

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

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

Name of Management Organisation : United International Enterprise Palm Oil Mill subsidiary of United Plantations Bhd.
Plantation Name : United International Enterprise Estate
Location : Pantai Remis, Perak Darul Ridzuan - Malaysia
Certificate Code : ***MUTU-RSPO/067***
Date of Certificate Issue : 29 September 2017 **Date of License Issue** : 29 September 2017
Date of Certificate Expiry : 28 September 2022 **Date of License Expiry** : 28 September 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Review by	Approve by
Stage-01	3, 4, 7 April 2017	Octo H.P.N. Nainggolan (Lead Auditor), Mahmud Firdaus, Ebnu Holdoon Shawal	Ganapathy Ramasamy	Tony Arifiarachman
Re-Cert	22, 23, 27 May 2017	Octo HPN Nainggolan (Lead auditor); Ebnu Holdoon Shawal; Mohd. Nizam; Mohd. Hairimi		

Assessment	Approved by MUTUAGUNG LESTARI on:
Re-Cert	29 September 2017

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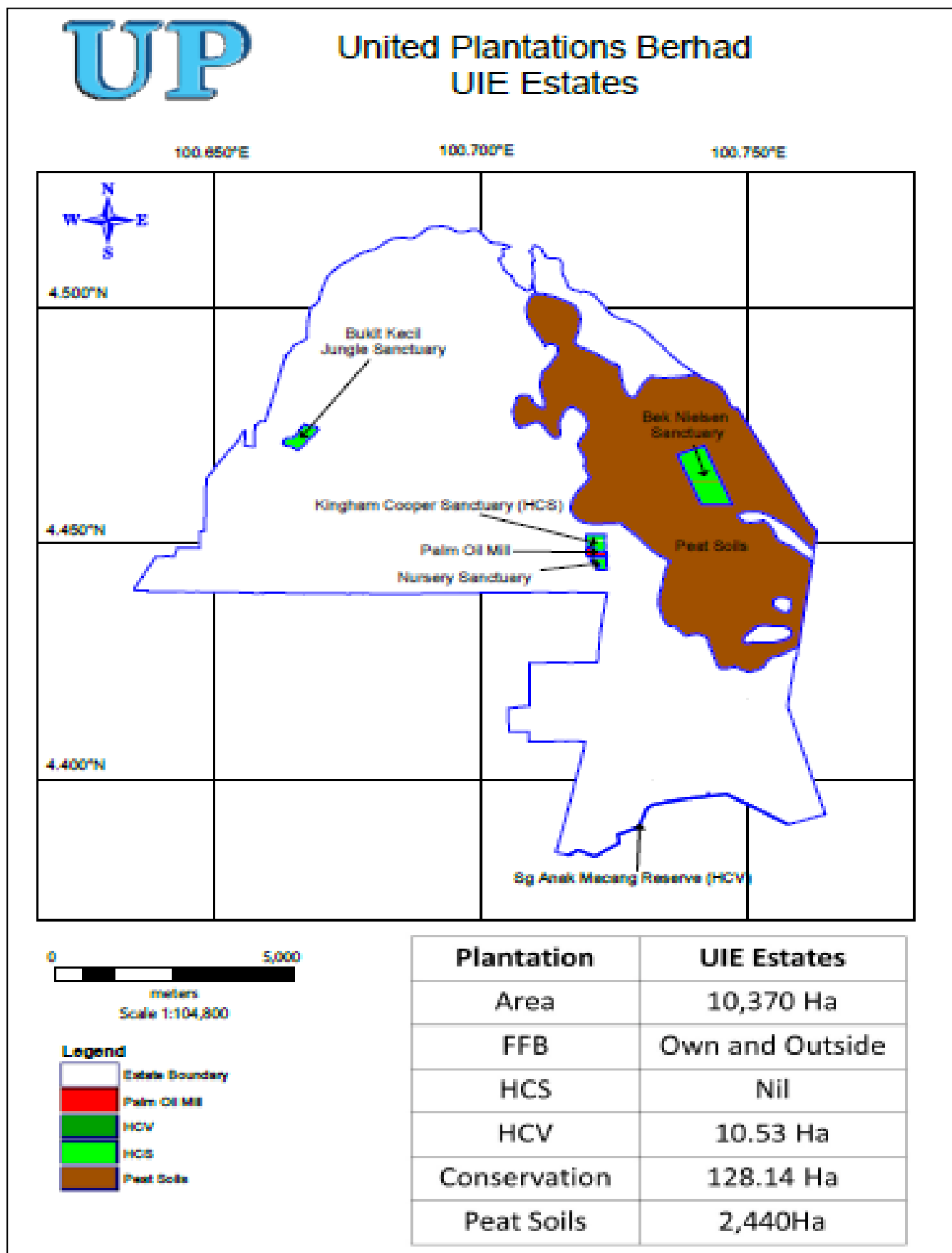
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Figure 1. Location Map of UIE, United Plantation Bhd, Malaysia



Figure 2. Operational Map of UIE, United Plantations Bhd, Malaysia



Abbreviations Used

ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
CHRA	:	Chemical High Risk Assessment
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
DOE	:	Department of Environment
EFB	:	Empty Fruit Bunch
ESH	:	Environment and Safety and Health
FFB	:	Fresh Fruit Bunches
HCV	:	High Conservation Value
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Integrated Pest Management
MPOB	:	Malaysian Palm Oil Board
MSDS	:	Material Safety Data Sheet
LTA	:	Lost Time Accident
NUPW	:	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
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protection Equipment
Re-Cert	:	Recertification Assessment
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification System
SEIA	:	Social and Environmental Impact Assessment
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
UPB	:	United Plantation Berhad
UPRD	:	United Plantations Research & Development

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	Organisation address: Jendarata Estate 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia Site address: Pantai Remis, 34900 Teluk Intan, Perak Darul Ridzuan, Malaysia	
1.2.4	Telephone	+605-6411411	
1.2.5	Fax	+6605-6416220	
1.2.6	E-mail	cmu@unitedplantations.com	
1.2.7	Web page address	www.unitedplantations.com	
1.2.8	Management Representative who completed the application for certification	C. Mathews (Group Manager HR & ESH)	
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	1 (One) unit Palm Oil Mill (UIE POM and UIE Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill, Plantations and Area Statement		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	UIE Palm Oil Mill	UIE Palm Oil Mill, Mail Bag No.1, 34900 Pantai Remis Perak Darul Ridzuan, Malaysia	N 4° 26' 53" E 100° 43' 11"
1.4.2	Location of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	UIE Estate (Division 1 & 2)	UIE Estate Mail Bag No.1, 34900 Pantai Remis Perak Darul Ridzuan, Malaysia	N 4° 26' 38" E 100° 43' 22"
1.5	Description of Area Statement		

1.5.1	Tenure	
	• State	- Ha
	• Private	10,094.85 Ha
1.5.2	Area Statement	
	• Total area	10,094.85 Ha
	• Mature area	7,557.74 Ha
	• Immature area	1,901.69 Ha
	• Mill	8.50 Ha
	• Workers Quarters	21.24 Ha
	• Infrastructure area (Airstip, Office Building, railway, drain etc.)	435.01 Ha
	• Nursery	32.00 Ha
	• (Self-Created Conservations)	128.14 Ha
	• Conservation (Riparian)	10.53 Ha
	*There is a reduction in audit scope covering 274.35 Ha for coconut cultivation.	
1.6	Planting Year and Cycles	
1.6.1	Age profile of planting year	
	Planting Year	Hectarage (Ha)
	1989	249.89
	1990	961.02
	1998	188.00
	2000	35.50
	2004	2.03
	2009	312.87
	2010	1,239.16
	2011	1,404.42
	2012	834.15
	2013	1,496.87
	2014	833.83
	2015	723.06
	2016	1,074.18
	2017	104.45
	TOTAL	9,459.43
1.6.2	New Planting area after January 2010 (new planting)	- Ha
1.6.3	Planting Cycle	2 nd Cycle
1.7	Description of Mill and Supply Base	
1.7.1	Description of Mill	
	Name of Mill	Capacity
	FFB	CPO
	Palm Kernel	

		(tonnes/ hour)	Processed (tonnes/ year)	Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	UIE Palm Oil Mills	60	169,816.11	37,004.90	21.79	7,372.90	4.34
	<i>*Production Data from May 2016 – April 2017</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
UIE Estate						10,094.85	9,459.43
	TOTAL	10,094.85	9,459.43	169,816.11	17.95	169,816.11	100
	<i>*Production Data from May 2016 – April 2017</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisations	Location			Supplied to Mill	
						FFB (tonnes/year)	
No FFB received from other sorces						-	-
	TOTAL						
	<i>*Production Data from May 2016 – April 2017</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim (tonnes/year) 21 August 2016 to 20 August 2017		Actual certified product (tonnes/year) 21 August 2016 to 19 May 2017	
	• FFB Production			155,700		136,173.47	
	• CPO Production			34,254		29,888.32	
	• Palm Kernel (PK) Production			8,797		6,051.23	
1.8.2	Product selling						
	Tonnage of selling product			Actual selling product period August 2016 to April 2017			
	• CSPO			26,740.21 MT			
	• CSPK			5,658.61 MT			
	• CPO under other scheme trading (e.g ISCC, RFS)			-			
	• CPO under conventional trading (if any)			-			
	• PK under other scheme			-			
	• PK under conventional trading (if any)			-			
1.8.3	Estimate of Certified FFB Claim						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
					UIE Estate	10,094.85	9,459.43

