



**PT. MUTUAGUNG
LESTARI
ASSESSMENT REPORT**

***Roundtable on Sustainable Palm Oil Certification
RSPO***

[] Stage-1 [] Stage-2 [✓] Surveillance [] Re-Assessment

Name of Management Organisation : **JENDARATA POM, ULU BERNAM POM & ULU BASIR POM - UNITED PLANTATIONS BERHAD**

Plantation Name : **Jendarata Estate, Seri Pelangi Estate, Ulu Bernam Estate, Ulu Basir Estate, Sungei Erong Estate, Sungei Chawang Estate, Changkat Mentri Estate & Lima Blas Estate**

Location : **Teluk Intan, Perak - Malaysia**

Certificate Code : **MUTU - RSPO / 068**

Date of Certificate Issue : **21 AUGUST 2013** Date of License Issue : **21 AUGUST 2016**

Date of Certificate Expiry : **20 AUGUST 2018** Date of License Expiry : **20 AUGUST 2017**

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|------------|---------------------------|---|------------------------|-----------------------|
| ASA-3 | May 24, 26, 27 & 28, 2016 | Oktovianus Rusmin (Lead Auditor), Trismadi Nurbayuto, Yap Chin Hung, Mahas Maliyapan, Mohd. Hairimi, Ebnu Holdoon Shawal | Octo HPN Nainggolan | Tony Arifiarachman |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| ASA-3 | 28 July 2016 |

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MUTU Certification • Accredited by Accreditation Services International
on March 12th, 2014 with registration number **RSPO-ACC-007**



PT. MUTUAGUNG LESTARI ASSESSMENT REPORT

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Figure 1. Location Map of United Plantation Bhd, Malaysia



Figure 2. Operational Map of United Plantations Bhd, Malaysia



| Abbreviations Used | | |
|--------------------|---|--|
| APCS | : | Air Pollution Control System |
| ASA | : | Annual Surveillance Audit |
| BOD | : | Biological Oxygen Demand |
| BOB | : | Barn Owl Box |
| BTS (FFB) | : | Buah Tandan Segar (<i>Fresh Fruit Bunch</i>) |
| CEMS | : | Continues Emission Monitoring System |
| CHRA | : | Chemical Hazard Risk Assessment |
| CPO | : | Crude Palm Oil |
| CSR | : | Corporate Social Responsibility |
| DOE | : | Department Of Environment |
| DOSH | : | Department of Safety and Health |
| EFB | : | Empty Fruit Bunch |
| ESH | : | Environment and Safety and Health |
| FFB | : | Fresh Fruit Bunches |
| FWCS | : | compensation insurance scheme |
| HCV | : | High Conservation Value (Nilai Konservasi Tinggi) |
| HIRARC | : | Hazard Identification Risk Assessment and Risk Control |
| IPM | : | Integrated Pest Management |
| KDN | : | Kementerian Dalam Negeri (Ministry of Home Affairs) |
| LAP | : | Lembaga Air Perak |
| LCA | : | Life Cycle Assessment |
| MPOB | : | Malaysian Palm Oil Board |
| MSDS | : | Material Safety Data Sheet |
| NC | : | Non Conformance |
| NPUW | : | National Union Plantation Workers |
| OHS | : | Occupational Health and Safety |
| OER | : | Oil Extraction Rate |
| P&C | : | Principle and Criteria |
| PK | : | Palm Kernel |
| PKO | : | Palm Kernel Oil |
| POM | : | Palm Oil Mill |
| PPE | : | Personal Protection Equipment |
| RSPO | : | Roundtable on Sustainable Palm Oil |
| SEDA | : | Sustainable Energy Development Authority |
| SEIA | : | Social and Environmental Impact Assessment |
| SHO | : | Safety and Health Officer |
| SIA | : | Social Impact Assessment |
| SOP | : | Standard Operating Procedure |

| | | |
|------|---|--|
| SPAN | : | Suruhanjaya Perkhidmatan Air Negara (National Water Services Commission) |
| SRA | : | Social Risk Assessment |
| SW | : | Schedule Waste |
| TNB | : | Tenaga Nasional Berhad |
| UIE | : | United International Enterprise |
| UPB | : | United Plantations Berhad |

| | | | | |
|-------|---|---|------------------------|-----------------------|
| 1.0 | SCOPE OF THE CERTIFICATION ASSESSMENT | | | |
| | | | | |
| 1.1 | Assessment Standard Used | <ul style="list-style-type: none">• <i>The Malaysian National Interpretation (MYNI), RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production endorsed on 6th March 2015</i>• <i>RSPO Supply Chain Certification Systems (SCCS) endorsed on 21st November 2014 for CPO Mill.</i> | | |
| | | | | |
| 1.2 | Organisation Information | | | |
| 1.2.1 | Organisation name listed in the certificate | United Plantations Berhad | | |
| 1.2.2 | Contact person | C. Mathews | | |
| 1.2.3 | Organisation address and site address | Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia | | |
| 1.2.4 | Telephone | +(605) 641 1411 | | |
| 1.2.5 | Fax | +(605) 641 1876 | | |
| 1.2.6 | E-mail | cmm@unitedplantations.com | | |
| 1.2.7 | Web page address | www.unitedplantations.com | | |
| 1.2.8 | Management Representative who completed the application for certification | C. Mathews | | |
| 1.2.9 | Registered as RSPO member | 1-0004-04-000-00 , 19 July 2004 | | |
| | | | | |
| 1.3 | Type of Assessment | | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | 3 (<i>three</i>) unit Palm Oil Mill (Jendarata POM, Ulu Bernam POM & Ulu Basir POM) which receives FFB Supply from 8 (<i>eight</i>) unit estates; Jendarata Estate, Seri Pelangi Estate, Ulu Bernam Estate, Ulu Basir Estate, Sungei Erong Estate, Sungei Chawang Estate, Changkat Mentri Estate & Lima Blas Estate | | |
| 1.3.2 | Type of certificate | Annual Assessment 2 (Holding) | | |
| | | | | |
| 1.4 | Locations of Mill and Plantation | | | |
| 1.4.1 | Location of Mill | | | |
| | Name of Mill | Location | Coordinate | |
| | | | Latitude (North/South) | Longitude (East/West) |
| | Jendarata Mill | Jendarata Business Unit, 36009 Teluk Intan Perak, Malaysia | N 3° 52' | E 101° 01' |
| | Ulu Bernam Mill | Up River Business Unit, 35800 Slim River, Perak, Malaysia | N 3° 45' | E 101° 07' |
| | Ulu Basir Mill | Up River Business Unit, 35800 Slim River, Perak, Malaysia. | N 3° 42' | E 101° 15' |
| | | | | |
| 1.4.2 | Location of Certification Scope of Supply Base | | | |
| | Name of Supply Base | Location | Coordinate | |
| | | | Latitude | Longitude |
| | Jendarata Estate | Jendarata Business Unit 36009 Teluk Intan, Perak | 3° 52' N | 101° 01' E |
| | Seri Pelangi Estate | Seri Pelangi Estate Batu 11 ¾ | 3° 59' N | 101° 08' E |

| | | | |
|-------------------------------|---|----------|------------|
| | Jalan Bidor 36009 Teluk Intan Perak | | |
| Ulu Bernam Estate | Up River Business Unit, 35800 Slim River, Perak, Malaysia | 3° 45' N | 101° 07' E |
| Ulu Basir Estate | Upriver Business Unit, 36500 Ulu Bernam, Perak | 3°42' N | 101° 15' E |
| Sungai Erong Estate | Upriver Business Unit, 36500 Ulu Bernam, Perak | 3° 46' N | 101° 12' E |
| Sungei Chawang Estate | Upriver Business Unit, 36500 Ulu Bernam, Perak | 3° 50' N | 101° 14' E |
| Changkat Mentri Estate | Upriver Business Unit, 36500 Ulu Bernam, Perak | 3° 44' N | 101° 13' E |
| Lima Blas Estate | Upriver Business Unit, 36500 Ulu Bernam, Perak | 3° 42' N | 101° 27' E |

1.5 Description of Area Statement
1.5.1 Tenure

| | |
|-------------|-------------|
| • Private | 26,964.8 Ha |
| • State | - Nil |
| • Community | - Ha |

1.5.2 Area Statement

| | | |
|--|-----------------|----|
| • Total/Certified area | 26,964.8 | Ha |
| • Mature area | 21,557 | Ha |
| • Immature area | 4,095 | Ha |
| • Mill (3 POMs) | 22.66 | Ha |
| • Worker quarters | 131.70 | Ha |
| • Infrastructure | 859.88 | Ha |
| • Nursery | 40.70 | Ha |
| • Conservation Area (Self Created Conservations) | 18.30 | Ha |
| • HCV Area (Riparians, Bukit Keranji Jungle Reserve, Burial Site,) | 239.56 | Ha |

**Amended figs-coconut area and Govt.acquisition for West Coast Highway has been excised*

1.6 Planting Year and Cycles
1.6.1 Age profile of planting year

| Planting Year | Hectarage (Ha) | | | | | | | | |
|---------------|----------------|--------------|------------|-----------|--------------|----------------|-----------------|-----------|-------|
| | Jenderat a | Seri Pelangi | Ulu Bernam | Ulu Basir | Sungei Erong | Sungei Chawang | Changkat Mentri | Lima Blas | Total |
| 1985 | 8.5 | - | - | - | - | - | - | | 8.5 |
| 1986 | | - | - | - | 45.00 | - | - | 5.0 | 22.4 |
| 1987 | | - | - | - | - | 87.40 | - | | 45 |
| 1988 | | - | - | - | - | - | - | | 87.4 |

| | | | | | | | | | |
|--------------|---------------|--------------|----------------|--------------|--------------|--------------|-----------------|--------------|---------------|
| 1989 | | - | 37.80 | 299.30 | - | - | - | | 601.28 |
| 1990 | 20.20 | - | 108.30 | - | - | - | - | | 337.1 |
| 1991 | - | - | 64.00 | - | - | - | 45.30 | | 183.1 |
| 1992 | - | - | 118.00 | - | 37.60 | - | - | | 175.3 |
| 1993 | 241.26 | - | 118.00 | - | - | - | - | | 167.4 |
| 1994 | 208.40 | 71.00 | 207.80 | 11.57 | - | - | 35.00 | 57.0 | 617.3 |
| 1995 | 204.16 | 321.00 | 176.60 | - | - | - | 127.90 | 97.0 | 917.07 |
| 1996 | 148.44 | 211.00 | 252.37 | - | - | - | 345.10 | 87.0 | 1139 |
| 1997 | 136.00 | 247.00 | 47.30 | - | - | - | 326.80 | 89.0 | 1289.67 |
| 1998 | - | - | - | - | - | - | 47.30 | 93.0 | 996.3 |
| 1999 | 120.84 | - | 129.89 | - | - | 5.64 | 144.90 | 95.0 | 157.11 |
| 2000 | 832.96 | 175.00 | - | - | 333.77 | 41.90 | 375.60 | | 438.63 |
| 2001 | 232.32 | 150.00 | - | - | 248.50 | - | 139.60 | 113.0 | 1943.96 |
| 2002 | 194.43 | - | 121.82 | - | 190.41 | - | 178.40 | 98.0 | 910.8 |
| 2003 | 193.47 | 3.00 | 45.30 | - | - | 78.80 | - | 103.0 | 801.33 |
| 2004 | 102.80 | 159.00 | 158.80 | 296.45 | 157.72 | 202.50 | 161.60 | | 324.4 |
| 2005 | 89.20 | - | 57.50 | 453.90 | 221.07 | 102.78 | - | | 1238.87 |
| 2006 | 48.70 | - | 82.60 | 95.10 | 129.60 | 284.13 | - | 227.0 | 1151.45 |
| 2007 | 217.40 | - | 203.33 | 394.40 | 247.91 | 410.56 | - | 196.0 | 836.13 |
| 2008 | - | - | - | 235.70 | 449.83 | 60.10 | 220.00 | 227.0 | 1700.6 |
| 2009 | 159.40 | - | 104.41 | 685.40 | 241.00 | 128.89 | 200.30 | | 965.63 |
| 2010 | 363.60 | - | - | 262.10 | 479.60 | 203.45 | - | 286.0 | 1826.64 |
| 2011 | 158.92 | - | - | 73.54 | - | 187.86 | - | | 1203.6 |
| 2012 | 265.10 | - | 185.43 | 93.60 | 490.00 | - | - | | 526.56 |
| 2013 | 373.30 | - | - | 259.80 | 57.50 | 353.33 | 17.70 | 309.0 | 1343.13 |
| 2014 | 251.30 | - | 267.13 | 351.30 | 170.10 | 762.26 | 8.00 | 300.0 | 1479.7 |
| 2015 | 590.00 | - | 511.07 | 225.33 | - | - | - | 147.0 | 1845.41 |
| 2016 | 460.10 | - | 105.50 | - | - | 330.38 | - | 211.0 | 751.23 |
| TOTAL | *5,621 | 1,337 | **3,103 | 3,737 | 3,500 | 3,240 | ***2,374 | 2,740 | 25,652 |

*313 Ha exclude for coconut area and Govt. acquisition of land for West Coast Highway

** 47 Ha planted decreased for OPTI Mill development

*** 20 Ha planted decreased for Water Reservoir development

| | | | |
|-------|---|---|----------|
| 1.6.2 | New Planting area after January 2005/2010 | 0 | Ha |
| 1.6.3 | Planting Cycle | 2 nd and 3 rd cycle | 30 Years |

| 1.7 | Description of Supply Base | | | | | | |
|------------|-----------------------------------|----------------------------|------------------------------|---------|------------|-------------|------------|
| 1.7.1 | Description of Mill | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/ | CPO | | Palm Kernel | |
| | | | | Out put | Extraction | Out put | Extraction |

| | | | | | | | | | | | |
|-------|---|-----------------|-------------------|--|-------------------------|------------------------------------|---|------------|-------|------------|-------|
| | | | year) | (tonnes) | (%) | (tonnes) | (%) | | | | |
| | Jendarata Mill | 50 | 157,697 | 35,140 | 22.28 | 8,106 | 5.14 | | | | |
| | Ulu Basir Mill | 60 | 164,542 | 35,494 | 21.57 | 7,814 | 4.72 | | | | |
| | Ulu Bernam Mill | 40 | 166,229 | 35,931 | 21.62 | 8,195 | 4.93 | | | | |
| | Production Data May 2014 till April 2015 | | | | | | | | | | |
| 1.7.2 | Description of Certification Scope of Supply Base | | | | | | | | | | |
| | Name of Estates | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/ year) | Yield (tonnes/ha /year) | FFB (tonnes/year) Supplied to Mill | | | | | |
| | | | | | | Jendarata | % | Ulu Bernam | % | Ulu Basir | % |
| | Jendarata Estate | *5974.80 | 5,621 | 118,446.37 | 21.07 | 118,227.20 | 99.81 | 107.43 | 0.09 | 111.74 | 0.09 |
| | Seri Pelangi Estate | 1,422 | 1,337 | 39,127.50 | 29.27 | 38,899.68 | 99.42 | 110.83 | 0.28 | 116.99 | 0.30 |
| | Ulu Bernam Estate | 3,194 | 3,103 | 55,298.99 | 17.82 | 113.75 | 0.21 | 53,195.01 | 96.20 | 1,990.23 | 3.60 |
| | Ulu Basir Estate | 3,987 | 3,737 | 66,527.03 | 17.80 | 39.87** | 0.06 | 624.41 | 0.94 | 65,862.75 | 99.00 |
| | Sungai Erong Estate | 3,663 | 3,500 | 65,897.39 | 18.82 | 106.68 | 0.16 | 61,206.19 | 92.88 | 4,584.52 | 6.96 |
| | Sungei Chawang Estate | 3,286 | 3,240 | 47,865.39 | 14.77 | 86.00** | 0.18 | 44,623.14 | 93.23 | 3,156.25 | 6.59 |
| | Changkat Menteri Estate | 2,549 | 2,374 | 57,465.53 | 24.21 | 121.87 | 0.21 | 3,024.31 | 5.26 | 54,319.35 | 94.53 |
| | Lima Blas Estate | 2,889 | 2,740 | 51,377.88** | 18.75 | 101.79 | 0.20 | 3,337.83 | 5.60 | 34,400.30 | 66.96 |
| | TOTAL | 26,964.80 | 25,652 | 502,006.08 | 23.29 | 157,696.84 | | 166,229.15 | | 164,542.13 | |
| | Production Data May 2015 till April 2016 * from 6,380 was excluded 313 Ha for coconut and Govt.acquisition for West Coast Highway **13,537.96 MT FFB was processed in the then Lima Blas POM which ceased operations on 5th August 2015. ***More FFB is anticipated to receive in June-21 Aug 2016 | | | | | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | | | | | |
| | Name of source(s) | Member(s) | Location | Supplied to Mill | | | | | | | |
| | | | | FFB (tonnes/ year) | % | | | | | | |
| | - | - | - | - | - | | | | | | |
| | TOTAL | | | | | | | | | | |
| | No FFB supplied from Smallholders and other source | | | | | | | | | | |
| 1.7.4 | Product categories | | | | FFB, CPO, PK | | | | | | |
| 1.8 | Estimate Tonnage of Certified Product | | | | | | | | | | |
| 1.8.1 | Past Annual Claim Certified Product (JENDARATA MILL) | | | Previous Certificate Claim (tonnes/year) 21 August 2015 to 20 August 2016 | | | Actual certified product (tonnes/year) 21 August 2015 to 24 May 2016 | | | | |
| | • FFB Production | | | 172,400 | | | 112,649 | | | | |
| | • CPO Production | | | 39,277 | | | 27,561 | | | | |
| | • Palm Kernel (PK) Production | | | 8,962 | | | 5,797 | | | | |
| | Past Annual Claim Certified Product (ULU BASIR MILL) | | | | | | | | | | |
| | • FFB Production | | | 210,442 | | | 122,568 | | | | |
| | • CPO Production | | | 41,574 | | | 29,419 | | | | |

| | <ul style="list-style-type: none">Palm Kernel (PK) ProductionPast Annual Claim Certified Product (ULU BERNAM MILL)FFB ProductionCPO ProductionPalm Kernel (PK) Production | 10,101 | 6,554 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|--|----------------------|-------------------------|-----------------------------|-----------------------------|------------------------|------------------|-------------|------------------|----------------|------------------|---------------------|----------------|-------|---------|--------|-------------------|-------|-------|----------------|-------|------------------|--------|-------|--------|-------|---------------------|-------|---------|--------|-------|-----------------------|-------|-------|--------|-------|-------------------------|-------|-------|--------|-------|------------------|-------|-------|--------|-------|-------|-----------|--------|---------|-------|--|--|--|
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 181,190 | 132,937 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 44,197 | 29,135 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 11,143 | 5,64 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.8.2 | Estimate of Certified FFB Claim | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table><tr><th>Name of Estates</th><th>Total Area (Ha)</th><th>Planted Area (Ha)</th><th>FFB (tonnes/year)</th><th>Yield (tonnes/ha/year)</th></tr><tr><td>Jendarata Estate</td><td>*5974.80</td><td>5,621</td><td>116,077</td><td>20.65</td></tr><tr><td>Seri Pelangi Estate</td><td>1,422</td><td>1,337</td><td>39,910</td><td>29.85</td></tr><tr><td>Ulu Bernam Estate</td><td>3,194</td><td>3,103</td><td>54,193</td><td>17.46</td></tr><tr><td>Ulu Basir Estate</td><td>3,987</td><td>3,737</td><td>65,196</td><td>17.45</td></tr><tr><td>Ladang Sungai Erong</td><td>3,663</td><td>3,500</td><td>67,215</td><td>19.20</td></tr><tr><td>Ladang Sungei Chawang</td><td>3,286</td><td>3,240</td><td>48,823</td><td>15.07</td></tr><tr><td>Changkat Menteri Estate</td><td>2,549</td><td>2,374</td><td>58,615</td><td>24.69</td></tr><tr><td>Lima Blas Estate</td><td>2,889</td><td>2,740</td><td>52,405</td><td>19.13</td></tr><tr><td>TOTAL</td><td>26,964.80</td><td>25,652</td><td>502,435</td><td>19.59</td></tr></table> | Name of Estates | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | Jendarata Estate | *5974.80 | 5,621 | 116,077 | 20.65 | Seri Pelangi Estate | 1,422 | 1,337 | 39,910 | 29.85 | Ulu Bernam Estate | 3,194 | 3,103 | 54,193 | 17.46 | Ulu Basir Estate | 3,987 | 3,737 | 65,196 | 17.45 | Ladang Sungai Erong | 3,663 | 3,500 | 67,215 | 19.20 | Ladang Sungei Chawang | 3,286 | 3,240 | 48,823 | 15.07 | Changkat Menteri Estate | 2,549 | 2,374 | 58,615 | 24.69 | Lima Blas Estate | 2,889 | 2,740 | 52,405 | 19.13 | TOTAL | 26,964.80 | 25,652 | 502,435 | 19.59 | | | |
| Name of Estates | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jendarata Estate | *5974.80 | 5,621 | 116,077 | 20.65 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Seri Pelangi Estate | 1,422 | 1,337 | 39,910 | 29.85 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Bernam Estate | 3,194 | 3,103 | 54,193 | 17.46 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Basir Estate | 3,987 | 3,737 | 65,196 | 17.45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ladang Sungai Erong | 3,663 | 3,500 | 67,215 | 19.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ladang Sungei Chawang | 3,286 | 3,240 | 48,823 | 15.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Changkat Menteri Estate | 2,549 | 2,374 | 58,615 | 24.69 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lima Blas Estate | 2,889 | 2,740 | 52,405 | 19.13 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | 26,964.80 | 25,652 | 502,435 | 19.59 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Projection from August 2016 to July 2017 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.8.3 | Estimate of Certified Palm Product Claim | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table><tr><th rowspan="2">Name of Mill</th><th rowspan="2">Capacity (tonnes/ hour)</th><th rowspan="2">FFB Processed (tonnes/year)</th><th colspan="2">CPO</th><th colspan="2">Palm Kernel</th></tr><tr><th>Out put (tonnes)</th><th>Extraction (%)</th><th>Out put (tonnes)</th><th>Extraction (%)</th></tr><tr><td>Jendarata Mill</td><td>50</td><td>151,119</td><td>34,047</td><td>22.53</td><td>7,904</td><td>5.23</td></tr><tr><td>Ulu Basir Mill</td><td>60</td><td>185,568</td><td>40,714</td><td>21.94</td><td>9,705</td><td>5.23</td></tr><tr><td>Ulu Bernam Mill</td><td>40</td><td>165,748</td><td>38,089</td><td>22.98</td><td>9,348</td><td>5.64</td></tr></table> | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) | Jendarata Mill | 50 | 151,119 | 34,047 | 22.53 | 7,904 | 5.23 | Ulu Basir Mill | 60 | 185,568 | 40,714 | 21.94 | 9,705 | 5.23 | Ulu Bernam Mill | 40 | 165,748 | 38,089 | 22.98 | 9,348 | 5.64 | | | | | | | | | | | | | | | | | | | | | |
| Name of Mill | Capacity (tonnes/ hour) | | | | FFB Processed (tonnes/year) | CPO | | Palm Kernel | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | | Extraction (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jendarata Mill | 50 | 151,119 | 34,047 | 22.53 | 7,904 | 5.23 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Basir Mill | 60 | 185,568 | 40,714 | 21.94 | 9,705 | 5.23 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Bernam Mill | 40 | 165,748 | 38,089 | 22.98 | 9,348 | 5.64 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.9 | Other Certifications | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | ISO 9001:2008/ISO 14001: 2004 | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | OHSAS 18001:2007 | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | HACCP | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Others | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 1.10 | Time Bound Plan | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.10.1 | Time Bound Plan for Other Management Units | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Management Unit | Estate (Supply Base) | Time | Location | Status | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Mill | Time Bound Plan | | Bound Plan | | | |
|--------------------------------------|-----------------|---|---|--|--|------------------------------|
| Indonesia | | | | | | |
| Lada POM PT Surya Sawit Sejati | 2016 | Lada Estate | 738.86 ha (Division 1) | 2017 | Kotawaringin Barat District, Central Kalimantan | Planning November 2016 |
| | | | 3,741.2 ha (Division 1&2) | 2017 | | |
| | | | 1,769.6 ha + 250.34 ha (Division 1&2) | 2018 | | |
| | | Runtu Estate | 2,916.83 ha (Division North & South) | 2017 | | |
| | | | 4,717.03 ha + 1,366.14 ha (Division North & South) | 2018 | | |
| | | Farmers own land and also new ijin for Plasma in Arut and Kumai Estate | 49 ha (already SHM + agreement) | 2020 | Medang Sari Village, Sub-District Arut Selatan | Liquidated |
| | | | 132 ha (already SHM but must follow Pelepasan + agreement) | 2020 | Other PLASMA | 2020 |
| | | | 364.82 ha (SHM to be apply) | 2020 | | |
| | | | 600 ha (waititng for agreement and SHM) | 2020 | | |
| | | Malaysia | | | | |
| Jendarata POM | 2008 | Jendarata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Bernam Estate, Sungai Ering Estate, Sungai Chawang Estate. Changkat Mentri | 2008 | Teluk Intan, Perak Darul Ridzuan, Malaysia | Re-Certified 2014 Audited (ASA-3) | |

