

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

☐ Stage-1 ☐ Stage-2 ☐ Surveillance ☒ Re-Certification

Name of Management Organisation : Ulu Bernam Palm Oil Mill subsidiary of United Plantations Bhd.

Plantation Name : Ulu Bernam Estate, Sungei Erong Estate and Sungei Chawang Estate

Location : Slim River, Perak Darul Ridzuan - Malaysia

Certificate Code : **MUTU-RSPO/097**

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, 6, 7 April 2017	Octo H.P.N. Nainggolan (Lead Auditor), Mahmud Firdaus, Ebnul Holdoon Shawal	Ganapathy Ramasamy	Octo HPN Nainggolan
Re-Cert	5, 6 & 9 June 2017	Oktovianus Rusmin, Mahaswaran Maliyapan, Ebnul Holdoon Shawal, Yap Ching Hung, Mohd Hairimi, Muhammad Rinaldi		

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

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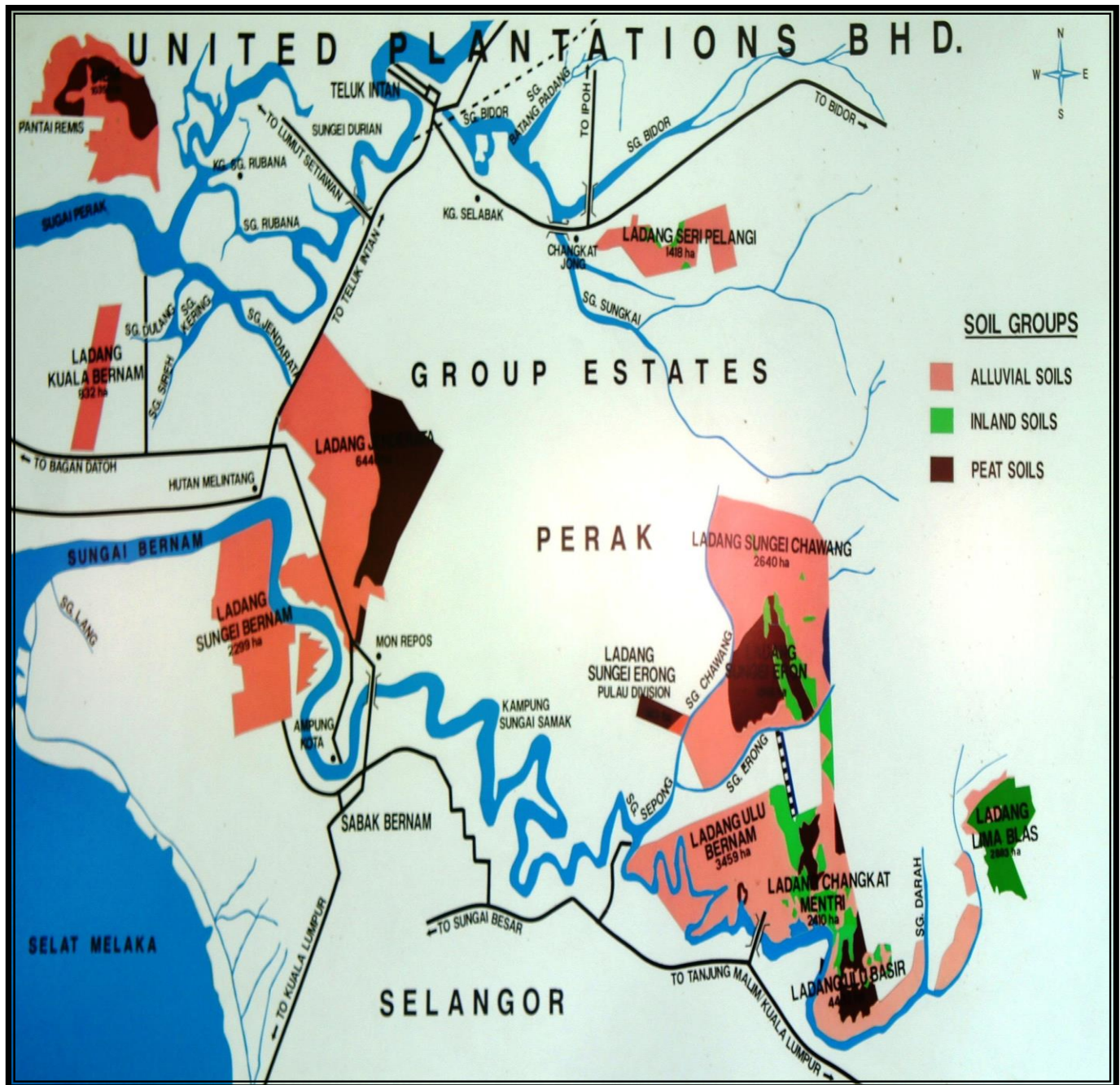
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Figure 1. Location Map of ULU BERNAM, United Plantations Bhd, Malaysia



Figure 2. Operational Map of ULU BERNAM, United Plantations Bhd, Malaysia



Abbreviations Used

ASA	:	Annual Surveillance Audit
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
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: Jendarata, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia	
1.2.4	Telephone	+605-6411411	
1.2.5	Fax	+605-6416220	
1.2.6	E-mail	cmm@unitedplantations.com	
1.2.7	Web page address	www.unitedplantations.com	
1.2.8	Management Representative who completed the application for certification	C. Mathews (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 supplied by 3 (three) oil palm estates	
1.3.2	Type of certificate	Single Date of Certificate validity was 21 August 2013 – 20 August 2018, The 2 rd cycle certificate issued by Control Union-Malaysia on 21 August 2013, transferred to PT Mutuagung Lestari on 21 August 2014.	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Ulu Bernam Mill	Up River Business Unit, 35800 Slim River, Perak, Malaysia	N 3° 44' 43"E 101° 08' 46"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Ulu Bernam Estate	Up River Business Unit, 35800 Slim River, Perak, Malaysia	N 3° 44' 46"E 101° 08' 56"
	Sungai Erong Estate	Upriver Business Unit, 36500 Ulu Bernam, Perak	N 3° 48' 13"E 101° 13' 18"

	Sungei Chawang Estate	Upriver Business Unit, 36500 Ulu Bernam, Perak	N 3° 50' 46"	E 101° 12' 50"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		Ha		
	• Community		10,142.47 Ha		
1.5.2	Area Statement				
	• Total area		10,142.47 Ha		
	• Mature area		8,228.60 Ha		
	• Immature area		1,442.11 Ha		
	• Mill		4.50 Ha		
	• Worker Quarters		61.00 Ha		
	• Infrastructure		191.40 Ha		
	• HCV		20.63 Ha		
	• Nursery		22.40 Ha		
	• New Mill (under construction)		53.13 Ha		
	• Land Clearing (Replanting)		118.70 Ha		
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		ULU BERNAM	SUNGEI ERONG	SUNGEI CHAWANG	Total
	1989	37.80			37.80
	1990	58.50			58.50
	1992	58.30			58.30
	1993	59.00			59.00
	1994	50.00			50.00
	1995	209.60			209.60
	1996	171.2			171.20
	1997	47.30			47.30
	1999	70.5			70.50
	2000		333.77		333.77
	2001		248.50	41.90	290.40
	2002	121.82	190.41		312.23
	2003	45.30		78.80	124.10
	2004	158.80	157.72	202.50	519.02
	2005	57.50	221.07	102.78	381.35
	2006	82.60	129.60	284.13	496.33
	2007	199.63	247.91	410.56	858.10
	2008		449.83	60.10	509.93

	2009	100.87	241.00	128.89	470.76	
	2010		479.60	203.45	683.05	
	2011			187.86	187.86	
	2012	185.43	490.00		675.43	
	2013		57.50	353.33	410.83	
	2014	280.88	170.10	762.26	1,213.24	
	2015	451.43			451.43	
	2016	425.27	82.60	423.42	931.29	
	2017	59.39			59.39	
	TOTAL	2,931.12	3,499.61	3,239.98	9,670.71	
1.6.2	New Planting area after January 2010		Ha			
1.6.3	Planting Cycle		3 rd Cycle			
1.7	Description of Mill and Supply Base					
1.7.1	Description of Mill					
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel	
				Out put (tonnes)	Extraction (%)	
				Out put (tonnes)	Extraction (%)	
	Ulu Bernam POM	40	180,156.88	37,687.30	20.92	
				8,098.00	4.49	
	<i>*Production data source from 12 months before assessment (June 2016 –May 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)
						%
	Ulu Bernam Estate	3,193.88	2,931.12	44,526.34	15.19	43,368.44
	Sungei Erong Estate	3,662.61	3,499.61	76,544.22	21.87	73,207.26
	Sungei Chawang Estate	3,285.98	3,239.98	65,312.35	20.16	62,659.33
	TOTAL	10,142.47	9,670.71	186,382.91	19.27	179,235.03
	<i>*Production data source from 12 months before assessment (June 2016 –May 2017)</i>					
1.7.3	FFB description from other source					
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill	
					FFB (tonnes/year)	
	Jenderata Estate (RSPO certified)	United Plantations Bhd.	-	5,620.80	74.12	
	Seri Pelangi Estate (RSPO certified)	United Plantations Bhd.	-	1,337.00	53.88	
	Ulu Basir Estate (RSPO certified)	United Plantations Bhd.	-	3,737.49	157.22	
	Changkat Menteri Estate (RSPO certified)	United Plantations Bhd.	-	2,363.50	208.63	
	Lima Blas Estate (RSPO certified)	United Plantations Bhd.	-	2,743.00	428.00	
	TOTAL				921.85	
	<i>*Source Production Data on 12 months before assessment(June 2016 –May 2017)</i>					

1.7.4	Product categories			FFB, CPO, PK				
1.8	Estimate Tonnage of Certified Product							
1.8.1	Product Type	Previous Certificate Claim 21 August 2016 to 20 August 2017 (tonnes/year)	Actual certified product 21 August 2016 to 20 May 2017 (tonnes/year)	Product Sold (period August 2016 to April 2017)				
				RSPO Certified	Other Scheme	Conventional		
	• FFB	170,231	149,961.84	-	-	-		
	• CPO	38,089	31,372.02	17,153.72	-	14,218.3		
	• Palm Kernel	9,348	6,733.29	6,265.42	-	467.87		
1.8.2	Estimate of Certified FFB Claim							
	Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Ulu Bernam Estate		3,193.88	3,049.82	48,979	16.06		
	Sungei Erong Estate		3,662.61	3,499.61	84,199	24.06		
	Sungei Chawang Estate		3,285.98	3,239.98	71,844	22.17		
	TOTAL		10,142.47	9,789.41	205,021	20.94		
<i>*Projected FFB production for 12 months of certificate</i>								
1.8.3	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Model
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Ulu Bernam POM	40	205,021	45,105	22.0	10,251	5.0	Identity Preserved
<i>*Projected CSPO and CSPK production for 12 months of certificate</i>								
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	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	738.86 ha (Division 1)	2017	Kotawaringin Barat District, Central Kalimantan	Planning November 2017		
		3,741.2 ha	2017	Planning				

			(Division 1 & 2)			November 2017
		Lada Estate	1,769.6 ha + 250.34 ha (Division 1 & 2)	2018		Planning November 2017
		Runtu Estate	2,916.83 ha (Division North & South)	2017		
			4,717.03 ha + 1,366.14 ha (Division North & South)	2018		
		Farmers own land and also new ijin for Plasma in Arut and Kumai Estate	49 ha (already SHM + agreement)	2017	Melawen Village and Lada Mandala Jaya Village, Pangkalan Lada SubDistrict -	2017
			132 ha (already SHM but must follow Pelepasan + agreement)	2019	Medang Sari Village, Sub-District Arut Selatan Other PLASMA	
			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		Recertification 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		Recertification 2017
Ulu Bernam POM	2008	Jendarata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Bernam Estate, Sungai Ering Estate,	2008	Teluk Intan, Perak Darul Ridzuan, Malaysia		Recertification 2017

