

## **Malaysian Sustainable Palm Oil Certification**

### **MSPO – PART 4 (GENERAL PRINCIPLE FOR PALM OIL MILL)**

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

Plantation Management/Owner : United Plantations Bhd  
 Mill Name : Ulu Basir Palm Oil Mill  
 Location : Up River Business Unit, 35800 Slim River, Perak, Malaysia.  
 Certificate Code : **MUTU-MSPO/015**  
 Date of certificate issue : 18/08/2018  
 Date of expiry of certificate : 17/08/2023

Assessment	Assessment Date	Mutuagung Lestari Malaysia Auditor	Review by	Approve by
<b>Main/ST-2</b>	04 <sup>th</sup> July 2018	Mahaswaran Maliyapan (Lead Auditor), Ebnu Holdoon Shawal [Auditor], Mohd. Nizam bin Abu Bakar [Auditor]	Ganapathy Ramasamy / Peter	Hari Naveen Christopher

Assessment	Approved by MUTUAGUNG LESTARI MALAYSIA SDN BHD on:
<b>Main/ST-2</b>	<b>18/08/2018</b>

Mutuagung Lestari Malaysia Sdn Bhd  
 • B-09-26 Empire Soho • Subang Jaya • Petaling Jaya 47500 • Selangor • Malaysia  
 Telephone (03) 50367280 • Fax (03) 50367290  
 Email: hari@mutucertification.com • [www.mutucertification.com](http://www.mutucertification.com)

#### **TABLE OF CONTENT**

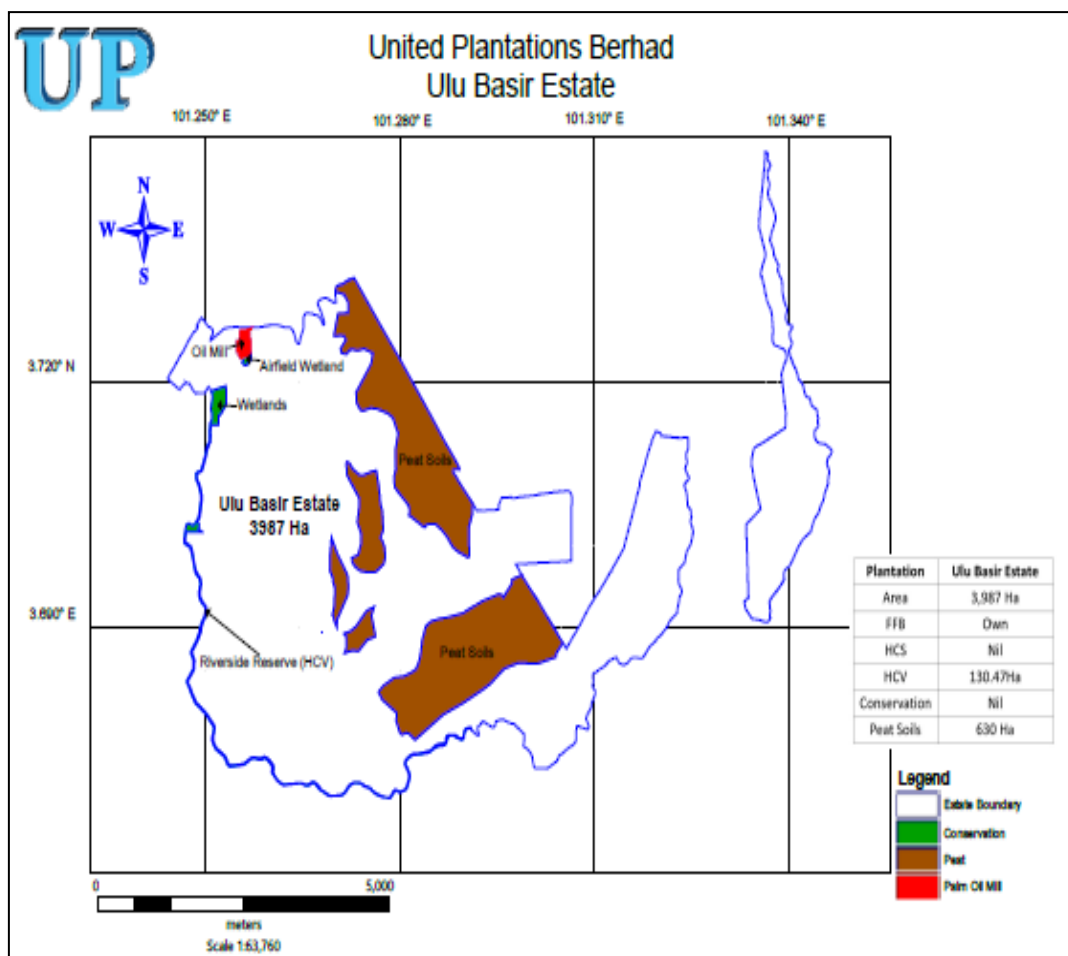
	<b>LOCATION MAPS</b>	
	Figure 1. Location and operation map of palm oil mill	03
<b>1.0</b>	<b>SCOPE OF THE CERTIFICATION ASSESSMENT</b>	
1.1	Assessment Standard Used	04
1.2	Organization Information	04
1.3	Mill and Supply Base(s) Information	04
1.4	Other Certifications	05
<b>2.0</b>	<b>ASSESSMENT PROCESS</b>	
2.1	Certification Body	05
2.2	Assessment Team	05
2.3	Assessment Methodology, Assessment Process and Locations of Assessment	06
2.4	Stakeholder Consultation	06
2.5	Determining Next Assessment	06
<b>3.0</b>	<b>ASSESSMENT FINDINGS</b>	
3.1	Summary of Assessment Report of the MSPO Certification	07-24
3.2	Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	25-29
3.3	Summary of Arising Issues from Stakeholders, Management and Auditor Responses	29-30
3.4	Summary of findings and recommendations	30
<b>4.0</b>	<b>CERTIFIED ORGANIZATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>	
4.1	Formal Signing of Assessment Findings	31
	<b>APPENDICES</b>	
1.	Glossary	32-33