| | | | | | |
|----------------|---|--|------|---|-----------------------------------|
| | | Estate, Lima Blas Estate | | | |
| Ulu Basir POM | 2008 | Jendarata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Bernam Estate, Sungai Ering Estate, Sungai Chawang Estate, Changkat Mentri Estate, Lima Blas Estate | 2008 | Teluk Intan, Perak Darul Ridzuan, Malaysia | Re-Certified 2014 Audited (ASA-3) |
| Ulu Bernam POM | 2008 | Jendarata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Bernam Estate, Sungai Ering Estate, Sungai Chawang Estate, Changkat Mentri Estate, Lima Blas Estate | 2008 | Teluk Intan, Perak Darul Ridzuan, Malaysia | Re-Certified 2014 Audited (ASA-3) |
| UIE POM | 2008 | UIE Estate | 2008 | Pantai Remis, Perak Darul Ridzuan, Malaysia | Re-Certified 2014 Audited (ASA-3) |
| | | | | | |
| 1.10.2 | Progress of Associated Smallholders and Outgrowers for Certifiable Standard | | | | |
| | <i>There are no associated smallholders supplying FFB to Jendarata, Ulu Basir & Ulu Bernam Mill</i> | | | | |

| | |
|--------------|---|
| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| 2.1.1 | Lead Assessor and Assessment Team |
| | <ol style="list-style-type: none"> 1. Oktovianus Rusmin (Lead Auditor). Indonesian Citizen. Bachelor's Degree in Social & Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact & Conflict Resolution) and HCV. Already participated in Forest Management Auditor Training (FSC Standard), ISO 14001 Environmental Management System Training, SVLK (wood legality) Auditor, Indonesian Sustainable Palm Oil (ISPO) and RSPO Lead Auditor Training. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI) and Gap Analysis Audit (FSC Standard). Had worked at the Center for study of Anthropology University of Indonesia and Social Advisor at Tropical Forest Trust (TFT) Indonesia. He was numerously involved in Social Impact Assessment and HCV Identification in Palm Oil Plantations and Natural Forest concessions and was approved as HCV assessor by RSPO for Social Discipline Specialist. Have been involved in several palm oil certifications as Auditor and Lead Auditor. During the Surveillance Assessment, he conducted an assessment on Social aspect and SCCS. 2. Trismadi Nurbayuto. Indonesian Citizen. Associate Forestry from the Forestry Faculty of IPB and Bachelor of Economics from the Department of Agribusiness, Faculty of Economics and Management, IPB. Specialists in the Environmental Social Impact Assessment (SEIA) and the High Conservation Value (HCV). He participated in HCV Management Training, Indonesian Sustainable Palm Oil (ISPO) Auditor, In House Training RSPO; training of ISO 9001:2008 Quality Management System, ISO 22000:2005 Food Safety Management System, and ISO 14001:2004 Environmental Management System. Previously worked in the private oil palm plantations, became HCV assessor who registered at the Roundtable on Sustainable Palm Oil (RSPO) until 2014. He has been involved in the activities of SEIA and Identification of HCV in Palm Plantation. Currently has been several times following audit activities related to sustainable palm oil certification system as an auditor. During the assessment the auditor assessing Best Agricultural Practices. 3. Yap Chin Hung (Auditor). Graduate from University of Malaya with a Bachelor of Engineering (Honours) Degree in Manufacturing Engineering. He is a member of the Institute of Engineers, Malaysia. He had consulted and trained clients from various industries such as chemical, metal fabrication, engineering, electronics, manufacturing, fabrications, plastics, construction and trading in setting up and implementing the Management Systems based on ISO 9001, ISO 14001, ISO 13485, ISO 2200, HACCP, GMP, FSC and OHSAS 18001. Along his service as ISO consultant, he has assist more than 100 companies to obtain the ISO certification from various Certification Body. Yap is also the associate auditor for QE Certification, UK helping in carrying out 3rd party certification audit for ISO 9001, ISO 14001, ISO 22000 & OHSAS 18001. In Annual Surveillance Audit 3, he conducted an assessment on Health and Safety aspect. 4. Mahas Maliyapan (Auditor). Malaysian citizen, More than 15 years working experience in various industries in Malaysia that covering the full spectrum of Quality and Environmental Management System. As certified Lead Auditor and being the Principle Consultant. He too has vast exposure and experience in Quality Environmental Management System as well the Occupational, Health and Safety auditing. He owns proven track records of auditing various multinational companies both locally and internationally. In this assessment, he assessed on legal aspect, long term plan, land dispute and environmental HCV aspect. 5. Mohd. Hairimi (Auditor). Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honours (Geography). Registered as assistant consultant on Social Impact Assessment with DOE Malaysia AC 1105, and certified on CESSWI 3756 (Certified Erosion Sediment and Storm Water Inspector). He was involved for past 5 years in environment auditing and in Social and Environmental Impact Assessment Report (EIA and SIA). In Annual Surveillance Audit 3, he conducted an assessment on Social aspect (Social Impact Assessment) and Community Development. 6. Ebnun Holdoon Shawal (Auditor) is a trainee auditor which covering the environmental aspect of the audit. He graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001 : 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit including Felda POM and United Plantation as observer and have total 26 man days following the auditing activities. During this audit he has been assigned to verify the transparency & Environmental aspects. |

| | |
|--------------|--|
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| | <p>Number of auditors : 6 auditors</p> <p>Number of days for at site : 4 days</p> <p>Number of working days for at site: 24 Working days</p> |
| 2.2.2 | Detail process of assessment |
| | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Jendarata POM, Ulu Bernam POM & Ulu Basir POM (United Plantation Berhad) to the requirements of <i>The Malaysian National Interpretation (MYNI)</i>, <i>RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production</i> endorsed on 6th March 2015 and the <i>RSPO Supply Chain Certification Systems (SCCS)</i> endorsed on 21st November 2014 for CPO Mill.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-4).</p> <p>Number of units in this certification activity is 8 (eigh) estates: Jendarata Estate, Seri Pelangi Estate, Ulu Bernam Estate, Ulu Basir Estate, Sungei Erong Estate, Sungei Chawang Estate, Changkat Mentri and Lima Blas Estate which supply the raw material (FFB) to 3 (three) palm oil mill. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are Jendarata, Ulu Bernam and Ulu Basir Palm Oil Mill and 3 (three) estates (Seri Pelangi, Sungei Erong & Lima Blas Estate).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ASA-3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-3.</p> <p>The assessment program please find Appendix 2</p> |
| 2.2.3 | Locations of Assessment |
| | <p>The scope of the audit was based on a sampling of the supply bases. In total there are 8 supply bases Jendarata Estate, Seri Pelangi Estate, Ulu Bernam Estate, Ulu Basir Estate, Sungei Erong Estate, Sungei Chawang Estate, Changkat Mentri Estate, Lima Blas Estate. Based on sampling, 3 estates were selected (Jendarata Estate, Ulu Basir Estate and Ulu Bernam Estate). These estates are the biggest among the 8 supply bases.</p> <p>Detail of visited locations such as:</p> <p>1. MILL</p> <p><u>Jendarata Mill</u></p> <ul style="list-style-type: none"> • SCCS verification and observation of weighbridge, loading ramp and interview of related personal in charge in relation of supply chain implementation. • Observation of process from incoming FFB to POME, carried out physical EHS inspection of facilities, operations & machinery included of : <ul style="list-style-type: none"> - Mill operations, Schedule Waste store, workshop - Boilers, CEMS, witnesses testing alarm - Scheduled waste store, lab, tractor workshop, - Water treatment plant – discharge point - POME ponds, final discharge point, sludge drying pit & furrows - Biogas plant |

Ulu Basir Mill

- SCCS verification and observation of weighbridge, loading ramp and interview of related personal in charge in relation of supply chain implementation.
- Observation of process from incoming FFB to POME, carried out physical EHS inspection of facilities, operations & machinery included of :
 - Mill operations, Schedule Waste store, workshop
 - Boiler, Air pollution control equipment, CEMS
 - POME ponds, final discharge points, cascading flatbeds
 - Flood pumps & bunds
 - Biogas plant, Gas engine scrubber construction works
 - Construction works – new APCS

Ulu Bernam Mill

- SCCS verification and observation of weighbridge, loading ramp and interview of related personal in charge in relation of supply chain implementation
- Observation of process from incoming FFB to POME, carried out physical EHS inspection of facilities, operations & machinery included of :
 - Mill operations, SW store, workshop
 - Boiler, CEMS,
 - POME ponds, final discharge points, furrows

2. ESTATES

Seri Pelangi

- Block 17, Interview 5 “Contract Workers – harvesting” on minimum pay received, basic amenities and work environment. Some do receive pay less than RM 900.00 even worked for full month. Field 58, observation of buffalo harvesting process and worker interviewed for harvesting processes.
- Pass thru Block 14, 15 & 16, Seen TNB Rentice area well maintained. Also seen the boundary marker installed by TNB as a guide. Field 29, observation of spraying process and interviewed with of sprayer (safety and workers welfare aspects). Verified boundary markers against the “Estate Map” with legal markers identified. Trenches and bunds were made along the estate perimeters. There are Jasa Budiman Plantation and Perak Motor Plantation on south, City plantation and MHC Plantation on east and MOCCIS Plantation sharing both on south and west (Security post, Block 2, 21, 20, 19, 8 and 6)
- Block 6, 12 and intersecting of 6 & 7, Riparian / buffer zone well managed.
- **Field 15.** Auditor was observed bag worm attack break, company was held trunk injection.
- **Field 15.** Auditor was observed harvesting activities, there are 7 harvesters and 1 foreman from Bangladesh and also a foreman was take first aid box. According to interview with harvester, they were explain about average salary income is 1,200 RM/month (it's above minimum wage regulation). The company has provided PPE's to all harvester and company been registered all workers to health insurance.
- **Field 1.** Auditor was observed loose fruit picking activities, there are 5 workers from Bangladesh. According to interview with workers, they were explain about salary income is 975 RM/month.
- **Field 9A.** Auditor was observed the hilly and sandy area, they been minimized soil erosion with frond stacking and EFB mulching.
- **Field 5B Circle weeding activity.** Auditor was interviewed with 8 man spraying worker from Bangladesh and India, they were explained that company was provided PPE's to all worker. They were held specific medical checkup (cholinesterase) every 6 month and company was held general medical checkup every month. They were explain about salary income is 975 RM/month. All workers was known about pesticide handling, and also they were explained that company was provided adequate houses.
- **Field 9.** Auditor was observed riparian area of Bengang River, they has planted forest plant in riparian.
- **Field 7&Field 8.** Auditor was observed soils erosion control and organic fertilizer using EFB mulch. According to interview with estate manager, they were applied with doses 30 ton/ha.
- **Field 8.** Auditor was observed rentice moving, according to interview with estate manager. They didn't conducted path spraying, all path was cleaned by mechanic / tractor with slashing.

- **Field 8.** Auditor was observed a barn owl box (BOB), there are some mice bond. It's showed the BOB is still active.
- Chemical Store, Observation of Chemical storage, properly stacking of pesticide
- Scheduled waste storage, properly segregated scheduled waste area. Sump of oil spillage observed. Diff scheduled waste signagage observed, SW410, SW 305, SW 102
- Recycling area, segregated waste observed with signaged and notice board.
- Fertilizer store, Good storage of fertilizer with pallets and properly arrange and labeled
- Water treatment plant , very neat and clean housing area, adequate for the workers.
- Workers quartes, very neat and clean housing area, adequate for the workers

Sungei Erong

- Block 23, Peat measurement area, peat probe management Field 43, Observation of pesticide spraying activity and interview the worker (safety and workers welfare aspects).
- Block 26, Seen boundary stone [No. 14], neighboring Felda Besout and UP Estate [Sungei Chawang].
- Block 20, Verified boundary stone next to Sungei Samak and Sime Darby plantation. Chemical Store, Observation of chemical storage and interview of personal in charge in relation of hazardous material management.
- Block 21, Riparian / buffer zone next to guard house seen well managed.
- **Field 30 Circle weeding activity.** Observation and interview with the Foreman and the Spraying Team (all man workers) in term of the provision of PPE, work tools, health and work accident assurance, wage, complaint handling, regular medical check up, spraying training, first aid training, gender issue. The company has provided PPE and work tools. In complete contents of the first aid box brought foreman. Spraying team has been general medical checkup every month, while specific medical checkup (cholinesterase) was conducted every semester.
- **Field 31.** Observation and interview with the Manuring Foreman and the Manuring Team in term of the provision of PPE, work tools, health and work accident assurance, wage, premium, complaint handling, regular medical check up, spraying training, first aid training, gender issue. The company has provided PPE and work tools. They have manage the manpower issue perfectly.
- **Field 21.** Auditor was observed a barn owl box (BOB), there are some mice bond. It's showed the BOB is still active.
- **Field 20.** Observation and interview with the harvesting Foreman and the Harvester in term of the provision of PPE, work tools, health and work accident assurance, wage, premium, complaint handling. The company has provided PPE and work tools based on the employee's need. In complete contents of the first aid box brought foreman.

Lima Blas

- Intersect of Block 4 & 15, Boundary stone along with trenches / bunds neighbouring to small holder and a rubber plantation
- Block 05, Found the original stone installed by the land department, well demarcated
- Block 21, Project site for "Soil Erosion" started in 2013 in the field of palm 16 years. This project intended for monitoring of soil and nutrient loss. Seen there are 3 partitions / plots to analyses what type of soil loss, the erosion pin installed to measure the erosion level and data logger rain gauge used to measure the rainfall intensity.
- **Field 10.** Observation and interview with the harvesting Foreman and the Harvester in term of the provision of PPE, work tools, health and work accident assurance, wage, premium, complaint handling. The company has provided PPE and work tools based on the employee's need. In complete contents of the first aid box brought foreman.
- **Field 11,** Auditor was observed beneficial plant like *Turnera subulata*, *Casia cobanensis*, *Carambola* sp.
- **Field 17 Circle weeding activity,** Observation and interview with the Foreman and the Spraying Team (all

| | |
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| | <p>man workers) in term of the provision of PPE, work tools, health and work accident assurance, wage, complaint handling, regular medical check up, spraying training, first aid training, gender issue. The company has provided PPE and work tools. In complete contents of the first aid box brought foreman. Spraying team has been general medical checkup every month, while specific medical checkup (cholinesterase) was conducted every semester.</p> <ul style="list-style-type: none"> • Field 24&25, Auditor was observed road maintenance activity. • Field 31, Auditor was observed replanting area with terracing system, and also there been applied EFB Mulching with doses 30 ton/ha. |
| 2.3 | Stakeholder Consultation and List of Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| | <p>Stakeholder consultation of Jendarata POM, Ulu Bernam POM & Ulu Basir POM:</p> <ul style="list-style-type: none"> • Public Notification at MUTU website on May 1, 2016. • Public consultation on May 27, 2015 was participated by related agency and local peoples or community surrounding • Interview the internal stakeholders on June 24, 26 & 27, 2016 in audit process (particularly to foreign workers, eq. from Indonesia, Bangladesh & India,). • Public consultation with NGO by email on May 17, 2016. <p>Numbers of input from stakeholders were clarified by Jendarata POM, Ulu Bernam POM & Ulu Basir POM. Numbers of inputs from stakeholders both positive and negative were received by the audit team and clarified by the management. The consultation results are captured under 3.6 (Summary of Arising Issues from Public, Management and Auditor Response).</p> |
| 2.3.2 | List of stakeholder contacted |
| | <i>Please find appendix 1</i> |
| 2.4 | Determining Next Visiting |
| | The next visit (Surveillance-4) will be determined nine to twelve months after the date of certificate issued with the approval from Unit Management. |

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment Jendarata POM, Ulu Bernam POM & Ulu Basir POM, *United Plantation Bhd* operation consisting of three (3) mill and eight (8) oil palm estates.

During the assessment, there were no (0) Nonconformities were assigned against Major Compliance Indicator; One (1) nonconformity were assigned against Minor Compliance Indicators; and five (5) opportunity for improvements were identified. In addition, there was two (2) Major nonconformity for Partial Certification in PT Surya Sawit Sejati (Indonesia).

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action that had been reviewed and accepted by Auditor in form of documentation evidence(s) e.g. document and record. Those corrective action taken that consist of one (1) Minor non-conformity and two (2) Major non-conformity for Partial Certification in PT Surya Sawit Sejati (Indonesia) had been closed out.

MUTUAGUNG LESTARI found that Jendarata POM, Ulu Bernam POM & Ulu Basir POM, *United Plantation Bhd*, complied with the requirements of *The Malaysian National Interpretation (MYNI)*, *RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production endorsed on 6th March 2015* and the *RSPO Supply Chain Certification Systems (SCCS) endorsed on 21st November 2014 for CPO Mill*. Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is ***maintained***.

| Ref Std. | VERIFICATION RESULT of MUTU-Certification | |
|--|---|--|
| PRINCIPLE #1 COMMITMENT TO TRANSPARENCY | | |
| 1.1 | Plantation and Palm Oil Factory have to give adequate information for stakeholders in appropriate language and forms, to ensure the effective participation of stakeholders in decision-making. | |
| Indicator 1.1.1 | <p>The company had provide adequate information to the relevant stakeholders related to social, legal and environment. There was an available the transparency document and SOP to the stakeholders sighted approve by Dato' Carl Bek Nielsen (Chief Executive Director) of United Plantations Berhad. It was sighted also the company had done the stakeholder consultation on the 3 sampling estate : Lima Blas estate, Sungai Erong estate and Seri Pelangi estate providing the information of company activities related to social, legal and environmental issues to relevant stakeholders. Sighted evidences from the minutes meeting of compliance and grievances from related stakeholders has been addressed adequately.</p> <p>The company had appoint the person incharge of the stakeholders inquiries as for the estates, the estate managers will incharge and attend the related inquiries.</p> <p>Based on stakeholder consultation that known there is no local community settlement adjacent plantation area of United Plantation. The distance from plantation area to community surround area was separate.</p> <p>The settlement area surround of plantation area was provide and established by United Plantation for their workers. The workers from several country (Bangladesh, India and Indonesia) was attended in stakeholder consultation. The company was provided several facilities for their workers consist of housing, clinic and school bus for the students</p> | |
| Indicator 1.1.2 | <p>It was sighted a clear and procedure and grievances redressal flowchart in order to solve the matters related to complain from internal and external stakeholders. It was sighted a logbook recording the complain from internal stakeholders and sighted a clear response timeline from the management handling it.</p> <p>It was sighted a maintaining the incoming and outgoing letter from the management towards the request from internal and external stakeholders.</p> | |

| | | |
|--|---------------------------|--|
| | Status: Compliance | |
| 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. | | |
| Indicator 1.2.1 <p>The management had also provided all the publish document related to relevant criteria at the estate and being published to public including internal and external stakeholders related to :</p> <ul style="list-style-type: none"> i) Land title and user right. Was made available at the office estate : and the management had shown that they have a legal right of respected land ii) There is documented safety health and environment at eah of the estate and being published for the internal and external stakeholders. iii) The plans of impact assesement of the plan was made available at the estate and the manual procedure has been done to monitor all the activities. There was available the list of report monitoring the performance- which has lis of record and activities . iv) There is available of pollution prevention plan which include the preparation of emergency – the full procedure of emergency plan including the flow chart of emergency incidence v) There is a procedure of complain and grievances regarding the complain and grievances available at the estate and publicly shown at the office estate including the grievances form internal and external stakeholders. vi) The summary report for the audit was available vii) The human right policy was made available on site <p>Based on the interview all the managers and staff are all aware that the respected document was madne available to the public to access it in accordance to their transparency and integrity company policies.</p> | | |
| | Status: Compliance | |
| 1.3 Growers and millers commit to ethical conduct in all business operations and transactions. | | |
| Indicator 1.3.1 <p>During the audit, there was a written policy that committing to a code of conduct business and ethical in all business, operations and transactions of the company. Sighted during the audit was the handbook given too all workers and contractors working in the company and agreed by them (signature evidence on the contract). There was available document of Ethical Conducts, 2014, page 39 that explain of United Plantation commitment in related to:</p> <ul style="list-style-type: none"> • Obeying of the Law • Consumers • Shareholders • Business Partners • Community Involvement • The Environment • Competition • Business Integrity • Conflict of interest • Whistle Blowers • Employees • Right of Employees • Gender Policy • Guest Worker Policy • Occupational safety and Health • Human Right Policy <p>On the other hands it was sighted that the code has been published and displayed at the management office, workshop,</p> | | |

division office and workers quarters in 3 main language of estate workers and level. From the interview it was found that the policies also has been communicated and socialization among the workers during the muster ground meeting in the morning. The code of ethical conduct was also sighted being socialized through all level of workforce and operation. According to interview with a several workers at mill and estate in audit process, they have been understood about the Ethical Conduct. According to interview with local contractors, they was understood that the United Plantation has Code of Conduct in business activities. It was related to a prohibition of all forms of corruption, bribery and fraudulent in business activities. It was explained by the management representative of United Management Plantation before both of parties signed the work contract.