			Sungai Chawang Estate, Changkat Mentri Estate, Lima Blas Estate			
	UIE POM	2008	UIE Estate	2008	Pantai Remis, Perak Darul Ridzuan, Malaysia	Recertification 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
RC	<p>1. Oktovianus Rusmin (Lead Auditor). Bachelor's Degree in Social & Political Sciences Department of Anthropology. The working experience, consist of: Coastal Project-Department of Anthropology in Indonesian University (Pilot Project of Mangrove Rehabilitation in coastal area of South Sulawesi) as Social Supervisor (1999-2001), Center of Anhtropology-Indonesian University (Research and Publication) as Researcher (2002 – 2014), The Forest Trust-Indonesia (Consultant of Sustainable Forest Management) as Social Advisor (2004 – 2010) and eForest Consultant (HCV Identification and Social Impact Assessment) as staff (2010 – 2011). Already participated in several training, consist of: Forest Management Auditor (FSC Standard), Environmental Management System ISO 14001, ISO 9001:2008, Conflict Resolution, Human Right, Verification System of Wood Legality, Training Lead Auditor of ISPO & RSPO Scheme. Had participate in Sustainable Forest Certification (Eco Labelling Indonesia Standard), Gap Analysis of FSC Standard. He was numerously involved in audit of sustainable palm oil certification since 2011 for Indonesian Sustainable Palm Oil (ISPO) and RSPO Scheme in Indonesia & Malaysia as Auditor and <i>Lead Auditor</i>. During this audit he has been assigned to verify the Land Rights, Conflict Resolution</p> <p>2. Mahaswaran Malipayan (Auditor) Malaysian citizen (Fluent in Local Language), More than 15 years working experience in various industries in Malaysia that covering the full spectrum of Quality and Environmental Management System. As certified Lead Auditor and being the Principle Consultant. He too has vast exposure and experience in Quality Environmental Management System as well the Occupational, Health and Safety auditing. He owns proven track records of auditing warios multinational companies both locally and internationally. In this assessment, He assessed on Legal Aspect, Long Term Business Plan, Conservation & SCCS</p> <p>3. Ebnu Holdoon Shawal (Auditor). Malaysian citizen (Fluent in Local Language) 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 since 2015. During this audit he has been assigned to verify the Transparencies and Environmental aspect.</p> <p>4. Yap Chin Hung (Auditor) Malaysian citizen (Fluent in Local Language) Graduate from University of Malaya with a Bachelor of Engineering (Honours) Degree in Manufacturing Engineering. He is a member of the Institute of Engineers, Malaysia. He had consulted and trained clients from various industries such as chemical, metal fabrication, engineering, electronics, manufacturing, fabrications, plastics, construction and trading in setting up and implementing the Management Systems based on ISO 9001, ISO 14001, ISO 13485, ISO 2200, HACCP, GMP, FSC and OHSAS 18001. Along his service as ISO consultant, he has assist more than 100 companies to obtain the ISO certification from various Certification Body. Yap is also the associate auditor for QE Certification, UK helping in carrying out 3rd party certification audit for ISO 9001, ISO 14001, and ISO 22000 & OHSAS 18001. During this audit he has been assigned to verify the Quality Management System, Waste Management, Safety and Health</p> <p>5. Mohd. Hairimi (Auditor) Malaysian citizen (Fluent in Local Language) 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). During this audit he has been assigned to verify the Social aspect & Worker Welfare</p> <p>6. Muhammad Rinaldi (Auditor). Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2009. He has attended training RSPO Lead Auditor, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, and training of ISO 14000, training of HCV identification, training of OHS management system, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare. During this audit he has been assigned to verify the of Best Agricultural Practices, Quality Management System and GHG.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment

ST-01	Number of auditors : 3 auditor Number of days for ST-01 at site : 2 days Number of working days for ST-01 at site : 6 Working days for auditor
RC	Number of auditors : 6 auditors Number of days for Re-certification at site: 3 days Number of working days for Re-certification at site: 18 Working days for auditor
2.2.2	Detail process of assessment
RC	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the United International Enterprise POM, UIE POM (United Plantation Berhad) to the requirements of <i>The Malaysian National Interpretation (MYNI)</i>, <i>RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production endorsed on 6th March 2015 and the RSPO Supply Chain Certification Systems (SCCS) endorsed on 21st November 2014 for CPO Mill</i>.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results Recertification delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase.</p> <p>Improvement of findings from main assessment 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.</p> <p>The assessment program please finds Appendix 2.</p>
2.2.3	Locations of Assessment
RC	<p>Ulu Bernam Mill</p> <ul style="list-style-type: none"> • Boiler room: Sufficient PPE observed. • Kernal Plant: Sufficient signage and PPE observed. • Scheduled Waste Store: Good scheduled waste storage observed with proper labeling. • Chemical Store: Proper chemical store observed. • Weighbridge, Verify on incoming FFB through cages, Interview weighbridge operator and Supervisor, Verified FFB tickets from respective divisions against weighbridge record • Storage tanks: Verified the dispatch area of CSPO and CSPKO • Mill Office: SCCS verification • Effluent treatment pond and furrow irrigation at Field 2,3,4 Ulu Bernam Mill, 4 Pond sighted and visited. 2 Pond not in use, for furrow irrigation the effluent extracted from Pond No. 2 and transferred by water pump to pipe Furrow no. 2, 3, 4 • Water Pump House: A proper water pump house available at the Ulu Bernam Mill. The water extracted from Bernam River and processed at the Bernam Mill. Sampling taken has been send to third party lab for inspection and testing. • Laboratory: Monitoring of water quality for domestic usage in Ulu Bernam and Ulu Basir Estate. Proper lab sighted and various test available. Water quality result for self testing sighted and recorded. • Composting pit: composting area was in good condition and well function <p>Ulu Bernam Estate</p> <ul style="list-style-type: none"> • Boundary Poles Check: sampling poles 1, 2, 3,4,5, 6,7 & 8 (all poles was maintained) • HCV Area at Field 18 (Cemetery, 0.6 Ha): there was any signboard was installed • Conservation area at Field 12 & Water Gate: there was any signboard and natural vegetation in river buffer zone • Chemical Store. Field observations related to condition in the chemical handling, signages, emergency equipment and MSDS. • Schedule Waste Store: Observations and interview towards waste handling, inventory, OHS implementation and emergency equipment. • Land Application: manage properly and

- Mixing area : Observations the waste handling, OHS implementation, PPE used and emergency equipment.
- Workshop: Observation and interviews with employees related to management of waste, training, provision of PPE, and emergency response facilities.
- Field 38: Observation and interview with harvester and supervisor (3 workers) discussing about foreign worker recruitment, worker status, worker rights, OSH implementation and implementation on company policy.
- Field 40: Observation and interview with fertilizer applicator (2 workers) about foreign worker recruitment, promotion, mutation, worker status, salary, OSH implementation, and socialization of company policy.
- Field 15 and Field 18 : Overview replanting activities related to biomass usage and zero burning policy.
- Field 44/45 : Overview replanting activities related to flooding area and beneficial plant.
- Field 60 : Interview with IPM worker (1 worker), discussing about OSH implementation, worker status, basic salary, training, Knowledge of pests & diseases procedures.
- Field 35.
 - Observation and Interview with pesticide operators (5 workers) discussing about OSH implementation, worker status, basic salary, training, procedure implementation, safe work procedure.
 - Observation about installation of Barn Owl Box
- Field Location 3/8: Harvester is interviewed about the grievance procedure, workers welfare and salary.
- Field Location 60: Harvester is interviewed about the grievance procedure, workers welfare and salary.
- Field Location 40: Manuring workers is interviewed about the grievance procedure, workers welfare and salary.
- Field Location 38: Sprayer workers is interviewed about the grievance procedure, workers welfare and salary.
- Workers Quarters: Good condition of housing and a new roof has been replaced at all quarters.
- Ulu Bernam Ferry Services: Free ferry service is provided to the workers and local communities.
- Masjid Jamek Ladang Ulu Bernam: Good condition of mosque.
- Ulu Bernam Group Hospital (Bernam River Ulu Group Hospital: Ulu Bernam Group hospital is providing services for the workers and also the local communities surrounding such as Sg Samak Estate and Village and also Orang Asli Sungai Erong.

Sungei Chawang Estate

- Boundary Poles Check: sampling poles 1, 10, 15 & 20, the area is flat and separate with canal (all poles was maintained)
- Field 24 : Verification on riparian and collection drain area
- Field 01 : Reserve land that border to estate that estate taken sufficient measures from being encroached
- Field 19: NB rentice area seen without oil palm planting and required warning sign available.
- Field 19 & 24: Replanting program done in 2016, seen the circle spray activities delayed due to manpower issue that relates to government's order of limiting foreign worker intake since 13/02/2017.
- Chemical Store. Field observations related to condition in the chemical handling, signages, emergency equipment and MSDS.
- Schedule Waste Store. Observations and interview towards waste handling, inventory, OHS implementation and emergency equipment.
- Mixing area. Observations the waste handling, OHS implementation, PPE used and emergency equipment.
- Field 11.
 - Observation and interview with harvester and supervisor (3 workers) discussing about foreign worker recruitment, worker status, worker rights, OSH implementation and implementation on company policy.
 - Observation about installation of Barn Owl Box
- Field 27. Observation and interview with fertilizer applicator (4 workers) about foreign worker recruitment, promotion, mutation, worker status, salary, OSH implementation, and socialization of company policy.
- Field 28. Observation about peat soil management, there is drainage and water level stick
- Field 19. Observation and Interview with pesticide operators (3 workers) discussing about OSH implementation, worker status, basic salary, training, procedure implementation, safe work procedure.
- Pesticide Spraying Activity: Sprayer interviewed and found understand with OSH requirements. Sufficient PPE observed.
- Fertilizing Activity: Worker interviewed and good understanding of working process. PPE was in good condition.
- Harvesting Activity: Worker interviewed. PPE observed.
- Scheduled Waste Store, Good scheduled waste storage observed with proper labeling.
- Chemical Store, Proper chemical store observed.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
Re-Cert	<p>Stakeholder consultation of ULU BERNAM POM:</p> <ul style="list-style-type: none"> • Public Notification at RSPO Website on May 5th, 2017. • Interview the internal stakeholders on June 5th, 2017 in audit process (particularly to foreign workers, eq. from Indonesia, Bangladesh, etc). • Public consultation on June 5th, 2017 was participated by related agency and local peoples or community surrounding • Public consultation with NGO by email on May 20th, 2017. <p>Numbers of input from stakeholders were clarified by management units. 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

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of ULU BERNAM Palm Oil Mill – United Plantations Berhad operation consisting of one (1) mill and three (3) oil palm estate.

During the assessment, there were no Nonconformity assigned against Major Compliance Indicator(s) and no nonconformities assigned against Minor Compliance, and no nonconformance against supply chain requirement for CPO and three (3) opportunity for improvements identified.

Further explanation of Opportunity For Improvement (OFI) are provided in section 3.5. These Opportunity For Improvement will check in next Surveillance

MUTUAGUNG LESTARI found that Ulu Bernam POM and three Supply Bases (Ulu Bernam, Sungei Chawang & Sungei Erong), 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.	
1.1.1	<p>During the audit at Ulu Bernam Palm Oil Mill, the company had updated the latest stakeholder list dated 1st March 2017 at Ulu Bernam Estate and the stakeholder meeting has been held at community hall Ulu Bernam POM Main office attended by management of United Plantations Ulu Bernam estate, Ulu Bernam Palm Oil Mill, and Ladang Sungei Chawang, workers representative from Bangladesh, Nepal and Indonesian, staff and related stakeholders including villagers, teachers from SK Ulu Bernam, Labour Department, DOSH, BOMBA Ulu Bernam station and Police Station of Ulu Bernam. The policeman attended the meeting had also thanked the UP management for the less problems happen in the estate. The company had also verified the document and the stakeholder list, person in charge is Mr Saravanan, resident engineer of Ulu Bernam mill, and for Sg Chawang Estate the stakeholder list verified by Mr Chntaravarnam (comprising NUPW committee, OSHA Committee, gender committee, Temple Committee, Surau Committee, foreign workers welfare, Bangladeshi workers representative, Indian workers representative, Nepalese workers representative, external stakeholders [Local community head and . During the stakeholder meeting, the managers of each mill and estate present and the stakeholders invited can openly asking the question related to the UP management and operation. Based on the document verification and minutes of meeting, there is no significant complaint towards the mill operation and estate operation. Information related to the social, environment and policy company had been clearly explained during the meeting including company commitment towards RSPO audit process. The frequency of updating the information has been done once a year comprising all the related stakeholders in the estate and mill operation area [22 persons attending for Ladang Sg Chawang] There is SOP made by the company to handle grievances by the company handling internally and externally any complain request form stakeholders. The stakeholders has been clearly explained during the stakeholder related to the company SOP of grievances of handling comment and complain from stakeholders.</p>	
1.1.2	<p>The company also had a SOP of constructive response to the stakeholders and has been clearly communicated to all level of staff and workforce:</p>	

- External : steeled not more that 30 days – forward to company secretary with supporting documents → liter will be send to the stakeholder and estate in 7 days from secretary
- Internal stakeholder : 7 working days of grievance arising → not settle in 7 working days NUPW estate and committee made a formal representation to the estate in writing

There is a clear timeline available from the SOP and person in charge of handling the request is Mr Saravanan, resident engineer of Ulu Bernam POM . Record of request for the mill and estate has been recorded in a 'Complaint and grievances Request Registry Book' available at the mill. There is also issued regarding the effluent smell from the mill and ferry servicing by UP, and been answered by the manager of Ulu Bernam mill, the ferry servicing will be continue after the mill decommission as part of t heir CSR even though Ulu Bernam mill decommission and move to Optimilll. There is also external request from Mr Ravichandaran (penyelaras program pendaftaran pemilih) dated 1s June 2017 at Community hall Ladang Ulu bernam and the request has been responded on 1st June 2017 approved by Mr Saravanan - dated 1 June 2017 (Mr Balu and Nathan to arrange the keys and kept it clean) after the event. Based on the audit verification, sighted that the timeline for responding the issues and request as per documented on logbook and correspondence letter is appropriate.

Status : Comply

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.