	TOTAL		10,094.85	9,459.43	181,703	19.2		
*Production Projection from November 2017 to October 2018								
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	Extraction (%)	Palm Kernel Out put (tonnes)	Extraction (%)	Supply Chain Model
	UIE Palm Oil Mill	60	181,703	39,611	21.8	7,995	4.4	Identity Preserved
*Production Projection from November 2017 to October 2018								
1.9	Other Certifications							
	Others			-				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time Bound Plan						
	Indonesia							
	Lada POM PT Surya Sawit Sejati	2016	Lada Estate	738.86 ha (Division 1)	2017	Kotawaringin Barat District, Central Kalimantan	Planning Novemb er 2017	
				3,741.2 ha (Division 1 & 2)	2017		Planning Novemb er 2017	
				1,769.6 ha + 250.34 ha (Division 1 & 2)	2018		Planning Novemb er 2017	
			Runtu Eate	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)	2017	Melawen Village and Lada Mandala Jaya Village, Pangkalan Lada SubDistrict -	2017	
				132 ha (already SHM but must follow Pelepasan +	2019	Medang Sari Village, Sub-District Arut Selatan Other PLASMA		

			agreement)			
			364.82 ha (SHM to be apply)	2019		2020
			600 ha (waitng for agreement and SHM)	2019		
Malaysia						
Jendarata 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	Recertifi cation 2017	
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	Recertifi cation 2017	
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	Recertifi cation 2017	
UIE POM	2008	UIE Estate	2008	Pantai Remis, Perak Darul Ridzuan, Malaysia	Recertifi cation 2017	
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	There are no associated smallholders/outgrowers supplying FFB to this mill.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
Re-Cert	<p>1. Octo HPN Nainggolan (Lead Auditor). Indonesian citizen, Bachelor of Agriculture, majoring of Social Economics of Agriculture (Agribusiness). Seven years working experience since 2004 at oil palm Plantation Company in Indonesia and followed several trainings namely: Training of Conservation of Natural and Biological Resources in supporting HCV, Basic Plantation Management Program, Plantation Integrated Pest Management training, Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), Environment Management System (ISO 14001:2004), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Wildasia, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, supply chain certification system training and RSPO Renewable Energy Directive Lead Auditor training. Currently he worked as an auditor at Certification Body. During this assessment he was observed and audit on legal aspect, social aspect, conservation and supply chain for CPO mill</p> <p>2. Mohd Nizam Bin Abu Bakar (Auditor). Graduated from University Malaya with a Bachelor of Sciences with Honours (Ecology). Registered as a DOE environmental auditor EA 0012 and EIA consultant AC 0808. He had a 7 years' experience on plantations as assistant manager at Asiatic Development Berhad. He had 21 years' experience on auditing works on ISO 14000 Advanced EMS Auditing, Identifying Environmental Aspects & Impacts by Sirim Training Services S/B, Environmental Assessment & Management (Aberdeen, Scotland), and Project Management Training Course & Train the Trainer Course (MIM) and fluent in local language. During this audit he has been assigned to verify the Safety and health, Legal Aspect, long-term economic and financial viability and Best Agricultural Practices.</p> <p>3. Ebnu 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 and fluent in local language. During this audit, he has been assigned to verify the Environmental aspect and transparency aspect.</p> <p>4. 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) and fluent in local language. In the assessment, he covered on Social aspect (Social Impact Assessment) and Safety in Estate</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST-01	<p>Number of auditors : 3 auditor</p> <p>Number of days for ST-01 at site : 2 days</p> <p>Number of working days for ST-01 at site : 6 Working days</p>
Re-Cert	<p>Number of auditors : 4 auditors</p> <p>Number of days for ST-02 at site: 2.5 days</p> <p>Number of working days for ST-02 at site: 10 Working days</p>
2.2.2	Detail process of assessment
Re-Cert	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the United International Enterprise POM, UIE POM (United Plantations 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</p>

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.

Some opportunities for improvement of the results **Recertification** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase.

Improvement of findings from main assesment findings were observed by auditors at this **Recertification**. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of assessment report.

The assessment program please finds Appendix 2.

2.2.3	Locations of Assessment
Re-Cert	<p>UIE Estate:</p> <ul style="list-style-type: none"> • Boundary poles number 2, 4, 18, 25. Observation about boundaries marker and the boundary between the operational area and other plantations and smallholders area. • Self-Declare Conservation Area. <p>UIE Mill.</p> <ul style="list-style-type: none"> • Weighbridge. Interview will weighbridge operator regarding the understanding of supply chain system mechanism. • Scheduled waste store : Scheduled waste store centralized at the UIE Mill. All the waste from estate and mill collected together. Clean and proper signage and labelling available at the place • Biogas Engine Room Plant : Supplying the electricity to the National Grid TNB using biogas plant in UIE Biogas plant. Very well organize engine room and properly build and maintain. • Effluent treatment Pond : Proper signage sighted from the effluent pond. The effluent is pump into the biogas plant for methane gas production. Land application (furrow irrigation) from pond no. 2 • Chemical Storage area : Proper stacking of chemical and herbicide. Signage and label available at the area and the room has proper ventilation system • Chemical mixing area : Well trained staff and proper handling chemical during mixing pesticides • Composting pit : Proper composting area with recycling area and segregation staff being placed at the area. • General store : properly maintained store and arrangement of tools for spraying • Linesite Housing Area : Proper linesite area, 3 rooms sighted with 6 people in a house. Locker and safety box available in house. Water and electricity provided in the linesite. • Field 77 : spraying activities sighted and 4 workers has been interviewed. Proper PPE available and being provided by the company. • Field 24A : EFB application sighted. Proper application at the field and workers has been trained on field application • Field 82 B : Pome Application from furrow irrigation. Proper drainage and irrigation from Pond no. 2 UIE Mill • Field 28 : Manuring activities sighted. Proper PPE wear by the workers and trained workers • Field 101 : harvesting activities sighted. 2 Workforce has been interviewed using the 'Chantas' mechanized harvesting application.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-03	<p>Stakeholder consultation of Scheduled waste store UIE POM:</p> <ul style="list-style-type: none"> • Public Notification at RSPO Website on April 22nd, 2017. • Interview the internal stakeholders on May 22nd, 2017 in audit process (particularly to foreign workers, eq. from Indonesia, Bangladesh, India, etc).

	<ul style="list-style-type: none"> Public consultation on May 22nd, 2017 was participated by related agency and local peoples or community surrounding the plantation. Public consultation with NGO by email on May 18th, 2017. <p>Numbers of input from stakeholders were clarified by UIE POM and UIE Estate. 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	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (Surveillance-1) estimate period of nine to twelve months after the date of certificate issued (August 2018)

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of UIE Palm Oil Mill – United Plantation Berhad operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there was no Nonconformities were assigned against Major and Minor Compliance Indicators; there were two observations as opportunity for improvement identified.

MUTUAGUNG LESTARI found that UIE 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 **issued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1		
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
Indicator 1.1.1.		
Based on the observation at UIE estate and Mill, the company had maintained their stakeholder list latest on 21 st March 2017. The stakeholder list is made comprising OSHA Committee, Gender Committee, Temple Committee, Chapel Committee, Surau Committee, contractor of UIE estate, local Banker (agro bank), neighbouring estate, statutory bodies, villagers and village leader and local community surround the estate attended by total 61 stakeholders. The stakeholder meeting has been done on yearly basis in which the villagers and related stakeholders can express their views and opinion towards company operation and the impacts on surrounding areas. The information has been communicated to the stakeholders by estate manager (Mr Radha) Assisted by his Asistan Manager (Mr. Sukrn). During the meeting information especially on social and environmental issues had been discussed with the management to gain the feedback of local villagers of estate and mill activities. As per minutes of meeting there is no complain towards the management and the cooperation between management and stakeholders is good.		
Indicator 1.1.2.		
The company had a SOP of sharing and constructive response towards any complain and grievances of stakeholders and the procedure has been divided in two section, internal response and external response. During the stakeholder meeting, the stakeholders are made aware of particular communication procedure and how to voice out any complain and comment to the company. There is a clear time frame of response from the company towards the stakeholder which is for the internal stakeholder is 10 days and external stakeholder will be less than 30 days of response. The records of complaint has been kept in 'registry of complaint' logbook, latest log in records is regarding light bulb changing dated :11/5/2017 and the request has been repaired on the same day by the contractor. There is also external request by 'Jabatan Alam Sekitar Negeri Perak' in which ordering the mill to renew licensed on 14 th April 2017 and the response has been made on 19 th April 2017 (payment made amounted RM 11,760.00). Based on the document verification, the response has been made timely and appropriate		
	Status: Full 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.

The management has made publicly available the related document listed by the standard. It include the Land title of the management unit (mill and supply bases), OSH plan of the mill and estate, risk assessment, mitigation plan (HIRARC document), Environmental Impact evaluation (EIE) and Environmental Management Plan (EMP) were made available at the estate and mill.

United International Enterprises (UIE) had also documented the Social Impact Assessment (SIA) at estate and mill accordingly, together with HCV document for the wildlife and water catchment area, Pollution prevention Plan (PPR), communication procedure to internal and external parties, and also including the Human right policy that made available at all estate and management unit of UIE as per field visit and document verification.

Status: Full Compliance

1.3
Growers and millers commit to ethical conduct in all business operations and transactions.
Indicator 1.3.1.

During the verification audit at UIE estate, it was found that the company has a specific code of business conduct that has been communicated to all level of workforce and field operation. Based on the audit interviews, the contractor has been socialized during the stakeholder meeting and for the workers and staff, the code of business conduct has been displayed at the notice board and communicated during morning assembly by the assistant manager. Based on the document sighted, there is total 121 workers being socialized with the code of conduct including 14 staff of UIE estate. The Document has a standard of conduct in which 'we conduct operations with honesty, integrity, openness and with respect for the human right and interest of our employees, we shall similarly respect the legitimate interest of those with whom we have relationships. There is specific section of prohibition of bribery in section of Business integrity and operation. UP does not give or receive whether directly or indirectly bribes or other improper advantages for business or financial situation. Similarly such an unhealthy practices by its employee are not tolerated. We commit to the principle of free prior and informed consent and adhere to these principles in all our negotiations and interactions with stakeholders

Status: Full Compliance

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS
2.1
There is compliance with all applicable local, national and ratified international laws and regulations.
2.1.1

The Certified Unit shows Regulatory Compliance document and identified as many as 42 regulations, 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.

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) Malaysian Palm Oil Board license
- b) Department of Environment License
- c) Worker Licenses (Electrician, Boiler man, Engine Grade)
- d) Machinery licenses and certificates
- e) Audiometric test
- f) CHRA conducted as per requirement and relevant suggestions implemented (LEV test and Medical Surveillance)
- g) Proper scheduled management practice observed.

There were no cases of any violation or actions imposed by relevant authorities. Evaluation of compliance performed and found compliance with relevant requirements.

In this assessment auditor team raised an observation regarding the process of UIE mill to obtain Fire Certificate. **OFl.1**

2.1.2 ; 2.1.3; 2.1.4

Estate's manager 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. During the recertification assessment the auditor team have sighted all the documents are available and showed. Last internal audit for UIE POM and UIE Estate conducted on 2 and 3 of May 2017 for legal compliance. Internal audit performed on quarter yearly basis

Internal Memorandum 8 May 2008 from Group Manager Human Resources and Environment, Safety & Health. **System for Tracking Any Changes in Laws.**

The Secretary will monitor any changes in laws pertaining to the company and its operations through the following agencies/bodies:

- Percetakan National Malaysia Bhd – Lawnet.com.my
- Malayan Agricultural Producers Association
- Malaysian Palm Oil Board
- Malaysian Palm Oil Association
- Statutory Bodies e.g. EPF, SOSCO, etc..
- Government Department

The changes in laws will be notified to the relevant Managers of Estates/Head of Departments as per attached specimen letter. The recipient will acknowledge its compliance and accordingly update their respective files.