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| Status: Compliance |
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PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

Indicator 2.1.1

There is a matrix titled "UIE – Tracking Changes in Law" established to track any changes in the applicable laws and regulations. The matrix consists of date, correspondence from, what are the changes, whom have been informed, follow up action and done by. A Legal Register covering the applicable local and international laws and regulations is available at the mill and estates. The identified legislations were regarding to safety and health, environmental management, pollution management, chemical handling, usage & storage, schedule waste management, employment, building, etc.

Consideration to update and compile Legal and other Requirement file for identification.

Relevant required licensing and document such as MPOB license, DOE license, competence driver license, etc observed.

Indicator 2.1.2 & 2.1.3

The Group Manager Human Resources and ESH [Mr. C Mathews] will conduct annual monitoring and review together with representative from estate management. Estate's Chief Clerk is the key person to monitor and update the readiness of required legal records. The Group Manager Human Resources and ESH will update the estate on any changes in the legal requirements.

Legal Register covering the applicable local and international laws and regulations is available at the estates. The identified legislations were regarding to safety and health, environmental management, pollution management, chemical handling, usage & storage, schedule waste management, worker welfare, wild life protection, infrastructure requirements, etc.

Relevant required licensing and document such as MPOB license, competence driver license, land title, SPAN domestic water treatment license, group hospital license, etc observed.

Based on the site assessment, interviews and evidence checking at the estate, there were evidences of compliance with the relevant laws, regulations, local and International laws. Good legal compliance practice level observed.

There were no cases of any violation or actions imposed by relevant authorities. Communication to worker on legal requirements was held in regular basis. Good understanding and awareness level observed among the workers.

Evaluation of compliance performed and found compliance with relevant requirements. Periodic review of legal compliance observed. Tracking of law changes system in place and coordinated by HR department. Information on the new revised legal requirement communicated via circular. Effective law changes tracking system observed.

The Jendarata POM has established a Legal Requirement Register which listed legislation applicable to operations and activities.

There were no cases of any violation or actions imposed by relevant authorities.

Evaluation of compliance performed and found compliance with relevant requirements.

Yearly review of legal compliance observed. Specific personnel appointed for legal and other requirement person in charge.

Tracking of law changes system defined. Group Manager HR & ESH responsible for legal compliance audit and tracking of law changes.

Indicator 2.1.4

There was evidence of compliance to identified legal requirements and implementation was verified by conducting internal audits and/ or inspection by the SHO and/or HRSHE Manager.

Based on the site assessment, interviews and evidence checking at the mill, there were evidences of compliance with the relevant laws, regulations, local and International laws:

a) Steam boiler and sterilizer observed with valid certificate of fitness

b) Relevant personnel such as engine driver, boilerman, person incharge for Scheduled waste and POME observed with

sufficient competency evidence (License).

c) CHRA conducted as per requirement and relevant suggestions implemented.

d) Audiometric test performed as per requirement and appropriate actions observed.

e) Medical surveillance test performed.

f) Proper scheduled management practice observed.

Consideration to standardize the schedule waste handling process such as consignment note submission, identification of scheduled waste type, etc.

Status: Full Compliance

2.2

The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights

Indicator 2.2.1

Sighted white color boundary stones with engraved coordinates reading in black color. It stands at 1.5m high that visible clearly. Trenches and bunds were made along the estate perimeters

Relevant land title for estates was available. The Land Title or Use Rights (Ketuanpunyaan), reference number was observed are: ref reference number 58288 (Jendarata Estate), reference number 23643 (Ulu Basir Estate) and reference number 48995. There was sighted of each tax for land use (Bea Cukai Tanah) for all estates. The Land Right will be valid until year 2103. Based on document verification of area statement of Jendarata complex and also information from management representation of United Plantation that known the area of Jendarata was decreased 313 Ha exclude for coconut area and government acquisition of land for West Coast Highway.

Indicator 2.2.2

Physical marker available along the legal boundary of all estates. Land title awarded and observed with sufficient evidence documents. No land right dispute observed in the estates.

Indicator 2.2.3, 2.2.4, 2.2.5 & 2.2.6

There is no evidence of dispute. Therefore no surrounding or local communities are affected or involved in agreements detailing the process of free, prior and informed consent (FPIC). There is no conflict or evidence that oil palm operations have instigated violence in maintaining peace and order in their current operation. Verified boundary markers against the "Estate Map" with legal markers identified.

Based on stakeholder consultation that known there is no local community settlement adjacent plantation area of United Plantation. The distance from plantation area to community surround area was separate. The settlement area surround of plantation area was provide and established by United Plantation for their workers. There was no issue of land conflict.

Status: Compliance

2.3

Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.

Indicator 2.3.1

The lands at the estates are legally owned by United Plantations Berhad. Records are available to show that the legality of land use. The lands are not encumbered by any customary lands or user rights and therefore the process of participatory mapping is not required. Therefore, the estates do not diminish the legal, customary or user rights of other users without their free, prior and informed consent.

Indicator 2.3.2, 2.3.4,

There is no conflict or evidence that oil palm operations have instigated violence in maintaining peace and order in their current operation. Since there isn't any new planting, therefore no surrounding or local communities are affected or involved in agreements detailing the process of free, prior and informed consent (FPIC).

Status: Compliance

PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

There is an implemented management plan that aims to achieve long term economic and financial viability.

Indicator 3.1.1

The estates have a documented 3 years business plan that includes of planting years, non-planted areas, conservation areas and etc. There is no scheme smallholder applicable. This plan annually reviews by the top management prior to certification audit. The estate Group Manager is responsible for the summary of progress report.

Indicator 3.1.2

The company has replanting program for five years in each estates. The auditor was observed document replanting program, for example in Sungei Erong estate has a 5 year replanting program starting from 2015 to 2021. Only in year 2015 been plan for replanting, however due to in availability of seedlings the program has been forwarded to May 2016. Seen the replanting program map and the distribution of field [Block 29 – 45HA and 32 – 37.60] to be felled. The felling & shredding was started in 12/11/2015, Deboling started on 21/11/2015. The planting was started from Jan'16 in Field 29 and Field 32 planned to be in June 2016.

Based on the soil map and area statement, there is peat area planted with oil palm, seen there is a SOP, 4.4 on Peat Cultivation / Management, was last updated on 31/03/2014. Seen the replanting program map and the distribution of fields. The SOP consists of the planning, procedure, environmental & safety consent and peat subsidence measures & probe reading.

Annual budget for year 2016, 2017, 2018 & 2019 observed.

Relevant aspect taken into consideration in generating annual budget report:

- a) FFB projection from each supply base
- b) CPO projection from each supply base
- c) OER rate
- d) KER rate
- e) Operation cost per ton CPO and trend considered.

Budget allocation for environmental competence personnel course and continual improvement program such as VORSEP dust collector installation.

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| Status: Full Compliance | |
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PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1
Operating procedures are appropriately documented and consistently implemented and monitored.
Indicator 4.1.1.

There were standard SOPs used within UPB group. Checking mechanism was done by agricultural practices checklist (40 numbers). Monitoring was conducted by census record on fertilizer, weedicides, and pesticides.

United Plantations Berhad has established documented Standard Operating Procedures for the Mill Engineering Department. A total of 16 SOP were listed and an additional SOP was developed specifically for the Biogas Plant which was very comprehensive.

There is available SOP in Mill & Estate.

- Safe Working Practices for mill area documented in Standard Operating Procedures Oil Palm Field Practices, Revised 25/05/2016 (OSHA Practices for Mill)
Sampling picture of PPE used in Mill observed on field visit in Jenderata, Ulu Basir and Ulu Bernam Mill
- SOP Oil Palm Field Practices sign by Senior Executive Director dated 10 December 2007. All SOP was available an appropriate language and store in each unit (Estate and Mill).

Based on field visit and interview with worker at each mill and each estate, all workers can explaining their job description and their responsible. Workers interview was indicated they understood if the company has policy for PPE used.

Indicator 4.1.2. & 4.1.3.

The mechanism to check consistent implementation of SOP was reviewed and records of monitoring and actions taken for the estate and mill. Consistency of SOP implementation in Estate, based on Special Adviser Visited every semester. While in Mill FFB processing losses, unstripped bunches and biomass boiler water quality was sighted. Mill operations were very well controlled and monitored in accordance to SOPs by competent personnel and this was reflected in the consistent high OER achieved.

Consistency of SOPs implementation monitored thru daily monitoring at all relevant processes. Regular compliance audit performed. Monitoring activity well defined in relevant SOPs. Records of monitoring including corrective action records observed and well kept. The UPB mills and estates have a mechanized locomotive system which facilitates transportation of FFB from the fields' right into the sterilizers with minimum handling. The mill production lines were being progressively upgraded from mild steel to stainless steel (GP). SOPs for POM observed and applied to all mill operation such as:

- Reception
- Sterilization
- Threshing
- Empty Bunch Pressing
- Clarification
- Boiler House
- Engine Room
- Effluent Treatment & Waste Management

SOP set available in mill and in English. All mill operation appropriately covered in the SOP. SOPs observed implemented accordingly.

Consistency of SOPs implementation monitored thru daily monitoring at all relevant processes. Regular compliance audit performed. Monitoring activity well defined in relevant SOPs. Records of monitoring including corrective action records observed and well kept.

However, It was observed that no procedure exist to address non-compliance and corrective action for continuous improvement. **Non Conformity No. 2016. 1**

Indicator 4.1.4

Until ASA 03, the Jenderata POM, Ulu Basir POM & Ulu Bernam POM did not received FFB from outsider. All of FFB was processes was supplied from eight own estate of United Plantation.

4.1. 2 Status: Non Conformity with Minor category

Open

4.2

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

Indicator 4.2.1.

All the UP estates were using Field management manual as a SOP Manual Field Operation No. 8.0 about Manuring Immature and Mature oil palm dated 10 December 2007. Fertiliser recommendation was provided by Agronomy on September and December 2015. Input was monitored through record of fertilizers application: Seri Pelangi Estate: Ammonium Nitrate 5.7 ton; Borate of Potash MA: 19.7 ton; and Urea-MB 23 ton; Sg. Erong: Compound-MA: 57.50 ha (11.91 ton) on March 2016; and Lima Blas: Kieserite MA: 52.00 ha (34 ton) and TIM KAY Compound MA: 762.00 (310.70 ton) on March 2016

Indicator 4.2.2.

All fertilizer records has inputs and maintained by each estate. Based on document verification, its known that all fertilizer records is linked to the agronomic visited by United Plantation Research Department (UPRD). Company have has fertilizer usage per ton FFB production, such as: Lima Blas Estate: Nitrogen: 5.11 Kg/MT FFB, P₂O₅: 1.99 Kg/MT FFB, K₂O: 9.84 kg/MT FFB and Mg: 1.87 Kg/MT FFB. While fertilizer usage per ton FFB production in Seri Pelangi Estate, as: Nitrogen: 4.40 Kg/MT FFB, P₂O₅: 1.89 Kg/MT FFB, K₂O: 11.31 kg/MT FFB and Mg: 1.58 Kg/MT FFB.



Manuring activity in Lima Blas Estate

Indicator 4.2.3.

Management unit have evidence of implementation of the SOP Manuring which consist on Estate Manager Monthly Progress Report. There are record of manuring, as: **Sg. Erong Estate:** Compound-MA: 57.50 ha (11.91 ton) on March 2016 Kieserite MA: 52.00 ha (34 ton) and TIM KAY Compound MA: 762.00 (310.70 ton) on March 2016; while **Lima Blas Estate:** Kieserite MA: 52.00 ha (34 ton) and TIM KAY Compound MA: 762.00 (310.70 ton) on March 2016. All fertilizer activities based on tissue soil analysis (Commercial Field Foliar Sample by UPRD) every years. While soil analysis was held in each estate on July 2012.

Indicator 4.2.4.

All management unit have has nutrient recycling program. EFB mulching has applied with doses 30 ton/ha accordance to UPRD recommendation. Recording of EFB mulching was saved in each estate, for example **Seri Pelangi:** Field 7: 19 ha (649.03 ton) and Field 8: 1,117 ha (3,996.60 ton); **Sg. Erong:** Field 29: 45 ha (1,350 ton); and **Lima Blas Estate:** 270 ha (10,800 ton). Based on field visit in Lima Blas Estate, on Field 31 and also field visit in Sg. Erong Estate, on Field 29. It's known there are terracing system with replanting nutrient recycling and EFB Mulching.



Nutrient recycling activities in Lima Blas Estate, on Field 31

Status: Compliance

4.3

Practices minimize and control erosion and degradation of soils.

Indicator 4.3.1.

Based on document verification, all estate have has fragile and problem soils map. There are available fragile soil in Seri Pelangi estate as: sandy with weak coarse subangular blocky, while fragile soils in Sg. Erong Estate, i.a. peat soils in some area. But Consideration to improve a fragile soils maps to add a geo referenced and scale. **(Observation)**

Indicator 4.3.2.

Certificate holders has a management strategy for planting on slopes, based on field visit in Lima Blas Estate (Field 31) there are replanting activity on hilly area. A management strategy is using terracing system accordance to SOP no. 2.4.11 about terracing where the terrain rangges from rolling – hilly steep with gradient 6-20 degrees. While management strategy for other fragile soils like Acid sulphate soils cultivation management.



Immature area in Field 31, Lima Blas Estate

Indicator 4.3.3.

All management unit have budgeting for road maintenance every years, based on field visit in Lima Blas Estate (field 24&25) there are road maintenance activity. While other estate has recording of road maintenance **Seri Pelangi:** based on estate manager report month of March 2016 there was patching roads 750 Decameters. **Sg. Erong:** there are record of road maintenance in 2016, such as: Road Grading: 3200 Decameter, Road Patching: 3100 Decameter, Laterite: 200 Decameter.



Road maintenance in Field 24&25, Lima Blas Estate

Indicator 4.3.4.

UP Berhard have an SOP to guidance on subsidence management No 1.4 about cultivation management on peat areas. There are peat area in Sg. Erong Estate, as: Field 22 to Field 25, Field 39, Field 41 to Field

44. And also they has been held subsidence monitoring every year since 2008. Recording of subsidence by year: 2009: 3.05 cm; 2012: 5.81 cm; 2013: 4.47 cm; and 2015: 3.90 cm. during year 2008, 2011 and 2014 a peat subsidence probe reading was disturbed. To minimized subsidence, they have water management program accordance to SOP No. 1.4. water level. Based on document verification, water level average during year of 2015 is 55 cm. While based on field visited at Field 23 (Sg. Erong) there are available ground cover management program using neprolephis. Consideration to make SOP BMP on peat with reference to RSPO BMP on peat to make sure consistence water management monitoring. **(Observation)**

Indicator 4.3.5.

Based document verification and field visit observation in Sungei Erong Estate, Seri Pelangi Estate and Lima Blas Estate there was no replanting activities in peat area.

Indicator 4.3.6.

There are revision of SOP No. 4.6 and 4.7 about sandy soil and acid sulphate cultivation management. Based on field visit in **Seri Pelangi (Field 7&Field 8)**. They were applied EFB Mulching with doses 30 ton/ha. While based on field visit on **Lima Blas: (Field 31)** there are replanting area with terracing system, and also there been applied EFB Mulching with doses 30 ton/ha.

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| Major 4.3.1 | Status: OFI No. 2 (observation) | |
| Major 4.3.4. | OFI No. 3 (observation) | |

4.4
Practices maintain the quality and availability of surface and ground water.
Indicator 4.4.1

It was sighted a water management plan at the estate (Seri Pelangi, Sungai erong and Lima Blas). The water sources has been properly maintained (bund and riparian) and have an approval from local government to consume the water as per domestic usage.

There was a proper maintainance of Sungai Erong water reservoir in which they had provide an awareness to local, indigenous stakeholder by landscaping and promoting biodiversity. The proper signage of No Spraying also sighted including the buffer zone area. All the prevention and preventive action on the river has been properly maintained, implemented and monitored. The catchment area at Lima Blas estate (Field 9) get the proper renewable water sources from rain harvesting and water channel from hilly area.



Water catchment area for Lima Blas estate.

Indicator 4.4.2

Based on the HCV review, there is a map identifying water courses and wetlands. During filed visit to seen the riparian zones are well managed and protected. There is no river is passing through the estates, however seen "Bengang Canal" with 7500m

in length and 30m width been classified as riparian in Seri Pelangi Estate. A transition zone of 50m between planted area and the riparian seen as low impact as palms grow they will eventually act as a barrier.

There is a "Work Activities / Processes" established for riparian and buffer zone protection. There are 2 natural water ways [Sungai Erong and Sungai Chawang] passing outside the boundary lane of this estate and the estate management has an objective to protect water course and wetlands in accordance to Irrigation Area Act 1953 – revised 1986.

The management encourages establishing and maintaining a practical and efficient network of drains for the purpose of both drainage and irrigation. It also helps the palm provided with conducive moisture regime for optimal growth. During visit to the riparian zone, found the bund along Erong river, watergate, flap gate at bund and soil bag weirs well managed and drains are free flowing and evidence of regular desilting sighted and during field verification seen man made drains for the purpose of both drainage and irrigation. There is an estate map indicating the locations of sand bag weirs[x 10], flap gate [x 1], water gate [x 3], Bernam River, field drains and riparian zones.

Among the action plans that adopted are riparian areas are marked and provided in the map, identify conservation area outside boundaries, dialogue with external stakeholders and etc. Also visited the project site for "Soil Erosion" started in 2013 in Lima Blas Estate. This project intended for monitoring of soil and nutrient loss. Seen there are 3 partitions / plots to analyses what type of soil loss, the erosion pin installed to measure the erosion level and data logger rain gauge used to measure the rainfall intensity.

Indicator 4.4.3

Mill effluent treatment facility available with proper design of wastewater treatment plant observed.

DOE license available for all mills with land application approval.

100% fully POME land application observed for all mills. Relevant records such as water flow meter and monthly water quality testing result available.

All reports observed within permissible limit.

Indicator 4.4.4

Water consumption record available for year 2015 & 2016 observed. Average of water consumption in each mill was monitored, for instance average water consumption per tan FFB in Jenderata Palm Oil Mill was 1.09 as per May 2016.

Monitoring of water footprint activity stated in the UP Berhad annual report. Control and mechanism of water footprint monitoring well defined. Monthly monitoring observed and reported into Monthly Engineering Department Progress Report.

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| Status: Compliance |
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4.5

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

Indicator 4.5.1.

The company carries out integrated pest and disease management including the company operates an early warning system against pest attacks in the form of detection of pests and diseases that are conducted regularly. During year f 2015 based on the results of pest disease census in Seri Pelangi, Sg. Erong and Lima Blas Estate it's known that potential pest is rats (the percentage attacked 4.01%). And also the percentage of bagworm attacks is above 4%. CH has conducted pest control, for example: rats control by barn owl box (biological); bagworm control by planting beneficial plant (biological) and monocrotophos (chemical). Monocrotophos usage was increase in Seri Pelangi and Sg Erong Estate, it causes bagworm attack outbreak. Company has informed to Malaysian Palm Oil Board (MPOB) and recommending to aerial spraying on December 2015.

Indicator 4.5.2.

The training for employees who have to with the pest control was held in each estate. Seri Pelangi was held on April 6, 2016; Sg. Erong was held on May 21 2015; Lima Blas was held IPM training on February 28, 2016. It was participated by the Assistant Manager of each estate. It was teaching the introduction of the pest and disease, definition, attack indication, control census. According to the result of interview with the pest and disease naturalist in each estate, they had aware of the

pest control identification and technique.

Status: Compliance

4.6

Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.

Indicator 4.6.1

The Company has work procedures associated with chemicals such as spraying and pest and disease control. The procedure contained in the SOP Section 11 about Safe Use of Pesticide. Companies are using pesticides in accordance with the target and the actual target in the field conducted three times a year. The pesticide has been registered in the national regulation. Based on the results of field observations in the Seri Pelangi estate in block Field 5B; Sg Erong Estate Field 30 and Lima Blas estate in field 17 found chemical circle weed control. The spraying activities are using pesticides that are already registered in MPOB that is active ingredient *glyphosate* with a dose of 300 ml / hectare to control broadleaf weeds in the circle of oil palm. During field observations, it was observed that spraying worker used chemical material with the active ingredient "glyphosate", the target is a broadleaf weeds on the circle oil palm.

Indicator 4.6.2.

The company carries out weed control by using chemicals made in 3 rotations in a year. Weed controls such as circle spraying is performing selectively adapted to conditions on the field. Based on the data from the use of pesticides known the decrease of the pesticides use, in the recapitulation of 2015, the use of pesticides with the active ingredient Glyphosate is 0.32 a.i / hectare and Glufosinate ammonium is 0.16 a.i / ha

Indicator 4.6.3.

The company carries out integrated pest and disease management including the company operates an early warning system against pest attacks in the form of detection of pests and diseases that are conducted regularly. During year f 2015 based on the results of pest disease census in Seri Pelangi, Sg. Erong and Lima Blas Estate it's known that potential pest is rats (the percentage attacked 4.01%). And also the percentage of bagworm attacks is above 4%. CH has conducted pest control, for example: rats control by barn owl box (biological); bagworm control by planting beneficial plant (biological) and monocrotophos (chemical). Monocrotophos usage was increase in Seri Pelangi and Sg Erong Estate, it causes bagworm attack outbreak. Company has informed to Malaysian Palm Oil Board (MPOB) and recommending to aerial spraying on December 2015.

Indicator 4.6.4

The Company has a complete list of pesticides that are designated by World Health Organization (WHO) Class 1A or 1B, or listed in the Stockholm or Rotterdam conventions. Based on interview with estate manager and field visit on chemical storage, UP berhard has been policy to zero paraquat using since 2008.

