to a comparable benchmark of productivity for the region and a target of having the same productivity as the company nucleus plantation. The productivity gains shall be achieved without expansion that threatens local community food security or additional environmental impact, and support should include financial management and budgeting, logistics and FFB processing, and improved market access such as through group certification. Companies shall report on the support they have provided to smallholders.</p>		
<p>2.6.1 A smallholder support programme is developed, documented and monitored, which includes a) Measures to increase the productivity of smallholders to a comparable benchmark of productivity for the region, and a target of reaching at least the same productivity level as company estates; b) Support relating to financial management and budgeting and c) Support relating to logistics, FFB processing and market access.</p>	<p>Grupo Daabon has a department dedicated exclusively to provide technical assistance to associated producers (Alliances Division) without charging for it and it is offered the possibility of acquiring inputs to be used in its activities and the discount payments received with affordable values. They also provide technical advice, accompaniment in social and environmental aspects. Loyalty bonus of \$ 4,500 for each ton delivered; Transportation bonus of \$ 12,500 for each ton put into the Tequendama extractor. Advice on plant nutrition and facilities for access to fertilizers.</p> <p>Technical assistance reports are kept on visits.</p> <p>Grupo Daabon published monthly for each producer the prices paid for the purchase of FFB, payment method, as provided in the signed contract, and for each delivery the</p>	<p>Conformance</p>

	<p>producer is informed of the total received and is informed of the value to be paid. received every fortnight.</p> <p>"Strategic plan for the production of sustainable palm oil 2020-2025". Developed in partnership with "CENIPALMA", a characterization of the small producers of C.I Tequendama S.A.S. was made.</p> <p>the plan includes:</p> <p>5. Strategic objectives alliances.</p> <p>8.1.1: Diagnosis of productivity in plantations older than 25 years.</p> <p>8.2.2 Productive gaps in plantations between 16 and 24 years.</p> <p>8.3.1 Productive gaps in plantations between 10 to 15 years.</p> <p>8.4.1 Productive gaps in farms less than 10 years old.</p> <p>9.1 Causes of productivity gaps in alliances (small producers): Inefficient irrigation and fertilization, advanced crop age, poor soils, affectation of bud rot.</p> <p>10. Strategies for closing productive gaps: Provide technical assistance, strategy of demonstration plots in strategic areas, provide training, training, in alliance with "Cenipalma" provide economic resources for eradication of plants with non-recoverable crown rot, provide access to seeds to replace eradicated plants,</p> <p>10.6 Strategies that favour the adoption of technologies: access and support to credits for the development of the crop, endorsement for the "ACEPALMA" program to finance fertilizers, delivery of pheromones for the control of Rynchophorus palmarum,</p>	
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	<p>performance of foliar and soils, support at no cost with biological producers for the prevention of phytosanitary diseases.</p> <p>10.7 in person and virtual training and technical assistance strategies.</p> <p>11. strategic plan methodological framework.</p> <p>12. Goals and description of objectives.</p> <p>13. Plan of technical assistance activities.</p> <p>14. Productivity projection.</p>	
<p>2.6.2 Progress in implementation of the smallholder support programme is included in public reporting.</p>	<p>The latest sustainability report is published on the Daabon group website http://portal.daabon.com.co/subportal/documents/REPORTE%20DE%20SOSTENIBILIDAD%20DAABON%202012%20-%202018.pdf.</p> <p>Published information includes</p> <ul style="list-style-type: none"> * number of families linked to a productive alliance contract: 125 * number of hectares established (2339 ha) and in production (1752, 76 ha). * Annual production volume obtained by small producers: 27,966.88 tons. <p>The information updated to 2020 will be included in the sustainability report that will be published in the first quarter of 2021.</p> <p>By internal policies of the Daabon Group it is defined that the sustainability report will be published every two years.</p>	<p>Partial conformance</p>

<p>2.6.3 Report on percentage of schemed smallholders, percentage of independent smallholders and percentage RSPO certified of each.</p>	<p>The document "List of alliances Tequendama plantations" The information of certified small producers is included.</p> <p>Producers certified under the alliance scheme: 40.5%.</p> <p>Producers without RSPO certification: 59.50%</p> <p>Independent producers: 0%.</p> <p>Individually certified producers: 0%</p>	<p>Conformance</p>
<p>2.6.4 Develop a group certification plan for independent smallholder identified in the supply base of each mill within three years of the mill obtaining its own certificate and support the independent smallholders to achieve certification and progress towards POIG verification.</p>	<p>Strategic plan for the production of sustainable palm oil 2020-2025". Developed in partnership with "CENIPALMA", a characterization of the small producers of C.I Tequendama S.A.S was made, and strategies are defined for the certification of small producers not certified under the RSPO scheme:</p> <p>Numeral 5 Objectives: Maintain 95% of the plantations currently certified in RSPO, RA, organic certification and 50% of the producers that are not yet certified by the end of 2025.</p> <p>Numeral 11 Methodological framework of the plan. Activities to be carried out for the certification of non-certified small producers are defined.</p> <p>Advances: Diagnosis of the certification status of small producers.</p>	<p>Conformance</p>
<p>Recommendations:</p>		
<p>3. Corporate and Product Integrity</p>		