Changes which needs reprogramming/updating of the company's Information Technology System, will be directed to the Manager IT System as per attached specimen letter. The recipient will notify the completion of the programming / updating of the IT system.

2.1.1.	Status: Opportunity For Improvement. OFI.1
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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.

During the recertification assessment the auditor team have sighted the land rights documents and kept save in the office There are 8 land titles with agriculture category, Land title ref no. 17027 observed. Validity of land right will be ended on year 2103.

Indicator 2.2.2.

The management unit has SOP/mechanism dedicated for boundary stones maintenance; the boundary are erected by the respective land office and the Management records the GPS readings of its location and plants an additional pole next to the stones .The boundary markers are sprayed 3 times in a year and kept visible. Verified boundary markers against the "Estate Map" with legal markers identified. In total there are 25 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. During field visit, 4 sampled boundary stones (Number 2, 4, 18 and 25) were sighted and clear demarcated that separating UIE from other plantations and smallholders. There are list of boundary stones with GPS Co-ordinates, location map and pictures of the boundary stones. The last census was done on 7/05/2016. Based on interview with stakeholders, there are no land conflict issue between company and local community.

Indicators 2.2.3; 2.2.4 & 2.2.5.

The planting age is 1989 – 2016 in 9,551.15 Ha. There is no evidence of dispute, proof of legal acquisition of title and evidence that fair compensation has been made to previous owners. 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.

During the stakeholder interview **on 22nd May 2017**, there were several stakeholders informed that currently there is no land dispute between the certification unit with local people's area or other company area.

Based on the field observation, the auditor team not found any dispute area within the certification unit operations.

There is only National Electrical Grid Line (TNB) in the UIE operations area. This issue long time ago have been settled

Status: Full Compliance

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

Indicator 2.3.1; 2.3.2; 2.3.3; & 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). There is no legal, customary or user rights has been breach

During the stakeholder interview **on 22nd May 2017**, there were several stakeholders informed that there is no customary rights in the UIE operations area.

Status: Full 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

During the field visit and document verification at UIE estate, the company had shown a 3 years planning from 2018, 2019 and 2020. The company has a latest map of UIE including the coordinate and scale of the estate. Based on the verification, there is no scheme smallholders available at the estate. The FFB trend for the forecast planning is on upward trending :

- [2018 : 216,700 MT, 2019 : 259,000 MT, 2020 : 266,400 MT],
- OER Trends from FY 2017 [2018 : 20.10% , 2019 : 20.25 % , 2020 : 20.00%],
- CPO trends [2018: 2300.00, 2019 : 2,500.00 and 2020 : 2,600.00].
- Total working profit of UIE (M) [Income of the estate : 2018 : 100,448,970.00 MYR , 2019 : 136,311,640.00 MYR and 2020 : 146,070,887.00]
- Total operating cost : 2018 = total palm oil + palm kernel = 951.62 myr / MT , 2019 = 944.04 MYR / MT, 2020 = 932.754 Myr / MT

The projected total expansion of the estate for coconut planning area : : 2016 : 274.35 ha, 2017 : 249.89 ha (planted 95.06)ha, 2018 : 215.00 ha, 2019 : 67.50 ha with total 806.74 ha (planning of the area to be planted in estate 2)

Indicator 3.1.2

There is annual replanting programmed for five years available at the estate from year 2016 – 2021 :

- 2012 : 675.58 ha
- 2013 : 532.91 ha
- 2015 : 410.26
- 2016 : 947.19
- 2017 : 1038.47

Progress has been documented as per UIE (M) Sdn Bhd replanting program year 2012-2017 and the replanting program has been taking care of the replanting on peat soil. As the field drain intensity of 1:4 rows of oil palm has proven to be efficient for water management in the peat soils in the previous planting, the recommendation the same intensity for replanting in 2016 and 2017 with planting density of 160 palms / ha.

Status: Full Compliance

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
UIE MILL

There is a standard SOP prepared for the whole UP Estates and Mills. SOP latest revised on December 2016. SOP covered all aspects of Mill Operation and 16 SOPs were listed with additional SOP developed specially for Biogas Plant. The SOP copy is available in the Mill office and observed implemented accordingly.

UIE ESTATES

Standard SOP prepared for all UPB operating Mills and Estates covering all aspects of estate operation. Prepared in English language, transmitted through training to management, field staff and finally to workers. Monitoring was recorded in estate operation activities such as spraying, manuring, IPM.

Indicator 4.1.2
UIE MILL

SOPs implementation was monitored daily at all process level. Regular compliance audit was performed. Record of monitoring and corrective action were kept accordingly.

UIE ESTATES

Consistency of SOPs implementation was monitored through daily activity and processes. Compliance audit was performed by internal group. Monitoring record included corrective action.

Indicator 4.1.3
UIE MILL

Monitoring and corrective action started with memos. Any non-compliance was corrected through warning records and continuous improvement.

UIE ESTATES

Performance was measured by warning and action plan.

Indicator 4.1.4
UIE MILL & UIE ESTATES

The Mill takes FFB from its own supply base of Certified FFB and carries IP. It also takes small portion of small holders FFB (3 small holders) and follows SOP outlines in various steps. The third party intake stop on 1st May 2017.

Status: Full Compliance

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
UIE MILL & UIE ESTATES

All UP estates were using SOP Manual No. 8 related to manuring in mature and immature fields. Fertilizer recommendation was provided by R&D department and inputs was monitored fertilizers application record.

Indicator 4.2.2
UIE MILL & UIE ESTATES

Fertilizers input was maintained by each estates and adhere to UPRD recommendation.

Indicator 4.2.3
UIE MILL & UIE ESTATES

There was records of fertilizers input including nutrient recycle.

Indicator 4.2.4
UIE MILL & UIE ESTATES

Nutrient recycle programme was established and involved EFB mulching and effluent land application. Fields visit confirmed implemented at 24A (EFB) and 82B (furrows effluent application).

Status: Full Compliance

4.3
Practices minimize and control erosion and degradation of soils.
Indicator 4.3.1
UIE MILL & UIE ESTATES

The UIE estates has all the three fragile soil:- Acid sulphate (Sedu series) about 1,476 ha. Shallow peat series (Penor series) about 1,378 ha. Deep peat (Gondang & Erong series) about 2440 ha and sandy soil (Rudua series) about 209 ha. The map was available in geo reference.

Indicator 4.3.2
UIE MILL & UIE ESTATES

SOP 4.7 describing about Acid sulphate soil cultivation management where water table should always be maintained above acid sulphate layers, constructed collection drain. Water must be flushed out to remove the acidic water. No terracing applicable in UIE estate.

Indicator 4.3.3
UIE MILL & UIE ESTATES

UIE estate has road maintenance programme as well as rail revamping. Proper budget was allocated and implementations were recorded.

Indicator 4.3.4
UIE MILL & UIE ESTATES

UPB has SOP on peat subsidence management. Subsidence monitoring was done annually since 2008. Water management was implemented.

Indicator 4.3.5
UIE MILL & UIE ESTATES

Drainability assessment was conducted in 2016 by UPRD. It was recommended field drain intensity of 1:4 rows of OP. This has proven to be efficient for water management in peat soil (maintain 160 OP per ha).UIE has flood risk map and provided with 4 water gates in northern BRUAS River. ! Water gate at south of Anak Machang River.

Indicator 4.3.6
UIE MILL & UIE ESTATES

There were a revision on SOP 4.6 & 4.7 relating to sandy soil and acid sulphate cultivation management. EFB mulching is recommended by UPRD.

Status: Full Compliance	
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4.4
Practices maintain the quality and availability of surface and ground water.
Indicator 4.4.1

There is a mill rainfall data available from the estate from January 2016 – December 2016 with the highest rainfall recorded is on May and December and the latest update of data from JAN 2017 – MARCH 2017: [252.2; 137.0; 211.2]. Water sources identification is from the lagoon at the nearby mill usage for the mill operation and the water usage for domestic and workers housing is from Jabatan Bekalan Air Perak (government water). The water sources is from 2 river: Sungai Bruas, (3 Canal flowing into) Sungai Perak and Sungai Anak Machang (1 canal) flowing out from the river. For the domestic water usage is RM 15.00 per person as a limit which is equivalent to 33m³ to curb the wastage. The ground water contamination has been reduced by planting trees surrounding the lagoon and at the estate the water has been channeled out from the estate through the canal to Sungai Bruas and Sungai Anak Machang. Standard operating procedure for the water management plan issued date on 10th December 2017. There is available action plan by recording rainfall data by using rain gauge data and water controlling at the estate has been made by Watergates, water pumps control, and flap gates installation.

Indicator 4.4.2

During the audit there is a map identifying the wetland and watercourses in the estate that has been protected by riparian and buffer zone. The company has developed the SOP of buffer zone protection ‘: prior to any new clearings / replant demarcate width of the river reserves , the demarcated zone should not be cleared and its natural vegetation should be encouraged to grow’. The SOP also Ensure no infringements into the river reserves with appropriate vegetation is encouraged. Based on the field audit verification, the company has implemented the SOP and monitoring has been regularly by the mandore in charge. There is also signboard of no spraying, no fishing and no swimming made available at the estate. There is also a record of maintenance buffer zone along the river demarcated and has been marked on the map. The SOP made is following the regulation of Malaysian river buffer Malaysian regulation revised 1986.

Indicator 4.4.3 & 4.4.4

There is sighted a mill effluent treatment in place. The company had implemented biogas plant at the mill and there is 4 pond available at the mill (1 Cooling pond, 1 aerobic pond and 2 anaerobic pond). The result of water discharge quality was taken on march 2017 at the mill , pond no 4 and result of BOD is only 127 which is far below from regulation (5000). The effluent treatment has been made in place from cooling pond to the anaerobic pond, biogas plant, aerobic pond and furrow irrigation system (land application) . Mill water usage per FFB has been recorded FY 2017 which shows amount of water used for process, domestic, annual and budgetted. Processed water used per tonne FFB are average 2016 1.37m³ and the highest recorded is on 1.48m³ per tonne FFB and lowest is 1.28m³.

Status: Full 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
UIE MILL & UIE ESTATES

UIE has carried out IPM management system including early warning system. Census was done to detect existence of pest. Control was done both by Biological control and chemical control such as for Rat – BOB, bagworm – planting beneficial plants and monocrotophos injection.

Indicator 4.5.2
UIE MILL & UIE ESTATES

There were IPM training records available. Training ranges from management team and IPM workers.