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 Management Plan (EMP) and Environmental Risk Assessment (EIA) were made available at the estate and mill. The OSH plan also made available at the office including :

- OSH workplace
- Safety Performance
- Scheduled waste monitoring
- Accident data update
- Sprayer medical examination
- OSH committee meeting medical checkup drivers
- Review hirarc
- First aid training
- Audio metric test
- Medical surveillance
- Air emission monitoring
- Local exhaust ventilation system
- Hearing conservation program

United Plantations had also documented the Social Impact Assessment (SIA) at estate and mill accordingly, together with HCV document for the wildlife and water catchment area, environmental risk assessment (including method of reduce and prevention), communication procedure to internal and external parties, and also including the Human right policy that made available at all estate and management unit of UP as per field visit and document verification.

Status: Comply

1.3

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

1.3.1

The company Unite Plantations Berhad had set up the policy of code ethical conduct documented and communicated to all level of workforce and third party contractor. The company has input all the elements of prohibitions of all forms of corruption, bribery and fraudulent of funds into the code of conduct. Its include the elements such as :

- Standard of conduct – conduct our operation with honesty , integrity and openness
- Obeying the law – UP group directors and employees required to comply with the laws and regulation
- Consumers – Up is committed to provide quality products and services

- Shareholders – UP will conduct its operations in accordance with internationally accepted ethics of good corporate governance
- Business partners – UP committed to establish mutual benefit relations with our suppliers
- Community involvement – UP strives to be a trusted corporate citizen as integral part of society

During the audit, it was verified that the company had also communicated the code of conduct to its workforce through displaying the latest policy company at the estate and mill notice board. During the muster morning assembly, the assistant manager had given the briefing to all the workers related to company policy and ethics. It was sighted that during the audit, the company had given the booklet comprising the policy company, safety handbook, the facilities of company and also the latest code of conduct of UP business operation inside the booklet. Once received, the workers will sign the document as a sign of receiving and the briefing has been conducted by the personnel in charge. The booklet has been made into Nepali language, Bangladeshi language, Indian language, Bahasa language and English language to ease the mode of understanding. There is a refresher training sighted at Ladang Lima Blas entitled RSPO training dated 30/5/2017 attended by 63 workers and 10 contractors, S Kanasan. Based on the interviews, the workers are alert regarding the new policy in a company.

Status: Comply

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

Land titles

Ulu Bernam Estate → 3,218.16 Ha (8 Free Hold)

Free Hold Tenure → Title No. GT (02) 19810 (48995) → Lot No. 4593 → 0.10 ha → Yearly tax RM 232

1. Free Hold Tenure → Title No. GT (02) 17942 → Lot No. 4336 → 3.55 ha → Yearly tax RM 129
2. Free Hold Tenure → Title No. GT (02) 17941 → Lot No. 4334 → 3.62 ha → Yearly tax RM 134
3. Free Hold Tenure → Title No. GB (01) 17757 → Lot No. 4579 & 4594 → 2,693.79 ha → Yearly tax RM 175,097
4. Free Hold Tenure → Title No. GB (01) 17755 → Lot No. 4576 & 4577 → 171.65 ha → Yearly tax RM 11,161.
5. Free Hold Tenure → Title No. EMR(11) 4110 (2898) → Lot No. 5580 → 0.23 ha → Yearly tax RM 9
6. Free Hold Tenure → Title No. GT(02) 5695 → Lot No. 5579 → 0.17 ha → Yearly tax RM 8
7. Free Hold Tenure → Title No. G (01) 10788 → Lot No. 6 & 7 → 345.05 ha → Yearly tax RM 7,974

Sungei Chawang Estate: → total 3,280.69 Ha (3 free hold)

1. Free Hold Tenure → Title No. 84839 → Lot No. 8894 → 299.20 ha → Yearly tax RM 19,448 → area field 23, 31
2. Free Hold Tenure → Title No. 84838 → Lot No. 8893 → 4,822 ha → Yearly tax RM 313,340 → area field 15, 17, 19, 14, 16, 18, 20, 21, 22, 6, 7, 8, 9, 24, 25, 26, 27, 33, 29, 34, 35, 30.
3. Free Hold Tenure → Title No. 84837 → Lot No. 8892 → 1,051 ha → Yearly tax RM 68,315 → area field 1, 2, 3, 4, 5, 10, 11, 12, 13, 14, 15, 17

The Ulu Bernam mill is expected to close from operation in October 2017, therefore the mill not introduced any new mechanism nor adopt further good mill practices in effort to complying to applicable legal requirements. However, the top management ensures the mill always complies to legal requirements by self-initiating routine checks aside the annual audit by sustainability team. The mill and estates annually checks the adequacy of legal compliances and gauge the result against audit findings from sustainability department.

Consideration to improve the scheduled waste manager selection & evaluation process (Ulu Bernam Estate). It is because Ulu Bernam Estate has new area for schedule waste. It will be observed in the next assessment. **OFI**

2.1.2

There are no changes in the list of legal register since from stage 1 audit. Interviewed the mill and estate managers whom has good understanding of the legal contents and able to demonstrate his competent for requirements applicable to mill operation. Personnel in charge on tracking and updating applicable legal documents are stated in the sustainability manual and estate have list of licence and permit includes the expired date and person responsible as system to tracking all permit

is up to date.

2.1.3

The annual internal audit for mill and estates by sustainability department [participated by Mr. Mathews, Mr. Norazizi, Mr. Ho SH, Mr. Jeevan, Mr. Lee and was done on 16-22/02/2017, there were no findings raised on legal aspects. The compliance matrix seen with P&C reference to the finding results, such as "in Order" for those complied and remarks for negative findings. There is a matrix with 21 items available to track the validity of permits and licenses. Verified the actual permits displayed in the meeting room against the master list resulted with no negative findings.

2.1.4

Any changes in the applicable laws and regulations, the Group Manager Human Resources and OHS and Environment, Mr. Mathews co-ordinates with respective operating units. Sighted a master list maintained that citing the changes since from Mar 2010 to April 2017. SOP for legal requirement stated a periodic review and evaluation on the laws & regulations list carried out to ensure that any new/addition as well as changes and amendment are captured and update, through enquiring the laws books publisher and/or communication with law/enforcement officers. There were 7 notifications of changes been circulated in 2016 and for year 2017.

Status: Comply

2.2

The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.

2.2.1

The land title legalities was observed, consist of:

Ulu Bernam Estate → 3,218.16 Ha (8 Free Hold)

Free Hold Tenure → Title No. GT (02) 19810 (48995) → Lot No. 4593 → 0,10 ha → Yearly tax RM 232

8. Free Hold Tenure → Title No. GT (02) 17942 → Lot No. 4336 → 3.55 ha → Yearly tax RM 129

9. Free Hold Tenure → Title No. GT (02) 17941 → Lot No. 4334 → 3.62 ha → Yearly tax RM 134

10. Free Hold Tenure → Title No. GB (01) 17757 → Lot No. 4579 & 4594 → 2,693.79 ha → Yearly tax RM 175,097

11. Free Hold Tenure → Title No. GB (01) 17755 → Lot No. 4576 & 4577 → 171.65 ha → Yearly tax RM 11,161.

12. Free Hold Tenure → Title No. EMR(11) 4110 (2898) → Lot No. 5580 → 0.23 ha → Yearly tax RM 9

13. Free Hold Tenure → Title No. GT(02) 5695 → Lot No. 5579 → 0.17 ha → Yearly tax RM 8

14. Free Hold Tenure → Title No. G (01) 10788 → Lot No. 6 & 7 → 345.05 ha → Yearly tax RM 7,974

Sungei Chawang Estate: → total 3,280.69 Ha (3 free hold)

4. Free Hold Tenure → Title No. 84839 → Lot No. 8894 → 299.20 ha → Yearly tax RM 19,448 → area field 23, 31

5. Free Hold Tenure → Title No. 84838 → Lot No. 8893 → 4,822 ha → Yearly tax RM 313,340 → area field 15, 17, 19, 14, 16, 18, 20, 21, 22, 6, 7, 8, 9, 24, 25, 26, 27, 33, 29, 34, 35, 30.

6. Free Hold Tenure → Title No. 84837 → Lot No. 8892 → 1,051 ha → Yearly tax RM 68,315 → area field 1, 2, 3, 4, 5, 10, 11, 12, 13, 14, 15, 17

2.2.2

The company has a procedure of boundary maintenance. There is SOP No. 6.0 → Boundaries, dated 10 December 2007, completed with monthly checklist and have been well implemented. There was available document of boundary pole monitoring in each estate, the monitoring document describe all of GPS Coordinate Point of the boundary pole. Based on field visit for boundaries check that showed the poles in good condition. The sampling pole consist of:

Ulu Bernam Estate

Pole number : 1, 2, 3, 4, 5, 6, 7 & 8 (the boundary pole was in a good condition and the number is clearly)

Sungei Cawang Estate

Pole number : 1, 5, 10, 15 & 20 (the boundary pole was in a good condition and the number is clearly)

2.2.3, 2.2.4 & 2.2.5

Based on document verification of Area Statement and Operational Map, management interview and stakeholder consultation for Ulu Bernam and Sungei Cawang Estate, there was no indication or issue related of land dispute. 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 are no reported cases of land disputes arising from the acquisition. All land is fully owned by UP Plantations Berhad was granted by Perak Government on 1987.

2.2.6

Based on document verification, interview with internal stakeholder (employee), stakeholder consultation and field visit observation, there was no indication of para-militaries and mercenaries in or around the plantation. All of security staff is the UP employee, there was no hired from external parties. There was no indication of confrontation and intimidation by the company to maintain peace and order.

Status: Comply	
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2.3

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

2.3.1

There was no land of United Plantation own by the land compensation and under manage by customary right. All of land was earned by Perak Government on the early period of 1987. Based on Document Social Impact Assessment on 2016 and HCV assessment was done by Wild Asia between 01 – 06/01/2008, there was no land of United Plantation under manage of customary right. There was also explained in the United Plantation Berhad Code Of Conduct and Business Ethics and also in the Annual Report 2015 that the company will commit to the principle of Free, Prior and Informed Consent and adhere to these principles in all of negotiation and interactions with stakeholders.

2.3.2, 2.3.3 & 2.3.4

There was no land of United Plantation own (Ulu Bernam Estate, Sungei Erong & Sungei Cawang Estate) by the land compensation and under manage by customary right. All of land was earned by Perak Government on the early period of 1987.

Status: Comply	
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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.

3.1.1

The source of FFB supplies to the Bernam mill are from their own estates [Ulu Bernam Estate, Sungei Chawang Estate and Sungei Erong Estate]. Budget 2017 for mill, seen with 3 years projection [2014-2017 → 2017-2020] of effluent operation, rail transport, weighbridge, EFB oil recovery, FFB processing, OER, CPO, KER and CPKO. The budget for 2017 inclusive for minimum wages compliance, EPF, insurance, hospital & medicines, lines sanitations, water & electricity supply, labour welfare etc. No scheme smallholder associated. In Sungei Chawang Estate, there are objectives established to achieve yield, such as 3 round harvesting/month, bunds & weirs to retain water during dry season, drainage to remove surplus water, ground cover to retain moisture. Seen the "Estimate for Financial Year Ending Sept 2016" and budget for 2017. Total area in the land title is 3280.69 at which total matured area is 2822.20 HA and immature area of 417.78 HA. In Ulu Bernam Estate, the area statement seen updated as at Jan 2017 [matured 1860.04 HA, immature 1446.37 HA, nursery 14.40 HA]. The estate manager reviewed the plan. The quality of planting materials [seeds] for replanting is the responsibility of UPR&D. The estate has a nursery [14.40 HA] who also supplies the seedlings to other estates.

3.1.2

In Ulu Bernam Estate 2016, there were replanting at various blocks that totaling of 425.27 HA. This estate has no peat area. There is a 5-year replanting programme which approved by the estate management and was acknowledged through EXCOM visiting team. In Sungai Chawang Estate, based on the replanting program, there will be no replanting activities

from 2017 to 2021. Based on the same program list, there was no plan in 2016, however due to slow progress of replanting in 2015, it was carried forward to 2016. The 3 blocks are not with peat soil [B19, B22 and B24] for total area of 417.38 HA. During filed visit at Block 19 and 24, seen no evidence of fire been used during replanting process and drainage [collection drains] are well managed. Seen a contract agreement between Estate Contractor [for cutting scupper drain [1wk Mar] mechanical felling → chipping → shredding [2wk Mar], removal of all root masses and other replanting associated works. The contract mentioned on employment of legal workforce, employees are insured, compliance to laws & regulations and no boundary markers / stones shall be disturbed.

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

The SOPs for POM observed and applied to all mill operation such as:

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

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

ULU BERNAM plantation had SOP Manual sign by senior executive director on 10 December 2007, the SOP of ULU BERNAM plantation consist of:

1. Nursery operations
2. Replanting
3. Upkeep mature / immature oil palm
4. Water management : Peat cultivation management, peat subsidence measurement, sandy soils cultivation management, acid sulphate soils cultivation
5. Roads (path, railway loco)
6. Boundaries
7. Pest management
8. Manuring, immature and mature oil palm
9. Harvesting and collection
10. Oil mill RSPO Supply chain model
11. Recruitment of guest workers
12. Protection of river reserves

4.1.2 & 4.1.3

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

Status: Comply

4.2

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

4.2.1

The soil fertility procedure has listed on SOP Manual Field Operation No. 8.0 about Manuring Immature and Mature oil

palm dated 10 December 2007. The company managing their soil fertility based on UPRD recommendation to use fertilizer and used effluent and EFB for improve the soil fertility.