Indicators 4.6.5 & 4.6.9.

The Company has work procedures associated with chemicals such as spraying and pest and disease control. The procedure contained in the SOP Section 11 about Safe Use of Pesticide. Based on document verification, all estate was held pesticide handling training in Seri Pelangi (March 21, 2016 with 8 workers); Sg. Erong (January 14, 2016 with 8 workers) and Lima Blas (February 23, 2016 with 30 workers). According to interview with spraying workers in each estate, they can explain about pesticide handling and PPE's usage. But there was no associated smallholders on this audit scope.

Indicator 4.6.6

There is a SOP documented on Occupational Safety and Health Manual on Section 11 Safe Use of Pesticides. (S4.3.2 Storage and Issues of Pesticides). Based on the field visit UIE Estate is implemented the SOP and well organized. All Pesticides is stored according to the Color Coding (OSHA 1994). There is an evidence show that the empty containers are properly stored at the Chemical Storage Area. Based on the site visit at field and disposal area, there is no evidence that there is no pesticide containers are disposed and used for others purposes.

Indicator 4.6.7

There is a SOP for Handling of Pesticide Concentrates/Formulations (S4.3.3), Application of Pesticides (S4.3.4). Based on the SOP developed, UIE Estate is conducted the training on Filed Clinic – Safe Spraying Technique focusing on Sprayers / Trunk Injection Gang. HIRARC was implemented to assess the risk for the chemical usage. List of training and records of attendances and OSHA Training Programmed 2016 is available during the audit. Latest training provided at

- Sri Pelangi Estate – Field Clinic for Sprayers / Trunk Injection Gang (10/3/2016)
- Sungei Erong Estate – SOP on Pest Disease Spraying (14/1/2016) and Training in Field for Trunk Injection 9/1/2016.
- Lima Blas Estate is conducted the training on Filed Clinic – Safe Spraying Technique focusing on Sprayers / Trunk Injection Gang

Latest updated list of pesticide operators latest at

- Latest updated list of pesticide operators latest on 29 February 2016 at Sri Pelangi Estate 22 persons were listed for handling pesticides from the Trunk Injection, Herbicides Sprayers and Fuel Dispenser.
- Latest updated list of pesticide operators latest on 21 March 2016 at Sungei Erong Estate 25 persons were listed for handling pesticides from the Trunk Injection and weedicide Sprayers.
- Latest updated list of pesticide operators latest on 18 March 2016 at Lima Blas Estate 83 persons were listed for handling pesticides from the Sprayer Mature & Immature.

Indicator 4.6.8.

According to interview with Estate Manager and Senior Manager of UPRD, there are no been aerial spraying during year 2015.

Indicators 4.6.10

There is an SOP for Disposal of Empty Containers and Old Chemicals (Section 11- Safe Use of Pesticides S4.3.5) and UIE Estate Standard Operating Procedure on Chemical Container. Training is provided to workers and managers on proper waste disposal at UIE Estate regarding the Safe Operating Procedures on Chemical Mixing and Triple Rinsing Training regarding the empty containers disposal. Based on the audit there is an evidence of inventory for empty containers at

- Sri Pelangi Estate, latest disposal of empty drum is 16/5/15 860 drums.
- Sungei Erong Estate, latest disposal of empty drum is 24/5/2016 76 drums.
- Lime Blas Estate, latest disposal of empty drum is 22/5/2016 20 liter 214 drums.

Indicator 4.6.11

All pesticide operators that been listed have been to do the Annual Medical Surveillance Report on Medical Examination Report and Occupational Medical Surveillance Programme at

- Sri Pelangi Estate latest 31/03/2016. Sri Pelangi Estate is conducting the monthly Sprayers Medical Checkup on physical condition by Visiting Medical Officer United Plantations Bhd. Dr Lee Teik Leong.
- Sungei Erong Estate latest 18/03/2016.
- Lima Blas Estate latest 18/03/2016

Medical records of all pesticide operators are available and well-kept in the file

Based on document Annual Medical Surveillance Report on Occupational Exposure to Organophosphate on each estate that known: there was no case of negative impact on pesticide operators.

According to interview with pesticide operators in Seri Pelangi, Lima Blas and Sungai Erong Estate; they were explained no skin disorders, breathing difficulties or nail problems.

Indicator 4.6.12.

UP berhard have has procedure No. S4.4.2 about worker selection and training in relation to safety: No worker under 18 years of age or expectant/nursing mothers should handle or spray pesticide. Based on interview and field observation in each estate, there are no available women spraying workers.

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| Status: Compliance |
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4.7
An occupational health and safety plan is documented, effectively communicated and implemented.
Indicator 4.7.1

There is an Occupational Safety and Health Policy signed by Dato Carl Bek-Nielsen Chief Executive Director on 23 March 2013. The Policies in written in English, Malay, Tamil, Hindi, Nepali and Bangladesh language. There is an Occupational Safety and Health Policy signed by Dato Carl Bek-Nielsen Chief Executive Director on 23 March 2013. The Policy covers continue efforts to accident prevention, by conducting Hazard Identification, Risk Assessment and Risk Control (HIRARC) on all operations. Provide continues training and supervision to all categories of employees to build and promote a safe and healthy work environment in full compliance with legislative requirements. Occupation Safety and Health Policy observed. Relevant safety operating procedure (SOP) observed with coverage of overall mill and estate operation process. Occupational Health & Safety Management System established for mill. OSH Manual and relevant SOPs developed as documentation of OSH management system. Good design of OSH management system observed. OSH plan established with responsibility and action time period defined. Relevant targets established and monitored on monthly basis. Good acheivement observed for the targets.

Indicator 4.7.2

Based on the interview, workers of are aware and understand the policy. Workers is been briefed based on the daily basis by the Hospital Assistant of Estate. There is Sri Pelangi, Sungei Esong and Lima Blas Estate OSH Planner 2016 for health and Safety Plan in place. The plan is include safety performance report, OSH Committee meeting and review HIRARC / Safe operating procedure reviewed in every 6 month. An Evidence of health and safety plan in presented in OSHA Training Programme 2016. The evidence is OSH committee meeting in every 3 month, Medical checkup, First Aid Training, Basic Fire Training / Drill, ERT Refresher Training and medical surveillance.

The health and safety plan is monitored in Sri Pelangi, Sungei Erong Estate Safety Performance Percentage Report to monitor the cases in every month. Health and Safety plan is discussed and a copy has been given to all workers during the OSHA meeting and all action plans is monitored in the safety performance percentage report.

HIRARC have been implemented for each activity at Sri pelangi, Sungei Erong and Lima Blas Estate such as Harvesting, Loading Ramp, Loading FFB, Sprayers, Trunk Injection and Manuring.

Total accident in 2015 with cases at

- Sri Pelangi Estate total accident in 2015 with cases with days away from work 6 days, total number of days away from work 70 days
- Sungei Erong Estate total accident in 2015 with cases with days away from work 20 days, total number of days away from work 207 days.
- Lima Blas Estate total accident in 2015 with cases with days away from work 26 days, total number of days away from work 139 days

If any accidents had occurred based on incident report, management will revise the HIRARC to prevent the accident reoccur. The procedures are documented in the HIRARC. Occupation Safety and Health Policy observed. Relevant safety operating procedure (SOP) observed with coverage of overall mill and estate operation process.

HIRADC procedure developed with proper criteria attached for risk assessment at mills. All mill activities covered for HIRAC study. Relevant action plan proposed for identified hazard. Progress of OSH action plan assessed and found relevant

program implemented according to plan. Updating of HIRAC following occurrence of accident observed and relevant corrective action applied for all mills.

Indicator 4.7.3

PPE training program at

- Sri Pelangi Estate Syarikat Junchong (Lai Seng Yit) and OSH training conducted by Patrick (Manager)
- Sungei Erong Syarikat Junchong (Lai Seng Yit) and OSH training conducted by Siva Subramaniam (Manager)
- Lima Blas Estate Syarikat Junchong (Lai Seng Yit) and OSH training conducted by Azhar bin Yazid (Manager)

A Sufficient PPE (rubber boots, Apron, Plastic Goggles, Rubber Glove, Respirator Mask, boot, wore by the sprayers. PPE will be replaced to the workers when damaged; there is an evidence of PPE Issuance Records at UIE Estate. The latest PPE Issuance Records latest on 21 May 2016. During the field visit, workers is observed wearing appropriate PPE and in good condition. There was latest First Aid Training in estates, for example:

- Sri Pelangi Estate - Latest First Aid Training on 22/4/2015 conduct by the Medical Assistant (MA) of Lima Sri Pelangi Clinic 12 workers were attended. 10 workers are signed to keep the First Aid box. During the site visit there is an evident that First Aid Box is available and in good condition.
- Sungei Erong Estate - Latest First Aid Training on 25/4/2016 conduct by the Hospital Assistant Saravanan Kanan (HA) of Sungei Erong Clinic 6 workers were attended. 9 KP or Mandur are signed to keep the First Aid box. During the site visit there is an evident that First Aid Box is available and in good condition
- Lima Blas Estate - Latest First Aid Training on 22/4/2015 conduct by the Medical Assistant R. Indren (MA) of Lima Blas Estate Clinic. 15 workers are signed to keep the First Aid box. During the site visit there is an evident that First Aid Box is available and in good condition.

Several operation controls defined with relevant procedures. Overall implementation of operation controls were at satisfactory level. Relevant safety training provided to staff and worker. Good training implementation observed.

Sufficient and suitable PPE had been distributed to workers. PPE issuance record observed. Relevant PPE training provided to mill and estates workers. PPE usage assessed during the field observation and good practice observed.

Communication with contractor on the overall OSH plan and management system demonstrated by briefing and permit to work. Good communication observed with contractor. Sufficient first aiders trained in mills.

First aid box available at relevant area in the mills and observed with sufficient contents.

Fire extinguisher assessed during the site observation and found all available and within expiry date.

Emergency eye wash facility available at chemical store.

Indicator 4.7.4

There is a UIE OSH Committee Members in each estate. The responsible person responsible, for example:

Sri Pelangi Estate

Mr. Patrick - Chairman

Mr. Rames – Safety Advisor

For 2015/2016 session date on appointment 26/02/2016.

Sungei Erong Estate

Azrul Harnizam – Assistant Manager

D. Saravanankumar – Assistant Manager

For 2015/2016 session date on appointment 01/01/2015.

Lima Blas Estate

Mr. V. Nanta Kumar – Secretary

Mr. Ahmad Fadzli Arshad – Vice Secretary

Mr. Rames – Safety Advisor

For 2015/2016 session date on appointment 26/02/2016.

Safety & Health Committee established for mills. The establishment of Safety & Health Committee observed and in line with legal requirement. Safety & Health meeting conducted at least on quarter yearly basis and comply with legal requirement. Safety and health related issue discussed during the meeting and proper action plan observed for outstanding issue. OSHA meetings between responsible persons conducted every 3 month required by OSHA law. There is a minutes of meeting and list of attendance. All discussed issues are documented. Latest of OSHA meeting on 05/04/2016 discussing about the Review of OSH Policy, Review of HIRARC, Review of CHRA, Annual Medical Surveillance, Safety Performance, PPE, Training OSH, Safety barriers and ERP. 5 workers were interviewed (3 Foreign workers and 2 Management)

Indicator 4.7.5

There is an SOP for Emergencies Response Plan established at Sri Pelangi, Sungei Erong and Lima Blas Estate. The Emergency Response Plan covers the fire emergencies and chemical spillage. # OBS – All Estate should consider to establish the ERP regarding the natural disaster. Emergency Response Procedure observed with description of emergency situation handling for mills. Accident and emergency procedures had been written in multiple language and briefed to staff, workers, contractors and visitors. Good understanding level observed among the workers.

There is one accident cases reported at

- Sungei Erong Estate There is one accident cases occur on 13/5/2016 (Rouf Abdur) Full investigation report have been done by the C. Punithan (Assistant Manager). The report were sent to the DOSH.
- Lima Blas Estate There is one accident cases occur on 12/1/2016 (Santhi Vengitasamy) Full investigation report have been done by the Azhar Yazid (Manager). The report were sent to the DOSH

The accident observed with sufficient investigation. Accident investigation report observed with the victim photo. Sufficient details observed in the accident report:

- accident root cause
- mistake
- Corrective Action

All first Aid Kits is adequately stocked and regularly checked by the HA and MA through the Bin Card system. All accident is recorded and the report is sending to the DOSH, in every OSHA meeting there is an agenda to discuss about the accident happens previous. Foreign workers are covered by the Foreign Workers Compensation Scheme. There is an evidence of Foreign Workers Compensation Scheme Certificate of Insurance form RHB Insurance Berhad. There is an evidence document of affected workers received appropriate medical treatment, and was able to claim and receive compensation

Indicator 4.7.6

Valid date for Insurance coverage at

- Sri Pelangi Estate - 17 January 2016 to 16 January 2017
- Sungei Erong Estate - . 12 January 2016 to 11 January 2017.
- Lima Blas Estate - 17 January 2016 to 16 January 2017

Medical insurance provided to all workers. Insurance agreement observed for all workers. Field observation performed and found clinic facility available. Relevant type of test such as audiogram test, medical surveillance, CHRA performed according to legal requirement. Sufficient actions observed following the test results.

Indicator 4.7.7

Occupational injuries recorded using Lost Time Accident (LTA) metrics. Total man-hours worked in year 2015 at

- Sri Pelangi Estate - 331368 and total average employment year in 2015 is 133

- Sungei Erong Estate - 746912 total man hours and total average employment in year 386.
- Lima Blas Estate - 677792 total man hours and total average employment in year 280

Accidents reported for year 2015 & 2016 for mills. Relevant accident investigation report observed and corrective action was verified during site observation. Good handling of accident observed at the moment. Submission of accident report such as JKPP6 & JKPP8 was complied with legal requirement. Submission of accident summary record (JKPP8) to JKPP observed. Accident recorded in LTA term and clearly presented during the audit.

Status: Compliance

4.8

All staff, workers, smallholders and contractors are appropriately trained.

Indicator 4.8.1.

Training program for year 2016 observed for estates. Sufficient training planned for improving of RSPO awareness among workers observed. Relevant training arranged according to Training Program. Training records for each training captured for training date, participant list, training venue and trainer. Training record for employees observed with evaluation performed.

The Jendarata, Ulu Basir and Ulu Bernam Mills have established an annual training plan 2016 that covered safety & health, SOPs and RSPO aspect training. Whilst the plan covered training that were conducted in-house by nominated internal and external trainers, some workers were also sent for external competency based training programmes conducted by the training organizations approved by the authorities. Training records of each employee were sighted at all 3 mills and 3 estates samples included records of contractor workers, for example: training safety harvesting record in Sg. Erong Estate was held on February 3, 2016 with 19 workers.

Indicator 4.8.2

All mills and estates were have training records maintained for each employee, for example: **Seri Pelangi**: Safe Spraying Technique (spraying and Trunk Injection 23 May 2016), Safety Driving Technique (30 September 2015), Safety Harvesting Technique (19 May 2016). Furthermore there are training records in mills, such as SCCS training, fire drill, SOP's per station and each others.

Training program for year 2015 observed for estates. Sufficient training planned for improving of RSPO awareness among workers observed. Relevant training arranged according to Training Program. Training records for each training captured for training date, participant list, training venue and trainer. Training record for employees observed with evaluation performed.

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The Jendarata, Ulu Basir and Ulu Bernam Mills have established an annual training plan 2015 that covered safety & health, SOPs and RSPO training. Whilst the plan covered training that were conducted in-house by nominated internal and external trainers, some workers were also sent for external competency based training programs conducted by the training organizations approved by the authorities. At Ulu Berman mill, RSPO training records were sighted specifically for the new changes in the RSPO standard. Training records of each employee were sighted at all 3 mills and included records of guest workers.

Training plan for year 2016 observed for all mills. Relevant training performed according to training plan:

- Hearing Conservation Training
- Safety talk for operator
- Fire drill training
- Confined Space Training
- RSPO P&C Training
- Electrical Safety Training

Relevant training records such as training attendance list, training evaluation record, training certificate, etc available during the training. Training on Oil Mill RSPO Supply Chain Module observed and performed on 5, 7 & 10/5/2016. Relevant functional personnel attended. Training attendance list observed. Few staffs interviewed and found training attended with good understanding level of training module.

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| | Status: Compliance | |
| PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity | | |
| 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement. | | |
| Indicator 5.1.1 During the audit it was sighted that the management had providing the Environmental Risk Assesment (ERA) which has been updated observation for the management activities on 2016. The ERA details on the activities of management units and the mitigation impact of their own operational handling such as : There was available the road and paths maintenance for the management that have environment impacts to : <ul style="list-style-type: none"> • the soil contamination from spent lubricant • pollution due to exhaust fume and dust • corridor for natural movement of animals effect • Method to reduce the level impact • Maintenance of vehicles and tarmac roads dwelling Indicator 5.1.2 The environmental management plan was sighted at the units covering the activities that have an impact towards the environment and the mitigation method to reduce it.Environmental Impact Assessment Evaluation Criteria Chart observed. Environmental Impact Assessment performed together with presence of stake holder. All relevant processes assessment. Significant environmental aspect and impact for mill and estates identified as: a) Black smoke emission b) Waste Oil c) Used oil filter d) Effluent treatment discharge e) Contaminated rags Indicator 5.1.3 Relevant management program developed for each identified significant aspect. Roles and responsibility of relevant personnel defined with relevant action plan. Management program developed for each identified objectives and significant aspect. Targeted completion date observed in the management program. Management program developed for yearly basis. Responsible person identified for each action plan. Monitoring and measuring performed for management program on regular basis. Monthly report presented during meeting. While monitoring protocol was conduct every year, depending on the activities and review plan, the plan will be yearly on reviewed for : conservation area outside plan boundaries-yearly-significant low. | | |
| | Status: Compliance | |
| 5.2 The status of rare, threatened or endangered species and high conservation value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations. | | |
| Indicator 5.2.1 The initial complex level Conservation assessment was done by Wild Asia between 01 – 06/01/2008. The report's mentioned the methodology applied as well the extend of coverage that includes the presence of protected areas, the conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller. The assessment did not find any HCV habitats, such as rare and threatened ecosystems,other then riparians,Bukit Keranji Virgin Jungle Reserve (Lima Blas) , Lembah Bernam Archaeological site (Changkat Mentri) and Margaretha Hill (Changkat Mentri), however there are Self-Created Conservation | | |

within estate perimeter, such as Bek-Nielsen Peat Forest Sanctuary (UIE), Grut Wildlife Sanctuary (Changkat Mentri) and several Malaysian jungle tree parks.

UP's long term goal in enrichment of riparian and "**Self-Created Conservation**" is the setting up Kingham/Cooper Malaysian Jungle Trees Arboretum in 2009/10 at UIE. The saplings will gradually be distributed to the sister estates within UP for enrichments. Enrichment has commenced at Anak Sg. Macham riparian at UIE and shall be replicated in other estates too. Meanwhile the company is monitoring their riparian from illegal encroachment, no fire, no hunting or bird trapping.

Indicator 5.2.2

The current flora and fauna encourage flourishing. To date the riparian are intact and on maturity of the saplings of jungle trees at UIE nursery further enrichment will be done. As for the Lima Blas Estate's corridor, jungle plants planted were destroyed by the monkeys and wild boars. Nevertheless the company has some trees that survived along the corridor, it will be enriched with saplings from UIE and this time protected with wire netting.

The intact dense forest at Lima Blas Estate (Bukit Keranji Virgin Jungle Reserve) is a living testimony of their commitment to conserve for generations to come. The decommissioning of Lima Blas POM is seen as a classic manifestation and honoring their contribution to natural conservations.

Indicator 5.2.3 & 5.2.4

There is no HCV areas connected, corridors are conserved. During field visit, the audit team witness signages on how the management controls any illegal or inappropriate hunting, fishing or collecting activities. Awareness programs have been done to stakeholders and school childrens but on low key to avoid unnecessary attention to opportunistic poachers. There is no census program developed in particular; however the estate manager do relies on feedbacks and informations from internal and external stakeholders to determine if any presence of any RTE. The collected data and information to be analysed further and the discovered RTE will be mapped out.

Indicator 5.2.5

Based on map verification, information from Management Representation and field visit observation that shown in the near of United Plantation (Jenderata, Ulu Basir & Ulu Bernam Complex) there is no community settlement. The distance from plantation area to community surround area was separate. There was also observed the document of HCV identification by Wild Asia and there was no plantation area of United Plantation under community right. The plantation area of United Plantation was established since period of 1885.

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| Status: Compliance |
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5.3

Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

Indicator 5.3.1

It was sighted during the audit, there was a segregation and classification of waste has been identified. Sources of waste and pollution has been made into registry and being updated. The scheduled waste has been collected by the respected collector approved by Department of Environment Malaysia (DOE) and have a licensed to collect the scheduled waste.

There was a list of registry list of waste product recorded including :

- i) Chemical drums
- ii) Waste oil
- iii) Fertilizer bags
- iv) Metal
- v) Plastic
- vi) Paper
- vii) Garden waste
- viii) Kitchen waste / domestic waste
- ix) EFB
- x) Clinical waste
- xi) TRACTOR BATTERY

- xii) Spent lubricant
- xiii) Hospital syringe



It was sighted during the audit there was available the chemical registry and the Material Safety Data Sheet (MSDS) available at the estate. The record has been maintained and updated by the management Unit. The chemical was kept in a store according to best practices and properly stacking up. There was a proper scheduled waste disposal and collection, label identified at the estate. The scheduled waste available at the site according to Malaysian Law was less than 180 days.



Indicator 5.3.2

It was sighted a proper disposal area of waste segregation at the site. The method of reuse, reduce and recycle was in place and regularly updated by the management. There is an evidence of waste segregation has been collected according to the type of waste. The empty container for pesticides being triple rinsed and the empty container for inks been properly stored collected and send to waste manager.



Indicator 5.3.3

Notification of scheduled waste to Department of Environmental observed in the mill.

Several type of scheduled waste identified:

- a) SW 102
- b) SW 305
- c) SW 410
- d) SW 306

Schedules waste disposal data observed and inserted into e-swiss system. Relevant consignment note observed and all records well kept. All scheduled waste disposed to licensed collectors. Scheduled waste management program observed with disposal of scheduled waste to licensed collector and proper scheduled waste store erected and good store management practice observed. Good labelling practice observed.

Status: Compliance

5.4

Efficiency of energy use and use of renewable energy is maximized.

