

Particulars

About Your Organisation

1.1 Name of your organisation

Industrial Danec SA

1.2 What is/are the primary activity(ies) or product(s) of your organisation?

- Palm Oil Grower
- Processor and/or Trader
- Consumer Goods Manufacturer
- Retailer
- Bank and/or Investor
- Social and/or Development NGO
- Environmental and/or Conservation NGO
- Affiliate

1.3 Membership number

2-0143-10-000-00

1.4 Membership category

Palm Oil Processors and/or Traders

1.5 Membership sector

Ordinary

Grower

1. Operational Profile

1.1 Please state your main activities as a palm oil grower:

- Oil palm grower without palm oil mill
 Oil palm grower with palm oil mill
 Oil palm grower with palm oil mill and palm kernel crushing plant
 Smallholder Group Manager

2. Operations and Certification Progress

Information in Section 2 - Operations and Certification Progress - is a mandatory declaration in your ACOP. This includes hectare data, to enable the RSPO to accurately calculate certification on a member, sector and total level. ACOP reports without reported hectare data will be considered as incomplete and will not be accepted.

2.1 Land area controlled and managed associated to palm oil

2.1.1 Please state the total number of palm oil estates, certified and uncertified, controlled or managed by the member

4

2.1.7 Land area controlled and managed associated to palm oil

Description	Hectares
2.1.2 Total land controlled or managed for oil palm cultivation - planted and infrastructure (hectares)	25314.0
2.1.3 Total land controlled or managed for oil palm cultivation - unplanted (hectares)	0.0
2.1.4 Total land designated and managed as HCV areas (hectares)	4907.0
2.1.5 Other conservation land set aside, excluding HCV areas reported in 2.1.4 (hectares)	0.0
2.1.6 Total land under scheme smallholders (hectares)	0.0
Total	30221.0

2.2 Certification progress:

2.2.1 Number of management units certified under RSPO P&C Certification

4

2.2.2 Total certified land under the RSPO P&C Certification, excluding scheme smallholders (hectares)

30221.0

2.2.2.1 Certification progress - land under RSPO P&C Certification, excluding scheme smallholders

100.00%

2.3 In which countries are your estates located?**2.3.1 Indonesia - Please indicate which province(s)**

-

2.3.2 Malaysia - Please indicate which state(s)

-

2.3.3 Other - Please indicate which country/countries

Ecuador

2.4 New plantings and development (excluding replanting)**2.4.1 How much new land was planted by your company during this reporting period (hectares)?**

0.0

2.5 Supply of Fresh Fruit Bunches (FFB)**2.5.1 Total FFB volume produced by estates managed or controlled by your company (tonnes)**

329808.03

2.5.1.1 Total certified FFB volume produced by certified estates managed or controlled by your company (tonnes)

329808.03

2.5.2 In addition to FFB produced by your company's estates, does your supply base include any of the following?

- Scheme Smallholders
- Independent Smallholders
- Outgrowers
- Other Third-Party Suppliers

2.5.4 Independent smallholder operations that supply your operations:**2.5.4.1 Total FFB volume supplied (tonnes)**93108.29

2.5.4.2 Total certified FFB volume supplied (tonnes)0.0

2.5.6 Other Third-party supplier operations that supply your operations:**2.5.6.1 Total FFB volume supplied (tonnes)**78316.45

2.5.6.2 Total certified FFB volume supplied (tonnes)0.0

2.6 Fresh Fruit Bunches (FFB) processing and production operations**2.6.1 Number of palm oil mills operated**3

2.6.2 Number of palm oil mills certified under RSPO P&C3

2.7 Palm Kernel processing and production operations**2.7.1 Number of palm kernel crushers and/or palm kernel mills operated**3

2.7.2 Number of palm kernel crushers and/or palm kernel mills certified under RSPO Supply Chain Certification (SCC)3

3. Palm Oil and Certified Palm Oil Production**3.1 Total Crude Palm Oil produced (tonnes)**

Countries/Regions	Tonnes
Malaysia	0.0
Indonesia	0.0
Latin America	103389.52
Africa	0.0
Rest of the World	0.0
Total	103389.52

3.3 CSPO sold as RSPO certified

Description	Tonnes
Identity Preserved (IP)	0.0
Segregated (SG)	0.0
Mass Balance (MB)	69299.48
RSPO Credits	0.0
Total	69299.48

3.6 Total CSPO

Description	Tonnes
3.3 CSPO sold as RSPO-certified	69299.48
3.4 CSPO sold under other certification schemes	0.0
3.5 CSPO sold as conventional	1239.38
Total	70538.86

3.7 According to the volume information you have provided in this questionnaire, CSPO represents the following percentage of your total CPO production

68.23%

3.8 Based on total CSPO volumes sold (Question G.3.6) , please estimate the percentage of the volumes originating from your operations in the following regions/countries