Based on interview with worker and supervisor in manuring activity, it is known that the dose that used in fertilizer application has been accordance with the recommendation for example in field 27 at Sungei Chawang Estate the dose usage is 4 Kg/tree. In addition, the company has applied effluent at the field for improve the soil fertility.

4.2.2

The unit management records their fertilizer input on fertilizer application document (Year 2017 Fertilizer Recommendation). On that document inform the estate, division, ledger, ROP year, soil series, Hectare, actual SPH, planted palms, type of fertilizer, plan and realization. Based on the document, it is known that all of fertilize application has been accordance with the recommendation.

The unit management shown the document of Nutrient Inputs period 2016 that describe Nutrient input per Ton FBB or Ton CPO, for Example in Ulu Bernam & Sungei Chawang:

Estate	Kg/ton FFB			
	N	P ₂ O ₅	K ₂ O	MgO
Ulu Bernam	4.58	1.22	8.64	1.16
Sungei Chawang	6.45	3.96	17.33	1.98

4.2.3

Company had document called "recording of oil palm agronomy trials" dated on 25-10-2004, which is the document issued by UPRD. On the section 1.2.0 there are information regarding the leaves, soil and foliar sampling. Based on the document there are information mention that leaf sampling, soil sampling and foliar sampling conduct regularly.

The company shown the result of analysis for oil palm leaves that conducted by UPRD laboratory on 1 June until 25 July 2016 for Ulu Bernam Estate and 01 February until 16 May 2016 for Sungei Chawang Estate. The analysis is to know the nutrient status of N, P, K, Mg, Ca, B, Cu, Zn, Fe and Mn. For soil analysis has conduct on 26 January 2008 that monitoring status of nutrient of N, P, K, Mg, Ca.

4.2.4

Nutrient recycling programme observed in the POM and estate:

- 100% EFB mulching at all estates.
- 100% POME land application thru furrow irrigation to all estates.
- Fibre and kernel shell used as burning fuel for boiler.
- Boiler ash used for road maintenance work.

Monitoring record for nutrient recycling programme observed with 5-year projection plan.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1 & 4.3.6

Ulu Bernam Estate & Sungei Chawang Estate had soil maps that identified type of soil in the area. The type are gondang, Bungor, Binjai, Sabrang, Selangor, Biah, Gugut. For Sungei Chawang Estate the type of soil are Tepus, Selangor, Bungor, Gali, Gondang, Penor. Based on soil map and field visit in Ulu Bernam & Sungei Chawang Estate, there is no fragile soil except peat soil in Sungei Chawang Estate

4.3.2

The company have SOP no. 2.0 about replanting, point 2.4.11 terracing: where the terrain ranges from rolling – hilly to steep with gradient from 6 – 20 degrees, contour terraces should be constructed at an average horizontal interval of 7.9 meters as guides by FMM – B.1.1.9 (dated on 29 December 2004). Based on criteria of soil series and field visit in Ulu Bernam Estate & Sungei Chawang, there is no steep areas.

4.3.3

The company program of road maintenance listed in Annual Budget. For example on period 2017 in Mature area has budget for road maintenance in the form of Grading road, patching road and pruning the roadside fronds. There are records for road maintenance listed Progress Report, for example in January - April 2017:

Ulu Bernam Estate

- Grading/rolling: estimate for 2017 17,820 dm ; completed on Jan-Mar 2017 4,413 dm.
- Pruning roadside: Estimate for 2017 22,500 dm; completed on Jan-Mar 2017 1,800 dm.

Sungei Chawang Estate

- Grading/rolling: estimate for 2017 22,500 dm ; completed on Jan-Apr 2017 3,062 dm.
- Pruning roadside: Estimate for 2017 40,000 dm; completed on Jan-Apr 2017 21,142 dm.

Based on field visit in Ulu Bernam Estate and Sungei Chawang Estate, it is known that the road is well maintenance and all road can be accessed.

4.3.4

UP Bernhard have an SOP to guidance on subsidence management No 1.4 about cultivation management on peat area and SOP section 4.4 for peat cultivation / management and peat subsidence measurements date issued on 31/03/2014. Based on soil maps and field visit, it is known that there is no peat land in ulu bernam estates but there are identified peat land amount 296 Ha in sungei chawang estates.

Sungei chawang estates installed subsidence probe in field 28, row 39, palm 17 on June 2011. The data for subsidence probe reading in sugai chawang estates are :

Date	Measurement form surface	Subsidence since last reading	Rate of peat subsidence per year
31/12/2014 (42 Months)	7.40	0.64	2.10
31/12/2015	sedimentation occurred near probe due to flooding. Probe to be reinstalled in new area.		
31/12/2016 (12 Months)	2.68	2.68	2.69

To arrange the water, SCE has been equipped with main drain, collection drain and field drain and there are 31 sandbag/weirs, 1 flap gate, 1 watergate, 1 wooden weir. The SCE has monitored water level every month in field 28, for in 2017 the average water level is 35-50 cm (Jan 45 cm, Feb 35 cm, Mar 40 cm, April 45 cm, May 50cm). Based on field visit on field 28 at SCE, there is a drainage to manage water and there is water level stake in the collection drain that show water level at 45 cm.

4.3.5

Based on soil maps and field visit, it is known that there is no peat land in ulu bernam estates but there are identified peat land amount 296 Ha in sungei chawang estates. The peat area at SCE is in field 28, field 29 and 8 with planted year 2002-2003. This is shown that in peat area not yet conduct the replanting

Status: Comply

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

The company had a water management plan established in the company in order to prepare during the rainy and drought season. The company had a holding pond area at and the water treatment plant at nearby river to be treated and supplied to the mill and estate. There is a water treatment plant at Ulu Bernam Mill to supply for the housing area at Ulu Bernam Mill, SK Ulu Bernam, Police station, and Ulu Bernam Estate office. It was verified that Sg Chawang estate had using the water treatment plant nearby Ladang Sg Erong and the water treatment plant is supplying to the workers and staff at the

estate. Water Sources renewability is from Bernam river [Ulu Bernam Mill : Bernam river – at field 57 (holding pond → water extracted from Bernam river and transferred to holding pond 1 → sedimentation occurred → transferred to pond no 2] and for Sg Chawang estate, water supplied is from Chawang river into the water catchment pond, treated and filtered supplied into Ladang Sungai Chawang and Sungai Erong by 2 water tank. SOP of water management plan has been made at the estate issued on 10/12/2007 for the whole UP Berhad. It was sighted also the procedure of chemical mixing at the water treatment plan, suitable PPE to be used, before operation procedure, during operation and after operation procedure to be followed. The company had shown a SPAN license (Suruhanjaya Perkhidmatan Air Negara) to process the treated water and supplied to the housing area , licensed expired on 16th April 2018 that applicable to UP management unit (upriver, downriver and UIE). Water monitoring daily and send to the lab every month, last date sighted on 13/4/17 sample for drinking water results from Ulu Bernam mill Water treatment plant. Water courses/ tap water result has been send for the third party result Chemvi Laboratory Sdn Bhd dated 19/4/17 the date of sample received and 27/4/17 date sample reported :

Drinking water [Total coliform : ND, E-coli : ND]

There is a total result of the year has been made available and the parameters including :

- Physical : Turbidity, PH, Color ADML , Free residual Chlorine , Combine residual chlorine
 - Inorganic : [Total Dissolved solids, Chloride, Anionic detergent, Ammonia , Nitrate , iron, Fluoride, Hardness,
 - Elements : [Mercury, Cadmium, Selenium, Arsenic, Cyanide, Lead, Chromium, Silver, Copper, magnesium, Zinc, Sulphate and mineral]
 - Microbiology [Total Coliform, E- coli]
 - Pesticides [Aldri, Dieldrin, Chlordane, DDT]
- Dated 24/12/16.

Span Licensed made available at the PUMP house : 16 April 2018

The company also had provide a fresh and treated water to all stakeholders (staff and workers) for their consumption all year around, as per interview, there is no cases of sickness due to polluted water.

4.4.2

The company had also provide a SOP of protecting water courses at the estate and water catchment area. Its include installing the water gates, bund for water catchment and also set up a buffer zone / riparian area along the canal. Based on the interview and field visit, the company had educated the workers and field staff not to spray and disturb the buffer zone area and along water courses area. The company had identified the wetland and watercourse at the estate and map of it made available at the estate office. The ground water surface has been protected by Bund protection and manual grass cutter.

4.4.3

During the visit at Ulu Bernam Mill, the company had The effluent treatment system are Conventional treatment system pond and furrow irrigation at field 2,3, and 4 anaerobic digestion process, multistage biochemical process, anaerobic digester system design and closed tank anaerobic digester system. There is a monitoring daily , monthly and once a year from UPRD for the water discharge quality, Lasts sample on 19/4/2017 send to Chemvi lab (third Party lab) on 19/4/17 (third party sampler) verified by Ms Punitha ,chemist and the results are :

- PH 7.44 @28.6c
- COD 5280
- BOD 1442 <5000
- TSS : 1900
- Oil and grease ND
- Total solids 2830mg /l
- Ammonical nitrogen 223vmg/l

Sighted the license of effluent treatment until 30th June 2017 from Department of Environmental at Ulu Bernam mill that allowed the mill for land application. The latest bod result for land application is BOD 1442 mg/l which is less than allowable = 5000mg/l. There is monthly monitoring of the result and every month the mill had send the sample to the third party lab (Chemvi Laboratory Sdn Bhd.) for result analysis including PH result, COD results, BOD at 30 days, and total suspended solids available (TSS). There is also analysis been made regarding mill water usage per FFB processed for 2017 which are the average usage is 1.37 m3/ tonne FFB for 2017 up until April 2017 and usage for year 2016 2.13/ton FFB:

4.4.4

Water consumption record available for year 2016 & 2017 observed.

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

Status: Comply

4.5

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

4.5.1

There was SOP No. 7.0. Oil Palm Pest Management; point 7.0.2. Standard was explained critical threshold levels for key pest, pest control and the type of biological control.

There is record of pest occurrence and control that listed on, for example in Ulu Bernam Estate:

- Summary Bagworm Census 2017 with the result February is in field 56 with average of bagworm is 3.5; in March is in field 56 with average of bagworm is 2.73; in April is in field 46 with average of bagworm is 1.18; in May is in field 42 with average of bagworm is 0.82
- Summary of Ganoderma census for example in field 39 on Jan 2016 there is infected palms with number of 994 and has been controlled 568 palms; on Jul 2016 there is infected palms with number of 1094 and has been controlled 568 palms
- Summary of Rat Census on April –October 2016 for example:

Field	April		October	
	Before treat (25-28/4/16)	After treat (24-27/4/16)	Before treat (2/10/16)	After treat (12/11/16)
38	18.18	1.42	5.9	3.3
51	5.7	2.28		
52	5.95	1.77		
53	7.95	1.52		
54	8.33	1.30		
58	2.53	-	5.32	1.65

Based on visit on field 35 and 15 in Ulu Bernam Estate, there is known that the company is planting the beneficial plant (*Turnera subulata*) and installing the owl box.

4.5.2

The records for IPM training are available in office division. For example:

- In Ulu Bernam, there is also another record about IPM training on 21 February 2012, attended by 42 person. Training conducted by technical services of farmcochem sdn Bhd).
- In Ulu Bernam, there are also training for importance & introduction of barn owl box on 20 April 2015 attended by 8 worker, the trainer are field supervisor.
- Beneficial training in Sungei Chawang Estate on 29/03/16 attended by 9 worker, the trainer is Assistant. Manager

Based on interview with the census worker, it is known that the workers has been given the training about IPM and also can explain the method and periodically census that conducted.

Status: Comply

4.6

Pesticides are used in ways that do not endanger health or the environment

4.6.1

The company had list pesticides against the targeted pest. The list are :

Category	Pests	Active Material
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		Spray	Trunk Injection
Bagworm	<i>Metisa Plana</i> <i>Pteroma Pendula</i> <i>Mahasena Corbetti</i>	<i>Cypermethrin</i> <i>Trichlorfon</i> <i>B. Thuringiensis</i>	<i>Monochrothopos</i> <i>Methamidopos</i>
Nettle Caterpillar	<i>Darna Trima</i> <i>Setotosea</i>	<i>Cypermethrin</i> <i>Trichlorfon</i> <i>B. Thuringiensis</i>	<i>Monochrothopos</i> <i>Methamidopos</i>
Cockchafer	<i>Apogonia</i> <i>Adoretus</i>	<i>Cypermethrin</i> <i>Trichlorfon</i>	
Grasshopper	<i>Valangan Nigricornis</i>	<i>Cypermethrin</i> <i>Trichlorfon</i>	
Rodent	<i>Rattus Tiomanicus</i> <i>Rattus Argentiventer</i>	<i>Cypermethrin</i> <i>Trichlorfon</i>	

To measures to avoid the development of resistance, the company just use the pesticide based on census result.