Indicator 5.4.1

The Estates (Jendarata, Ulu Bernam & Ulu Basir) has have a few documents are;

- 1) Renewable Energy Use Per Tonne of Palm Product At Jendarata Engineering Department
- 2) Steam Supply From Biomass Reciprocating Boiler To Unitata Data Captured At Unitata - February 2015
- 3) Steam Supply From Biogas Plant Boiler To Unitata Data Captured At Unitata - February 2015
- 4) Power Supply From Biomass To Unitata Data Captured At Unitata - February 2015

Based on field visit at Waste Disposal Area in each estate was shows waste disposal area where a big pit and recyclables were well segregated and stored.

United Plantation Berhad have implemented various initiatives to improve efficiency of energy used and maximize renewable energy utilization at the mills. The Jendarata and Ulu Basir mills had Biomass Reciprocating Boilers which were fired using PPF, shell and biogas from POME which were all renewable energy and the steam and electricity generated was used in the mills. Methane capture was being monitored on a monthly basis at the biogas plants. At Jendarata mill EFB was also used as fuel as the mill also supplied steam to the Unitata Refinery located within UPB. At the Ulu Basir mill A Biogas Engines was being installed to convert biogas into electricity which will be fed back into the national grid via the feed in tariff mechanism implemented by the Sustainable Energy Development Authority (SEDA). The Bio Scrubber and gas engine under construction was sighted during the audit. When completed, the mill will be able to maximize harnessing energy from biomass with the added option of generating electricity for the grid and/ or using biogas for the boilers whilst minimizing flaring. Fossil fuel used per tonne of FFB processes was being monitored. At the Jendarata and Ulu Basir mills boiler flu gas was used to dry decanter solids that used as an organic fertilizer. At the estates the use of buffalos for infield harvesting of FFB the locomotive system minimized the use of fossil fuels.

Management program for efficiency use of diesel/petrol observed for year 2015 & 2016. The management plan implemented and monitored.

Monitoring of diesel and electricity usage per tonne FFB performed in mill. On-going analysis performed and monitoring result observed.

Status: Compliance

5.5

Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.

Indicator 5.5.1

The management of United Plantation Berhad has have document in relation of zero burning

- 1) Announcement Notes for No Open Burning, dated February 18, 2008
- 2) Zero-Burn Replanting Field Management Manual And Standard of Operating Procedure

Indicator 5.5.2

During field visit to Seri Pelangi Estate, Sungai Erong & Lima Blas Estate was indicated there are no burning activities for waste disposal and replanting.

Status: Compliance

5.6

Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

Indicator 5.6.1

During the audit, it was observed that the management had done the plan plan to reduce pollutions, emission, occurred due to activities by the management unit. It was sighted that United Plantation Berhad had taken the initiative to reduce the carbon footprint since 2008 by hiring the consultant to assess their plantation activities towards :

- The potential environmental impacts from the production of Palm oil
- Following over time the GHG emission from palm productions
- Comparing production of Palm oil to industry average rapeseed oil, sunflower oil and peanut oil
- Analyzing improvement options for production palm oil.

Indicator 5.6.2

It was sighted that the management unit has provided the data to UP research division for the life cycle assessment (LCA) assessment and it the result will be shown as kg CO₂- eq/ kg NBD oil (Neutralised Bleached deodorized) .

Indicator 5.6.3

The reporting of GHG has been done and sighted evidence the email being sent to Soo Chin RSPO from C. Mathews (Group Manager of SHE) dated 15 April 2016. Sighted was the record of reduction chemical and pesticides being used at the estate.

Status: Full Compliance

PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills

6.1

Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.

Indicator 6.1.1

Social Risk Assessment (SRA) has been made with latest on 2016 for internal and external stakeholder for various activity :-

- Operation - Nursery
- Operation - Replanting
- Operation - Weeding
- Operation - Pruning
- Operation - Circle Sanitation
- Operation - EFB Mulching
- Operation - Water Management
- Operation - Roads, Paths, and Railways

- Operation - Boundary
- Operation – Oil Palm Pest and Disease Management
- Operation – Foreign Workers

Latest SRA is conducted at

1. Sri Pelangi Estate - 02 April 2016
2. Sungei Erong Estate – 16 March 2016
3. Lima Blas Estate – 29 March 2016

All finding is documented covers all of the potential impact factors including use rights, economic livelihoods and working conditions, subsistence activities, cultural and religious values, health and education facilities and communities values.

Indicator 6.1.2

There is Annual Stakeholders Dialogue Session latest on 2016 at Sri Pelangi, Sungei Erong and Lima Blas for Internal and external stakeholder (OSHA Committee, Gender Committee, Temple Committee, Chapel Committee, Surau Committee, Foreign Workers Representative, Neighboring Estate, Statutory Bodies and Ketua Kampung. The assessment has been made based on the Annual Stakeholder Dialogue Session and the minutes of meeting are documented. The affected parties are able to express their views and all issues is documented in the meeting and actions are taken to resolve the issues. The affected parties are able to express their views in the meeting and there is a complaint book available at the Sri Pelangi, Sungei Erong and Lima Blas. There is a Social Risk Assessment (SRA) for UIE Estate outline the Social impacts and person in charge to resolve the issues.

Indicator 6.1.3

A complete timetable with responsible are presented in Review Plan (Social) at Sri Pelangi, Sungei Erong and Lima Blas Estate. The list of activity that can be affected to the social issues has been rank and mitigation measure is stated in the plans. There is a complete timetable with responsibilities are shown and updated as necessary for the year of 2016. The plan is documented and tabulated in the Action Plan (Social) timetables that listed items, By Whom, Target Date and Resources. The timeline is observed realistic to implement by the management of Estate.

Indicator 6.1.4

There is a clear column that stated that who is the person in charge in the Action Plan. The plan is reviewed in every year. The plan been updated based on the latest meeting. Based on the time table there is on-going action been made by the UIE Estate management. There is an evidence of meeting. The attendance and issues discussed is documented. There is evidence of attendance of meeting and all of the result of meeting is documented and tabulated in Social Risk Assessment (SRA) plan. There is no smallholder at Sri Pelangi.

Indicator 6.1.5

Until ASA 03, the company not yet has a smallholder programme.

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| | Status: Compliance | |
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6.2

There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

Indicator 6.2.1

There is a Grievance Redressal Procedure for communication and consultation in clearing up misunderstanding / conflict / grievances or raising any issues with United Plantations Berhad, the procedure is adopted, in an effective, timely and appropriate manner that is open and transparent to any affected parties. The procedure stated that all grievances are formally recorded at point of receipt and settled as soon as possible but not more than 30 days and grievances acknowledged by letter within 7 workings days to stakeholder and estate manager / head of department from the company secretary.

The SOP is developed based on the stakeholder consultation meeting. The SOP is printed and displayed in English, Malay, Hindi, Tamil, Nepali and Bangladesh and displayed at the board. The SOP is developed based on the consultation with external stakeholder (Statutory Bodies, Indigenous People, Local Communities, Independent Supplier and Local and National NGO) and Internal Stakeholder. Based on the interview with the foreign workers (Bangladesh and Indonesian) and local workers there are aware with the SOP and know how to launch a complaint.

Indicator 6.2.2

The company has nominated persons responsible for communication and consultation with the local communities and other interested parties, for example:

1. Seri Pelangi Estate - Mr Patrick Kannan (Acting Manager)
2. Sungei Erong Estate - Mr. R. Siva Subramaniam (Manager)
3. Lima Blas Estate - Mr. Azhar Yazid (Manager)

The nominated person is in charge of all complaint or grievance from the stakeholder, there is aware from the stakeholder meeting that been held in every year.

Indicator 6.2.3

The latest of stakeholder list is on 2016 and there is a clear list of internal and external stakeholder listed the affected parties for Sri Pelangi, Sungei Erong and Lima Blas Estate. There is a record of meeting of Internal / External Stakeholder Meeting on 2016 and the records of actions is documented in Social Risk Assessment (SRA). Based on document verification, the company has document of latest stakeholders list (update per May 2016). The stakeholder was consist of related agency/government, NGO, local contractor, and workers.

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| Status: Compliance | |
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6.3

There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.

Indicator 6.3.1

The Procedure is communicated to all parties through the stakeholder meeting, gender committee meeting and stakeholder booklet. There is stakeholder booklet distributed to all workers and stakeholder meeting.

RSPO training latest at

1. Seri Pelangi Estate – 12 January 2016
2. Sungei Erong Estate – 19 March 2016
3. Lima Blas Estate – 12 January 2016

There is procedure and complaint and request book to record the complaint and action taken is recorded.

There is a Grievance Redressal Procedure for communication and consultation in clearing up misunderstanding / conflict / grievances or raising any issues with United Plantations Berhad, the procedure is adopted, in an effective, timely and appropriate manner that is open and transparent to any affected parties. All complainant will be recorded and action taken to resolve the issued and recorded in the complaint and request book. The complaint is deal by the estate manager for the workers issues and gender committee member to resolve the sexual harassment issues.

There is a Whistleblower Policy that intended to cover protection for the whistleblower when raising concerns regarding UP BHD. Such as concerning regarding incorrect financial reporting, unlawful activity, activities that are not in line with UP BHD policy, including the code of Business Conduct and activities which otherwise amount to serious improper conduct. Every effort will be made to treat the complaint's identify with confidentiality. A procedure has been established to resolve dispute and displayed in the office and in the stakeholder booklets.

Indicator 6.3.2

There is a Register of Complaints books at each Estate. The results of actions taken are documented in the book. Latest

complaint was recorded and the Manager, assistant manager and the clerk can assess the documentation of the process.

Status: Compliance

6.4

Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

Indicator 6.4.1, 6.4.2 & 6.4.3

There aren't any negotiations concerning compensation for loss of legal, customary or user rights, since the land is belongs to UP Bernhard from early 1980. However the Group Manager HR & EHS is responsible to execute any compensation related works with the involvement from Board of directors and company secretary.

Status: Compliance

6.5

Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

Indicator 6.5.1

Verified the initial "Memorandum of Agreement" has clauses [3-9] stressing on pay, fringe benefits, salary slips, medical surveillance etc. the Sighted the recent contract agreement between estate and contractor for contracting works of harvesting, collecting and loading into cages/trailer of FFB at which the payment is to be calculated be the net weight of FFB as recorded in Seri Pelangi Estate's weighbridge. As per check roll workers, the contract workers are also given monthly pay slip by estate administrative. Pay slips [Mar – Apr'16] were verified [11 contract workers and 9 check roll workers] confirming that both contract and check roll workers receives monthly salary more than RM 900 unless otherwise on unpaid leave, poor attendance. Verified contract agreement between check roll workers and the estate and also verified a contract agreement for contract worker and their contractor. The wages are in accordance to [Malaysian Act, MAPA with MPOB guideline – piece rate applicable after normal working hours, basic pay RM 37.50 x 26 working days = RM 975.00], working hours [06.30 – 2.30], rest day [min 1 day / week].

Indicator 6.5.2

Document verification showed that the employment contract was formatted on English language version, Bahasa Melayu, Bangladesh, Nepal and India. Based on stakeholder consultation that known the workers was understood the document before they are signed the document *Company Code of Conduct of United Plantation* in in early period before they are begun for working. These document was explained and consist several information related to workers right and obligation, for example are: earn of minimum wages average of RM 1,200 till 1,500 for 26 days, maternity leave, overtime, contract duration, etc. Field visit observation was showed that the company was provide housing and supporting facilities (clinic, shop of miscellaneous, sport hall, school).

The company was provide the cobtract for migrant worker in several language version. There was sighted the contract agreement letter sampled for check roll worker as below:

- 1) Nepalese - Sukra Prasad – passport 06301575 – 01/04/2015. The agreement prepared in English and Hindi, no translator required. Duration of contract [3 years]
- 2) Indonesian - Haerudin – passport AT534969 – 01/04/2015. The agreement prepared in Bahasa Malaysia and no translation required. Duration of contract [2 years]

Sighted the contract agreement letter between contractor and his workers, sampled for contract workers, Indonesian [Sanidan 01/04/15 and Hulnaeni 01/04/14]. The agreement prepared in Bahasa Malaysia and no translation required. Duration of contract [2 years]. The content of the agreement is similar to check roll workers. Free housing is provided for check roll and contract workers with all the maintenance facilities fully managed by estate. However for contract workers, the electricity and water bill is charged to contractor.

Indicator 6.5.3

Based on the site visit, The management have complied workers Minimum Standards of Housing and Amenities Act 1990 (Act 446). All workers are provided with adequate housing and were observed in very good conditions.

Estate was providing 3 room's house for their workers. Lima Blas Estate was providing 3 room's house for their workers.

There is inspection from Jabatan Tenaga Kerja Selangor and the approval certificate has been given on 17 January 2011 (JTKS (E) 6/023 jld XI (4).

Electricity is subsidize for Rm 6.54 30 unit per workers. Source of electricity is by TNB. Sri Pelangi Estate, Water is subsidized for 5000 liter per person's sources from Lembaga Air Perak (LAP), Sungei Erong Estate, Sources of water from treated water valid license from SPAN until 16 April 2018 and Lima Blas Estate, Sources from treated water valid license from SPAN (Domestic Water Treatment License SPAN/EKS/(PT)/800-4-15/09) 17 April 2015 to 16 April 2018. There is a clinic in the Estate and also there is UP Group Hospital and Nearest Government Hospital. Estate workers are sending their children to government school. UIE Estate is provided a school bus.



Lima Blas Estate workers Housing

Indicator 6.5.4

Based on observation surround of plantation and mill area and interview with several worker in both of mill and estate, that showed there was no obstacle for the employee to access the sufficient food. The company has provide the shop for miscellaneous (kedai runcit), etc.

Status: Compliance

6.6

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

Indicator 6.6.1

There is a policy for freedom for United Plantation Workers the mill and estate workers are free to bargain collectively either through the National Union of Plantation Workers (NUPW) or by forming groupings on their own to collectively bargain with the management.

Indicator 6.6.2

The Guest Workers Union Meeting latest at

1. Sri Pelangi Estate - 29/04/2016
2. Sungei Erong Estate - 23/05/2016
3. Lima Blas Estate - 19/03/2016

The meeting is held is every month. All of the issues discuss in the union meeting is documented and action been taken by the management. There is a contract agreement between Sri Pelangi, Sungei Erong, and Lima Blas Estate and workers detailing about the duration of contract, working hours, piece rate, rest day, public holiday, annual leave / vacation leave, levy, medical and workmen compensation insurance scheme (FWCS) made in the Malay, English, Bangladesh, Tamil and Hindi language to make the workers understanding the agreement. An evidence of minutes of Guest Workers Union Meeting latest on 2016. The minutes of meeting are available at the management office of the Estate.

Status: Compliance

6.7

Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education program. Children are not exposed to hazardous working conditions.

Indicator 6.7.1

There is a clear policy that prohibited under aged workers (below 16 years) Human Rights Policy, Signed by Dato' Carl Bek-Nielsen, Chief Executive Director on 23 March 2013. There is a list of workers & age as at 14 March 2016 stated that all of the workers are aged above than 16 years old. Based on the site visit and interview there is no employment of workers below the minimum working ages.

Seri Pelangi, Sungei Erong and Lima Blas Estate is complied with the labour law and their human rights policy to not employed workers less than 16 years.

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| Status: Compliance |
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6.8

Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.

Indicator 6.8.1

There is a policy regarding the Human Right Policy signed by Dato' Carl Bek-Nielsen, Chief Executive Director 23 March 2013. United Plantation serves everyone who works for UP BHD fairly and without discrimination and respect the rights of all personnel to join and participate in registered trade unions and to bargain collectively. The policy is displayed at the main access area and also discussed in the stakeholder meeting. There evidence that all workers is from multi races and also from the other countries (Malay, Indian and Chinese) and also from the other countries (Indonesian, Bangladesh, Nepal, and South India).

Indicator 6.8.2

There is evidence that employees and immigrant workers have not been discriminate based on the foreign workers union and gender committee to express the workers feelings. Based on the interview the workers is happy with the way Sri Pelangi Estate management treating them 5 workers were interviewed, at Sungei Erong Estate 4 workers were interviewed and at Lima Blas Estate 3 workers were interviewed . There are no complaints against the company relating to these issues. There is a Grievance and Redressal procedure established at all Estate to handle the complaint lodged by the workers. Workers also can raise issues during the meeting. All records are kept in the respective estates chief clerks office.

Indicator 6.8.3

For local workers there is an evidence of job vacancies advertisement detailing about the academic qualification and experiences. There is a detail of specification for employment in (MAPA'S Manual of Job Classification in Respect of Clerical, Medical & Health and Technical Staff non-clerical staff and guidelines for employment by United Plantations Berhad. For foreign workers, the recruitment and selection are based on passing the medical fitness by FOMEMA.

The company has mechanism to promotion of employee. The promotion was based on their reputation and will evaluate and recommendation from estate manager and will suggest to Human Resources Department. Based on interview of one of migrant worker from Indonesia that informed in early period worked as harvester and the next period he promote to be foreman for handle of buffalo in activities to FFB loading from harvesting area to railway area for loading to mill area.

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| Status: Compliance |
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6.9

Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.

Indicator 6.9.1

There is a policy to prevent the sexual harassment and violence (Sexual Harassment Policy) signed by Ho Dua Tiam, Senior Executive Director. A clear procedure to channel the sexual harassment in the workplace, and there is a specific form

(Misconduct Report Form (Sexual Harassment & Violence) to launch a complaint to the management.

There is a gender committee training calendar for 2016 (Grievance on sexual harassment prevention, Prevention against violence act, Papsmear Awareness and OSHA issues related gender). A gender committee is established at UIE Estate. List of the member of the gender committee is displayed at the Notice Board at all Estate. There is a training calendar for gender committee programme 2016 Based on the grievance procedure for sexual harassment in the workplace there is consultation with the Company's Executive Committee.

Indicator 6.9.2

There is a policy to protect the reproductive rights for women (Gender Policy) to protect the reproductive rights and Motherhood responsibilities of women as under the Universal Declaration of Human Rights and Labour laws. In workers agreement there is a clause related to OSHA 1994 (Article 37 – Non-Hazardous duty for Expectant Women).

Latest policy is signed on 24 April 2015. Based on interview with Gender Committee that known:

- There is no discrimination between woman and man in related access for working.
- The Gender Committee was existing in each estate and it aim to handle if any case of woman right abuse and sexual harassment.
- There is no issued related to woman right abuse and sexual harassment.
- The company has been implemented of woman right related to natal period. The leave period for every woman on natal period was 2 month (based on Malaysia regulation).

Indicator 6.9.3

There is Grievance Redressal Procedure to recognizing the value and importance of discussion in clearing up misunderstanding and preserving harmonious relations, every reasonable effort shall be made by the Estate / MAPA and employee / NUPW to dispose of any grievance or complaints at the lowest possible level as quickly as possible. 4 steps of procedure to raise the grievance. Besides the supervisors the workers can raise the issues to the workers unions and straight up to Group Manager. The procedure is documented and copy is given to the workers through Employee's Hand Book. The Estate Manager and Assistant manager is responsible person to receive and manage complaints from the workforce.

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| Status: Compliance |
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6.10

Growers and mills deal fairly and transparently with smallholders and other local businesses.

Indicator 6.10.1 & 6.10.2

Until ASA 03, there was no smallholder schema at Jendarata Estate, Ulu Basir Estate, Ulu Bernam Estate. All the FFB processed was supplied from own estate of United Plantation.

Indicator 6.10.3 & 6.10.4

- At Ulu Basir Estate, An evidence of Memorandum of Agreement (MOA), between United Plantation Berhad with Armada Semarak Sdn Bhd (050572701) regarding the FFB Collection. At An evidence of Memorandum of Agreement (MOA), between United Plantation Berhad with Bathma Rajah Thever A/L Vadiveloo (050575402) regarding the FFB Hiring of Tractors / Mechanical Equipment.
- The contract document has been sign and detailing about the work description and pricing are properly stated in the document.
- The payment to supplier is confirmed that all payments have been made in a timely manner through the Certificate of Payment.

Based on interview with local contractor as supplier of material for laboratory of Jenderata Mill was informed that:

- The company was provide document of contract agreement for each contactor in early period.
- The contract was explained of responsible of each party, payment period and PPE using.
- All of payment period has been done on time based on contract clause.

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| | Status: Compliance | |
| 6.11 | | |
| Growers and millers contribute to local sustainable development wherever appropriate. | | |
| Indicator 6.11.1 | | |
| <p>The company was sighted a few evidences of contributions to local development:</p> <p>Sri Pelangi Estate, there is a request letter from the external stakeholder to request the temporary access to Seri Pelangi Road by Perak Motor Co and Letter from the Temple Committee, Seri Maha Muthu Mariamman Temple.</p> <p>Sungei Erong Estate, there is a request letter from SMK Ulu Bernam to request a bus transportation for school children 11 April 2016.</p> <p>Lima Blas Estate, there is a donation made by estate to temple festival based on the request letter 11 April 2016 and approval from the Sungei Erong Estate Manager 12 April 2016.</p> | | |
| Indicator 6.11.2 | | |
| Until ASA 03, there is no FFB supplied from smallholder scheme to the Jenderata, Ulu Basir & Ulu Bernam POM. | | |
| | Status: Compliance | |
| 6.12 | | |
| No forms of forced or trafficked labour are used. | | |
| Indicator 6.12.1 | | |
| <p>Seen the company's circular dated on 01/06/2016 from UP-HR on forced / trafficked labour documented clearly. It defines clearly on what is termed as forced or trafficked labour as well the indicators in accordance to "Anti trafficking in Persons & Anti-Smuggling of Migrants Act 2007 [Act 670]. Once get the approval from KDN, then UP-HR will engage recruiting agent whom will send the potential worker's bio data to UP-HR and also will be responsible for selecting/ screening. Once finalize the workers, UP-HR will apply for the calling visa and once approved by Imigresen. The agent will bring in the workers; UP-HR will pay the levy to KDN as well the agent's fee. The UP-HR allows their workers from leaving the estate or their housing facilities outside working hours but to ensure bring along their photocopies of passport, I-Kad and work permit. At this moment, the estate management keeps the workers passports or identity documents with written consent from workers. Passport was keep in estate office and the migrant workers has been signed Safe Keeping Passport (available in several language version).</p> <p>Based on stakeholder consultation and interview several workers that know if they can request the passport if they want to come back to their country for special occasion (holiday or the work contract is end).</p> <p>Bangladesh workers are recruited through "Government to Government" and for workers from India and Nepal are recruited through their agents at source countries. For Indonesian the options are either the worker pay to the agent or opt for interest free loan from UP-HR. If a worker wants to terminate their employment before their contract expires, they have to refer to estate manager [verbal accepted] who will write to UP-HR for "Check-Out Memo" from Imigresen Dept. In such premature repatriations, the worker pays for the return passage however premature repatriations due to medical grounds the Company bears the passage cost. UP-HR will not take any penalties if the workers were terminated before their contract expires. Workers on completion of the employment contract's full tenure will be repatriated at Company's cost.</p> | | |
| Indikator 6.12.2 | | |
| During interview of migrant worker and stakeholder consultation they informed has signed and keep the copy of contract and was observed the sample contract of employee was sign by Management of Mill and the employee. There was sighted sample employee agreement from Indonesia and India, these contract was format on related language (Bahasa & Tamil). | | |
| Indicator 6.12.3 | | |
| Document verification was showed that the company has document of Code of Conduct was signed by all migrant workers in early period before they are begun for working. The document was explained about contract duration and salary standard for all migrant workers was refer to Malaysian minimum wage standard (RM 900 per month). The contract for one period for each migrant workers are 2 year for workers from Indonesia and 3 years for migrant workers from Bangladesh. Employment contract was formatted on English language version, Bahasa Melayu, Bangladesh, Nepal and India. The company was provided orientation program for all migrants workers included of language, safety, labor laws, cultural practices. | | |

Based on interviewed with migrant workers (Indonesia & Bangladesh), there was no indication of contract substitution and field visit observation was showed that the company was provide house and supporting facilities for all employee. There was also available of ATM facility in several area of estate office and mill office.