3.1 Anti-corruption and transparency

Producer companies shall publicise a commitment to prohibit any form of corruption including during the concession acquisition process and within their operations, and support efforts to establish and comply with anti-corruption legislation where this exists. In the absence of anti-corruption law, the producer company shall implement other anti-corruption measures proportionate to scale and intensity of management activities and the risk of corruption.

3.1.1 An ethical policy prohibiting all forms of corruption is publicly available.

The code of ethics is publicly available in http://portal.daabon.com.co/subportal/documents/cod_etica.pdf.

The policy defines its scope for: shareholder, employees, clients, suppliers and contractors.

Conformance

3.1.2 The ethical policy covers: a) Bribery; b) Facilitation payments; c) Guidance and procedure for gifts and hospitality d) Disclosure of political contributions; and e) Guidelines for charitable donations and sponsorships, f) Respect for fair conduct of business; g) Proper disclosure of information in accordance with applicable regulations and accepted industry practices and h) Compliance with existing anti-corruption legislation.

The policy includes:

- *Respect for fair conduct in business (respect).
- *Prohibition of all forms of corruption, bribery and fraudulent use of funds.
- *Regalos,
- *Corporate principles and values.
- *Goals.
- *Areas of application: workers and employees, Shareholders, suppliers, clients and contractors.
- *Prevention of money laundering.
- *Conflict of interests.
- *Procedure in case of conflict of interest.
- *use and protection of company assets.

Conformance

	<p>*Intellectual property.</p> <p>*confidentiality</p> <p>*Ethic committee.</p> <p>*Guidelines for charitable donations</p> <p>Document "Internal Work Regulations" version 2015 defines in article 53 numeral 5, prohibitions for the company defines not to impose religious, political obligations on workers, or hinder or prevent them from exercising the right to vote, it is also prohibited to do or authorize political propaganda in the workplace.</p>	
<p>Recommendations:</p>		
<p>3.2 Traceability Within 12 months of commitment to the Charter, all supply is fully traceable from company plantation and other suppliers’ fields to their mills. Each party shall take responsibility for traceability in the components of the supply chain under their control and transparency with their supply chain partners.</p>		
<p>3.2.1. Within 12 months of commitment to the Charter all mills under the management of the grower member have a traceability system in place to identify the location (at least GPS coordinates) of FFB production.</p>	<p>Grupo Daabon has a management and control system called SAP that manages the entry of all the fruit for all the industrial plants of the Daabon Group complex, month by month a purchase order is programmed to each supplier for the entry of fruit; it is possible to visualize the information of all the entries that indicate the name of the producer, date of delivery, quantity, person responsible for the delivery and the farm where the fruit was harvested.</p> <p>In addition, for each FFB delivered, a ticket with all the source information of the fruit is generated in each scale of the mills.</p>	<p>Conformance</p>

	<p>The purchasing department through the pre-entry system creates strict registration measures of its suppliers based on location, contracts, volumes, etc., guaranteeing the non-acceptance in the system of sources not previously registered.</p> <p>To be registered in the system, the supplier must have a Contract or purchase order. This way, our mills only receive FFB from previously known and approved suppliers.</p> <p>Department dedicated exclusively to provide technical assistance to partner producers has all the information of small producers, including GPS coordinates.</p> <p>It is evident that the list of producers Daabon Group (2019-2020) contains Name of the product, name of the property, association, number of hectares and geographical location.</p>	
<p>3.2.2. Within 24 months of commitment to the Charter the mills under the management of the grower member will only source FFB from known and identified sources and not from illegal sources.</p>	<p>The Daabon group showed that all the FFBs received is from small, previously identified owners, approved by the Daabon group and one of the conditions is that they are not from illegal sources.</p>	<p>Conformance</p>
<p>3.2.3. Within 24 months of commitment to the Charter the company will have a time-bound plan to bring all FFB sourced into compliance with the POIG indicators and efforts to bring non-compliant smallholders into compliance are documented.</p>	<p>The company, at the time of the audit, has all acquired FFBs in compliance with the POIG indicators and has a documented strategy and action plan for new smallholders should they come forward.</p>	<p>Conformance</p>
<p>Recommendations:</p>		
<p>3.3 Report on social, labour and environmental performance</p>		

Disclose the company’s social, labour and environmental performance including the elements of the POIG Charter, and how the organisations demonstrates good governance of its sustainability system using the guidance of the Global Reporting Initiative (GRI) or equivalent approach.