4.6.2

The company do not have pesticide application programs for control pest and Disease. All pesticide application is based on pest census. However for Herbicide to weed control, there is application program that listed on budget 2017, for example at mature area:

- Circle spraying knapsack is 2 rounds
- Selective spraying 2 rounds
- Strip spraying with maxi boom 4 rounds

The Unit Management had list pesticides usage from 2014 – 2016. The details are such as:

Sungei Chawang Estate

Type of Pesticides	Active ingredients	2015		2016	
		liters	per Ha	liters	per Ha
Metsulfuron	<i>Methyl metsulfuron</i> 20%	302,717	22.97	25226.41	12.24
Basta	<i>Glufosinate ammonium</i>	25,627	22.97	3304	2.8
RH cypher / contest	<i>Cypermethrin</i>	4887.74	1.51	2974	0.92
Krotopos	<i>monocrotophos</i>	4,453.57	2.09	5236	2.54

In addition, The Unit Management has Long Term Summary of Pesticide Usage that inform the pesticide rate per Ha period 2006-2016,.for example on 2016 for Sungei Chawang Estate with total planted area is 3,272.03:

- Herbicide/Planted Ha: 1.624
- Insecticide/Planted Ha: 1.949
- Rodenticide/planted Ha: 0.000168

4.6.3

The IPM plan is listed in SOP No. 7.0. Oil Palm Pest Management; point 7.0.4 explain the control of pest. The control of pest does not conduct just by pesticide but can do by biological control. For example for nettle caterpillar/ bagworms can control by beneficial plants (*Turnera subulata*, *antigonon*, *cassia cobanensis*, etc) and for control rat can use Barn owl. In

addition, SOP explained that the use of pesticide are based on census data, if the result is above the threshold then it must control by use pesticide.

Based on visit on field 35 and 15 in Ulu Bernam Estate, there is known that the company is planting the beneficial plant (*Turnera subulata*) and installing the owl box.

4.6.4

Based on list pesticides usage from 2014 – 2016 and field visit to pesticide storage, it is know that the company does not use paraquat. However the company are using pesticide with active ingredient *Warfarin* that include in Pesticide WHO category 1B, for example in Ulu Bernam Estate on 2016 is using warfarin as much as 9,390 kg.

The use of bait ebor (warfarin) that include in Pesticide WHO category 1B is based on the Census Result. For Rat Census on April-October 2016, there are attacks above the threshold (5%), among others:

Field	April		October	
	Before treat (25-28/4/16)	After treat (24-27/4/16)	Before treat (2/10/16)	After treat (12/11/16)
38	18.18	1.42	5.9	3.3
51	5.7	2.28		
52	5.95	1.77		
53	7.95	1.52		
54	8.33	1.30		
58	2.53	-	5.32	1.65

4.6.6 & 4.6.10

Sufficient SOP developed for handling of pesticide including storage and disposal. Pesticide storage was developed and maintained in good condition. Empty chemical container triple rinsed before the disposal. Hole punched on the container to prevent reuse of empty container. No evidence of indiscriminately disposed of empty chemical container found during the site observation. A specific area was prepared for storage of triple rinsed empty chemical container. Disposal of empty container to appointed contractor observed.

4.6.5 & 4.6.7

SOP for chemical handling are listed in SOP Safe Use of Pesticides (Chapter IV, Section 11) describe classification of Pesticides According to Hazards; General Standard Operating Procedures; Safety Precautions, Emergency Measures, Medical Examinations, Procurement and Storage of Agricultural Chemicals to ensure optimum potency.

The company had record on the training regarding the pesticides / chemical handling such as :

- Training on chemical handling. Held in 13/07/2016. Attended by Amran (premix officer)
- Safe Spraying training. Held in 23-12-2016. Attended by 9 persons at Ulu Bernam Estate
- SOP of Spraying training held in 30/05/2017 attended by 13 workers at Sungei Chawang Estate

Based on interview with sprayer, it is known that the workers has given a training by the company about safe work and use of PPE. The worker explaining that after work, they will cleanse their body and PPE and then the PPE must store in PPE Storage at the mixing area.

PPE provide is record in the document of PPE Issuance Record to the sprayer, for example:

- **Sungei Chawang Estate:** Shomun given on 20/06/16 with type of apron, safety glass, filter respirator, nitrile glove; Dated 05/12/16 given rubbers boots; Dated 30/05/17 given google plastic.
- **Ulu Bernam Estate:** Md Masud given on 06/05/17 with type of apron, rubber boots, respirator, safety glass, filter respirator, nitrile glove.

When the field visit spray activity is using Herbicide of Basta, it is known that workers have used PPE with type of respirator, nitrile glove, google, rubber boots, and wear two layer clothing from polyester. This has been in accordance with MSDS of Basta and Risk identification.

4.6.8

Based on field visit in spraying activity, the pesticide application is done by spray tools and not applied by aerial.

4.6.9 & 4.6.11

List of sprayer available. Periodical training provided for identified sprayer. Bahasa Malaysia used during the training. Annual medical surveillance performed for all sprayers. Medical surveillance record for all pesticide operators observed and found all sprayers are fit to work.

4.6.12

Policy on preventing pregnant and breast-feeding woman from handling pesticide observed. No woman observed as sprayer during the audit. Memo will be issued by clinic of the woman pregnant.

Status: Comply

4.7

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

4.7.1

Occupation Safety and Health Policy observed. Relevant safety operating procedure (SOP) observed with coverage of overall mill and estate operation process. Occupational Health & Safety Management System established for mill. The Occupational Safety and Health (OSH) Manual and relevant SOPs developed as documentation of OSH management system. Good design of OSH management system observed. OSH plan established with responsibility and action time period defined. Relevant targets established and monitored on monthly basis. Good achievement observed for the targets. Communication with contractor on the overall OSH plan and management system demonstrated by briefing and permit to work. Good communication observed with contractor. Relevant type of test such as audiogram test, medical surveillance, CHRA performed according to legal requirement. Sufficient actions observed following the test results.

4.7.2

HIRADC procedure developed with proper criteria attached for risk assessment at mill and estates. All mill and estates activities covered for HIRADC study. Relevant action plan proposed for identified hazard. Progress of OSH action plan assessed and found relevant program implemented according to plan. Updating of HIRADC following occurrence of accident observed and relevant corrective action applied for all estates. Several operation controls defined with relevant procedures. Overall implementation of operation controls were at satisfactory level.

4.7.3

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

4.7.4

Safety & Health Committee established for mill and estates. The establishment of Safety & Health Committee observed and in line with legal requirement. Safety & Health meeting conducted at least on quarter yearly basis and comply with legal requirement. Safety and health related issue discussed during the meeting and proper action plan observed for outstanding issue.

4.7.5

Emergency Response Procedure observed with description of emergency situation handling for mills. Accident and emergency procedures had been written in multiple language and briefed to staff, workers, contractors and visitors. Good understanding level observed among the workers. Relevant potential emergency situations such as fire, chemical spillage and flood.

Sufficient first aiders trained in estates. Consideration to have more trained first aider in the mill for fully coverage of operational processes and hour. **OFI**

First aid box available at relevant area in the mills and observed with sufficient contents. Fire extinguisher assessed during the site observation and found all available and within expiry date. Emergency eye wash facility available at chemical store. Fire drill training conducted at mill for improving of staff and workers awareness on emergency handling. Field observation performed and found clinic facility available.

4.7.6 & 4.7.7

Accidents reported for year 2016 & 2017 for mill and estate. Relevant accident investigation report observed and corrective action was verified during site observation. Good handling of accident observed at the moment. Submission of accident report such as JKPP6 & JKPP8 was complied with legal requirement. Submission of accident summary record (JKPP8) to JKPP observed. Accident recorded in LTA term and clearly presented during the audit. Medical insurance provided to all workers. Insurance agreement observed for all workers.

Status: Comply

4.8

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

4.8.1

There is a list of staff, workers and contract workers is maintained by the Mill and Estate. Ulu Bernam POM and both estate has established an annual training plan for 2017. Annual training for RSPO P&C training stated in the OSHA Training Programme 2017.

Ulu Bernam POM, Ulu Bernam and Sungei Chawang Estate show annual training programs for 2017 made by assistant manager and approved by estate manager. The training programs for 2017 are :

- a. Safe spraying technic
- b. Safe harvesting operations
- c. EFB transport- safe handling
- d. Chemical mixing
- e. Fire drill
- f. Trunk injection-training
- g. Safe spraying
- h. Mechanical spraying

The related training is covering in OSHA and HIRADC and in Safe Operating Procedures, Section 11 – Safe Use of Pesticides (S4.4 Safety precautions)

4.8.2

According to the available document, 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 Ulu Bernam POM and Both

Estate that came from different countries were interviewed during the ground verification.

Status: Comply

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.

5.1.1

There is available Environment action plan made available at the estate: Environment Risk Assessment (ERA) Action Plan (EAP) & review Plan ERP 2017 dated 10th March 2017 for Ulu Bernam mill and 15th February 2017 at Sg Chawang estate (held at Community hall) that covers road, pathways, railways and mill processing activities, operation of water management plant, regular desludging of effluent ponds and disposal to land application of Furrow irrigation method including mill operations and Severity X Quantity X Probability results (SQP) :

- Weighbridge FFB reception = 4 (negligible) ERAOM 1
- Sterilisers = 21.38 LOW (ERAOM 2)
- Crane and stripping station = 4 negligible
- Screw press station = 10 negligible
- Bunch Press station = 10 negligible
- Clarification system = 2 negligible
- Kernel Station = 18 low
- Laboratory = 12.17 (negligible)
- Biler House = 18 (low)
- Engine room / Power house = 9 negligible
- Raw Water treatment plant = 4 negligible
- Workshop maintenance and safety = 27 low

The Environment action plan was covering the remaining natural vegetation by: re-establish buffer zone as per DID regulation. Reducing usage of chemical by using mechanical mowers in harvesting, and avoiding spraying in waterways, Legumous cover crop establishment along drain edges and Oil Palm Disease Management. The Operations at the estate such as environmental impact are covering the current practices including :

- Replanting – last 2016 field 24 and 27Q (93.04 ha)
- Operation pruning – ERA 4
- Operation of circle sanitation
- Operation – EFB mulching ERA 6
- Operation water management.- ERA 7
- Operation Road , Paths and railways ERA 8
- Operation Boundary – ERA 9
- Operation Oil palm and disease management

The assessment has been done accordingly by engaging the related stakeholders. The score and review of the Risk Assessment depends on the feedback and meeting discussion with the management decision and stakeholders both at Ulu Bernam mill, Ulu Bernam Estate and Sg Chawang estate.

5.1.2, 5.1.3

The environmental management plan is established, there is a responsible person has been assigned for the environmental management plan in Mill and both estate which is Mr Saravavan (manager of Ulu Bernam Mill) and Mr Chantravarnam (Manager of Sg Chawang estate) . Potential impacts and measures to mitigate negative impacts is covered in the ERA, EAP and ERP for 2017. There is an evidence that the plan have been implemented with a complete timetable.

The plan has incorporated all the monitoring protocol in the EAP, ERA and EMP. The plan is reviewed yearly the latest in February and March 2017 at Ulu Bernam Mill and estate and Sg Chawang estate. The result of monitoring will be

changes on operational of the unit depending on the severity of the SQP result.

The time table of change has been provided SQP ,whenever there is a changes in SQP result ,the environment impacts will be changed accordingly and the action plan has been done accordingly and Its divided into:

- Items
- By Whom – estate divisional heads and divisional store
- Target date – On Going process
- Resources – By Management

Status: Comply	
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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

5.2.1

In Ulu Bernam Estate, seen an assessment by Wild Asia done in 2008, quoting only HCV 06 available [cemetery] 0.61HA at Block 18 that effectively mapped out in the estate map. However, in Sungei Chawang Estate, there is no HCV identified within the estate since there is no conservation value habitats, such as rare and threatened ecosystems that could be significantly affected the estate. During filed visit at Block 19 and 22, sighted a primary conservation area outside of estate's boundary are identified clearly in the map and no evidence found that estate's operation encroached into the conserved area. There is 6.30 HA of riparian area captured in the "Conservation / HCV" matrix.

5.2.2

Sighted the HCV management plan in Ulu Bernam Estate that tracks from 2012 which consist of cemetery, archeological sites [actually nil], Malaysian jungle trees and ERT [barn owl]. The company is transparent by doing annual stakeholder meeting to discuss the HCV matters. The plan is also including of the transition zone of 50 meters between planted area and the conserved area. However, it was reviewed not necessary as sufficient buffer zones of 100 – 200 meters or sometimes even more are preserved. In Sungei Chawang Estate, seen the estate has continuously monitoring their activities through "Conservation review Plan" and among the action plans are to create landscaping to promote local and indigenous biodiversity through beneficial plant programmes. Aside sighted the action plan also to be achieve through upkeeping signboards, create awareness and meeting with stakeholders. Sighted also "Forest trees Planting", which the trees supplied by UIE Estate. As at 23/04/2016 there were 30 trees, such as Pulai, Terminalia, Hopea Odorata, etc. planted along Block 1 and 2.