Status: Compliance

6.13

Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented

Indicator 6.13.1

There was a policy sighted at the estate the policy of human right regarding the workers and staff right towards the management unit. There was a documented Human right Policy available at the estate. It was sighted at the office, clinic, at muster ground, workshop and the office. In the document Annual Report was describe that the UP is committed to the protection and advancement of human rights wherever we operate. Also in Employee Hand Book was contained of Code of Conduct and Policy of the Company, including of Human Right Policy. The Employee Hand Book was available in several language version (English, Bahasa, Nepal, Tamil & Bengali).

There was available training and communicated at all level workforce the human right policy during the muster meeting in the morning. The person incharge of the socialization in the morning was the assistant manager assisted by the field supervisor and workers leader. On top of that the communication was done through the publishing of the policy in different languages and being displayed clearly at the workers quarters and field divisyen office. Based on workers interview on stakeholder consultation with the several workers, worker union representative and Gender Committee, there is no cases of human rights violations

Indicator 6.13.2

Based on document verification and stakeholder consultation with foreign worker, there is no foreign worker bring their family Malaysia Peninsular.

Status: Compliance

PRINCIPLE #7 Responsible development of new plantings

7.1

A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.

Indicators 7.1.1; 7.1.2; & 7.1.3.

There is no new planting in area of United Plantation-Malaysia.

Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.

Status: Compliance

7.2

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

Indicators 7.2.1 & 7.2.2.

There is no new planting in area of United Plantation-Malaysia.

Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.

Status: Compliance

7.3

New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.

Indicators 7.3.1; 7.3.2; 7.3.3; 7.3.4; & 7.3.5.

There is no new planting in area of United Plantation-Malaysia.

Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done

| | | |
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| since 2010. | | |
| | Status: Compliance | |
| 7.4 | | |
| Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided. | | |
| Indicators 7.4.1 & 7.4.2. There is no new planting in area of United Plantation-Malaysia. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010. | | |
| | Status: Compliance | |
| 7.5 | | |
| No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | | |
| Indicators 7.5.1. There is no new planting in area of United Plantation-Malaysia. There is no surrounding or local communities are affected. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010. | | |
| | Status: Compliance | |
| 7.6 | | |
| Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements. | | |
| Indicators 7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; & 7.6.6. There is no new planting in area of United Plantation-Malaysia. Therefore no land preparation, HCV assessment, NPP procedures and compensation plan are applicable. However the Group Manager for EHS is responsible to execute any compensation related works with the involvement from Board of directors and company secretary. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010. | | |
| | Status: Compliance | |
| 7.7 | | |
| Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice. | | |
| Indicators 7.7.1 & 7.7.2. There is no new planting in area of United Plantation-Malaysia. During filed visit to various blocks seen no traces of fire being used for any plantation activities. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010. | | |
| 7.8 | | |
| New plantation developments are designed to minimize net greenhouse gas emissions. | | |
| Indicators 7.8.1 & 7.8.2. There is no new planting in area of United Plantation-Malaysia. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.. | | |
| | Status: Full Compliance | |
| PRINCIPLE #8 Commitment to continuous improvement in key areas of activity | | |
| 8.1 | | |
| Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations. | | |
| Several continual improvement activities observed during audit: Mill Management Practices | | |

- Installation of VORSEP dust collector system to improve the air emission.
- Operation of biogas plant.
- Installation of water gate at the Main Water Catchment reservoir to maximise the water storage capacity to cater for uninterrupted supply of water for factory.
- Implemented The LOTO system to enhance safety at work and to eliminate/reduce accidents at workplace.

Best Management Practices in Estate

- Buffalo collection contributes effectively towards reduction of fossil fuel usage
- Mowing of harvesters path, greater emphasis is given to the mowing of the harvesters' path to control weeds, soil erosion and rutting. These practice effectively reduces the use of herbicides and associated smell and odour problems, including air pollution in general.
- Chantas Mechanized Harvesting for increases productivity & harvesting becomes less strenuous
- Coated with diamond powder sharpens blades more effectively and faster

Social & Environment

- Social Risk Assessment (SRA) for development OPTI Mill
- Environment Impact Assessment for development OPTI Mill

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| Status: Compliance |
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3.2. Summary of Assessment Report of Supply Chain

| Clause | MODULE D – CPO MILLS: IDENTITY PRESERVED | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------------------|--|-----|--------------|------------------|------------|---------------------|-----------|-------------------|--------|------------------|-------|---------------------|--------|-----------------------|-------|------------------------|--------|------------------|--------|--------------|-------------------|-----|--------------|------------------|--------|---------------------|--------|------------------|----------|-------------------|-----------|---------------------|----------|-----------------------|----------|------------------------|-----------|------------------|-----------|--------------|-------------------|
| 1 | Definition | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.1 | <p>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>Until ASA 03, All of FFB supply to three Mill (Jendarata Mill, Ulu Basir Mill & Ulu Bernam Mill) was supplied from eight own estates of United Plantation Berhad Malaysia. There estate consist of Jenderata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Bernam Estate, Sungei Erong Estate, Sungei Chawang Estate, Chawang Estate, Changkat Menteri Estate and Lima Blas Estate.</p> <p><u>Jendarata Mill</u></p> <p>Table of FFB receive on Jenderata POM from May 2015 until April 2016:</p> <table> <tr> <th>FFB</th><th>Number (Ton)</th></tr> <tr> <td>Jenderata Estate</td><td>118,227.20</td></tr> <tr> <td>Seri Pelangi Estate</td><td>38,899.68</td></tr> <tr> <td>Ulu Bernam Estate</td><td>113.75</td></tr> <tr> <td>Ulu Basir Estate</td><td>39.87</td></tr> <tr> <td>Sungei Erong Estate</td><td>106.68</td></tr> <tr> <td>Sungei Chawang Estate</td><td>86.00</td></tr> <tr> <td>Changkat Mentri Estate</td><td>121.87</td></tr> <tr> <td>Lima Blas Estate</td><td>101.79</td></tr> <tr> <td>Total</td><td>157,696.84</td></tr> </table> <p><u>Ulu Basir Mill</u></p> <p>Table of FFB receive on Ulu Basir POM from May 2015 until April 2016:</p> <table> <tr> <th>FFB</th><th>Number (Ton)</th></tr> <tr> <td>Jenderata Estate</td><td>111.74</td></tr> <tr> <td>Seri Pelangi Estate</td><td>116.99</td></tr> <tr> <td>Ulu Basir Estate</td><td>1,990.23</td></tr> <tr> <td>Ulu Bernam Estate</td><td>65,862.75</td></tr> <tr> <td>Sungai Erong Estate</td><td>4,584.52</td></tr> <tr> <td>Sungai Chawang Estate</td><td>3,156.25</td></tr> <tr> <td>Changkat Mentri Estate</td><td>54,319.35</td></tr> <tr> <td>Lima Blas Estate</td><td>34,400.30</td></tr> <tr> <td>Total</td><td>164,542.13</td></tr> </table> | FFB | Number (Ton) | Jenderata Estate | 118,227.20 | Seri Pelangi Estate | 38,899.68 | Ulu Bernam Estate | 113.75 | Ulu Basir Estate | 39.87 | Sungei Erong Estate | 106.68 | Sungei Chawang Estate | 86.00 | Changkat Mentri Estate | 121.87 | Lima Blas Estate | 101.79 | Total | 157,696.84 | FFB | Number (Ton) | Jenderata Estate | 111.74 | Seri Pelangi Estate | 116.99 | Ulu Basir Estate | 1,990.23 | Ulu Bernam Estate | 65,862.75 | Sungai Erong Estate | 4,584.52 | Sungai Chawang Estate | 3,156.25 | Changkat Mentri Estate | 54,319.35 | Lima Blas Estate | 34,400.30 | Total | 164,542.13 |
| FFB | Number (Ton) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jenderata Estate | 118,227.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Seri Pelangi Estate | 38,899.68 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Bernam Estate | 113.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Basir Estate | 39.87 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sungei Erong Estate | 106.68 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sungei Chawang Estate | 86.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Changkat Mentri Estate | 121.87 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lima Blas Estate | 101.79 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 157,696.84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FFB | Number (Ton) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jenderata Estate | 111.74 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Seri Pelangi Estate | 116.99 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Basir Estate | 1,990.23 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ulu Bernam Estate | 65,862.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sungai Erong Estate | 4,584.52 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sungai Chawang Estate | 3,156.25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Changkat Mentri Estate | 54,319.35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lima Blas Estate | 34,400.30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 164,542.13 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Ulu Bernam Mill

Table of FFB receive on Ulu Bernam POM from May 2015 until April 2016:

| FFB | Number (Ton) |
|------------------------|-------------------|
| Jenderata Estate | 107.43 |
| Seri Pelangi Estate | 110.83 |
| Ulu Basir Estate | 53,195.01 |
| Ulu Bernam Estate | 624.41 |
| Sungai Erong Estate | 61,206.19 |
| Sungai Chawang Estate | 44,623.14 |
| Changkat Mentri Estate | 3,024.31 |
| Lima Blas Estate | 3,337.83 |
| Total | 166,229.15 |

Status: Comply

2

Explanation

2.1

The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.

All of Mill under manage by United Plantation Berhad Malaysia (Jendarata Mill, Ulu Basir Mill & Ulu Bernam Mill) has have a Monthly Report was contain data of CPO and PK products. Based on data of certified products of CPO and PK, the actual tonnage produced for each Mill on May 2015 until April 2016 are description on table below.

| Palm Oil Mill | CPO (Ton) | PK (Ton) |
|---------------|----------------|---------------|
| Jenderata | 35,140 | 8,106 |
| Ulu Basir | 35,494 | 7,814 |
| Ulu Bernam | 35,931 | 8,195 |
| Total | 106,565 | 24,115 |

Status: Comply

2.2

The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).

Standard Operating Procedure Oil Mill Supply Chain Module (No. 240-A), page 6 point 1.3.7 CLAIMS : The Oil Mill only make claim regarding the use of or support of RSPO certified palm oil that that are compliance with the RSPO Rules for Communication and Claims.

As multisite certificate, the Jenderata POM, Ulu Basir POM and Ulu Bernam POM of United Plantation Malaysia has registered for RSPO eTrace with RSPO IT Platform member on behalf for Jenderata POM UP with registration number RSPO_PO1000000238. Certified product both of CPO and PK sold to each buyer period of May 2015 to April 2016 are describe in table below.

Jendarata Mill

Certified CPO sold to each buyer period of May 2015 to April 2016

| Date | Buyer | Volume |
|-----------|----------------|-----------|
| May 2015 | UNITATA BERHAD | 577.10 |
| June 2015 | UNITATA BERHAD | 12,668.52 |
| July 2015 | UNITATA BERHAD | |

| | | |
|----------------|----------------|------------------|
| August 2015 | UNITATA BERHAD | |
| September 2015 | UNITATA BERHAD | 7,626.35 |
| October 2015 | UNITATA BERHAD | 2,107.65 |
| November 2015 | UNITATA BERHAD | 16,940.15 |
| December 2015 | UNITATA BERHAD | 13,983.67 |
| January 2016 | UNITATA BERHAD | 1,984.21 |
| February 2015 | UNITATA BERHAD | 7,710.95 |
| March 2016 | UNITATA BERHAD | 3,851.29 |
| April 2016 | UNITATA BERHAD | 7,111.96 |
| Total | | 74,561.85 |

Certified PK sold to each buyer period of May 2015 to April 2016

| Date | Buyer | Volume |
|----------------|----------------|------------------|
| May 2015 | UNITATA BERHAD | 747.10 |
| June 2015 | UNITATA BERHAD | 847.06 |
| July 2015 | UNITATA BERHAD | 690.85 |
| August 2015 | UNITATA BERHAD | 2,978.46 |
| September 2015 | UNITATA BERHAD | 2,642.78 |
| October 2015 | UNITATA BERHAD | 2,284.24 |
| November 2015 | UNITATA BERHAD | 1,733.68 |
| December 2015 | UNITATA BERHAD | 1,782.88 |
| January 2016 | UNITATA BERHAD | 1,924.68 |
| February 2015 | UNITATA BERHAD | 1,759.25 |
| March 2016 | UNITATA BERHAD | 2,065.02 |
| April 2016 | UNITATA BERHAD | 1,622.37 |
| Total | | 21,078.37 |

Ulu Basir Mill

Certified CPO sold to each buyer period of May 2015 to April 2016

| Date | Buyer | Volume |
|----------------|----------------|------------------|
| May 2015 | UNITATA BERHAD | 2,659.10 |
| June 2015 | UNITATA BERHAD | 4,914.40 |
| July 2015 | UNITATA BERHAD | 1,922.98 |
| August 2015 | UNITATA BERHAD | 1,715.01 |
| September 2015 | | |
| October 2015 | | |
| November 2015 | | |
| December 2015 | | |
| January 2016 | | |
| February 2015 | | |
| March 2016 | | |
| April 2016 | | |
| Total | | 11,211.49 |

Certified PK sold to each buyer period of May 2015 to April 2016

| Date | Buyer | Volume |
|----------------|----------------|--------|
| May 2015 | UNITATA BERHAD | 564.62 |
| June 2015 | UNITATA BERHAD | 437.25 |
| July 2015 | UNITATA BERHAD | 687.38 |
| August 2015 | | |
| September 2015 | | |
| October 2015 | | |
| November 2015 | | |

| | | |
|---------------|--|-----------------|
| December 2015 | | |
| January 2016 | | |
| February 2015 | | |
| March 2016 | | |
| April 2016 | | |
| Total | | 1,689.25 |

Ulu Bernam Mill

Certified CPO sold to each buyer period of May 2015 to April 2016

| Date | Buyer | Volume |
|----------------|----------------|------------------|
| May 2015 | UNITATA BERHAD | 1,691.00 |
| June 2015 | UNITATA BERHAD | 12,928.77 |
| July 2015 | UNITATA BERHAD | 2,633.73 |
| August 2015 | UNITATA BERHAD | 2,484.12 |
| September 2015 | | |
| October 2015 | | |
| November 2015 | | |
| December 2015 | | |
| January 2016 | | |
| February 2015 | | |
| March 2016 | | |
| April 2016 | | |
| Total | | 19,737.62 |

Certified PK sold to each buyer period of May 2015 to April 2016

| Date | Buyer | Volume |
|----------------|----------------|-----------------|
| May 2015 | UNITATA BERHAD | 512.83 |
| June 2015 | UNITATA BERHAD | 555.81 |
| July 2015 | UNITATA BERHAD | 611.67 |
| August 2015 | | |
| September 2015 | | |
| October 2015 | | |
| November 2015 | | |
| December 2015 | | |
| January 2016 | | |
| February 2015 | | |
| March 2016 | | |
| April 2016 | | |
| Total | | 1,680.31 |

*(Quantity projected are based on E-Trace announcement from May'15-Apr'16)

(All announcement of Jenderata, Ulu Basir & Ulu Bernam Mill from Sep'15 onwards are declared under Jendarata Mill RSPO E-Trace account)

| | |
|----------|------------------------------|
| | Status: Comply |
| 3 | Documented procedures |

3.1

The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:

- Complete and up to date procedures covering the implementation of all the elements in these requirements;
- The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.

The Jendarata POM, Ulu Basir POM & Ulu Bernam POM – United Plantation Malaysia has have work procedure as guideline to ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on May 25 2012). It is aim for identifying product's traceability with supply chain Identity Preserve (IP) Model. Person in charge to ensure the operation of mill based on the applicable procedure was consist of Group Engineer, Senior Resident Engineer & Resident Engineer), Weighbridge Operator and Oil Mill Staff.

Based on an field visit observation and interview with staff in weighbridge and grading area in the three mills that showed the personal in charge has understood the mechanism to handle of supply chain system and aware if Jendarata POM, Ulu Basir POM & Ulu Bernam POM it has been RSPO certified.

Status: Comply

3.2

The site shall have documented procedures for receiving and processing certified and non-certified FFBs.

The Jendarata POM, Ulu Basir POM & Ulu Bernam POM – United Plantation Malaysia has have procedure as guideline to ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on May 25 2012). It is aim for identifying product's traceability with supply chain Identity Preserve (IP) Model. Person in charge to ensure the operation of mill based on the applicable procedure is the Group Engineer, Senior Resident Engineer & Resident Engineer, Weighbridge Operator and Oil Mill Staff. All FFB from United Plantation area was transported to each Mills by Light Railway System (Locomotive) and all FFB in cages.

All of the FFB was supplied to all POM was supplied by own estate of United Plantation (Jenderata, Seri Pelangi, Ulu Basir, Ulu Bernam, Sungei Erong, Sungei Cawang, Changkat Mentri and Lima Blas) and has been certified since August 2008.

Status: Comply

4

Purchasing and goods in

4.1

The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.

Until Surveillance 3, the Jenderata POM, Ulu Basir POM and Ulu Bernam POM did not received FFB from outsider source. All of the FFB was processed in Jendarata POM, Ulu Basir POM and Ulu Bernam POM supplied from nucleus estate, which is from Jenderata, Seri Pelangi, Ulu Basir, Ulu Bernam, Sungei Erong, Sungei Cawang, Changkat Mentri and Lima Blas. Therefore the processed FFB and generated product is entirely product claimed as RSPO Certified product. All of the estate was certified since August 2008. The supply chain model of the Mill is Identity Preserve (IP).

Table of FFB receive in each POM from May 2015 until April 2016 was describe in table below.

| Source of FFB (Estate) | Number (Ton) | | |
|------------------------|-------------------|-------------------|-------------------|
| | Jenderata POM | Ulu Basir POM | Ulu Bernam POM |
| Jendarata | 118,227.20 | 111.74 | 107.43 |
| Seri Pelangi | 38,899.68 | 116.99 | 110.83 |
| Ulu Bernam | 113.75 | 1,990.23 | 53,195.01 |
| Ulu Basir | 39.87 | 65,862.75 | 624.41 |
| Sungai Erong | 106.68 | 4,584.52 | 61,206.19 |
| Sungei Chawang | 86.00 | 3,156.25 | 44,623.14 |
| Changkat Menteri | 121.87 | 54,319.35 | 3,024.31 |
| Lima Blas | 101.79 | 34,400.30 | 3,337.83 |
| Total | 157,696.84 | 164,542.13 | 166,229.15 |

The company has have a mechanism for loading ramp, which is by requiring driver to show fruit delivery note from

each estate namely FFB Delivery Note and Weighbridge Ticket (after FFB is checked in weighbridge). For Example:
From Jenderata Estate

- FFB Delivery Note on 24th May 2016
 - Weighbridge Ticket (after FFB is checked in weighbridge) - on 24th May 2016 with net weight is 69,420 Kg (after recheck at mill weighbridge).
- Both of document is stamped with code CERTIFIED SUSTAINABLE FFB MUTU-RSPO/068. All FFB from Jendarata Estate was transported to Jenderata Mill by Light Railway System (Locomotive) and all FFB in cages.

From Seri Pelangi Estate

- FFB Delivery Note on 24th May 2016
- Weighbridge Ticket (after FFB is checked in weighbridge) - on 24th May 2016 with net weight is 20,020 Kg (after recheck at mill weighbridge).

Both of document is stamped with code CERTIFIED SUSTAINABLE FFB MUTU-RSPO/068. The Weighbridge Ticket documents are contain of information about origin of fruit, quantity, total bunches, driver's name, vehicle number and driver Identity Card. All FFB from Seri Pelangi Estate was transported to Jenderata Mill by truck.

Status: Comply

4.2

The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.

The Jenderata, Ulu Basir & Ulu Bernam POM under holding of the United Plantation Malaysia has have work procedure as guideline to ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on June 02, 2015). Page 2 Point 1.1.3 RECORDING-PHURCHASING AND GOODS IN, sub point f was explain that The Oil Mill shall inform the Certification Body immediately if there is a projected overproduction.

As the Multisite Certification for Jenderata, Ulu Basir and Ulu Bernam Palm Oil Mill has registered for RSPO eTrace with RSPO IT Platform member on behalf for Jenderata POM UP with registration number RSPO_PO1000000238. Based on verification data of FFB's processed in August 2015 till May 2016 was known that the actual production in each estate

Jendarata Mill

Based on verification data of FFB's processed in August 2015 24 till May 2016 was known that the actual projection is **CPO = 27,561** on and **PK = 5,795** ton. These total number of product claimed does not over the projected one, which is **CPO = 39,277** ton and **PK = 8,962** ton (Based on annex Certificate ASA 2).

Ulu Basir Mill

Based on verification data of FFB's processed in August 2015 – 24 May 2015 it's known that the actual projection is **CPO 29,419** = ton and **PK = 6,554** ton. These total number of product claimed does not over the projected one, which is **CPO = 41,574** ton and **PK = 10,101** ton (Based on annex Certificate ASA2).

Ulu Bernam Mill

Based on verification data of FFB's processed in August 2015 – 24 May 2015 it's known that the actual projection is **CPO = 29,135** ton and **PK = 6,564** ton. These total number of product claimed does not over the projected one, which is **CPO = 44,197** ton and **PK = 11,143** ton (Based on annex Certificate ASA2).

The grand total for number of product claimed for three mill was **CPO = 86,115** ton and **PK=18,913** ton does not over the projected if refer to ASA 02 claim projected which is **CPO = 125,048** ton and **PK = 30,206** ton (Based on annex Certificate ASA 2).