3.3.1 A publicly available sustainability report is prepared at a minimum every two years, covering as a minimum all issues relevant to compliance with this Charter. This includes relevant RSPO indicators and the additional POIG indicators.

The latest 2018 sustainability report published on its website <http://portal.daabon.com.co/subportal/documents/REPORTE%20DE%20SOSTENIBILIDAD%20DAABON%202012%20-%202018.pdf>).

The report includes:

1. Management of suppliers: environmental permits, licenses and / or concessions for the use or use of natural resources, approval of contingency plans, compliance with national regulations, among others.
2. Indicators of suppliers evaluated on environmental criteria.
3. Human rights in the value chain.
4. Responsibility with the environment: protection of the water resource generation of wastewater (quantitative indicators), energy efficiency and emission reduction, protection and conservation of biodiversity (indicators on areas of conservation and reforestation), responsible use of inputs, management integral waste,
5. Commitment to the community: Relationship with the community, community development project, education, entrepreneurship, food security.
6. Small producers: alliances with small producers.
7. Human development: human capital, health and safety, training and education.

The Report includes tables of productive indicators for: agriculture, livestock, palm oil processing, palm kernel oil processing, mixture of vegetable oils, logistics, real estate, certifications, quality certifications, water use, wastewater generation, energy from renewable sources, among others.

However, the indicator states that it should be carried out every two years and that the project was overrun at the time of the audit.

Non conformance

<p>3.3.2 The public sustainability report includes details relating to the company’s governance of its sustainability systems, consistent with the GRI Sustainability Reporting Guidelines (or equivalent approach).</p>	<p>The report includes:</p> <ol style="list-style-type: none"> 1. Sustainable management of the value chain (GRI 102). 2. Material issues (GRI 103-GRI 203-GRI 204-GRI 302, GRI 303, GRI 304 GRI 305) 	<p>Conformance</p>
<p>Recommendations:</p>		
<p>3.4 RSPO certification and company operations Producers shall meet a minimum of 50% of their plantations being RSPO certified upon commitment to the Charter, and a commitment to achieve 100% by within 2 years. This shall cover all palm oil operations, subsidiaries, acquisitions of existing plantation and fresh fruit bunch purchases from third parties, with possible alternatives to full RSPO certification for small independent producers.</p>		
<p>3.4.1 A minimum of 50% of the company’s plantations and mills are RSPO certified upon commitment to this Charter¹⁹.</p>	<p>It is verified in the database of the mass balance and receipts of reception of the extractor plants, the quantities of fresh fruit bunches received correspond to a total of 25,297.92 MT and reception of certified fruit bunches 195,607.85 MT.</p> <p>To date and according to the verifications for the case of Tequendama extractor, 90% of the base is certified out of a total of 100% the previous year; this is due to non-compliance of associates of the base of small producers with the RSPO standards. This year, a project has been prepared and approved with the support of the Palm Guild at the level of the independent supply base with a view to certification within three years.</p>	<p>Conformance</p>
<p>3.4.2 Within 24 months of POIG membership, 100% RSPO certification of the company’s plantations and mills is</p>	<p>The certification status of the supply base and plants of the Daabon group presented 100% for its plants declared in membership.</p>	<p>Conformance</p>

¹⁹ The POIG Secretariat will assess compliance as part of the Due Diligence entry requirements.

achieved. ²⁰	A project is being implemented in conjunction with the Colombian Palm Guild (Fedepalma) with a view to certifying the independent supply base.	
3.4.3 Newly acquired plantations are RSPO certified within 24 months of acquisition.	It is verified in RSPO's web page https://www.rspo.org/members/795/DAABON-Group . The last acquisition was more than 24 months ago, corresponding to the Palma y Trabajo mill, which is certified with its supply base.	Conformance
3.4.4 A policy for purchasing 100% RSPO certified FFB within 24 months of signing the POIG Charter is developed, implemented and monitored for progress. Acceptable alternatives may be defined for independent smallholders.	The Daabon Group has a document called own and third party input where it considers the purchase of 100% RSPO certified fruit within its policy of compliance with the POIG, for which it has a plan to certify small producers of palm plants and work.	Conformance
Recommendations:		
<p>3.5 Responsible Supply Chains Producers shall independently verify and report on compliance with this Charter within 12 months of commitment to the Charter, across their operations, subsidiaries and acquisitions of existing plantation including FFB from 3rd party suppliers.</p>		
3.5.1 Compliance with the requirements of the Charter, including the POIG indicators, is independently verified within 12 months after signing the commitment to this Charter. ²¹	Compliance with the requirements of the Charter, including the POIG indicators, has continued to be independently verified within 12 months of signing the commitment to the Charter.	Conformance

²⁰ Where there are plantations waiting for a mill, the rule will only apply after mill construction has been completed.