5.2.3

In Ulu Bernam Estate, sighted a training was conducted to field staff on 19/04/2017 in regard to HCV management, particularly on HCV 06 [cemetery] management. There are signboards such as No hunting, No Fishing and No Swimming seen along the riparian zone. In Sungei Chawang Estate, there was a HCV awareness conducted by Estate Manager on 25/11/2016 to external stakeholders, participated by representatives from NUPW, DOSH, harvesting contractor, Head of Kg. Asli Erong, Head of Kg. Asli Sg. Chawang and a smallholder. Signages in regard to illegal hunting, riparian area and boundary markers were installed effectively. Interview with field workers, proofed they are aware on the basic context of HCV.

5.2.4

Seen the estates are maintaining a record book titled "Natural Habitat in river Reserve", to accommodate workers, staff and external stakeholder inform to the estate management on species that they found within or area adjacent to the estate perimeter.

5.2.5

Since the estates were acquired from the state government, therefore no rights of local communities are applicable.

Status: Comply	
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5.3

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

5.3.1

Notification of scheduled waste to Department of Environmental observed in the mill and estates. Several type of scheduled waste identified:

- a) SW 102
- b) SW 305
- c) SW 306
- d) SW 322
- e) SW 409
- f) SW 410

5.3.2

Schedules waste disposal data observed and inserted into e-swis system. Relevant consignment note observed and all records well kept. All scheduled waste disposed to licensed collectors.

5.3.3

Scheduled waste management program observed with disposal of scheduled waste to licensed collector and proper scheduled waste store erected and good store management practice observed. Good labelling practice observed.

Status: Comply

5.4

Efficiency of fossil fuel use and the use of renewable energy is optimised.

5.4.1

Management program for efficiency use of diesel/petrol observed for year 2016 & 2017. The management plan implemented and monitored. Monitoring of diesel and electricity usage per tonne FFB performed in mill and estates. On-going analysis performed and monitoring result observed.

Status: Comply

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.

5.5.1 & 5.5.2

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 hectareage 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. Sighted also the contract of replanting method that include all the operation of machine without burning. Based on the field visit at Ulu Bernam, Sungei Chawang Estate that done replanting on 2016, there is no indicate of land preparation using burning palm trees.

Status: Comply

5.6

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

5.6.1 & 5.6.2

There was an assessment in document Life Cycle Assessment of Oil Palm on 2017. In that document has identified polluting activities such as:

- Nitrous Oxide (N₂O) from fertilizer and crop cultivation where the fertilizer applied
- Carbon dioxide(CO₂) from combustion of fossil fuels and peat decay during cultivation (if it involves organic soils)
- Methane (CH₄) from anaerobic digestion of palm oil effluent (POME) in ponds in the palm oil mill.

The data collection that identified as polluting activities, such as:

- Product flow : FFB yield, CPO, Kernel Production, and production of refined oil
- Material used : fossil fuel, fertilizers usage, pesticides and other chemicals.
- Energy produced : detailed energy balance for oil mill boilers include exportable steam for external utilization
- By products : benefits from utilization of the kernel and biogas palm oil mill effluent treatment

- Specific laboratory test and measurement : moisture and nitrogen content of different parts of oil palm and data from Palm oil mill effluent (quantities and COD)
- Inventory and use of capital goods : material used for building and machineries,

Based on verification document and field visit, it is known that the company has implemented to reduce GHG emissions, for example:

- To reduce fossil fuel, the company has using renewable fuel such as fiber and shell for boiler's fuel.
- To reduce pesticide, the company has implemented rentice mowing (mechanization) to control weed.
- To reduce fertilizer usage, the company has implement EFB application and Effluent for Land Application as organic fertilizer.
- In November 2017, Ulu Bernam POM will be replaced with Opti Mill that has biogas plant to control methane gasses.

Based on Life Circle Assessment, it is know that all United Plantation Group has reduce the GHG Emission. The base line (year 2004) GHG emission (include LUC & conservation) in UP Group as much as 2.58 KgCO₂-eq/Kg NBD oil. In the 2016, UP Plantation has reduce GHG emission as much as 38% from the base line (2004) with total emission is 1.61 KgCO₂-eq/Kg NBD oil. Based on the explanation, it is know that the UP Group has reduce the GHG emissions.

5.6.3

The unit management has calculate the GHG emission with tools of Life cycle assessment tool with calculator SIMA pro 8 and IPCC method with the following data:

Emmision per product	tCO ₂ e/tProduct
CPO	2.4
PK	2.4

Production	t/yr
FFB processed	146,611
CPO produced	32,254
PK produced	6,688

Extraction	%
OER	22.00
KER	4.56

Land use	Ha
Planted area	8,945.84
Planted on peat	844.16
Conservation (forested)	-
Conservation (non-forested)	-

Summary of field emission and Sinks

Description	Own plantation		Group plantation		3 rd party	
	tCO ₂ e	tCO ₂ e/tCPO	tCO ₂ e	tCO ₂ e/tCPO	tCO ₂ e	tCO ₂ e/tCPO
Emissions Sources						
Land conversion	-	-	-	-	-	-

CO2 emmisions from fertilizer	9,086	0.23	-	-	-	-
N2O emissions	12,059	0.31	-	-	-	-
Fuel comsumption	1,594	0.04	-	-	-	-
Peat oxidation	42,535	1.09	-	-	-	-
Sinks			-	-	-	-
Crop sequestration	0	0	-	-	-	-
Sequestration in Conservation area	-11	0.00	--	-	--	-
Total	65,263	1.67	-	-	-	-

Summary of Mill Emission and Credits

Emissions	tCO2e	tCO2e/tCPO
POME	28,738	0.74
Fuel Consumption	484	0.01
Grid Electricity Utilization	-	-
Credits		
Export of Grid Electricity to Housing & Grid	-445	-0.01
Sales of PKS	-427	-0.01
Sales of EFB	-	-
Total	28,350	0.73

POME Treatment

Emissions	%
Divert to compost	0
Divert to anaerobic digestion	100

POME Diverted to Anaerobic Digestion

Emissions	%
Divert to anaerobic pond	100
Divert to methane capture (flaring)	0
Divert to methane capture (Electricity generation)	0

Status: Comply
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.

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 10 March 2017 for Ulu Bernam POM, Ulu Bernam on 17 March and 12 February 2017 for Sengei Chawang Estate. 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.

6.1.2

There is Annual Stakeholders Dialogue Session latest on 2017 for mill and estate 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 Ulu Bernam POM, Ulu Bernam and Sungei Chawang Estate. There is a Social Risk Assessment (SRA) for outline the Social impacts and person in charge to resolve the issues.

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 mill and estate.

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. The plan been updated based on the latest meeting. Based on the time table there is on-going action been made by the Mill and Estate management, the timeline is observed realistic to implement. 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 Ulu Bernam Mill, Ulu Bernam and Sungei Chawang estate.

Status: Comply

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.

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.

6.2.2

The company has nominated persons for Ulu Bernam POM 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 in 2017 and there is a clear list of internal and external stakeholder listed the affected parties for Mill and Estate. There is a record of meeting of Internal / External Stakeholder Meeting on 2017 and the records of actions is documented in Social Risk Assessment (SRA).

6.2.3

There is a clear list of internal and external stakeholder listed the affected parties for Mill and Estate. The latest of stakeholder list is on 2017. There is a record of meeting of Internal / External Stakeholder Meeting on 17 march 2017 at Ulu Bernam POM, Ulu Bernam and Lima Blas Estate. There is a registry of complaints book, the latest complaints on 2017 and the action been taken and been documented.

There is a representative from neighbouring village that concern about environment issue on the Erong Village. The company had taken a proactive action in order to continue giving their best commintemnt to the stakeholders. As per issue of aerial spraying, the company had clarified to the auditors that nearby estate (Felda Besout) had done the aerial spraying however the Felda is using the airstrip of UP Berhad. Engagement will be done with related parties and explanation regarding the issues will be communicated accordingly with villagers. It will observed in the next assessment. **OFI**

Status: Comply

6.3

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

6.3.1

The company has Grievance Redresal Procedure for both of External and Internal Stakeholder (Employee). There was also showed the document of United Plantation Employee Handbook, available in several version (English, Bahasa, Nepal, Tamil & Bengali) was explained that the policy is intended to cover protection for the whistleblower when raising concerns regarding United Plantation Berhad, such as concern regarding:

- Incorrect financial report
- Unlawful activity
- Activities that are not in line with United Plantation Berhad policy, including the Code of Business Conduct
- Activities, which otherwise amount to serious improper conduct

Those Policy was explained that every effort will be made to treat the complainant's identity with confidentiality and also in the Annual Report was explained that the confidentiality of the whistle blower is maintained and appropriate reward is made when an allegation is proven to be true. The complaint will be processed through to the RSPO if needed.

6.3.2

There was available documented on Complaint log book, based on document verification there was no significant complaint by related party. There was any complaint in Sungei Chawang Estate related to lamp or electricity in housing facility. The management unit has been follow up to maintain these electricity facility. The management unit representative will follow up and process if any complaint and reported to related parties through the leader,

Status: Comply

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.

6.4.1, 6.4.2 & 6.4.3

There was no negotiations concerning compensation for loss of legal and customary or user rights, since the land is belongs to UP Bernhard from early 1980. There was no land of United Plantation own by the land compensation and under manage by customary right. All of land was earned by Perak Government on the early period of 1987. Based on Document Social Impact Assessment on 2016 and HCV assessment was done by Wild Asia between 01 – 06/01/2008, there was no land of United Plantation under manage of customary right.

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 stakeholder consultation and field visit observation in Ulu Bernam Estate and Sungai Cawang Estate, there was no land under of United Plantation under manage of customary right or earn by compensation process.

Status: Comply

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.

6.5.1

Based on list of Ulu Bernam POM, Ulu Bernam and Sungei Chawang Estate 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. 3 workers were checked and there is an evidence that their get Payment records are countersigned by the workers to acknowledge receipt and they understand how payments are calculated. In addition, the company also gives an annual bonus to celebrate the holidays depending on their religion, called Tunjangan Hari Raya (THR).

6.5.2

based on document contract 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 contact 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.

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. In Ulu Bernam There is a new housing quarters is under construction expected to be completed in October 2017

Several new staff quarters and modern employees' house were built during 2016 in line with the UP Goal to provide its employees with the best housing facilities within the plantation industries. Upgrading the UP guest workers living quarters with the two apartment blocks completed 2011. Living facilities with a living area 220m² per unit encompassing 3 bedrooms, 1 kitchen, 2 bathrooms and large hall and patio. More than 20 additional terrace apartment blocks have been built providing first class housing facilities for more than 140 employees

Adequate electricity for each workers and clean water supplies available all year round at Ulu Bernam POM, Ulu Bernam and Sungei Chawang Estate. POM and Estate is using the treated water and have a permit form Jabatan Tenaga Kerja Semenanjung Malaysia (Permit kebenaran menggunakan bekalan air persendirian sekyen 6(1) (a) Akta Standard-Standard Minimum Perumahan dan Perumahan dan kemudahan pekerja 1990 from 13 Disember 2016 – 12 Disember 2017 - SPAN Domestic Water Treatment License from 17 April 2015 – 16 April 2018 (SPAN / EKS / (PT) / 800 – 4- 15 / 09. Monthly drinking water analysis is done to monitor the water quality for parameter E-coli and Total Coliform and yearly analysis for full parameter based on the WHO guidelines.

There is a Bernam River Ulu Group Hospital in the Ulu Bernam POM, Ulu Bernam, Sungei Chawang Estate. Consist of 1

visiting medical officer, 1 medical assistant, 3 hospital assistant and 3 ambulance. Estate workers is sending their children to government school. There is SK Ulu Bernam, SMK Ulu Bernam and SJKT Ulu Bernam cater for estate workers and also other communities surrounding. Transportation to school is subsidized by the company (90% of the cost) and financial aid and scholarship for higher education.

6.5.4

Ulu Bernam POM, Ulu Bernam and Sungei Chawang Estate is giving free of water and subsidized electricity to all workers to improve their income and also provide credit terms for workers, with pasar malam on payday more choices available and cheaper. Estate provides rice & cooking oil for workers personal use in the beginning of month at cost price from whole seller.

The nine 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: Comply

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.

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 2017. 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 Mill and 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 Mill and both estate.

There are documented meeting between representative of worker and management to attend meeting in 20 May 2017 for Ulu Bernam and 26 April for Sungei Chawang Estate. The meeting subject are guest worker welfare committee meeting. An evidence sighted, there are minutes of meeting discuss about new worker orientation, welfare, safety, runaway worker. The attendance list and minutes of meeting are keep in the division office and the copy distribute to all attendee.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

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. For Ulu Bernam Estate latest on 28 Feb 2017. For Sungei Chawang Estate the latest list of local workers, Check roll Workers, Harvesters Contractors and Lent Labour. There is a list of workers & age as 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. Ulu Bernam POM, Ulu Bernam and Sungei Chawang Estate is complied with the labour law and their human rights policy to not employed workers less than 16 years.

Status: Comply

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.

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).

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 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 Mill and Estate.

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: Comply

6.9

There is no harassment or abuse in the work place, and reproductive rights are protected.

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. Awareness, training has been done to all the UP workforce: "An Understanding of Sexual Harassment at Work" 14 July 2016). 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 2017 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. The Latest policy is signed on 24 April 2015.

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: Comply

6.10

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

6.10.1, 6.10.2, 6.10.3, 6.10.4

The interview resulted from stakeholders and company workers, found no smallholders associated to this certificate holder. Based on interview with management representative, during this audit there was no local contractor engaged with mill and estate operation.