Countries/Regions	Percentage
Malaysia	0.0
Indonesia	0.0
Latin America	100.0
Africa	0.0
Rest of the World	0.0

3.2 Total Crude Palm Kernel produced (tonnes)

Countries/Regions	Tonnes
Malaysia	0.0
Indonesia	0.0
Latin America	11272.47
Africa	0.0
Rest of the World	0.0
Total	11272.47

3.9 CSPK sold as RSPO certified

Description	Tonnes
Identity Preserved (IP)	0.0
Segregated (SG)	0.0
Mass Balance (MB)	6549.42
Total	6549.42

3.12 Total CSPK sold as RSPO-certified (tonnes)

Description	Tonnes
3.9 CSPK sold as RSPO-certified	6549.42
3.10 CSPK sold under other certification schemes	0.0
3.11 CSPK sold as conventional	0.0
Total	6549.42

3.13 According to the volume information you have provided in this questionnaire, CSPK represents the following percentage of your total CPK production

58.10%

3.14 Based on the CSPK sold volumes (Question G.3.12), please estimate the percentage of volumes originating from your operations in the following regions/countries:

Countries/Regions	Tonnes
Malaysia	0.0
Indonesia	0.0
Latin America	100.0
Africa	0.0
Rest of the World	0.0

4. TimeBound Plan

4.1 Which year did your company achieve (or plans to achieve) its first RSPO P&C certification?

2018

4.2 Which year did your company achieve (or plans to achieve) 100% RSPO certification for all its estates and mills?

2018

4.2.1 If the previous target year for G.4.2 has not been met, please explain why

The target was already reached, all of our own certification units are RSPO certified.

4.4 Which year did your company achieve (or plans to achieve) 100% RSPO certification for all FFB, regardless of source?

2025

4.4.1 If the previous target year for G.4.4 has not been met, please explain why

Based on the fact that our third party suppliers are independent producers, we are relying on the Jurisdictional Certification in Ecuador. At the moment, Ecuador has already signed a commitment for Jurisdictional Certification, and Danec Group is part of this. Right now the private sector is trying to promote the implantation of this project that has gone through delays because of government changes and administrative problems in the ministries. That's why we cannot define a precise year in order to have 100% RSPO certification of independently sourced FFB. The project is designed to last 7 years

5. Concession Map

5.1 The RSPO General Assembly Resolution 6G (2013) calls for all members with Grower operations to submit maps of their concessions through ACOP. Has your company submitted concession maps to the RSPO in previous ACOP cycles?

Yes

5.2 Has your company acquired any new concession sites or have any concession sites changed ownership since the previous ACOP map submission?

No

6. GHG Footprint

6.1 What is the average GHG footprint for all certified management units by hectare (tCO₂e/ha)?

1.41

6.2 What is the average GHG footprint for all certified management units per tonne of crude palm oil (tCO₂e/tCPO)?

0.52

6.3 What are the key emission sources identified by your company in certified management units?

- Land use change
- Existing cultivation peatland
- Palm oil mill effluent (POME)
- Fertiliser application
- Others

Others

-

6.4 Does your company have a baseline for GHG reporting?

Yes

6.4.1 What is the target baseline?

0.59

6.5 Does your company have an annual GHG emissions reduction/minimising target?

No

7. Support for Oil Palm Smallholders

7.1 How is your company supporting Independent Smallholder groups?

- Sourcing of physical FFB
- Financial support
- Operations support
- Training support
- Community development
- Not supporting Independent Smallholder groups
- Others

Others

Note: they are independent smallholders, not groups.

8. Actions For Next Reporting Period

8.1 Outline activities that your company will undertake in the coming year to advance its certification efforts.

- Based on the fact that our third party suppliers are independent producers, we are relying on the Jurisdictional Certification in Ecuador. At the moment, Ecuador has already signed a commitment for Jurisdictional Certification, and Danec Group is part of this. - In our operations, continuous improvement in our processes.

8.2 Outline activities that your company will undertake in the coming year to promote the uptake CSPO along the supply chain.

- Based on the fact that our third party suppliers are independent producers, we are relying on the Jurisdictional Certification in Ecuador. At the moment, Ecuador has already signed a commitment for Jurisdictional Certification, and Danec Group is part of this. - Provide training to smallholders, regarding good agricultural management practices, use of pesticides, HCV, productivity.

9. Challenges

9.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

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9.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

We are working in the Jurisdictional Certification of Ecuador as a way to help the smallholders. This project has money that directly benefit to the smallholders. Danec personnel contribute directly on this project.