Status: Full Compliance	
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4.6
Agrochemicals are used in a way that does not endanger health or the environment.
Indicator 4.6.1
UIE MILL & UIE ESTATES

SOP Section 11 is a standard procedures used in UPB estates about safe used of chemical. Each pesticides used was in accordance to the target species. All chemical used were registered with MPOB. Field observation sprayers were using BASTA for circle spray.

Indicator 4.6.2
UIE MILL & UIE ESTATES

UIE estate used chemical to control weed with 3 rotations in a year. Weeds control was performed selectively according to the field condition. Reduction of chemical used was observed. However in 2017 the trend was increasing due to immature field upkeep.

Indicator 4.6.3
UIE MILL & UIE ESTATES

Paraquat was banned in 2009. The only Class 1B chemical used was monocrotophos. The rest adhere to Rotterdam Convention declaration.

Indicator 4.6.4
UIE MILL & UIE ESTATES

UIE has a complete list of chemical that followed WHO Class 1A and 1B. Paraquat used was banned in 2008.

Indicator 4.6.5
UIE MILL & UIE ESTATES

SOP Section 11 is used in managing safe Used of pesticides. Interviewed in the filed observed that workers have the chemical handling knowledge and have undergone proper training.

Indicator 4.6.6

The company had provide a SOP based on 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. The pesticide had been stored according to the best practices, including Colour coding, Class (I,ii,,iii,iv) and properly stacking and the store ventilation has been made available. There is an evidence show that the empty containers are properly stored at the centralized Chemical Storage Area. Sighted there Is a store of triple rise container available at the UIE chemical store that has been tripled rinsed and punctured. During the field audit, there is no evidence of chemical container being disposed of and make use for other purposes.

Indicator 4.6.7
UIE MILL & UIE ESTATES

Works instruction for pesticides application was contained in HIRARC and every activity has its own procedures. HIRARC training was available.

Indicator 4.6.8
UIE MILL & UIE ESTATES

By records, aerial spray was conducted in 2015 for zinc sulphate application. This activity was to improve foliar intake in peat area.

Indicator 4.6.9
UIE MILL & UIE ESTATES

Workers who handle pesticides were given appropriate training. Interviewed in field proved that workers understood the handling procedures.

Indicator 4.6.10
UIE MILL & UIE ESTATES

There is a standard SOP for handling chemical containers (Section 11). Proper training was provided to chemical mixing and triple rinse. Inventory of chemical containers was available and disposal record was kept.

Indicator 4.6.11
UIE MILL & UIE ESTATES

Sprayers: 84

All pass the CHOLINESTERASE test.

All pesticides operators have undergone Annual Medical Examination and Occupational Medical surveillance. Latest conducted 9 March 2017. All have passed the CHOLINESTERASE test.

Indicator 4.6.12
UIE MILL & UIE ESTATES

No lady sprayers. Store Clerk for plantation store is single lady.

Status: Full Compliance

4.7

An occupational health and safety plan is documented, effectively communicated and implemented.

Indicator 4.7.1
UIE MILL & UIE ESTATES

Occupational Safety and Health Policy was available and properly cover estates and Mill operation. It was signed by CED Dato' Carl Bek- Nielsen. The Policy is available in English, Malay, Tamil and Bangaladeshi. The Policy cover continual effort in accident prevention by conducting Hazard Identification, Risk assessment and HIRARC. Proper training was provided at all levels.

Indicator 4.7.2
UIE MILL & UIE ESTATES

The Health and safety Plan was prepared for the Estate and Safety Performance Percentage report is to monitor accident case. The plan was discussed in OSHA Committee meeting.

Indicator 4.7.3
UIE MILL & UIE ESTATES

HIRARC was implemented in the estate and cover all aspect of activities. Proper training records were observed. There is small amendment on harvesting SOP where safety helmet is not use.

Indicator 4.7.4
UIE MILL & UIE ESTATES

The OSH committee was established. Several operation control defined with relevant procedures. Overall implementation of operation procedures was satisfactory with proper training provided.

Indicator 4.7.5
UIE MILL & UIE ESTATES

There is SOP for Emergency Response Plan established in UIE Estate. The ERP cover fire and chemical spillage. UIE send workers for training at UNITATA Berhad. No accident was recorded in 2017 to-date.

Indicator 4.7.6
UIE MILL & UIE ESTATES

Medical Insurance was provided to all workers and evidence of validity. Clinic facility is available. No accident recorded to-date in 2017. Submission of OSHA report to DOSH was done and complied with legal requirement.

Indicator 4.7.7
UIE MILL & UIE ESTATES

Occupational injuries recorded using LTA metric. A total of 7 accident cases reported in 2016.

Status: Full Compliance

4.8

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

Indicator 4.8.1

There is a list of staff, workers and contract workers is maintained by the UIE Estate. UIE has established an annual training plan for 2017. Annual training for RSPO P&C training stated in the UIE (M) Sdn Bhd OSHA Training Programme 2017. Latest minutes of meeting for UIE (M) on RSPO meeting is on 16th January 2017 on workers and contractor and 21 February 2017 for Executive and Staff.

Indicator 4.8.2

According to the available document According to the available documents, there is a training record of each workers and staff which include social, environmental and operation aspect. The record of each person is properly kept and maintained throughout the year of operation based on their name and nos. of training they have been through. 5 workers from different countries were interviewed during the ground verification.

Status: Full 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 5.1.2

The company had conducted the Environment Risk Assessment 2017 revised on 21st March 2017 and meeting has related to the assessment has been made on the same day at the mill and estate after the stakeholder consultation meeting. The company had the environmental assessment covering the mill railways, estate roads and mill processing activities including boiler operation, sterilizer operation, pressing station, lifting crane station, water treatment plant, effluent treatment plant, biogas plant, 'vorsep station' and engine room plant. The management of mill effluent treatment plant also has been revised with score Of $14.4 < 16$ and its effect to the workers and environment is negligible score. The company also had taken into account the covering natural vegetation into the environmental risk assessment which include establishing the buffer zone according to Department of irrigation regulations and reducing usage of pesticide by using mechanical mowers. Legumes cover crop (LCC) had also been planted along the drain edges to reduce the erosion and kept the soil moisture. Environmental risk assessment action plan at the estate were include nursery activities, replanting activities, weeding activities, pruning activities, circle sanitation, EFB mulching, road paths and railways, boundary monitoring, oil palm pest and disease, UIE main drain, domestic waste and landfill at division 2B.

Indicator 5.1.2 & 5.1.3

There is sighted environmental management plan in place at the estate and mill. The responsible person has been identified which is Mr Azmir (assistant engineer for UIE mill) and Mr Sukrn (Assistant Manager of UIE estate) . The mitigation measures of impacts has been taking care of current potential activities as per environmental action plan and environmental review plan of the estate and mill. As per example operation of replanting activities , method to reduce impact are quick establishment of LCC, control adjoining waterways along this replant, two years before replanting only do the circle weeding and let the woodies growth. There is a timetable for change of any changes in current practices occurred and it will referred to SQP Environmental risk assessment changes, evaluation criteria chart and the SQP result will change as per practices in the estate change. There is monitoring has been done at the estate that covering all the aspect of plantation management and mill operation. The plan has been reviewed every year and based on the document verification, the plan has been reviewed on 21st March 2017 that include verification by the estate and mill manager. The revision of plan has been done comprising, manager, staff, assistant manager, mandore, general workers, field workers and feedback from the stakeholder consultation.

Status: Full Compliance

5.2

The status of rare, threatened or endangered species and other 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 operations managed to best ensure that they are maintained and/or enhanced.

Indicator 5.2.1

The initial complex level HCV 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 not found any HCV habitats, such as rare and threatened ecosystems, however there are Self-Created Conservation within estate perimeter.

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. To date over 20,000 trees comprising 48 families and several hundred species. Some trees have commenced seeding and selective germination and sowing have commenced in the nursery.

The saplings will gradually be distributed to the sister estates within UP for enrichments. Enrichment has commenced at Anak Sg. Macham 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. The current flora and fauna encourage flourishing.

7 species of mammals, 2 species of reptiles, 8 species dragonflies, and 80 species of birds have been identified in the HCV report. And the habitats is Riparian Reserve / Buffer Zone ± 540 dm (sungai Anak macang), Jungle Map (Tan Sri Bek Nielsen Sanctuary) ± 91 Ha, Lagoon Nature Reserved for Malaysian Tree Species ± 7 Ha, Bukit Kecil ± 12 Ha, and Head Office Tree Park ± 12 Ha. The HCV assessment is performed by the qualified ALS assessor Dr Reza from wild asia.

Based on the ground verification, the auditor found out that there is a lot of birds and biodiversity at the jungle tress arboretum. A tremendous effort has been done by the UIE Estate Group Manager.

Indicator 5.2.2 & 5.2.3

There is no HCV areas connected, corridors are conserved. During field visit, the audit team witness signage on how the management control any illegal or inappropriate hunting, fishing or collecting activities. There is no periodic monitoring of RTE, due to the conservation is self-declared. The self-declared conservation area have been monitored in annually basis. Sighted the monitoring book of conservation area. Latest in on 2017.

Awareness programs have been done to stakeholders and school children's but on low key to avoid unnecessary attention to opportunistic poachers. To date the riparian are intact and on maturity of the saplings of jungle trees at UIE nursery further enrichment will be done.

Indicator 5.2.4 & 5.2.5

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 analyzed further and the discovered RTE will be mapped out. No rights of local communities are applicable as UIE acquired this land from the state government.

Status: Full Compliance

5.3

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

Indicator 5.3.1

During the field and document verification at UIE estate and mill, the company had a list of registry of waste produced and being updated every month entitle master list Business Unit UIE (M) Sdn Bhd , type of waste products and method disposal. The registry list of waste including chemical drums, calcium carbonate rags, scrap iron, spent lube oil, liquid pome, dried decanter solids, sludge oil, domestic oil, palm fiber, palm shell EFB mulching and boiler ash. The waste type from the estate including domestic waste, scrap iron, rags, empty container (triple rinsed and punctured) with total of 8 pieces of 20 litres drums and 4 pieces of 15 litre container) has been sold of to the recycler (Manjung Recycler enterprise). The company had also produced a list of pollution sources same with the type of waste product and method disposal. Both estate and mill had shared the same store (centralized store) and the company had identified the scheduled waste at the both estate and mill [SW 305 : Spent Lubricating Oil, SW 409 : Disposed container, bags or equipment contaminated with chemical, pesticides, mineral oil or scheduled waste, SW 410 : Rags, plastic, papers or filters contaminated with scheduled wastes]

Indicator 5.3.2

Based on the verification on field, the company had also kept the chemical inventory at the mill and used on site. The company had disposed of the scheduled waste to the registered collector (SP Metro (M) Sdn Bhd) and last date of disposal on 18th March 2017. Sighthed that SP Metro had also renewed the license from Department of Environmental until 30th April 2018. The company disposed 2 types of wastes: SW 3025: o.35 MT, SW 0.00007 MT and SW 410 : 0.076 MT) . The company also had send the empty drums container (tripled rinsed and punctured) to the recycler (Envirogreen Plas at Setiawan Perak) last consignment note dated 18th May 2017 totaling 790Kgs). The company had also recycling several material segregated from the composting area comprising polybags, plastic bottle, fertilizer bags and rubber shoe.