(All announcement of Jenderata, Ulu Basir & Ulu Bernam Mill from Sep'15 onwards are declared under Jendarata Mill RSPO E-Trace account).

Status: Comply

| 5 | Record keeping | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|----------------|-----------|----------|--|--|-----|-----|----|----------------|-----------|----------|----------|----------------|-----------|-----------|----------|-------------------|-----------|----------|----------|--------------|-----------|----------|----------|-------|------------|-----------|----------|
| 5.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All of the management unit of Palm Oil Mill – United Plantation Malaysia has have a Monthly Report of RSPO Certified of FFB, CPO & PK. The table below are description of RSPO production at each POM in three month basis. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>Jendarata Mill</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th rowspan="2">Month</th><th colspan="3">Number</th></tr><tr><th>FFB</th><th>CPO</th><th>PK</th></tr><tr><td>May - Jul 2015</td><td>44,706.03</td><td>9,870.82</td><td>2,294.56</td></tr><tr><td>Aug - Oct 2015</td><td>45,078.90</td><td>10,309.33</td><td>2,323.65</td></tr><tr><td>Nov 2015–Jan 2016</td><td>33,316.17</td><td>7,237.81</td><td>1,705.90</td></tr><tr><td>Feb-Apr 2016</td><td>34,253.60</td><td>7,646.08</td><td>1,765.32</td></tr><tr><td>Total</td><td>157,354.70</td><td>35,064.04</td><td>8,089.43</td></tr></table> | | Month | Number | | | FFB | CPO | PK | May - Jul 2015 | 44,706.03 | 9,870.82 | 2,294.56 | Aug - Oct 2015 | 45,078.90 | 10,309.33 | 2,323.65 | Nov 2015–Jan 2016 | 33,316.17 | 7,237.81 | 1,705.90 | Feb-Apr 2016 | 34,253.60 | 7,646.08 | 1,765.32 | Total | 157,354.70 | 35,064.04 | 8,089.43 |
| Month | Number | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | FFB | CPO | PK | | | | | | | | | | | | | | | | | | | | | | | | | |
| May - Jul 2015 | 44,706.03 | 9,870.82 | 2,294.56 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aug - Oct 2015 | 45,078.90 | 10,309.33 | 2,323.65 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov 2015–Jan 2016 | 33,316.17 | 7,237.81 | 1,705.90 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb-Apr 2016 | 34,253.60 | 7,646.08 | 1,765.32 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 157,354.70 | 35,064.04 | 8,089.43 | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>Ulu Basir Mill</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th rowspan="2">Month</th><th colspan="3">Number</th></tr><tr><th>FFB</th><th>CPO</th><th>PK</th></tr><tr><td>May - Jul 2015</td><td>43,202.20</td><td>8,972.21</td><td>1,982.50</td></tr><tr><td>Aug - Oct 2015</td><td>53,108.48</td><td>11,639.29</td><td>2,493.94</td></tr><tr><td>Nov 2015–Jan 2016</td><td>37,404.17</td><td>7,742.64</td><td>1,816.53</td></tr><tr><td>Feb-Apr 2016</td><td>32,055.45</td><td>7,100.32</td><td>1,645.18</td></tr><tr><td>Total</td><td>165,770.30</td><td>35,454.46</td><td>7,938.15</td></tr></table> | | Month | Number | | | FFB | CPO | PK | May - Jul 2015 | 43,202.20 | 8,972.21 | 1,982.50 | Aug - Oct 2015 | 53,108.48 | 11,639.29 | 2,493.94 | Nov 2015–Jan 2016 | 37,404.17 | 7,742.64 | 1,816.53 | Feb-Apr 2016 | 32,055.45 | 7,100.32 | 1,645.18 | Total | 165,770.30 | 35,454.46 | 7,938.15 |
| Month | Number | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | FFB | CPO | PK | | | | | | | | | | | | | | | | | | | | | | | | | |
| May - Jul 2015 | 43,202.20 | 8,972.21 | 1,982.50 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aug - Oct 2015 | 53,108.48 | 11,639.29 | 2,493.94 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov 2015–Jan 2016 | 37,404.17 | 7,742.64 | 1,816.53 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb-Apr 2016 | 32,055.45 | 7,100.32 | 1,645.18 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 165,770.30 | 35,454.46 | 7,938.15 | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>Ulu Bernam Mill</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th rowspan="2">Month</th><th colspan="3">Number</th></tr><tr><th>FFB</th><th>CPO</th><th>PK</th></tr><tr><td>May - Jul 2015</td><td>45,724.64</td><td>9,637.85</td><td>2,074.36</td></tr><tr><td>Aug - Oct 2015</td><td>57,008.97</td><td>12,735.21</td><td>2,723.57</td></tr><tr><td>Nov 2015–Jan 2016</td><td>40,708.33</td><td>8,441.76</td><td>2,000.11</td></tr><tr><td>Feb-Apr 2016</td><td>35,219.97</td><td>7,958.32</td><td>1,840.82</td></tr><tr><td>Total</td><td>178,661.91</td><td>38,773.14</td><td>8,638.86</td></tr></table> | | Month | Number | | | FFB | CPO | PK | May - Jul 2015 | 45,724.64 | 9,637.85 | 2,074.36 | Aug - Oct 2015 | 57,008.97 | 12,735.21 | 2,723.57 | Nov 2015–Jan 2016 | 40,708.33 | 8,441.76 | 2,000.11 | Feb-Apr 2016 | 35,219.97 | 7,958.32 | 1,840.82 | Total | 178,661.91 | 38,773.14 | 8,638.86 |
| Month | Number | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | FFB | CPO | PK | | | | | | | | | | | | | | | | | | | | | | | | | |
| May - Jul 2015 | 45,724.64 | 9,637.85 | 2,074.36 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aug - Oct 2015 | 57,008.97 | 12,735.21 | 2,723.57 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov 2015–Jan 2016 | 40,708.33 | 8,441.76 | 2,000.11 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb-Apr 2016 | 35,219.97 | 7,958.32 | 1,840.82 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 178,661.91 | 38,773.14 | 8,638.86 | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Status: Comply | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Processing | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

product is kept segregated from non-certified material including during transport and storage.

Based on document verification in every three mill that shows the Jendarata POM, Ulu Basir POM & Ulu Bernam POM – United Plantation has have work procedure as guideline to ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on May 25 2012). It is aim for identifying product's traceability with supply chain Identity Preserve (IP) Model. All of the FFB was supplied by all estates under manage of United Plantation was certified since August 2008. Until Surveillance 3 the FFB processed at each Mill was supply from United Plantation estates, there is no FFB supply from outsider. There was available sample of FFB Delivery Note and Weighbridge Ticket (after FFB is checked in weighbridge) in each Palm Oil Mills.

From Jenderata Estate

- FFB Delivery Note on 24th May 2016
 - Weighbridge Ticket (after FFB is checked in weighbridge) - on 24th May 2016 with net weight is 69,420 Kg (after recheck at mill weighbridge).
- Both of document is stamped with code CERTIFIED SUSTAINABLE FFB MUTU-RSPO/068. All FFB from Jendarata Estate was transported to Jenderata Mill by Light Railway System (Locomotive) and all FFB in cages.

From Seri Pelangi Estate

- FFB Delivery Note on 24th May 2016
- Weighbridge Ticket (after FFB is checked in weighbridge) - on 24th May 2016 with net weight is 20,020 Kg (after recheck at mill weighbridge).

Both of document is stamped with code CERTIFIED SUSTAINABLE FFB MUTU-RSPO/068. The Weighbridge Ticket documents are contain of information about origin of fruit, quantity, total bunches, driver's name, vehicle number and driver Identity Card. All FFB from Seri Pelangi Estate was transported to Jenderata Mill by truck.

Status: Comply

6.2

The objective is for 100 % segregated material to be reached.

Based on document verification and field visit in each Palm Oil Mill under manage of United Plantation, that shows all of Mills (Jendarata POM, Ulu Basir POM, Ulu Bernam POM) only processed FFB being CPO and PK are 100 % was supplied from eight own estates. There estate consist of Jenderata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Basir Estate, Sungei Erong Estate, Sungei Chawang Estate, Chawang Estate, Changkat Menteri Estate and Lima Blas Estate. All of CPO and PK all is produced and dispatch are totally produced by own estate under manage by United Plantation Malaysia.

Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

| 1. | Evidence of permission or approval certificate and logo from Certification Body which submitted by Client | X or✓ |
|--------|--|-------|
| ASA-03 | As Multisite Certified, The Jenderata, Ulu Basir and Ulu Bernam Palm Oil Mill under manage of United Plantation Berhad in Teluk Intan Perak, Malaysia – Has been certified by Mutuagung Lestari with certificate code MUTU - RSPO / 068 The United Plantations Bhd: Unitata Berhad Malaysia has had approval for logo use by RSPO Secretariat with registered number RSPO-1106002 . | ✓ |
| | Status: Compliance | |
| 2. | Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use | X or✓ |
| ASA-03 | The Jenderata, Ulu Basir and Ulu Bernam Palm Oil Mill does not use the logo both in the on-product and off-product. | ✓ |
| | Status: Compliance | |
| 3. | Implementation of Certificate and Logo is not used on product | X or✓ |
| ASA-03 | The Jenderata, Ulu Basir and Ulu Bernam Palm Oil Mill does not use the logo both in the on-product and off-product. | ✓ |
| | Status: Compliance | |
| 4. | Controlling of Certificate and Logo, including withdrawing inappropriate logo. | X or✓ |
| ASA-03 | The Jenderata, Ulu Basir and Ulu Bernam Palm Oil Mill does not use the logo both in the on-product and off-product. | ✓ |
| | Status: Compliance | |

3.4. Summary of RSPO Partial Certification.

| Management unit(s) observed: | | |
|------------------------------|---|-------|
| 1. PT Surya Sawit Sejati | | |
| 2.1 | There is compliance with all applicable local, national and ratified international laws and regulations. | X or√ |
| | <p>SSS have complete list of legal requirement that related to RSPO P&C. The copy of the document available in the office during the assessment conducted and sighted by the auditor.</p> <p>Personnel in charge to manage the legal documentation system are Legal Department (Led by Ibu Dewi).</p> <p>A system used for tracking any changes in laws and regulations was set-up through procedure No: SOP-HRD-017-R00.</p> <p>SSS has conducted internal audit for legal compliance and explained the process for evaluate the compliance of regulation.</p> | |
| | Status: Comply | |
| 2.2 | The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights. | X or√ |
| | <p>PT Surya Sawit Sejati have operate 1palm oil mill that supplied by 2 core estate (Lada estate and Runtu estate) and 1 scheme smallholders estate (Plasma Kumai Arut).</p> <p>The legal documentation have been checked by the auditor team during the assessment. The documentation consist of:</p> <p>Location Permit</p> <ul style="list-style-type: none"> ➤ Lada Estate for 4,000 ha based on Kotawaringin Barat District Head Decree No. 525/820/VIII/2010 tanggal 2 August 2010. ➤ Runtu Estate for 9,000 ha based on Kotawaringin Barat District Head Decree No. 525/821/VIII/2010 tanggal 2 August 2010 ➤ Plasma Kumai Arut and Conservation area for ± 3.157,29 based on on Kotawaringin Barat District Head Decree No. 525/102/XI/2013 tertanggal 14 November 2013 <p>Land Title (HGU/Hak Guna Usaha) → Division I and several area of Division II.</p> <ul style="list-style-type: none"> ➤ Lada Estate for 2,508.472 ha based on Land Title (HGU) number 42 and Head of Indonesian Republic National Land Agency Number 81/HGU/BPN/2005 tanggal 4 July 2005 ➤ Land Title (HGU) on process coverage 6,658.04 (Lada Estate 3,741.22 Ha + Runtu Estate 2,916.83 Ha). The process conducted that showed to auditor team was KADASTRAL Survey on 29 March 2016. There is available of boundary poles installation (Kadastral pole) documentation on 2016 by GIS officer. <p>Plantation Bussines Permit (IUP/Izin Usaha Perkebunan).</p> <ul style="list-style-type: none"> ➤ PT Surya Sawit Sejati have obtained the plantation business permit coverage 15,650 ha and 60 Ton FFB/Hour of processing mill. <ul style="list-style-type: none"> • Kotawaringin Barat District Head Decree Number Ekbang/525.26/48/II/2005 dated 7 February 2005 • Kotawaringin Barat District Head Decree Number EKBANG/525.26/597/XII/2006 dated 30 December 2006 • Kotawaringin Barat District Head Decree Number EKBANG/525.26/598/XII/2006 dated 30 December 2006 • Kotawaringin Barat District Head Decree Number Ekbang/525.26/102/EK/2010 dated 28 April 2010 <p>Other documents showed by the PT SSS were:</p> | |

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| | <ul style="list-style-type: none"> • Social Environmental Impact Assessment • HCV Identification document <p>During the assessment conducted the auditor team interviewed one of the local villagers (Winarko) and revealed that PT Surya Sawit Sejati have planted oil palm on area which legitimately contested by the legal Land Ownership Certificate (SHM/Sertifikat Hak Milik) located at Block 58, Division II, Lada Estate for ±0,5 ha. Information obtained through the interview said the villagers felt aggrieved legally by the company. Evidence of the legal ownership and chronology of the complaint showed by the villagers during the interview.</p> <p>Based on the information explained the auditor team conclude that PT SSS have the right to use of the land operate can be legitimately contested by local people who can demonstrate that they have legal rights. Until the assessment conducted the conflict resolution have not been accepted by the affected villager. Major non-conformance 2016.01</p> | |
| | Status: Major non-conformance 2016.01 | |
| 6.3 | There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties. | X or√ |
| | <p>The company has a complaint and grievance mechanism regulated in stakeholder communication and consultation (SOP-HRD-07-R00) and land conflict procedure (SOP : SSS-COMDEV(HMS)-024). The mechanism regulated the flow chart process. It is equipped with complaint form. However the procedure has not guaranteed the anonymity of whistleblower and the option to bring unresolved complaint to RSPO complaint system (Observation).</p> <p>The procedure has been socialized to employee in morning briefing and SOP day. And the socialization to the surrounding community is given through three monthly meeting. The documentation of incoming complaint and grievance is documented by the company including the response by the company. The documentation of the complaint process is documented and the response is informed to the complainant. This documentation is managed by Human Resource Department. It can be accessed by stakeholder through information request mechanism.</p> <p>During the public consultation on the land conflict case known that the implementation of the land conflict resolution took a long time for over more two years (since April 2014) and ineffective. Until the assessment conducted the particular land conflict is still being operated/managed by the PT SSS but the conflict resolution has not been accepted by the claimant. The company procedure also has not mentioned information regarding (Major non-conformance 2016.02).</p> | |
| | Status: Major non-conformity Major 2016.2. | |
| 6.4 | Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | X or√ |
| | <p>6.4.1</p> <p>The company has procedure to identify legal, customary or user rights and identify the right people to get the compensation in the SOP Land Compensation No. HRD-015-R00 dated 1 January 2016. However, the company has not explained in detail the active involvement of the community and village government in land identification process even though there is an evidence that the company has involved community and village government in land identification before land compensation (Observation).</p> <p>6.4.2 and 6.4.3</p> <p>Procedure for calculating and distributing fair compensation has been in place in the similar document of SOP land compensation No. HRD-015-R00 dated 1 January 2016. It explains that the company has a standard of compensation calculation but also giving the compensated person a</p> | |

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| | bargaining/negotiation position. The record of compensation process and outcome of negotiated agreement is documented. Based on interview with the community the community has understand the procedure of land compensation and their involvement in the compensation process. The result of the compensation process is distributed to the compensated party and can be accessed by stakeholder through information request. | |
| | Status: Comply | |
| 7.3 | New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values. | X or√ |
| | <p>The company has identified HCV area for Lada Estate and Runtu Estate in 2008. However, the identification result is not considered sufficient by the company since there is no information on the hectare of HCV area and the location of the identified HCV. Therefore, the company re-identify the HCV area and delineate the HCV area based on HCV identification 2006. The delineation is conducted by Biodiversity Team of the company. Based on the delineation of HCV area there is HCV area that is opened by the company. The company has sent the disclosure of liability and currently has entered to the third stage of RACP process.</p> <p>In 2014, the company has also conducted HCV identification for smallholder scheme area and Kumai Arut Conservation Area for the area of 1,121.2 ha. However, the area of 49.572 ha is highly potential be opened as housing area of Benaning Bawah Villagers. The information is based on community aspiration to exclude the area from HCV area of Kumai Arut Estate Scheme Smallholder. The company with assigned consultant has approached and counselled local community through FPIC method. The company has consulted to RSPO Jakarta Office on 9 May 2016 in accordance with this situation for RSPO to accommodate community aspiration without disobey RSPO requirement on new area development. This communication shall be followed up and updated (Observation).</p> | |
| | Status: | |
| 7.5 | No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | X or√ |
| | <p>The company took over the plantation area from the previous owner. However, at present, there is still land claim issue in the company operational area. The company processes all the land claim and documented them. Based on interview with the community, it is informed that they can choose their own representative to communicate with the company and represent their voice. The community can say no to the proposed development on their land for example for case of Ali Badri land claim in which the final result if the land is returned to Ali Badri and develop as scheme smallholder.</p> <p>Based on public consultation, the claimant is involved in mapping the claimed area with the company during the compensation process. One of the claimant says They also get the copy of the agreement on compensation final resolution.</p> | |
| | Status: Comply | |
| 7.6 | Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements. | X or√ |
| | The SEIA document of the company has identified legal, customary and user right that is presented in the information of the surrounding community. The company has also the SOP to identify legal, customary and user rights that is provided in SOP Land Compensation No. HRD-015-R00 dated 1 January 2016. The community is involved in identifying the land claimed and in the compensation process including the amount of the compensation is negotiated. The company also provides mechanism that has been socialized to the surrounding the community through three monthly meeting between the company and the community. Further, the record of any claim and the | |

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| | <p>compensation process is filed by the company. The record of the compensation process is provided to the claimant and can be access through stakeholder information request regulated in procedure of information request by internal and external party No. SOP-HRD-05-R00.</p> <p>Based on public consultation with the surrounding community, they has understood the mechanism if there is a claim and the PIC of the company to be contacted. They also inform that the claimant has been informed first on the compensation amount offered by the company but they still can negotiated and can say no to refuse the offered compensation if they did not agree. The final result of the negotiation on compensation process is informed to them.</p> | |
| | <p>Status: Comply.</p> | |

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

No NCRs were raised in previous audits (ASA2)

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment

| CAR No | Ref Std | Finding | Area | Grade | Time Limits | Corrective Action | Observation | Status | Closing Date |
|---------|----------------|---|----------------|-------|------------------------------|-------------------|---|--------|---------------|
| 2015.01 | Major 2.1.1 | <p>Evidence of compliance with relevant legal requirements shall be available.</p> <p>During the audit, it was observed that the SW 410 contaminated filter and rag storage period was more than 180 days which against the legal requirement in Environmental Quality (Scheduled Wastes) (Amendment) Regulations 2007, regulations 9. No SW 410 (contaminated filter) disposal since generated on 1/2/2012 and no disposal of SW 410 (contaminated rag) since generated on May 2013. Consent from authority was not available during the audit.</p> | Ulu Bernam POM | Major | August 03, 2015 (60 days) | | <p>Root Cause:</p> <ol style="list-style-type: none"> 1. The Management of United Plantations-Ulu Bernam Palm Oil Mill were ignorant of the fact that they should not exceed the 180 days storage period and if for any reasons there is a need to extend storage period prior permission should be sought from the Dept.Of Environment(DOE) 2. There was insufficient stock for the waste manager to collect economically. <p>Corrective Action:</p> <p>Proper inventory is now maintained and storage period monitored.The stock of schdule waste has been despatched to the waste manager.</p> <p>Preventive Action:</p> <p>Proper inventory will always be maintained along with monitoring of storage period.</p> | Closed | June 18, 2015 |