9.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

www.danec.com

Processors & Traders

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Refiner of CPO and PKO
- Palm Kernel Crusher
- Trader with Physical Possession
- Trader without Physical Possession
- Integrated Refiner-Trader-Processor
- Food and Non-Food Ingredients Producer
- Power, Energy and Biofuel Processor
- Animal Feed Producer
- Oleochemicals Producer
- Distribution & Logistics
- Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Sourcing is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

Palm oil States, Mills and Crushers: - Palmeras del Ecuador - Palmeras de los Andes - Quinindá© - Palmeras de los Andes - San Lorenzo Palm oil State: - Murrin Corporation (supplier of Palmeras de los Andes - Quinindá©) Refinery (processes and buys all CPO and CPKO produced in our own operations): - Industrial Danec

2.1.1 In which countries does your company sell goods with palm oil and palm oil products?

Ecuador

2.2 Total volume of all palm oil and palm oil products sourced in the year:

Description	Tonnes
Crude palm oil, including derivatives refined from CPO (tonnes)	144749.0
Crude palm kernel oil, including derivatives refined from CPKO (tonnes)	5675.8
Crude palm kernel expeller (tonnes)	7064.42
Total	157489.22

2.3 Volume of RSPO-certified palm oil and oil palm products sourced in the year (tonnes):

Description	Crude Palm Oil (CPO) and CSPO Derivatives	Crude Palm Kernel Oil (CSPKO) and CSPKO Derivatives	Palm Kernel Expeller (CSPKE)
RSPO Credits from Mill / Crusher	0.0	0.0	0.0
RSPO Credits from Independent Smallholder	0.0	0.0	0.0
Mass Balance (MB)	69299.48	2148.93	0.0
Segregated (SG)	0.0	0.0	0.0
Identity Preserved (IP)	0.0	0.0	0.0
Total	69299.48	2148.93	0.0

2.4 According to the volume information you have provided in Question PT.2.2 and Question PT.2.3, your company's certified palm oil and palm oil products uptake is:

45.37%

2.5 What is the estimated percentage of Certified Sustainable Palm Oil in the palm oil and palm oil products sold by your company in the following regions:

Countries/Regions	Percentage
Europe	0.0
North America	0.0
Malaysia	0.0
Indonesia	0.0
China	0.0
India	0.0
Latin America	3.0
Africa	0.0
Rest of World	0.0

3. TimeBound Plan

3.1 Which year did your company achieve/obtain (or expects to achieve/obtain) the RSPO supply chain certification or RSPO trader/distributor licence?

2018

3.2 Which year did your company start (or expect to start) to source any RSPO-certified palm oil and oil palm products?

2018

3.2.1 If the previous target year for PT.3.2 has not been met, please explain why.

The target was reached in all our own operations.

3.3 Which year did your company achieve (or expects to achieve) 100% RSPO certification of all palm product processing facilities.

2018

3.3.1 If the previous target year for PT.3.3 has not been met, please explain why.

The target was reached in all our own operations.

3.4 Which year did your company begin (or expects to begin) sourcing only 100% RSPO-certified palm oil and oil palm products.

2025

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member sells goods with palm oil or palm oil products, please explain why

It is difficult to reach the sale of 100% PO certified because there is a big difference in the world market regarding the price from Indonesia and Malaysia. The difference is around \$150. Also the costumers still do not pay more for the PO certified. There are few clients demanding PO certified.

3.6 How does your company proactively promote RSPO and RSPO-certified sustainable palm oil and oil palm products to your customers?

Publishing and communicating our policies, showing that we are producing under sustainability standars. Also in our country we are making marketing about sustainable production.

4. Actions For Next Reporting Period

4.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

1. Maintain the RSPO certification 2. Work in RSPO Jurisdictional certification

5. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

5.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

5.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

5.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

Yes

Ethical Conduct & Human Rights

5.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

5.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

5.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

Yes

Land Use

5.3 Does your company have a publicly-available Policy covering Land Use?

Yes

5.3.1 Does the policy cover:

- Free Prior and Informed Consent (FPIC)
- Compensation

5.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?

Yes

Occupational Health & Safety**5.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

5.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

Yes

Climate Change & Greenhouse Gas (GHG)**5.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

5.5.1 Does the policy cover:

- Identification and assessment of GHG
- Public reporting of GHG footprint
- Monitored implementation plan to reduce or minimise GHG emissions

5.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

Yes

Complaints & Grievances**5.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

5.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

Yes

Smallholders**5.7 Does your company support oil palm independent smallholder groups?**

Yes

5.7.1 Does this support cover:

- Fair and transparent dealings with Smallholders
- Improved Smallholder livelihoods

5.7.2 How is your company supporting them?

- RSPO Jurisdictional certification manages a budget that will benefit smallholders in order to reach sustainability requirements. - 18.6% of the RFF that our mills buy come from smallholders. - We provide training to our smallholders.

6. Challenges

6.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
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- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

-

6.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

Support and active involvement in Jurisdictional Certification.

6.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

www.danec.com