The waste management and disposal plan has been in place in the estate and mill. The management and documentation has been done including EFB application from the UIE mill to UIE Estate, EFB mulching and furrow irrigation (land application) for the effluent from the mill pond. There is several method has been done on site to reduce the waste and pollution including :

- i) Pesticide reducing – increase area for lawn mowing
- ii) Fertiliser bag usage – fertiliser bag used as weirs bag for water management
- iii) Used polybags – sol to waster manager
- iv) EFB usage – maximising the fields hectares covered and reduce the usage of inorganic fertilizers
- v) POME – continuous monitoring on zero discharge to water course
- vi) Boiler ash- road patching and field rentices for oil palms on peat /low lying areas
- vii) Hospital syringes – maintain good record and on safety performance by reducing number of accident cases through HIRARC regularly training
- viii) Domestic waste – continuous segregation of waste
- ix) Used spend lubricants and spent filters :_servicing tractors regularly and ensure no leakages
- x) Promote use of buffalos for infield loading
- xi) Scrap metals – scraps sold to waste manager.

Indicator 5.3.3

The company had also improving the utilisation resources through the EFB mulching program as land application and usage of effluent from anaerobic pond for the biogas plant. The biogas plant captured the methane produced from the anaerobic pond and supplied to the biogas engine room for electricity generation. UIE mill had supplied to the national through the electricity produced with a rate of 0.42 cents per KW produced. Method of reduce reuse and recycle of waste has been done accordingly based on the field segregation of waste at the composting pit.



	Status: Full Compliance	
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5.4

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

Indicator 5.4.1

The company had a plan of used renewable energy as their second source of energy including introducing of biogas plant at the mill. The company had kept a record of monitoring biogas from January 2016 to December 2016. The plan has been implemented and the company had place a respected operator in charge of the biogas plant and biogas engine. The monitoring of records has been done daily and record form the mill has been monthly recorded. The usage of renewable energy per tonne FFB usage is 6.11 GJ for fiber and 5.07 GJ for shell, and 2726.29 for biogas plant. There is a record of fossil fuel for 2016 :

- i) Diesel / ton CPO = 12.42 litres
- ii) Petrol / ton CPO = 0.15 litres
- iii) Lubricant per ton CPO = 0.77 litres

The estimation of used fuel on site by contract workers and machinery also has been recorded on 2016 which is petrol 5859.00 litres, Lubricant oil is 31139 litre and diesel 493,745.00 litres.

	Status: Full Compliance	
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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 5.4.1 & 5.4.2

The company has a policy of zero burning and the policy has been set up by the UP management on 18th February 2008 approved by Dato Carl Bek Nielsen (Chief Executive Director) and has been circulated to all workers, staff and business unit. The company has set the SOP of replanting procedure as per documented on the estate. Based on the field observation the company had used a method of felling, chipping and shredding for replanting and record of hetaerae planted sighted at the estate. Based on the field audit and interview, it was known that the company had done zero- burning policy towards its entire operation. There is a replanting has been done accordingly based on the plan and the contractor appointed had used the mechanization process to replant the oil palm area.

	Status: Full Compliance	
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5.6

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

The company had identified and documented the significant pollutants from the estate and mill. The assessment of gaseous emission has been monitored and captured through the report of Life Cycle Assessment. United Plantation Berhad has embarked on a Carbon Footprint initiative and have conducted Life Cycle Assessments (LCA) by an international consultant. UPB has implemented a total of 4 projects under the Clean Development Mechanism (CDM) that have been registered under the UNFCCC. The Biogas plants installed at UIE mill was inspected. GHG emitted was calculated annually by a 3rd party to independently verify

the GHG savings achieved and the 3rd party report was sighted. UPB has set targets and implemented initiatives to reduce its carbon footprint per ton CPO produced. According to UPB annual report sighted, the projects implemented achieved 70% reduction in CO₂, and 80% reduction in CH₄ compared to pre-2006 levels. List of identified polluting activities has been recorded include the operation units as per documentation. Its include the usage of fertilizers at the estate, record of [ammonium chloride, ammonium nitrate, urea , fertilisers , Muriate of Potash, Kiserite, Agrobland, NPK, Borate] chemical usage at the estate [Cypermethrin, Benomyl, bentazone, Dimethoate, Glusofinate ammonium, Glyphoshate, Metsulforon-methyl, Diuron, Warfarin]. The Life cycle assessment report has been reported to RSPO personnel dated 3/4/2017

The company had gather all the data related to pollutant at the estate and converted into tCO₂e unit. 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) As for UIE mill and estate, the data as per details :

Estate	UIE (tCO₂e)
Field Emission (N ₂ O)	12,925.00
Field Emission, CO ₂ from peat	42,063.00
Fuels	5,929.00
Production of fertilizers	9,866.00
FFB from out growers	12,827.00
Land Conversion	0
Crop Sequestration	0
Nature Conservation	-834
Oil Mill	
POME	3,839.00
Fuels	176.00
Exported Electricity	-1,411.00
Exported shells	0
GHG Emissions per CPO	
Total	85,379.00

The result sighted was significantly low compared to last year GHG emission per CPO output which is on 2016 119,931.00 tCO₂e. Based on the data sighted the nature conservation had reduced the GHG emission significantly through biogas/methane production and transferred to engine room plant for electricity generation. The treatment methodology of POME recording has been recorded and the license of POME for land application has been sighted.

The system of monitoring the GHG gas from estate and mill operation has been made in place by recording usage of pesticides, herbicides, chemical, diesel and petrol usage and waste generated from both mill and estate. Based on the data send to LCA assessment the company has recorded monthly data for 2016 and total of the waste generated has been made into master list before it send to the consultant. Record that been taken are :

- Records of empty fertilizer bags for UIE estate
- Records of empty chemical containers
- Records of POME produced
- Records of petrol and Diesel usage monthly
- Records of EFB produced an used at the estate
- Records of FFB production
- Records of electricity generated by the engine room plant

The tools using is methodology of Lice cycle assessment cradle to grave and the tools had been compared with Palm GHG calculator as per result detailed.

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 2017 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 on 21 March 2017, 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 21 March 2017 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 UIE Estate.

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) latest reviewed on 2017. 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 2017. 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 UIE Estate.

Indicator 6.1.4 & 6.1.5

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. Latest on 28 March 2016. 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 on 21 March 2017. 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 UIE estate.

Status: Full Compliance

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 Company SOP was made available through the FPIC process "ref: SOP issued on 11 March 2013 rev; 16 August 2016.

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, India and Indonesian) and local workers there are aware with the SOP and know how to launch a complaint.

Indicator 6.2.2

The nominated persons for UIE Estate is Mr. Geoffrey Cooper (Group Manager) responsible for RSPO P& C. Mr Geoffrey Cooper is in charge of all complaint or grievance from the stakeholder, there is aware from the stakeholder meeting that been held in every year. The latest of stakeholder list is on 21 March 2017 and there is a clear list of internal and external stakeholder listed the affected parties for UIE Estate. There is a record of meeting of Internal / External Stakeholder Meeting on 21 march 2017 and the records of actions is documented in Social Risk Assessment (SRA).

Indicator 6.2.3

There is a clear list of internal and external stakeholder listed the affected parties for UIE Estate. The latest of stakeholder list is on 21 March 2017. There is a record of meeting of Internal / External Stakeholder Meeting on 21 march 2017. There is a registry of complaints book, the latest complaints is 28 March 2017 and the action been taken and been documented.

Status: Full Compliance

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; 6.3.2

The procedure for communication and consultation been established at UIE Estate (Grievance Redressal Procedure). The nominated persons for UIE Estate is Group Manager.

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. There is procedure and complaint and request book to record the complaint and action taken is recorded. The Manager, assistant manager and the clerk can assess the documentation of the process. The workers could reported a grievance to direct supervisor and also through of box of complaint that was installed in each unit. Based on field observation that shown of box of complaint was installed in each unit mill

and estate. And also based on interview with workers in mill and estate, that known the workers was understood these mechanism. 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.

During the recertification conducted the auditor team have interviewed with several stakeholders (6 mill workers, 10 harvesters, 8 spraying workers, 20 stakeholders during the stakeholders consultation, 6 manuring workers, 1 FFB loader, 2 Fertilizer loader) and all the stakeholders acknowledge about the dispute mechanism should be handle in timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.

In this assessment auditor team raised an observation regarding the certification unit has to ensure the whistleblower policy and mechanism to handle employment grievances, which respects anonymity and protects complainants to be informed to all the level of workers and contractors. **OFI.1**

Indicator 6.3.2.

All complainant will be recorded and action been taken to resolve the issue and being recorded in the complaint and request book. The complaint is dealt by the estate manager for the workers issues and gender committee member to resolve the sexual harassment issues.

6.3.1.	Status: Opportunity For Improvement. OFI.2
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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.
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Indicators 6.4.1; 6.4.2; & 6.4.3.

There is no negotiation occurred concerning compensation for loss of legal, customary or user rights, since the land is belongs to UP Berhard from early 1980. However the Group Manager for EHS is responsible to execute any compensation related works with the involvement from Board of directors and company secretary. Based on field observation that showed there is no community settlement surround of UIE plantation area, the distance from plantation area to community surround area was separated. During the stakeholder interview **on 22nd May 2017**, there were several stakeholders informed that there is no customary rights in the UIE operations area.

Status: Full 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.
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Indicator 6.5.1

Based on list of UIE worker on 2017 there are 2 types of worker, there are C-roll and Contractor workers. Based on MAPA circular no 14/2016 on 5 may 2016 about minimum wages order 2016 known that minimum wages in peninsular Malaysia are RM 1000. This circular effective on 1 July 2016.

based on payment slip on April 2016 there are information e.g :

a. Abdul Manap Salary 1,353.60 (Indonesian)

b MD Kubad Miah MD Shamsul Mia 1,602.00, (Bangladesh)

c. Srinivasan Thangamani 1,739.00 (India)

Indicator 6.5.2

based on document contract of Abdul Karim there are information regarding duration of the contract, wages, working hours, piece rate, rest day, public holiday, annual leave, levy, medical and workmen compensation, Deductions, accommodation, sick leave, renewal of worker permit, air passages, repatriation, termination, restriction and termination of services, extension and outstanding

wages. The contract available in English languages, malay, tamil, Bengali, nepali, hindi version. Based on the interviewed the workers is understand about the contract matters. Pay and conditions provided in agreements (contract) is based on local regulation. Stated in item 5 workers will received the salary based on the tariff set by the Malaysia Agricultural Producers Association (M.A.P.A) and National Union of Plantation Workers (N.U.P.W). Latest salary for July 2016 is based on the average oil palm price announced by MPOB. Minimum wages is rm 1000. No cases recorded of breach by the company, or complaint made by employees against the company.