²¹ The POIG Secretariat will monitor compliance with this indicator.



<p>3.5.2 Following the initial assessment, compliance with the requirements of the Charter, including the POIG indicators, is independently verified on an annual basis.</p>	<p>Daabon has commissioned independent verifications of POIG indicators on an annual basis since 2018; though it is noted that the reports for 2018 and 2019 verifications, and 2020 and 2021 verifications were consolidated due to various circumstances.</p>	<p>Conformance</p>
<p>3.5.3 Audit reports are made publicly available on the POIG website.²²</p>	<p>The audit reports of the Daabon Group project are available at the following link for the previous years on the poig.org website: http://poig.org/the-poig-charter/poig-verification-assessments-reports/</p>	<p>Conformance</p>
<p>Recommendations:</p>		

²² The POIG Secretariat will monitor compliance with this indicator.

Appendix A – Corrective Action Plan

[TO BE SUBMITTED SEPERATELY TO THE REPORT]

Non-Compliance: 2021- 01		Major	Minor
Indicator:	2.5.14		
Description of Non-Compliance			
There is no evidence that a Fresh Fruit Bunches (FFB) supply chain risk assessment is being conducted to identify and take action to address the risk of forced labor, human trafficking, and child labor.			
Corrective Action:			
Timeline for Compliance:	[28/07/2022]		

Evaluation of Corrective Actions

Compliance Evaluation:	[Date and location]		
Evaluation Findings:			
Status:	[Corrective Action completed, and non-compliance closed Or corrective action not completed and non-compliance open]		
Evaluation Method:	[Desk review or on-site interviews/observations]	Level of Effort:	[number of days]
Assessor(s):	[Name and Specialty]		

Non-Compliance: 2021-02		Major	Minor
Indicator:	1.5.2		
Description of Non-Compliance			
There is a physical, chemical, and microbiological analysis of the “Ariguaní River” water source at Finca Ariguaní. report n ° 6346 of 10/05/2020. However, phosphorus and nitrogen monitoring were not performed. It could be evidenced through a review of the fertilizer application record (borax applied October, November, and December 2020). that no applications of synthetic nitrogen or phosphate fertilizers were made during 2020.			
Corrective Action:			



Timeline for Compliance:	[28/07/2022]
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Evaluation of Corrective Actions

Compliance Evaluation:	[Date and location]		
Evaluation Findings:			
Status:	[Corrective Action completed, and non-compliance closed Or corrective action not completed and non-compliance open]		
Evaluation Method:	[Desk review or on-site interviews/observations]	Level of Effort:	[number of days]
Assessor(s):	[Name and Specialty]		

Non-Compliance: 2021-02		Major	Minor
Indicator:	3.3.1		
Description of Non-Compliance			
<p>The latest 2018 sustainability report published on its website http://portal.daabon.com.co/subportal/documents/REPORTE%20DE%20SOSTENIBILIDAD%20DAABON%202012%20-%202018.pdf)</p> <p>The report includes:</p> <ol style="list-style-type: none"> 1. Management of suppliers: environmental permits, licenses and / or concessions for the use or use of natural resources, approval of contingency plans, compliance with national regulations, among others. 2. Indicators of suppliers evaluated on environmental criteria. 3. Human rights in the value chain. 4. Responsibility with the environment: protection of the water resource generation of wastewater (quantitative indicators), energy efficiency and emission reduction, protection and conservation of biodiversity (indicators on areas of conservation and reforestation), responsible use of inputs, management integral waste, 5. Commitment to the community: Relationship with the community, community development project, education, entrepreneurship, food security. 6. Small producers: alliances with small producers. 7. Human development: human capital, health and safety, training and education. <p>The Report includes tables of productive indicators for: agriculture, livestock, palm oil processing, palm kernel oil processing, mixture of vegetable oils, logistics, real estate, certifications, quality certifications, water use, wastewater generation, energy from renewable sources, among others.</p> <p>However, the indicator states that it should be carried out every two years and that the project was overrun at the time of the audit.</p>			
Corrective Action:			
Timeline for Compliance:	[28/07/2022]		

Compliance Evaluation:	[Date and location]
Evaluation Findings:	
Status:	[Corrective Action completed, and non-compliance closed Or corrective action not completed and non-compliance open]



Evaluation Method:	[Desk review or on-site interviews/observations]	Level of Effort:	[number of days]
Assessor(s):	[Name and Specialty]		