Status:

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

There is a contribution for Old folks home, Bus subsidies, and kindergarten/crèche in accordance with the results of consultation. An efforts to improve employment opportunities at the company for local communities has been made by the POM and Estate. The company was sighted an evidences of contributions to local development made by the Mill and 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)

6.11.2

There is no smallholder associated with Ulu Basir POM and the estate.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1

Human right policy, 2014, UP will not tolerate the use of child or forced labor, 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 labor, 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 was pointed for selecting or 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.

Passport keeping is legally allowed there is a Safe Keeping of Passport letter signed by the employee to agree management to keeping their passport. In POM and estates, passports of guest workers are voluntarily submitted to the respective management for safe custody in the estates' safes and will be readily made available upon request. In case, of workers wants to terminate their employment before their contract expires they have to apply from the POM and Estate management. No penalties is imposed, but 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.

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 payed beyond the minimum wages.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

The United Plantation Bernhard has Human Right Policy signed by Carl Bek Nielsen (Chief Executive Director) on 23 March 2013. There was also in Annual Report was describe that the United Plantation is committed to the protection and advancement of human rights wherever we operate. Also in Employee Hand Book was contained of Code of Conduct and Policy of the Company, including of Human Right Policy. The Employee Hand Book was available in several language version (English, Bahasa, Nepal, Tamil & Bengali). In early period of employee recruitment process, they has been sign of Employee Hand Book was contained of Code of Conduct and Policy of the Company, including of Human Right Policy. The personnel in charge for early training of the new employee is Mill Manager. The evidence of document training (attendance list) of local workers and foreign workers when started work has been sighted. There was observed the sample of Human Right Policy socialization to several foreign worker on 1 April 2017 in Ulu Bernam Estate.

Also has been observed the documentation of Human Right Policy communicated in Sungei Chawang Estate. The audience was cover to Local Malaysia, Office Staff and Field Staff (Harvester, Chemical Applicator & foreman). Based on field visit on mill area and both of estate (Ulu Bernam & Sungei Cawang), there was showed in several place (office area, housing complex and the public area) was installed the Human Right Policy. The result of interview on stakeholder consultation with the several workers, worker union representative and Gender Committee, there is no cases of human rights violations

6.13.2

Based on document verification and stakeholder consultation with foreign worker from Indonesia and Bangladesh in Ulu Bernam Estate, there is no foreign worker can bring their family to United Plantation.

Status: Comply	
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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.

7.1.1; 7.1.2; & 7.1.3.

There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate

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

Status: Comply	
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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.

7.2.1 & 7.2.2.

There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate

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

Status: Comply	
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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.

7.3.1; 7.3.2; 7.3.3; 7.3.4; & 7.3.5.

There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate

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

Status: Comply	
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7.4

Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.

7.4.1 & 7.4.2.

There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate

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

Status: Comply	
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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.

7.5.1.

There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate

Since the Recertification period, there was no surrounding or local communities are affected.

Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.		
	Status: Comply	
7.6 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; & 7.6.6. There is no new planting in area of Ulu Basir, Sungei Chawang & Sungei Erong Estate Therefore no land preparation, HCV assessment, NPP procedures and compensation plan are applicable. However the Group Manager for EHS is responsible to execute any compensation related works with the involvement from Board of directors and company secretary. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.		
	Status: Comply	
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.		
7.7.1 & 7.7.2. There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate During filed visit to various blocks seen no traces of fire being used for any plantation activities. Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.		
	Status: Comply	
7.8 New plantation developments are designed to minimise net greenhouse gas emissions.		
7.8.1 & 7.8.2 There is no new planting in area of Ulu Bernam, Sungei Chawang & Sungei Erong Estate Replanting program for second period was actively done from 1981 until 2010 and the third period of replanting was done since 2010.		
	Status: Comply	
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.		
There was showed the Continues Improvement has been implemented by the company, consist of : <u>Reduction in use of pesticides:</u> <ul style="list-style-type: none"> • Usage of pre-emergence herbicide • Spraying application as per schedule and use more allion. • Early treatment after census for control the spread. • Greater emphasis is given to the mowing of the harvesters' path to control weeds, soil erosion and rutting. The practice effectively reduces the use of herbicides and associated smell and odour problems, including air pollution in general. <u>Environmental impacts:</u> <ul style="list-style-type: none"> • Continuously Educate all workers not to waste water and create awareness • Greater emphasis is given to the mowing of the harvesters' path to control weeds, soil erosion and rutting. The practice effectively reduces the use of herbicides and associated smell and odour problems, including air pollution in general. <u>Waste reduction</u>		

- To recycle the water for external needs such as machinery cooling systems and educate employees to reduce wastage during cleaning

Pollution and greenhouse gas (GHG) emissions

- Close monitoring on vehicle usage & expected improvement from TNB for consistent supply which will avoid using genset
- To improve and sustain the usage of petrol by having good controls.
- Good periodic maintenance schedule & it is in tandem with FFB processing hours.
- Increase implementation of buffalo assisted operation whereas suitable
- Buffalo collection contributes effectively towards reduction of fossil fuel usage
- To maintain batteries in good order

Social impacts

- House upgrading
- Upgraded ATM Machine to comply the new banking facilities
- Build new shop houses in division

Encourage optimising the yield of the supply base

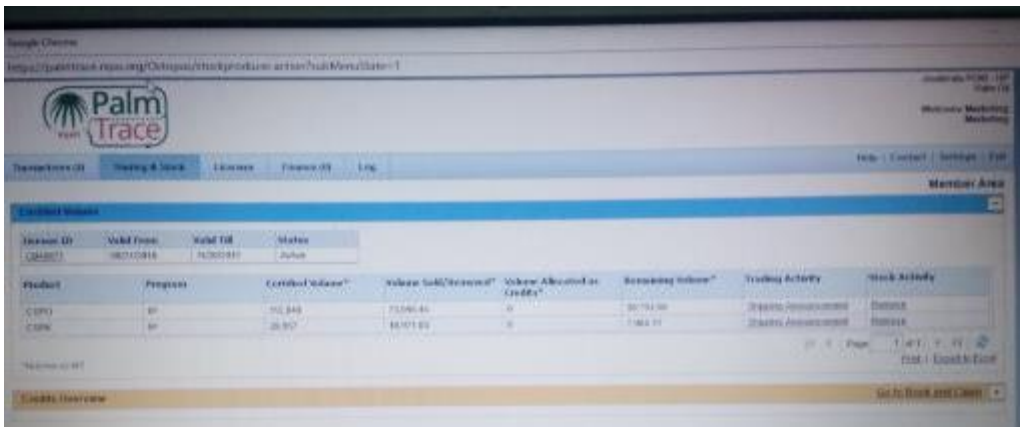
- Maintaining the harvesting standard
- To maintain harvesting interval 10 - 12 days
- To improve ripeness standard
- Despatch crop to mill within 24 hours
- To plant high yielding material
- Increase Buffalo Joint Crop Share System (JCSS) when more suitable area come into maturity

Mil

- Implemented The LOTO system to enhance safety at work and to eliminate/reduce accidents at workplace.
- To make sure that we maintain the parameter below the DOE limit (from final discharge of effluent ponds)

Status:

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	MODULE D – CPO MILLS: IDENTITY PRESERVED
1	Definition
1.1	<p>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>Ulu Bernam Mill only receives FFB from estates which are under the management of United Plantation Berhad Malaysia. As at audit period, the mill processing FFBs produced by 3 estates Sungei Erong Estate, Sungei Chawang Estate, and Ulu Bernam Estate. The mill's only customer is Unitata Berhad who is an RSPO member [RSPO-PO1000000067]. In the Palm Trace Platform, the Shipping Announcement stated as "IP", even there are CSPO sold as SG [the CSPO sold to Felda IFFCO, ISF & Cargill] and this was verified against the Sales Confirmation from UP Berhad, CPO(S/SG) -(1)-98/17 dated on 21/02/2017. Sighted an email correspondence between UP Berhad and RSPO Secretary dated on 15/04/2017, that RSPO Secretary has granted the mill can sell CSPO downgraded from IP to SG.</p>
	Status: Full Compliance
2	Explanation
2.1	<p>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.</p> <p>On every month-end the Palm Trace announcement done by Marketing & Shipping Department of Unitata Berhad and the in-charge person is K. Senthamarai Selvi. It is the UP Berhad management's decision to centralize control of Palm Trace for both refinery and palm oil mill.</p> <p>Based on the Shipping Announcement the seller name appears as Jenderata POM – UP with registration number RSPO_PO1000000238 who act on behalf of 3 mills], however the seller contract number stated the Ulu Bernam mill which the supply base of CSPO.</p> <p>For this audit, the cut-off date of announcement in Palm Trace is from 21/08/2016 to 30/04/2017, whereby the transactions from 01/05 – 31/05/2017 still in progress of updating. Based on the Palm Trace account logged on 05/06/2017 at 10.45am, the volume shown in the "Trading & Stock" is as below:</p> 

The validity of the Palm Trace account has been extended to 20/11/2017 from initial date of 20/08/2017 as the mill expected to end its operation by October 2017. In line with the expansion of validity period a request to add of volume as below been posted by Ulu Bernam Mill:

Product	21/08/16 – 20/05/17	01/06/17 – 21/11/17	Current Palm Trace balance 25/05/17	Additional Palm Trace Provisions till Nov'17
CPO	82,675.00	63,852.00	40,254.00	23,598.00
PK	19,283.00	14,532.00	7,985.00	6,547.00

The estimated tonnage of CPO and PK products for next one year are:

- FFB: 205,021 ton
- CPO: 45,105 ton (OER: 22%)
- PK: 10,251 ton (KER: 5%)

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).

- Certified CSPO sold to each buyer period of Aug 2016 to April 2017

Date / Month	Buyer	Volume [MT]
Aug'16	Unitata Berhad	2964.81
Sept'16	Unitata Berhad	3127.72
Oct'16	Unitata Berhad	2873.55
Nov'16	Unitata Berhad	1792.48
Dec'16	Unitata Berhad	2244.06
Jan'17	Unitata Berhad	1179.22
Feb'17	Unitata Berhad	41.34
Mar'17	Unitata Berhad	1514.09
Apr'17	Unitata Berhad	1416.45
Total		17,153.72

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

Date / Month	Buyer	Volume [MT]
Aug'16	Unitata Berhad	754.91
Sept'16	Unitata Berhad	723.44
Oct'16	Unitata Berhad	484.74
Nov'16	Unitata Berhad	546.47
Dec'16	Unitata Berhad	709.30
Jan'17	Unitata Berhad	610.84
Feb'17	Unitata Berhad	588.01
Mar'17	Unitata Berhad	973.08

Apr'17	Unitata Berhad	874.63
Total		6,265.42

	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:

a) Complete and up to date procedures covering the implementation of all the elements in these requirements;

b) 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.

A group level SOP "Traceability and RSPO Supply Chain Certification System" - SOP No.240-A, established as guideline to ensure the implementation for the SCC required elements. It is aim for identifying product's traceability with supply chain Identity Preserve module. The Resident Engineer, Weighbridge Operator, Marketing Manager, Palm Trace database executive are the key personals in charge to ensure the operation of mill in accordance to SCC procedure. The content of procedure was verified through visit to weighbridge station and interview with key personal involved.





	Status: Full Compliance
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3.2

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

The mill not receives FFB from external source. The mill has good system for tracking the movement of FFB, CPO and PKO in accordance to SOP "Traceability and RSPO Supply Chain Certification System" - SOP No.240-A. The mill performance report is able to track the mill's processing that also connected to United Plantation Berhad.