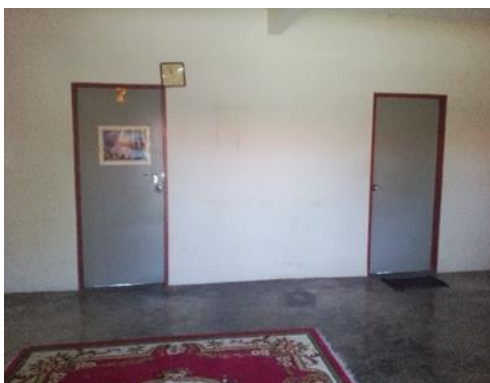
Indicator 6.5.3

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.

UIE Estate was providing 3 room's house for their workers. Electricity is subsidize for Rm 6.54 30 unit per workers. Source of electricity is by TNB. Water is subsidized for 5000 liter per person's sources from Lembaga Air Perak (LAP) There is a clinic in the UIE Estate and also there is UP Group Hospital and Teluk Intan Hospital. Estate workers are sending their children to government school. UIE Estate is provided a school bus.



Guest Workers Quarters



3 bedrooms

Indicator 6.5.4

9 primary schools and 7 kindergarten which are maintained by the UP providing education for more than 500 children ranging from 5 to 12 years. Bus subsidies for school above the age of 12 years are also provided for. A place of worship, group hospitals and clinics and old folks home to care for the aged and the homeless as well as a fully operational Danish bakery are also a part of UP care and commitment towards the wellbeing of its employees.

- in addition 42 scholarships were granted to children of UP employees enabling these students to pursue their tertiary studies

Status: Full 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 & 6.6.2

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.

The Guest Workers Union Meeting latest on 28 March 2017 25 workers were attended. 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 UIE 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 2017. The minutes of meeting are available at the management office of UIE Estate.

Status: Full Compliance

6.7

Children are not employed or exploited.

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 23 May 2017 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. UIE Estate is complied with the labor law and their human rights policy to not employed workers less than 16 years.

Status: Full Compliance

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 UIE Estate management treating them 5 workers were interviewed. There is no complaints against the company relating to this issues. There is a Grievance and Redressal procedure established at UIE Estate to handle the complaint lodged by the workers. Workers also can raise issues during the meeting. All record is keep by the HR department of UIE Estate.

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 Plantation Berhad. For foreign workers, the recruitment and selection are based on passing the medical fitness by FOMEMA.

Status: Full Compliance

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 & 6.9.2

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 2017 (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 UIE 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.

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.

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.

	Status: Full Compliance	
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6.10

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

Not applicable to UIE due to UIE mill not received and cooperate from smallholders and out-growers

	Status: Full Compliance	
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6.11

Growers and millers contribute to local sustainable development wherever appropriate.

The company was sighted an evidences of contributions to local development made by estate based on the result in consultation with local communities based on the stakeholder meeting and request letter. It can be concluded that there is an efforts to improve or maximize employment opportunities at the company for local communities.

in the year of 2016 there is an award for winner for the Best Corporate Responsibility Initiatives (CSR) category by the Edge Billion Ringgit Club (Below RM 10 billion market cap)

	Status: Full Compliance	
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6.12

No forms of forced or trafficked labour are used.

Indicator 6.12.1

Human right policy, 2014, UP will not tolerate the use of child or forced labour, slavery, or human trafficking in any UP plantation and facilities, UP are using the United Nations definition of "Child" as anyone who is less than 16 years old or superseded by local regulations above 16. UP will not tolerate the use of child or forced labour, slavery, or human trafficking in any UP plantation and facilities, UP are using the United Nations definition of "Child" as anyone who is less than 16 years old or superseded by local regulations above 16.

The recruitment process is though the licensed outsourcing agent's e.g (PT Mitra Solusi Integritas KEP 323 / 2012), the responsible person is Mr Hazizi for selecting / screening labuor suppliers. There is no restriction on workers to leaving the estate or housing facilities outside the working hours. If the workers want to terminate their contracts before theirs contracts expires workers have to borne the cost as stated on the contract document. In the event of employee having to return prematurely to country origin for whatsoever reason other than on medical grounds, the costs will be borne by the employees. There is a Safe

Keeping of Passport letter signed by the employee to agree management to keeping their passport.

Indicator 6.12.2 & 6.12.3

No evidence of contract substitution occurred based on the ground verification. Contract document at management unit been signed at the estate and witness by Manager / Assistant manager and the translator. There is available guest workers policy available at the estate and mill providing nondiscriminatory practices: "there will be no contract substitution". Induction and brief course training will be given during post-arrival orientation programme with emphasis on language, safety, labour laws, and cultural practices.

UP will ensure that all UP contractor's employs guest workers with valid work permits and all statutory payments and just wages are made timely. Based on the documentation and interviewed the workers is paid beyond the minimum wages.

Status: Full 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

A policy for human rights has been established in Human Rights Policy and Guest Workers Policy signed by Dato' Carl Bek-Nielsen, Chief Executive Director on 23 March 2013. The policy stated that no form of forced labour or trafficked labour are used, no difference is made between quest and local workers, all quest and local workers are in possession of a valid work permit in accordance with Malaysian Immigration Regulations, 1963 and all guest and local workers are covered under the purview of "Workers' Minimum Standards of Housing and Amenities Act 1990" all policies are Available and displayed at UIE Estate.

Status: Full 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.

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

Replanting program in UIE estate for second period was actively done since 2010.

Status: Full 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.

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

Replanting program in UIE estate for second period was actively done since 2010.

Status: Full 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.

There is no new planting or expansion by the UIE from November 2005 until the audit conducted.

There is only replanting activity at UIE Estate

United Plantations Bhd have send the "0" Liability Disclosure to RSPO Secretariat July 2015.		
	Status: Full Compliance	
7.4		
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
There is no new planting in area of United Plantation-Malaysia. Replanting program in UIE estate for second period was actively done since 2010.		
	Status: Full 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.		
There is no new planting in area of United Plantation-Malaysia. Replanting program in UIE estate for second period was actively done since 2010.		
	Status: Full 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.		
There is no new planting in area of United Plantation-Malaysia. Replanting program in UIE estate for second period was actively done since 2010.		
	Status: Full 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.		
There is no new planting in area of United Plantation-Malaysia. Replanting program in UIE estate for second period was actively done since 2010.		
	Status: Full Compliance	
7.8		
New plantation developments are designed to minimize net greenhouse gas emissions.		
There is no new planting in area of United Plantation-Malaysia. Replanting program in UIE estate for second period was actively 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.		
Indicator 8.1.1.		
Several continual improvement activities observed during audit:		
a) Operation of biogas plant since 2010.		
b) Biogas to Grid Project, 1.2MW.		
Continual improvement sighted at the estate include:		
<ul style="list-style-type: none"> Monitoring of GHG started in 2004, Report done annually, latest report done by LCA Consultant from Denmark and Forecasted 50% reduction by 2018 		

- Buffalo collection contributes effectively towards reduction of fossil fuel usage
- Mowing of harvester's 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 Mehcanizerd Harvesting for increases productivity & harvesting becomes less strenuous
- Kindergarten building, new school bus, and new ambulance
- They have own grown Malaysian Jungle tree species
- Replaced wooden railways sleepers with metal railways sleepers to reduce timber use.
- New guest workers quarters and new place of worship
- Fruit tree planting is increasing.

Status: Full Compliance

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	MODULE D – CPO MILLS: IDENTITY PRESERVED																																																
1	Definition																																																
1.1																																																	
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.																																																	
During the Recertification audit UIE mill have justified since 1 may 2017 no longer received FFB from other non-Certified sources and implement the Identity Preserved model for supply chain.																																																	
	Status: Full Compliance																																																
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.																																																	
During the Recertification, The UIE Mill is supplied by one own estate (UIE Estate). Based on data of certified products of CPO and PK, the actual tonnage produced on May 2016 until April 2017 are description on table below.																																																	
		<table><tr><th rowspan="2">UIE Estate</th><th rowspan="2">FFB (MT)</th><th colspan="2">CPO</th><th colspan="2">PK (MT)</th></tr><tr><th>OER (%)</th><th>Production (MT)</th><th>KER (%)</th><th>Production (MT)</th></tr><tr><td>Actual production</td><td>169,816.11</td><td>21.79</td><td>37,004.90</td><td>4.34</td><td>7,372.90</td></tr><tr><td>Projection</td><td>180,000</td><td>22.00</td><td>39,601</td><td>4.40</td><td>7,920</td></tr></table>				UIE Estate	FFB (MT)	CPO		PK (MT)		OER (%)	Production (MT)	KER (%)	Production (MT)	Actual production	169,816.11	21.79	37,004.90	4.34	7,372.90	Projection	180,000	22.00	39,601	4.40	7,920																						
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Projection	180,000	22.00	39,601	4.40	7,920																																												
	Status: Full Compliance																																																
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).																																																	
The UIE Palm Oil Mill has registered for RSPO <i>palm-Trace</i> with RSPO IT Platform member registration number RSPO_PO1000000243.																																																	
Certified CPO sold to each buyer period of August 2016 to April 2017																																																	
<table><tr><th>Date</th><th>Name of Buyer</th><th>Model</th><th>Volume</th></tr><tr><td>August 2016</td><td>UNITATA BERHAD</td><td>IP and SG</td><td>4,498.93</td></tr><tr><td>September 2016</td><td>UNITATA BERHAD</td><td>IP and SG</td><td>1,926.37</td></tr><tr><td>October 2016</td><td>UNITATA BERHAD</td><td>IP and SG</td><td>3,028.84</td></tr><tr><td>November 2016</td><td>UNITATA BERHAD</td><td>IP and SG</td><td>2,786.55</td></tr><tr><td>December 2016</td><td>UNITATA BERHAD</td><td>IP</td><td>3,901.48</td></tr><tr><td>January 2017</td><td>UNITATA BERHAD</td><td>IP</td><td>2,558.19</td></tr><tr><td>February 2017</td><td>UNITATA BERHAD</td><td>IP</td><td>1,913.24</td></tr><tr><td>March 2017</td><td>UNITATA BERHAD</td><td>IP</td><td>3,248.23</td></tr><tr><td>April 2017</td><td>UNITATA BERHAD</td><td>IP</td><td>2,878.38</td></tr><tr><td colspan="3">Total</td><td>26,740.21</td></tr></table>				Date	Name of Buyer	Model	Volume	August 2016	UNITATA BERHAD	IP and SG	4,498.93	September 2016	UNITATA BERHAD	IP and SG	1,926.37	October 2016	UNITATA BERHAD	IP and SG	3,028.84	November 2016	UNITATA BERHAD	IP and SG	2,786.55	December 2016	UNITATA BERHAD	IP	3,901.48	January 2017	UNITATA BERHAD	IP	2,558.19	February 2017	UNITATA BERHAD	IP	1,913.24	March 2017	UNITATA BERHAD	IP	3,248.23	April 2017	UNITATA BERHAD	IP	2,878.38	Total			26,740.21		
Date	Name of Buyer	Model	Volume																																														
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March 2017	UNITATA BERHAD	IP	3,248.23																																														
April 2017	UNITATA BERHAD	IP	2,878.38																																														
Total			26,740.21																																														
(Quantity are based on Palm-Trace announcement from August 2016-Apr'17)																																																	