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| | | | | | | | <p>Auditor Observation June 18, 2015 The management of United Plantation-Ulu Bernam Engineering Department was sent evidences:</p> <ul style="list-style-type: none"> • Consignment Note For Schedule Waste of Rags 1 ½ drum & Oil Filters 1 ½ drum from Ulu Bernam Engineering to Tex Cycle (P2) Sdn. Bhd, dated 18 June 2015. • Consignment Note For Schedule Waste of Spent Lubricant Oil 3 drum from Ulu Bernam Engineering to Tex Cycle (P2) Sdn. Bhd, dated 18 June 2015. • Delivery Note of Tex Cycle (P2) Sdn.Bhd by United Plantation Sdn. Bhd, Number 108235, dated 18 June 2015. • Delivery Note from United Plantation-Ulu Bernam Engineering Department to Tex Cycle (P2) Sdn. Bhd, Number 3658, dated 18 June 2015. • License of Tex Cycle (P2) Sdn. Bhd Number 001486 & 001487 for Transportation Vehicle of Schedule Waste, Issued by Jabatan Alam Sekitar Negeri Selangor (Environment Agency of Selangor | |
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| | | | | | | | <p>State) dated 27/2/2015, valid from 1 May till 30 April 2016.</p> <p>Auditor conclusion: According to the evidences shown by United Plantation-Ulu Bernam Engineering Department, the non-conformity is Closed.</p> | | |
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3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-3 Assessment

| CAR No | Ref Std | Finding | Area | Grade | Time Limits | Corrective Action | Observation | Status | Closing Date |
|--------|---|--|---------------------------|-------|-------------------------------|---|--|--------|--------------|
| 2016.1 | 4.1.2 | <p>A mechanism to check consistent implementation of procedures shall be in place.</p> <p>It was observed that no procedure exist to address non-compliance and corrective action for continuous improvement.</p> | Jenderata & Ulu Basir POM | Minor | ASA 4 | The management unit shall have procedure exist to address non-compliance and corrective action for continuous improvement | <p>Root Cause: There are no adjustment SOP with new RSPO requirement.</p> <p>Corrective Action: Revision the SOP by Human Resources, Environment, Safety and Health Department according to RSPO requirement.</p> <p>Preventive Action: SOP monitoring according to RSPO requirement update by HR Manager every six month.</p> <p>Observation 13 June 2016 Company was show SOP revision, there are describe about corrective action for continuous improvement: For minor incidences/noncompliance, verbal warnings will suffice. For major incidences/noncompliance a warning letter issued and the immediate supervisor to monitor that corrective actions taken and record accordingly in the relevant checklist/records.</p> <p>Auditor Conclusion: Based on corrective evidence, these NC was closed out.</p> | Closed | 13 June 2016 |
| 2016.2 | RSPO Certification System 4.2.4 (f & i) | Company land use right is contested by local community by showing their land legal right. | Lada Estate | Major | 60 days after closing meeting | PT Surya Sawit Sejati must be able to provide that all of company activity is operated in | <p>Observation 13 July 2016 CH has showed evidence of declaration letter from the complainant named Winarko on 2 July 2016 explaining that:</p> | Closed | 13 July 2016 |

| CAR No | Ref Std | Finding | Area | Grade | Time Limits | Corrective Action | Observation | Status | Closing Date |
|--------|----------------------|---|------|-------|-------------|--|---|--------|--------------|
| | Criterion 2.2 | <p>During the interview with one of the local people, Winarko, it is revealed that the PT Surya Sawit Sejati planted its palm oil in area owned by the stakeholder. This area is located in Block 58, Divisi II, Lada Estate for ±0,5 ha. The stakeholder feels being disadvantaged by PT SSS in term of his right to use his land.</p> <p>Land legal right evidence in form of owned land certificate and the chronology of dispute complaint is presented during the interview.</p> <p>Based on the above information, auditor team concludes that PT SSS has been operated on other land use right owner and until the audit conducted, the solution for this land dispute has been agreed by both parties involved.</p> | | | | area that is not legally owned by other party. | <ul style="list-style-type: none"> • <i>Agreement on land dispute for 0.4 ha by returning the land to Winarko</i> • <i>The finalization of the process is planned maximum on late of July 2016</i> • <i>By the agreement achieved on this land dispute case, Winarko will not claim in the future.</i> | | |

| CAR No | Ref Std | Finding | Area | Grade | Time Limits | Corrective Action | Observation | Status | Closing Date |
|--------|---------------|---|-------------|-------|-------------------------------|--|--|--------|--------------|
| 2016.3 | Criterion 6.3 | <p>Land dispute process has not been implemented effectively</p> <p>Based on information gathered during public consultation on land dispute case (NC2016.1) known that the implementation of land dispute taking long period of time since 2014 and not effective.</p> <p>Up to day, there is no agreement on that land dispute solution agreed by both parties.</p> <p>Company procedure has no information on option to bring dispute to RSPO complaint system if there is no solution achieved.</p> | Lada Estate | Major | 60 days after closing meeting | PT Surya Sawit Sejati must be able to proof that dispute on land occupied by other party than the company in form of use, customary or legal rights is resolved in timely manner and effective and agreed by the involved parties. | <p>Observation on 16 July 2016.</p> <p>CH has provide evidence of improvement on land dispute resolution in form of documents of:</p> <ul style="list-style-type: none"> Land dispute resolution procedure No. .SSS-COMDEV (HMS)-024 dated 1 April 2014 (revision 4 June 2016) explaining changes on: <ul style="list-style-type: none"> a) Annex of community complaint record form/booklist b) Change annex of land ownership leasing form adjusted with National Land Agency (BPN) Form c) Additional of land compensation payment receipt d) change of note of compensation hand over form e) Additonal information on maximum resolution due date. Mechanism on complainant (community) has a right to bring the complaint to RSPO | Closed | 28 July 2016 |

| CAR No | Ref Std | Finding | Area | Grade | Time Limits | Corrective Action | Observation | Status | Closing Date |
|--------|---------|---------|------|-------|-------------|-------------------|--|--------|--------------|
| | | | | | | | <p>complaint system. The SOP has been authorized by management representative.</p> <ul style="list-style-type: none"> The procedure and flow chart of land dispute is in accordance with FPIC fulfilment of UP PT Surya Sawit Sejati No. SSS-HMS-001 explaining 24 steps on: <ol style="list-style-type: none"> If there is any complainant who owns land legal right evidence in form of land ownership right (SHM), then the complaint resolution will be: <ul style="list-style-type: none"> Step 1 → 20 days in maximum for completing and verification of complaint document process Step 2 → 20 days in maximum processing land legal by PT SSS and National Land Agency (BPN). Step 3 → 20 days in maximum for negotiation and | | |

| CAR No | Ref Std | Finding | Area | Grade | Time Limits | Corrective Action | Observation | Status | Closing Date |
|--------|---------|---------|------|-------|-------------|-------------------|---|--------|--------------|
| | | | | | | | <p>finalization process.</p> <p>b) If complainant has a legal evidence in form of SKT (land information status), then the resolution process will be as follow:</p> <ul style="list-style-type: none"> Step 1 → 10 days in maximum for completion and verification prcess of complaint document. Step 2 → 10 days in maximum for land legal verification proces by PT SSS. Step 3 → 10 days in maximum for negotiation and finalization process. | | |

3.5.3 Opportunity for Improvement

| No | Ref.Std | Description |
|----|---------------------|--|
| 1 | Major 2.1.1 | Consideration to update and compile Legal and other Requirement file for identification Consideration to standardize the schedule waste handling process such as consignment note submission, identification of scheduled waste type, etc |
| 2 | Major 4.3.1. | Consideration to improve a fragile soils maps to add a geo referenced and scale. (Observation) |
| 3 | Major 4.3.4. | Consideration to make SOP BMP on peat with reference to RSPO BMP on peat to make sure consistence water management monitoring. (Observation) |
| 4 | Minor 4.7.5 | Consideration to identify all major potential emergencies including potential natural disasters such as flood, etc. |
| 5 | SCCS | Consideration for refresh training to staff (<i>Personal in Charge</i>) in relation of SCCS implementation. |

3.5.4 Noteworthy Positive Components

| No | Ref.Std | Description |
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| 1. | | Company has commitment to implement the principle of sustainable palm oil management. |
| 2. | | Has certified for RSPO in 2008 |
| 3 | | Company has install "VOSERP" system to reduce dust emission for compliance of Clean Air Regulation 2014 |
| 4 | | The Workers Housing Quarters is above the Minimum Housing Standard ACT |

3.6 Summary of Arising Issues from Public, Management and Auditor Response



| Public Issues (Institution/ NGO/Community) | Management Responses | Auditor Responses |
|--|---|---|
| <p>Palm Oil Scope (UIE POM & Jenderata + Ulu Basir + Ulu Bernam POM) Stakeholders meeting was involve of migrant workers, Gender Committee and Local Contractor. The main points of stakeholder meeting was describe below:</p> <p>Migrant Workers (representation of Indonesia, India, Bangladesh & Nepal)</p> <ul style="list-style-type: none"> • The migrant workers was informed that when they are came to Malaysia, all of them must comply with Malaysia regulation. All of the migrant workers has have Passport and Work Permit and has been check by authority of Malaysia. The Personnel file of the migrant workers consist of Passport, Work Permit, etc has filed in each management unit of POM. • Employment contract was formatted on English language version, Bahasa Melayu, Bangladesh, Nepal and India. • The migrant workers was understood the document of statement related to Safe Keeping Passport • There was sighted statement of the new workers that they are has been received and signed of Code of Conduct by United Plantation in the early period. | <p>All foreign workers are addressed as “Guest Workers”and on their arrivals their passports, work permits are inspected/processed. Yearly renewals of work permits are done by the Company.</p> <p>Each guest worker is issued in their native languages a copy of the Company’s Employees Handbook,it contains the Company’s policies, employment contract,OHS etc.</p> <p>Guest workers voluntarily sign a consent letter authorizing the Company to keep their passports for safe custody and they are aware that they have free access to their passports.</p> <p>Guest workers voluntarily sign a consent letter authorizing the Company to keep their passports for safe custody and they are aware that they have free access to their passports.</p> | <p>Based on documents verification and interviewed with the foreign workers indicated that all migrants workers has been follow the Malyasian rule related to migrants workers.</p> <p>The UP management has been formatted the document of Employment contract in several language.</p> <p>There was sighted sample document of “Safe Keepeing Passport” has been signed voluntary by migrant worker.</p> <p>The auditor was observed the document Code of Conduct has been signed by the migrant worker</p> |

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| <ul style="list-style-type: none"> • There is no issue related to workers right. Based on interview with several workers that knows they was earn of minimum wages average of RM 1,200 till 1,500 for 26 days. It was above of Malaysian minimum wage standard (RM 900 per month). • There is no issued related to conflict among workers and the company. • The company has provided housing and supporting facilities for the workers. <p><u>Gender Committee</u></p> <ul style="list-style-type: none"> • The Gender Committee was established and it aim to handle if any case of woman right abuse and sexual harassment. • There is no issued related to woman right abuse and sexual harassment. • The company has been implemented of woman right related to natal period. The leave period for every woman on natal period was 2 month (based on Malaysia regulation). <p><u>Local Contractor</u></p> <ul style="list-style-type: none"> • The company was provide document of contract agreement for each contactor in early period. • The contract was explained of responsible of each party, payment period and PPE using. | <p>However for poor productivity ,the Company provides counseling and warnings</p> <p>The Guest Workers Committee Meetings is a platform to address all grievances and it is immediately resolved or nipped at the bud.</p> <p>The Company's houses are above or on par the Malaysian Workers' Minimum Housing and Amenities Act 1990</p> <p>The Gender Committee is very active and it's a good platform to address their grievances.</p> <p>Maternity payments and leave granted in accordance with the Malaysian Employment Act 265</p> <p>A stamped MOA is executed with all Contractors stipulating the terms and conditions and ensuring that that the contractors honor all statutory payments to their employees and abide by the OSHA and Environment Act.</p> | <p>Generally sampling of workers payment was average on level 1.200 RM/ worker for 26 mandays/month.</p> <p>Based on interview with several workers, there is not indication of labour dispute.</p> <p>Based on field visit at surround of plantation and mill area, that showed the company was provide of properly housing and supported facilities (scholl, clinic, sport hall, shop for miscellaneous, ATM, etc)</p> <p>Based on woman workers interview, there is no indication of woman right abuse</p> <p>The local contractor was informed that the cooperation with the UP management has been done transparently.</p> |
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| <ul style="list-style-type: none"> All of payment period has been done on time based on contract clause. | <p>As above.</p> | |
| <p>Estate Scope (UIE Estate and Jenderata Estate , Seri Pelangi Estate, Ulu Basir Estate, Ulu Bernam Estate, Sungei Erong Estate, Sungei Cawang Estate, Cangkat Mentri Estate & Lima Blas Estate).</p> <p>Stakeholders meeting was involve of representation of migrant workers from each estate, Gender Committee and Local Community and Local Contractor.</p> <p>The main points of stakeholder meeting was describe below:</p> <p><u>Migrant Workers from Indonesia</u></p> <ul style="list-style-type: none"> There is no cases related to migrant workers. All of payment process for the employee was on time. The company was provide the housing for all workers included electricity and fresh water. The company also provided the supporting facilities (Clinic, Praying facility: temple, mosque and church, Sport Hall, play ground, school bus, etc). There is no husband by the migrant workers was bring their wife and family into the plantation area. If any migrant workers will bring their wife, the wife shall becoming worker. All of the workers has earn of minimum wages average of RM 1,200 till 1,500 for 26 days. It was above of Malaysian minimum wage standard (RM 900 per month). The passport was filled in each estate office after the | <p>The Company's houses are above or on par the Malaysian Workers' Minimum Housing and Amenities Act 1990. Electricity is partly subsidized by the Company.</p> <p>The Malaysian Govt. only permits female workers from Indonesia to work in plantations, in such cases we provide employment to the spouses with valid permits.</p> <p>However for poor productivity ,the Company provides counseling and warnings</p> <p>Guest workers voluntarily sign a consent letter authorizing the Company to keep their passports for safe custody and they are aware that they have free access to</p> | <p>Generally sampling of workers payment was average on level 1.200 RM/ worker for 26 mandays/month.</p> <p>Based on field visit at surround of plantation and mill area, that showed the company was provide of properly housing and supported facilities (scholl, clinic, sport hall, shop for miscellaneous, ATM, etc)</p> <p>There was sighted sample document of "Safe Keepeing Passport" has been signed voluntary by migrant worker.</p> |

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| <p>migrant workers voluntary signed the document of "Safe Keeping Passport". The document of Code of Conduct was signed by all migrant workers in early period before they are begun for working.</p> <ul style="list-style-type: none"> • The contract for one period for each migrant workers are 2 year for workers from Indonesia. After the contract was expired, the migrant workers can renew the contract for next period. • All of the worker was earn additional salary every year (the employee called 13th salary. <p><u>Migrant Workers from Bangladesh</u></p> <ul style="list-style-type: none"> • The contract period for Bangladesh workers are 3 years. After the contract period was expired the migrant workers can renew their contract for next period. • The RSPO Audit was positive impact to migrant workers. All of party both of migrant workers and the company shall comply to Malaysian regulation. • All of the workers has earn of minimum wages average of above of Malaysian minimum wage standard (RM 900 per month). • The company was provide house and supporting facilities for all employee • There was also available of ATM facility in several area of estate office and mill office. <p><u>Representation Community (Wakil Orang Jiran)</u></p> <ul style="list-style-type: none"> • Was worked at Sungei Cawang Estate about 20 years | <p>their passports.</p> <p>The Malaysian Govt. approves extensions of work permits for a maximum of 10 years and we encourage our Guest Workers to stay for the full tenure.</p> <p>Eligible workers are paid two weeks vocational leave annually.</p> <p>Each guest worker is issued in their native languages a copy of the Company's Employees Handbook, it contains the Company's policies, employment contract, OHS etc.</p> <p>However for poor productivity, the Company provides counseling and warnings</p> <p>The Company's houses are above or on par the Malaysian Workers' Minimum Housing and Amenities Act 1990. Electricity is partly subsidized by the Company.</p> <p>Our relationship with our neighboring communities are good and they participate in our stakeholders meetings. We provide free medical care to them.</p> | <p>Based on documents verification and interviewed with the foreign workers indicated that all migrants workers has been follow the Malaysian rule related to migrants workers.</p> <p>Based on field visit at surround of plantation and mill area, that showed the company was provide of properly housing and supported facilities (school, clinic, sport hall, shop for miscellaneous, ATM, etc)</p> |
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| <ul style="list-style-type: none"> • In the near of United Plantation there is no community settle. The distance from plantation area to community surround area was separate. • The company was provide aid of school bus • There was also clinic facilities • There is no issue of land conflict <p><u>Gender Committee (from Changkat Mentri Estate)</u></p> <ul style="list-style-type: none"> • There is no discrimination between woman and man in related access for working. • The Gender Committee was existing in each estate and it aim to handle if any case of woman right abuse and sexual harassment. • There is no issued related to woman right abuse and sexual harassment. • The company has been implemented of woman right related to natal period. The leave period for every woman on natal period was 2 month (based on Malaysia regulation). | <p>The Gender Committee is very active and it's a good platform to address their grievances.</p> <p>Maternity payments and leave granted in accordance with the Malaysian Employment Act 265</p> | <p>Based on woman workers interview, there is no indication of woman right abuse</p> |
| <p><u>Local Contractor</u></p> <ul style="list-style-type: none"> • The company was provide document of contract agreement with each contactor in early period. • The company was consistence to pay the contractor based on clause of contract • The contract was explained of responsible of each party, payment period and PPE using. | <p>A stamped MOA is executed with all Contractors stipulating the terms and conditions and ensuring that that the contractors honor all statutory payments to their employees and abide by the OSHA and Environment Act.</p> | <p>The local contractor was informed that the cooperation with the UP management has been done transparently.</p> |

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| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY |
| 4.1 | <p>Formal Sign-off of Assessment Findings</p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <p>United Plantation Berhad, Malaysia Management Representative</p>  <p><u>C. Mathews</u> 28 July 2016</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> 28 July 2016</p> </div> </div> |

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

| No | Institution/NGO/Community | Address | Phone/Email | Form of Communication | Date of Contact | Response | |
|----|---|--|--|-----------------------|-----------------|----------|----|
| | | | | | | Yes | No |
| 1 | Pesticide Action Network Asia and the Pacific (PAN AP) | P.O. Box 1170, Penang, 10850 Malaysia | panap@panap.net | Email | 17/5/2016 | | ✓ |
| 2 | National Council of Welfare & Social Development Malaysia – NCWSDM | No. 17, Jalan 1/48A, Bandar Baru Sentul, 51000 Kuala Lumpur, Malaysia. | makpem@gmail.com | Email | 17/5/2016 | | ✓ |
| 3 | Environmental Protection Society Malaysia (EPSM) | No. 60, Jalan 21/35, 46300 Petaling Jaya, Selangor, Malaysia | epsm@epsm.org.my | Email | 17/5/2016 | | ✓ |
| 4 | Wild Asia Sdn Bhd | Upper Penthouse, Wisma RKT, No 2 Jalan Raja Abdullah, 50300 Kuala Lumpur | info@wildasia.org | Email | 17/5/2016 | | ✓ |
| 5 | Local Contractor & Internal Stakeholders (Migrant Worker, Worker Union, Gender Committee) at Jendarata POM | Teluk Intan | - | FGD | 24/5/2016 | ✓ | |
| 6 | Local Contractor & Internal Stakeholders (Migrant Worker, Worker Union, Gender Committee) at Ulu Basir POM | Teluk Intan | - | FGD | 26/5/2016 | ✓ | |
| 7 | Local Contractor & Internal Stakeholders (Migrant Worker, Worker Union, Gender Committee) at Ulu Bernam POM | Teluk Intan | - | FGD | 27/5/2016 | ✓ | |
| 8 | Local Community and Migrant Worker, Worker Union, Gender Committee & Local Contractor from each estate (8 Estate) | Teluk Intan | - | FGD | 27/5/2016 | ✓ | |

Appendix 2. Assessment Program

| DATE TARIKH | 23 till 28 MAY 2016 | |
|--|--|--|
| PLANNED TIME PELAN MASA | PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT | AUDITOR |
| Isnin / Monday 23 May 2016 09.40 – 12.40 | Travelling from Jakarta to Kuala Lumpur | ORN, TNO |
| 14.00 – 16.30 | Travelling from Kuala Lumpur to Lodging / United Plantations Guest House, Jendarata, Teluk Intan, Perak | All Auditors |
| Selasa / Tuesday 24 May 2016 08.00 – 09.30 | Opening Meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification) | ALL Auditors |
| 09.30 – 13.00 | Document Audit and Field Visit to <u>Seri Pelangi Estate</u> <ul style="list-style-type: none"> Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc) Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area) Environmental, Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) | TNO,MHI TNO,MHI TNO,MHI MMS,EHS MMS, EHS |
| 13.00 – 14.00 | Document Audit and Field visit to <u>JENDARATA PALM OIL MILL</u> <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Interview with Worker's Union Mill, Gender Committee, Local Contractor Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & Land Application of POME) | ORN ORN YCH |
| 14.00 – 17.00 | Break and Lunch <ul style="list-style-type: none"> Field Observation Verification & Completion of Check List in Mill Field Observation Verification & Completion of Check List in Estate | ORN,YCH TNO, MMP,MHI,EHS |

| DATE TARIKH | 23 till 28 MAY 2016 | |
|--|--|--|
| PLANNED TIME PELAN MASA | PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT | AUDITOR |
| Rabu / Wednesday 25 May 2016 08.00 – 09.00 | Travel from Teluk Intan to Pantai Remis | All Auditors |
| 09.00 – 13.00 | <p>Document Audit and Field Visit to <u>UIE Estate</u></p> <ul style="list-style-type: none"> Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc) Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area) Environmental, Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) <p>Document Audit and Field visit to <u>UIE PALM OIL MILL</u></p> <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Interview with Worker's Union Mill, Gender Committee, Local Contractor Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & Land Application of POME) | <p>TNO,MHI</p> <p>TNO,MHI</p> <p>TNO,MHI</p> <p>MMS,EHS</p> <p>MMS, EHS</p> <p>ORN</p> <p>ORN</p> <p>YCH</p> |
| 13.00 – 14.00 | Break and Lunch | ORN,YCH |
| 14.00 – 17.00 | <ul style="list-style-type: none"> Field Observation Verification & Completion of Check List in Mill Field Observation Verification & Completion of Check List in Estate. | TNO, MMP,MHI,EHS |

| DATE TARIKH | 23 till 28 MAY 2016 | |
|---|--|---|
| PLANNED TIME PELAN MASA | PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT | AUDITOR |
| Khamis / Thursday 26 May 2016 08.00 – 13.00 | Document Audit and field Visit to <u>Sungai Erong Estate</u> <ul style="list-style-type: none"> • Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc) • Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area) • Environmental, Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare • Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) • Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) | TNO.MHI TNO,MHI TNO,MHI MMS,EHS MMS, EHS |
| 13.00 – 14.00 | Document Audit and Field visit to <u>ULU BASIR PALM OIL MILL</u> <ul style="list-style-type: none"> • Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) • Interview with Worker's Union Mill, Gender Committee, Local Contractor • Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & Land Application of POME) | ORN ORN YCH |
| 14.00 – 17.00 | Break and Lunch <ul style="list-style-type: none"> • Field Observation Verification & Completion of Check List in Mill • Field Observation Verification & Completion of Check List in Estate. | ORN,YCH TNO, MMP,MHI,EHS |

| DATE TARIKH | 23 till 28 MAY 2016 | |
|---|---|---|
| PLANNED TIME PELAN MASA | PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT | AUDITOR |
| Jumaat / Friday 27 May 2016 | | |
| 08.00 – 13.00 | Document Audit and Field Visit to <u>Lima Blas Estate</u> <ul style="list-style-type: none"> Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc) Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area) Environmental, Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) | TNO,MHI TNO,MHI TNO,MHI MMS,EHS MMS, EHS |
| 13.00 – 14.00 | Document Audit and Field visit to <u>ULU BERNAM PALM OIL MILL</u> <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Interview with Worker's Union Mill, Gender Committee, Local Contractor Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & Land Application of POME) | ORN ORN YCH |
| 14.00 – 17.00 | Break and Lunch | ORN,YCH TNO, MMP,MHI,EHS |
| 16.00 -17.00 | <ul style="list-style-type: none"> Field Observation Verification & Completion of Check List in Mill Field Observation Verification & Completion of Check List in Estate. | ORN,MHI, EHS |
| 20.00 – 24.00 | <ul style="list-style-type: none"> Stakeholder Consultation related stakeholders surround at all Mill and Estate (local community, local authorities, worker union representation, gender committee, etc). | All Auditors |
| | Team Auditor Meeting (Preparation of Audit Conclusion) | |
| Sabtu / Saturday 28 May 2016 | | |
| 08.00 – 10.00 | Closing Meeting: <ul style="list-style-type: none"> Presentation of Assessment Findings by Auditor Team (Explanation of Identified Nonconformities and Completion of Corrective Timeline, Answer & Questions) Auditee Response against Assessment Findings | All Auditors All Auditors |
| 11.00 – 14.00 | Travelling from Teluk Intan and back to Kuala Lumpur | ORN,TNO |
| 17.45 – 18.40 | Travel from KL to Jakarta | |