	Status: Full Compliance
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4	Purchasing and goods in
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4.1

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

The mill only receives and process FFB from owns estates for the period of Aug 2016 to Apr 2017

Month	FFB		
	RSPO Certified	Non-Certified	Total
Aug'16	16122.80	-	16122.80
Sept'16	15077.12	-	15077.12
Oct'16	9400.12	-	9400.12
Nov'16	14242.89	-	14242.89
Dec'16	16753.10	-	16753.10
Jan'17	13258.39	-	13258.39
Feb'17	15498.74	-	15498.74

Mar'17	19167.47	-	19167.47
Apr'17	19642.05	-	19642.05
Total	139162.70	-	139162.70
Status: Full Compliance			
4.2			
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.			
The mill throughput data was verified for the period Aug'16 to Apr'17, and found there was no over production. The mill manager aware the process of notifying in the event of overproduction.			
The actual Production from 21 August 2016 till May 2017, are:			
<ul style="list-style-type: none">• FFB: 149,961.84 ton• CPO: 31,372.02 ton• PK: 6,733.29 ton			
Estimate of production on the certificate are:			
<ul style="list-style-type: none">• FFB: 170,231 ton• CPO: 38,089 ton• PK: 9,348 ton			
Status: Full Compliance			
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.			
Based on the SOP for SCC, the retention period for all records and reports shall be minimum of 2 years. The mill is also required to record and balance all receipts of FFB and CSPO / CSPKO on 3 monthly basis. The commodity department to register the transaction of CSPO / CSPKO in the Palm Trace during physical deliveries and records to be maintained accordingly.			
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.			
There are 7 SOPs, a process flow chart established. Since the mill only adopts to IP Module, therefore the procedures are seen clearly indicates the required mechanisms to ensure the objective of IP is monitored and achieved. There is also a storage tank map available for 4 tanks for CSPO [3x500MT and 1x3000MT], there are 3 kernel silo tanks x 100MT and 2 kernel dispatches x 100MT for CSPKO. Sampled records from Sept'16 to March'17 was verified for FFB tickets from 3 estates, weighbridge tickets for CSPO, CSPKO and FFB.			
Status: Full Compliance			
6.2			
The objective is for 100 % segregated material to be reached.			
The mill only receives FFB from UP Berhad owns plantations [Ulu Bernam Estate, Sungei Erong Estate and Sungei Chawang Estate], therefore it was assessed for IP module. Based on the documentation verification, interview with mill workers and visit to weighbridge station, there is no evidence the mill applies SG module. However, due to the request from buyer [Unitata Berhad], the mill sold CSPO & CSPKO under SG where the internal documents such as weighbridge tickets are stamped as "Certified Sustainable – CPO (SG) MUTU-RSPO/068. The status in Palm Trace remain as "IP".			
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	ULU BERNAM Palm Oil Mill, United Plantation Berhad has had approval/permit the use of the certificate by Mutugung Lestari with CERTIFICATE CODE: MUTU-RSPO/097	√
	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	ULU BERNAM 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	ULU BERNAM 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	ULU BERNAM Mill does not use the logo both in the on-product and off-product.	√
	Status: Full Compliance	

3.4. Summary of RSPO Partial Certification.

Summary 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.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	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>
2.1.2	<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</p>

		<p>has sent the disclosure of liability and currently has entered to the third stage of RACP process.</p> <p>In 2014, the company has also conducted HCV identification for smallholder scheme area and Kumai Arut Conservation Area for the area of 1,121.2 ha. However, the area of 49.572 ha is highly potential be opened as housing area of Benaning Bawah Villagers. The information is based on community aspiration to exclude the area from HCV area of Kumai Arut Estate Scheme Smallholder. The company with assigned consultant has approached and counselled local community through FPIC method. The company has consulted to RSPO Jakarta Office on 9 May 2016 in accordance with this situation for RSPO to accommodate community aspiration without disobey RSPO requirement on new area development. This communication shall be followed up and updated</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>
2.1.3	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>
2.1.4	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</p>

		<p>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>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes.</p> <p>Auditor verification 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>
2.1.6	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 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 trough procedure No: SOP-</p>

		HRD-017-R00. SSS has conducted internal audit for legal compliance and explained the process for evaluate the compliance of regulation.
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.
3.5.1 Identification of Findings, Corrective Actions and Observations at Recertification Assessment

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>					
There is no non-conformance during the recertification of Ulu Bernam POM					
Root Cause Analysis <i>(filled by organization audited):</i>					
Correction <i>(filled by organization audited):</i>					
Corrective Action <i>(filled by organization audited):</i>					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>					
Verified by	:				

3.5.2 Opportunity for Improvement

1	Major 2.1.1	Consideration to improve the scheduled waste manager selection & evaluation process (Ulu Bernam Estate)
2	Minor 4.7.5	Consideration to have more trained first aider for fully coverage of operational processes and shift working hour (Ulu Bernam Mill)
3	Minor 6.2.3	Consideration to Estate management to more proactive communicate with the external stakeholder

3.5.3 Noteworthy Positive Components

No	Description
1	The Company has commitment to implement the principle of sustainable palm oil management.
2	Has earned RSPO certificate in 2008.
3	The company has provide above average Workers Housing and sufficient supporting facilities
4	The company was implemented the Best Agriculture Practices in weeding control to reduce of herbicide usage
5	There is no any traces of labor discrimination for both local and foreigners as seen many employees of the company are long serving and comfortable with the management administrative

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Respondent no. 1 (Bangladeshi Workers Representative)</p> <p>Workers representative form Bangladesh express his feeling regarding the UP management that give full cooperation when working in UP Jenderata Estate. He is feeling happy working in the estate and had been brief regarding the RSPO principal.</p>	<p>The company had thanked the worker for their commitment working in Up Berhad. The Company also promised to continue giving full support and cooperation with the guest workers without discrimination with the local workers.</p>
<p>Respondent no. 2 (Representative Kampung Erong)</p> <p>There is a representative from neighbouring village that concern about environment issue on the Erong Village. The villagers concern regarding issue of aerial spraying believe to be from UP plane that had done the aerial spraying. The dust from spraying had gone into their village. The villagers also hope more cooperation form UP management regarding the road that build across their village and UP tractors had also using the road for FFB transportation. If anything happen that related the UP workers and staff involving the villagers, the respondent hope the UP management will be more responsible.</p> <p>Despite the comment, the villagers also thanking the UP management providing a bus to carry the school children to the school nearby the estate. He also hoping the management will be more cooperative to them and doing more engagement to the villagers.</p>	<p>The company had taken a proactive action in order to continue giving their best commintemnt to the stakeholders. As per issue of aerial spraying, the company had clarified to the auditors that nearby estate (Felda Besout) had done the aerial spraying however the Felda is using the airstrip of UP Berhad. Engagement will be done with related parties and explanation regarding the issues will be communicated accordingly with villagers.</p> <p>Related to the road issue, UP management had proactively resolve the issues by giving some compensation to the related parties involved. it was sighted a receipt with some money compensation had been given to the respected party.</p> <p>The company will strive to give the cooperation in terms of Corporate social responsibility to the stakeholders nearby.</p>
<p>Respondent no. 3 (Police Station Ulu Bernam)</p> <p>The police department thanking the management for giving full cooperation to the police in any consequences. So far, there is no problem happen in the area of Ulu Bernam Estate and mill. The police had voice out their concern regarding the water quality at Ulu Bernam Mill , and supplied to the police station, sometimes the water quality is quite bad and make them buy the drinking water outside.</p>	<p>The company had clarified regarding the water quality issued. During the drought season, the turbidity of water at Bernam River is quite serious, hence the company cant process the water accordingly and its not happen many times. Sometimes the water quality is depend on the salt water from the sea that coming in . Hence the water quality is not as good as usual. However, the company will continue to take various step to maintain the water quality as clean as possible according to WHO requirement.</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-between; align-items: flex-end;"> <div style="text-align: center;"> <p>United Plantation Berhad, Malaysia (Group Manager HR & ESH)</p>  <p><u>C. Mathews</u> June 20th, 2017</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> June 20th, 2017</p> </div> </div>

Appendix1. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Felda Gedangsa Estate	Ulu Bernam, Perak, Malaysia	-	Focus Group Discussion	05/06/17	✓	
2	Balai Bomba	Ulu Bernam, Perak, Malaysia	-	Focus Group Discussion	05/06/17	✓	
3	Bangladeshi workers representative	Ulu Bernam, Perak, Malaysia	-	Focus Group Discussion	05/06/17	✓	
4	Indonesia workers representative	Ulu Bernam, Perak, Malaysia	-	Focus Group Discussion	05/06/17	✓	
5	Gender Committee	Ulu Bernam, Perak, Malaysia	-	Focus Group Discussion	05/06/17	✓	
6	Worship committee (church, Mosque, Temple) / Villager Representative	Ulu Bernam, Perak, Malaysia	-	Focus Group Discussion	05/06/17	✓	
7	Local Shopkeeper	Ulu Bernam, Perak, Malaysia	-	Interview	05/06/17	✓	
8	Environmental Protection Society Malaysia	Malaysia	epsm@epsm.org.my	Email	30/05/17		✓
9	All Women's Action Society	Malaysia	awam@awam.org.my	Email	30/05/17		✓
10	Malaysian National Animal Welfare Foundation	Malaysia	secretary@mnawf.org.my	Email	30/05/17		✓
11	United Nation Development Program	Malaysia	registry.my@undp.org	Email	30/05/17		✓
12	Malaysian Environmental NGOs	Malaysia	admin@mengo.org	Email	30/05/17		✓
13	Sustainable Development Network	Malaysia	bisans@pc.jaring.my	Email	30/05/17		✓
14	Ulu Bernam Estate: • 4 harvesters (Indonesia) • 5 fertilizer applicators (Bangladesh) • 4 Man pesticide applicator (India)	Ulu Bernam, Perak, Malaysia	-	Interview	05/06/17	✓	
15	Sungei Chawang Estate: • 3 harvesters (Indonesia) • 2 maintenance workers & 3 fertilizer applicators (Bangladesh) • 3 man pesticide applicator (India)	Ulu Bernam, Perak, Malaysia	-	Interview	06/06/17	✓	

Appendix 2. Assessment Program

DATE		5 th to 9 th June 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Sunday, 4 June 2017			
08.35 – 11.50	08.45 – 12.00	JAKARTA → KUALA LUMPUR	• ORN / RNL
12.00 – 15.00	12.00 – 15.00	KUALA LUMPUR → Lodging / United Plantations Guest House, Jendarata, Teluk Intan, Perak	• ORN / MHS / EBN / HR / YCH / RNL
Monday, 5 June 2017			
07.00 – 08.00	07.30-08.15	Guest House → ULU BERNAM Mill	• ORN / MHS / EBN / HR / YCH / RNL
08.00 - 08.30	08.30- 09.00	Opening Meeting (at ULU BERNAM Mill meeting room) → heads of Ulu Bernam estate, Sungei Chawang estate and Ulu Bernam Mill. (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives, Transparency and Confidentiality Clarification and Audit Agenda Explanation)	• ORN / MHS / EBN / HR / YCH / RNL
08.30 - 13.00	09.00 -12.30	Field Observation ULU BERNAM Mill <ul style="list-style-type: none"> • Mill processing, WWTP, Land Application, Schedule Waste, Water Treatment Plant, Safety & Health • Supply Chain Field Observation ULU BERNAM estate <ul style="list-style-type: none"> • Legal Operational (Boundary Monitoring). • Conservation area • Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Land Application, Health and Safety Implementation) • Worker Welfare and Interview (housing, payments, complaint mechanism, health clinic, clean water, etc.) 	<ul style="list-style-type: none"> • YCH / EBN • MHS • ORN • RNL / HR
13.00 – 14.00		BREAK	
14.00 - 15.30	14.00 – 16.00	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 	<ul style="list-style-type: none"> • ORN / MHS / EBN / HR / YCH / RNL • ORN / MHS / YCH / RNL
15.30 – 17.00	16.00 -17.00	Follow-up any outstanding audit issues	

DATE		5 th to 9 th June 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
15.30 – 17.00	15.00 – 16.30	Internal & External Stakeholders Meeting (Ulu Bernam estate Community Hall Div 1) <ul style="list-style-type: none"> Related Government Institutions & NGO Nearest village and community leader Worker representative 	<ul style="list-style-type: none"> HR / EBN
17.00 – 17.30	16.30- 17.00	Brief of Audit progress	<ul style="list-style-type: none"> ORN / MHS / EBN / HR / YCH / RNL
Tuesday, 6 June 2017			
07.00 - 08.00	07.15 – 08.15	Guest House → SUNGEI CHAWANG estate	<ul style="list-style-type: none"> ORN / MHS / EBN / HR / YCH / RNL
08.00 - 13.00	08.30- 12.30	Field Observation SUNGEI CHAWANG Estate A-Team <ul style="list-style-type: none"> Legal Operational (Boundary Monitoring). Conservation area B-Team <ul style="list-style-type: none"> Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Health and Safety Implementation), Schedule Waste storage, ect. C-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 Store 	<ul style="list-style-type: none"> ORN MHS RNL YCH HR EBN
13.00 – 14.00		BREAK	
14.00 – 16.30	14.00 – 16.30	Document Review → Ulu Bernam & Sungei Chawang estates <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"> ORN / MHS / EBN / HR / YCH / RNL
16.30 – 17.00	16.30 – 17.00	Brief of Audit progress	<ul style="list-style-type: none"> ORN / MHS / EBN / HR / YCH / RNL
7-8 June 2017			
Conduct audit at ULU BASIR POM (subsidiary of United Plantation Bhd.)			
Friday, 9 June 2017			

DATE		5 th to 9 th June 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 - 09.00	08.00 – 09.00	<ul style="list-style-type: none"> Follow-up any outstanding audit issues Audit finding discussion and preparation 	<ul style="list-style-type: none"> ORN / MHS / EBN / HR / YCH / RNL
09.30 - 10.30	09.00 – 11.00	<ul style="list-style-type: none"> Closing Meeting (at UPRD) → Ulu Bernam POM, Sungei Chawang & Ulu Bernam estate Closing Meeting (at UPRD) → Ulu Basir POM, Lima Blas estate & Ulu Basir estate 	<ul style="list-style-type: none"> ORN / MHS / EBN / HR / YCH / RNL ORN / MHS / EBN / HR / YCH / RNL
14.00 – 17.00	12.30 -15.30	United Plantation → KUALA LUMPUR	<ul style="list-style-type: none"> ORN / MHS / EBN / HR / YCH / RNL
Saturday, 10 June 2017			
12.50 – 13.55	13.00 – 14.05	KUALA LUMPUR → JAKARTA	<ul style="list-style-type: none"> ORN / RNL