Certified Palm Kernel sold to each buyer period of August 2016 to April 2017

Date	Name of Buyer	Model	Volume
August 2016	UNITATA BERHAD	IP sold as SG	545.62
September 2016	UNITATA BERHAD	IP sold as SG	801.18
October 2016	UNITATA BERHAD	IP sold as SG	519.73
November 2016	UNITATA BERHAD	IP sold as SG	405.40
December 2016	UNITATA BERHAD	IP sold as SG	636.40
January 2017	UNITATA BERHAD	IP sold as SG	439.16
February 2017	UNITATA BERHAD	IP sold as SG	540.91
March 2017	UNITATA BERHAD	IP sold as SG	832.41
April 2017	UNITATA BERHAD	IP sold as SG	937.80
Total			5,658.61

(Quantity are based on Palm-Trace announcement from August 2016-Apr'17)

Status: Full Compliance

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 UIE Palm Oil Mill – United Plantation has have work procedure as guideline to ensure the implementation for the entire required elements. The procedure consist of UIE Standard Operating Procedures On FFB Receiving, issued on 1 April 2016 (Revised Version) and UIE Standard Operating Procedures On Processing FFB, issued on 08 August 2015 (Revised on 1 December 2015). 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 Head of Oil Mill (Group Engineer, Senior Resident Engineer & Resident Engineer), Weighbridge Operator and Oil Mill Staff.

There was sighted of Supply Chain Certification System (SCCS) training by the company to related personnel in charge of FFB ramp, weight bridge and Mill compound on 10th May 2016. The documents were consist of Attendant list (10 Participant), Training material and picture of training process.

Based on field visit observation and interview with staff in FFB ramp and weight bridge (Guna Candran and Raymond) was showed the personal in charge was understood the mechanism to handle of supply chain system and aware if UIE Mill it has been RSPO certified.

The auditor team also interviewed with Laboratory Operator (Abhilash Krisnan) and had explained how the mechanism for separating CPO in tanks.

However, there was second revision of the RSPO Supply Chain procedure for the United Plantations an applied in every mill. Previously the SOP issued 17 October 2013.

Current SOP for Supply Chain was issued on **8 November 2016** which following with reference from RSPO Supply Chain Standard (21 November 2014).

Status: Full Compliance

3.2

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

Supporting document evidence:

- Instruction Letter from UIE Group Manager to outside crop (Huntly Estate, Arunamari Estate, VKK Estates Sdn Bhd) dated 27th March 2017 regarding the Termination of Processing Uncertified Crop that will effect since 1st May 2017 UIE POM will not be permitted to accept any further uncertified FFB.

- Instruction Letter from Chief Executive Director to UIE Group Manager dated 28th March 2017 regarding the UIE (M) will seize to process all outside crop.
- *FFB Received, CPO Production and Palm Kernel Production* document

During to the mill observation, the auditor team have interviewed with weighbridge operator) and sighted there were several documents have documented and separate dedicatedly:

- Weight Ticket
- Delivery Note
- Checklist for the Washed Tractor
- MPOB license

During the period of 21 August 2017 untuil 30 April 2017 the UIE mill takes FFB from its own supply bases of Certified FFB thus carries the IP (Identity Preserved).

Status: Full Compliance

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.

- **Certified and non-certified FFB received period of 21 August 2016 to 19 may 2017 (during the audit)**

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
From 21st August 2016	5,112.52	610.70	5,723.22
September 2016	14,625.81	1,599.81	16,225.62
October 2016	12,385.16	1,528.99	13,914.15
November 2016	13,054.67	1,602.10	14,656.77
December 2016	14,243.70	1,774.82	16,018.52
January 2017	11,415.98	1,523.00	12,938.98
February 2017	13,669.77	1,539.95	15,209.72
March 2017	19,860.10	2,032.44	21,892.54
April 2017	19,761.36	2,092.35	21,853.71
Until 19 May 2017	12,044.40	-	12,044.40
TOTAL	136,173.47	14,304.16	150,477.63

Status: Full Compliance

4.2

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

UIE 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 explain that The Oil Mill shall inform the Certification Body immediately if there is a projected overproduction.

- **Certified and non-certified CPO received period of 21 August 20016 to 19 May 2017 (recertification conducted)**

Month	CPO (MT)		
	RSPO Certified	Non Certified	Total
From 21st August 2016	1,201.45	117.09	1,318.54
September 2016	3,275.75	303.83	3,579.58
October 2016	2,927.47	290.33	3,217.80
November 2016	2,881.34	304.91	3,186.25
December 2016	3,138.12	337.39	3,475.51
January 2017	2,454.53	292.03	2,746.56
February 2017	2,810.88	294.02	3,104.90
March 2017	4,052.82	396.48	4,449.30
April 2017	4,259.65	400.02	4,659.67
Until 19 May 2017	2,486.29	-	2,486.29
TOTAL	29,488.30	2,736.10	32,224.40

- **Certified and non-certified PK received period of 21 August 20016 to 19 May 2017 (recertification conducted)**

Month	PK (MT)		
	RSPO Certified	Non Certified	Total
From 21st August 2016	224.23	32.43	256.66
September 2016	768.25	81.38	849.63
October 2016	562.90	80.61	643.51
November 2016	452.16	84.62	536.78
December 2016	642.38	93.69	736.07
January 2017	415.45	80.65	496.10
February 2017	613.57	81.14	694.71
March 2017	846.97	106.49	953.46
April 2017	921.03	110.35	1,031.38
Until 19 May 2017	508.02	0	508.02
TOTAL	5,954.96	751.36	6,706.32

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.

UIE 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 mill in three monthly basis.

UIE Mill

Month	Number		
	FFB	CPO	PK
Aug - Oct 2016	41,176.95	9,310.36	1,879.46
Nov 2016 – Jan 2017	38,714.35	8,473.99	1,509.99
Feb - Apr 2017	53,291.23	11,523.37	2,477.84

Status: Full Compliance
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.

UIE Mill have documented procedure to check the certified palm product of CPO and PK kept segregated during the storage and transport.

During the previous license period (21 August 2016 to 20 August 2017) four storages used for keeping the CPO and two storage for keeping the PK.

CPO.

Storage Tank-1 → Non-Certified tank

Storage Tank-2 → IP Certified dedicated tank

Storage Tank-3 → Non-Certified tank

Storage Tank-4 → IP Certified dedicated tank

PK.

Storage Tank 1 → Certified storage tank

Storage Tank 2 → Non-Certified storage tank

However during the Recertification audit, UIE Mill have planned the for only receiving the certified FFB and producing the certified CPO and PK.

Status: Full Compliance
6.2

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

Supporting document evidence:

- Instruction Letter from UIE Group Manager to outside crop (Huntly Estate, Arunamari Estate, VKK Estates Sdn Bhd) dated 27th March 2017 regarding the Termination of Processing Uncertified Crop that will effect since 1st May 2017 UIE POM will not be permitted to accept any further uncertified FFB.
- Instruction Letter from Chief Executive Director to UIE Group Manager dated 28th March 2017 regarding the UIE (M) will seize to process all outside crop.

Based on document verification shows UIE POM committed to received and processed certified FFB and 100 % was supplies from certified estates and not receiving from other non-certified sources..

The estate consist of (UIE estate). All of CPO and PK all is produced and dispatch are totally produced by own estate under manage by United Plantation Malaysia.

The CSPO and CSPK storage all the storage have kept segregated, and during the audit auditor team have sighted the CSPO transport truck have checked the cleanness by the mill security to ensure all the Certified product nit contaminated by non-certified product

Status: Full Compliance

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 √
Recert	United International Enterprise (UIE) Palm Oil Mill, United Plantation Berhad has had approval/permit the use of the certificate by Mutugung Lestari with CERTIFICATE CODE: MUTU-RSPO/067	√
	Status: Full Compliance	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or √
Recert	United International Enterprise (UIE) Mill does not use the logo both in the on-product and off-product.	√
	Status: Full Compliance	
3.	Implementation of Certificate and Logo is not used on product	X or √
Recert	United International Enterprise (UIE) Mill does not use the logo both in the on-product and off-product.	√
	Status: Full Compliance	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or √
Recert	United International Enterprise (UIE) Mill does not use the logo both in the on-product and off-product.	√
	Status: Full Compliance	

3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of United Plantation Bhd. against the rules for partial certification was determined through external assessment conducted by RSPO Accredited Certification Body in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

United Plantation Bhd Time Bound Plan (TBP) is explained in point 1.10. United Plantation Bhd has informed the TBP progress, MUTU has considered that United Plantation Bhd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by United Plantation Bhd on July 2016.

MUTU has verified partial certification for un-certified unit's subsidiary of United Plantation Bhd based on their Time Bound Plan. There is one (1) uncertified mills and four (4) uncertified estates of United Plantations Bhd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that is not being resolved through an agreed process.

All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

Section	Requirement	Concerns to Discuss, if any
3.4.1.	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification There are external audit that has been conducted for all management units of:</p> <ul style="list-style-type: none"> - Lada POM – PT Surya Sawit Sejati - UIE POM - Jendarata POM - Ulu Bernam POM - Ulu Basir POM <p>And positive assurance is produced for these units.</p>
3.4.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>United Plantation Bhd has submitted liability disclosure to RSPO.</p> <p>All three certification units of Ulu Bernam POM, Ulu Basir POM, Jendarata POM and UIE POM have no liability.</p> <p>For Lada POM: 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</p>

		<p>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</p> <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
3.4.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1st January 2010</p> <p>Auditor verification United Plantation Bhd has sent their LUCA and process their RACP liability. There is no liability applied for units in Malaysia.</p> <p>However, there is liability applied for Lada POM – PT Surya Sawit Sejati, certification unit is located in Central Kalimantan, Indonesia. The company has showed evidence on RACP process for the unit. At current, the compensation process has been sent to RSPO Secretariat but no approval yet.</p>
3.4.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p>Auditor verification 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 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>
3.4.5	Any Labour disputes are being resolved through a	There is no labor disputes.

	mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Auditor verification</p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <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</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>
3.4.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is process for land legality.</p> <p>Auditor verification</p> <p>PT Surya Sawit Sejati</p> <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.</p> <p>A system used for tracking any changes in laws and regulations was set-up through procedure No: SOP-HRD-017-R00. SSS has conducted internal audit for legal compliance and explained the process for evaluate the compliance of regulation.</p>

3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations Re-Certification Assessment

NCR No. :		Issued by :	
Date Issued :		Time Limit :	
NC Grade :		Date of Closing :	
Standard Ref. & Requirement :			
Non-Conformance Description & Evidence observed:			
During the re-certification assessment conducted, there was no non-conformity raised.			
Root Cause Analysis:			
Correction:			
Corrective Action:			
Assessor Evaluation and Conclusion:			
Verified by :			

3.5.2. Opportunity for Improvement (OFI)

No	Ref. Std.	Description
1	2.1.1	Completing the process of UIE mill to obtain Fire Certificate.
2	6.3.1	Improvement to ensure the whistleblower policy and mechanism to handle employment grievances, which respects anonymity and protects complainants to be informed to all the level of workers and contractors.



3.5.3. Noteworthy Positive Components

No	Description
1	Well cooperate personnel's with various expertise
2	Well prepared documentation and records
3	Well organize 'Composting Area' that having recycling area
4	Positive effort commitment to enrich the Biodiversity through self-declaration Conservation of Kingham / Cooper Sanctuary
5	Implementation of Biogas Engine Plant (Green Energy) supplying electricity to National Grid TNB

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

During the Stakeholders consultation held there were 20 participant attend.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Respondent No. 1 (Village Leader of Kampung 40 Rantai)</p> <p>The village leader thanking the management of the cooperation given to former village leader. The village leader had asked the management regarding the percentage of local people / local villagers that working in UIE estate and mill as he seen there is no advertisement available at the estate. Hence he suggested the information such as vacancy at the estate and mill to be made locally available at the entrance and to the villagers nearby. He did also asking the difficulty to reach the estate / mill manager due to the strict enforcement by the auxiliary police.</p>	<p>The village leader is newly appointed in May 2017 and still not familiar with UIE management. However the management have given contact no should he need assistance and for further clarification. The management had informed the village leader verbally regarding the percentage of local workers in UIE and if any vacancy available , the management will contact him directly.</p>
<p>Respondent no. 2 (Police Department – Government)</p> <p>The company had a good cooperation with police station at Pantai Remis Perak. The police officer had suggested the management to check the motorcycle that had been used by the workers at the estate. There is total 26 motorcycles that have been detained at Police Station used by the workers illegally without any permit. The police officer also thanks the management regarding their close cooperation with police officer of Pantai Remis.</p>	<p>The company thanking the respondent and the cases had already been resolved by the company and police department Pantai Remis. The company will ensure the workers buy a license with grant motorcycle and not to trust the outside buyers that selling the motorcycle with a very cheap price. The company had also give a full cooperation to the police department regarding any issues occurred in the estate</p>
<p>Respondent no. 3 (Workers Representative)</p> <p>The workers thanks the management regarding their welfare and concern about workers health and housing. The company had given the workers suitable PPE for working and the salary has been given on time transferring to ATM machine available at the estate. The workers also encourage their colleague to work had for the company as the company has been taking care of them very well in various aspect.</p>	<p>The company had given a full cooperation and support towards any constructive response and feedback from smallholders. The new ATM machine also had been provided to made the workers easier to draw the money and more secure.</p>
<p>Workers representative (Indonesia, Bangladesh, India).</p> <p>There were no negative issues raised during the stakeholders consultation. UIE human resources is well manage to the foreign workers:</p> <p>There was no trafficked labour issue, well paid according to the laws, no force labour issue, the workers facilities and amenities are well provided by the certification unit.</p>	<p>The management had thanked the representative from Bangladesh, Indonesia and India for working very hard in UPB. UP will always adhere to the law and regulation of the Malaysian government.</p>
<p>There was no feed-back received from NGO.</p>	<p>No issues raised</p>

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-around; align-items: flex-end;"> <div style="text-align: center;"> <p>United Plantation Berhad Group Manager HR & ESH</p>  <p><u>C. Mathews</u> June 26th, 2017</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>OCTO H.P.N. NAINGGOLAN</u> June 26th, 2017</p> </div> </div>

Appendix1. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/NGO/Community	Address	Phone/Email	Form of Commun ication	Date of Contact	Response	
						Yes	No
	Internal Stakeholders						
	2 Gender Committee representative	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	1 Hospital Assisstant	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	6 male mill workers	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	6 female estate office staff	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	10 harvesters	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	8 male spraying workers	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	6 female manuring workers	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	1 FFB loader worker	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	2 fertilizer loader	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	2 Community Storekeeper	UIE Estate Pantai Remis	-	FGD	22 May 2017		√
	Nepali representative	Pantai Remis Perak	012-45678353	Letter	21 st March 2017	√	
	Contractors						
	5 local contractors	Pantai Remis, Perak	-	FGD	22 May 2017		
	Government Department						
	1 PDRM			FGD	22 May 2017		√
	Bank Simpanan Nasional Pantai Remis	Pantai Remis Perak	05-6771292	FGD	22 May 2017	√	
	Balai Polis Pantai Remis	Pantai Remis Perak	05-6771222	FGD	22 May 2017		√
	Bomba Pantai Remis	Pantai Remis Perak	019-5201060	FGD	22 May 2017	√	
	RELA Pantai Remis	Pantai Remis Perak	016-5577815	FGD	22 May 2017	√	
	TNB Seri MAnjung	Sitiawan Manjung Perak	05-6882020	FGD	22 May 2017	√	
	Department Of Environmental Teluk Intan	Teluk Intan Perak	05-6214498	FGD	22 May 2017	√	
	Local Communities						
	Head of Kampong 40 rantai	Pantai Remis, Perak	-	FGD	22 May 2017	√	
	JKKP Ipoh	Ipoh Perak	05-2530629	FGD	22 May 2017		√
	Village leader Pengkalan Bharu	Pengkalan Bharu Perak	05-6775796	FGD	22 May 2017	√	
	Village leader Kg 40 Rantai	Pantai Remis Perak	019-51255215	FGD	22 May 2017	√	
	Village leader Kg Sg Batu	Pantai Remis Perak	016-5674987	FGD	22 May 2017		√
	Village Leader Kg Matang Aceh	Pantai Remis Perak	017-61234562	FGD	22 May 2017		√
	NGO & Others						
	UIE (M) Mini Market	UIE Estate Pantai Remis	016-5643777	FGD	22 May 2017	√	
	Maybank Pantai Remis	Pantai Remis Perak	056771446	FGD	22 May 2017	√	

Appendix 2. Assessment Program

DATE	22, 23, 27 May 2017	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Ahad / Sunday, 21 May 2017		
12.00 – 16.00	KUALA LUMPUR → Lodging / United Plantations Guest House, Jendarata, Teluk Intan, Perak	• ON / HR / EBN / NZ
Isnin / Monday, 22 May 2017		
09.00 - 09.30	Opening Meeting (at UIE meeting room) → heads of UIE estate and UIE Mill (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives, Transparency and Confidentiality Clarification and Audit Agenda Explanation)	• ON / HR / EBN / NZ
09.30 - 13.00	Field Observation UIE POM <ul style="list-style-type: none"> • Mill processing, WWTP, Land Application, Schedule Waste, Water Treatment Plant, Safety & Health • Worker Welfare and Interview (housing, payments, complaint mechanism, health clinic, clean water, etc..) • Supply Chain 	• NZ / EBN • HR • ON
13.00 – 14.00	BREAK	
14.00 - 15.30	Document Review <ul style="list-style-type: none"> • Review of Previous Visit Non-conformance • Collect Basic Information (Mill and Estates) • Clarification of Time Bound Plan Review of Partial Certification	• ON / HR / EHS / NZ
15.30 – 17.00	follow-up any outstanding audit issues	• ON / NZ
15.30 – 17.00	Internal & External Stakeholders Meeting (UIE Meeting Room) <ul style="list-style-type: none"> • Related Government Institutions & NGO • Nearest village and community leader • Worker representative 	• EHS / HR
17.00 – 17.30	Brief of Audit progress	• ON / HR / EHS / NZ
Selasa / Tuesday, 23 May 2017		
08.00 - 13.00	Field Observation UIE Estate A-Team <ul style="list-style-type: none"> • Legal Operational (Boundary Monitoring). • Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Land Application, Health and Safety Implementation) • Conservation area 	• ON • NZ • ON

DATE	22, 23, 27 May 2017	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	B-Team <ul style="list-style-type: none"> Worker Welfare (housing, payments, complaint mechanism, Safety and Health, Labour, health clinic, clean water, other facilities) Land Fire facilities Chemical Storage, Schedule Waste storage, ect.. 	<ul style="list-style-type: none"> EHS / HR EHS / HR EHS / HR
13.00 – 14.00	BREAK	
14.00 – 16.30	Document Review → UIE Mill & UIE estate <ul style="list-style-type: none"> Document Verification, Completion of Checklist for Mill & Estate follow-up any outstanding audit issues 	<ul style="list-style-type: none"> ON / HR / EHS / NZ
16.30 – 17.00	Brief of Audit progress	<ul style="list-style-type: none"> ON / HR / EHS / NZ
Sabtu / Saturday, 27 May 2017		
08.00 - 09.00	<ul style="list-style-type: none"> Audit finding discussion and preparation 	<ul style="list-style-type: none"> ON / HR / EHS / NZ
09.00 - 10.00	<ul style="list-style-type: none"> Closing Meeting (at UPRD) → UIE POM & UIE estate 	<ul style="list-style-type: none"> ON / HR / EHS / NZ
10.00 - 11.00	<ul style="list-style-type: none"> Closing Meeting (at UPRD) → JENDARATA POM, SERI PELANGI estate & JENDARATA estate 	<ul style="list-style-type: none"> ON / HR / EHS / NZ
12.00 -	United Plantation → KUALA LUMPUR	<ul style="list-style-type: none"> ON / HR / EHS / NZ