### FIGURE

Figure 1. Location Map of United Plantation's plantations and palm oil mills



Figure 1. Location Map of Ulu Basir Palm Oil Mill within Ulu Basir Estate



1.0 SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	Malaysian Sustainable Palm Oil (MSPO)- MS 2530-4:2013: Part 4: General principles for Palm Oil Mills
1.2	Organization Information	
1.2.1	Company name	United Plantations Berhad
1.2.2	Contact person	C. Mathews
1.2.3	Company address and site address	<b>Organisation address:</b> Jendarata Estate 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia  <b>Site address:</b> Jendarata, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia
1.2.4	Telephone	+605-6411411
1.2.5	Fax	+6605-6416220
1.2.6	E-mail	<a href="mailto:cmm@unitedplantations.com">cmm@unitedplantations.com</a>
1.2.7	Web page address	<a href="http://www.unitedplantations.com">www.unitedplantations.com</a>
1.3	Mill Information	

1.3.1	Location of Mill								
	Name of Mill		Location			Coordinate			
						Latitude	Longitude		
	Ulu Basir Mill		Up River Business Unit, 35800 Slim River, Perak, Malaysia.			N 3° 43' 28"		E 101° 15' 21"	
1.3.2	Forecasted and actual volume of FFB, CPO and PK								
	Projected Volume - past year Sept 2016 to Oct 2017			Actual volumes July 2017 to June 2018			Projected volume July 2018 to June 2019		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
	-	-	-	184,191.42	38,839.06	9,482.65	82,626	18,178	4,131
*Source 12 month Forecasted CPO/PK Production Data by the Company. Use either 12 months forecast from audit or company's next year's forecast.									
1.4	Other Certifications								
	ISO 9001:2008 / 2015			-					
	ISO 14001: 2004 / 2015			-					
	OHSAS 18001:2007			-					
	ISCC			-					
	Others								

2.0	<b>ASSESSMENT PROCESS</b>								
2.1	<b>Certification Body</b>								
	Mutuagung Lestari Malaysia Sdn Bhd. B-0926 Empire Soho, Empire Shopping Gallery, Jalan SS 16/1 Subang Jaya, 47500 Petaling Jaya, Selangor, Malaysia Website: <a href="http://www.mutucertification.com">www.mutucertification.com</a> Email: <a href="mailto:hari@mutucertification.com">hari@mutucertification.com</a>								

<b>2.2</b>	<b>Assessment Team</b>
<b>Main / ST-2</b>	<p><b>Mahaswaran Maliyapan (Lead Auditor) Malaysian.</b> Executive Master in Entrepreneurship Enhancement [Supply Chain Management], Professional Diploma in International Management Practices, Graduate Diploma in Business Administration and Diploma in Mechanical Engineering. Has vast exposure and experience in engineering, quality, 2nd &amp; 3rd party auditing in various industries and owns proven track records of auditing various multinational companies both locally and internationally. Certified Lead Auditor for ISO 9001, 14001, OHSAS 18001, RSPO P&amp;C, RSPO SCCS, RSPO Next and MSPO. Since 2012 trained in agriculture certification programs such as RSPO, MSPO and SCCS and holds role as lead auditor or auditor with several local and overseas certification bodies. He too in Quality Environmental Management System as well the Occupational, Health and Safety auditing.</p> <p><b>Mohd Nizam bin Abu Bakar (Auditor).</b> Graduated from University Malaya with a Bachelor of Sciences with Honours (Ecology). Registered as a DOE environmental auditor EA 0012 and EIA consultant AC 0808. He had a 7 years experience on plantations as assistant manager at Asiatic Development Berhad. He had 21 years experience on auditing works on ISO 14000 Advanced EMS Auditing, Identifying Environmental Aspects &amp; Impacts by Sirim Training Services S/B, Environmental Assessment &amp; Management (Aberdeen, Scotland), Project Management Training Course &amp; Train The Trainer Course (MIM).</p> <p><b>Ebnu Holdoon Shawal (Auditor) Malaysian.</b> Graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit including Felda POM and United Plantation as trainee auditor and have total 42-man days following the auditing activities. During this audit he has been assigned to verify the Transparencies and Environmental aspect.</p>
<b>2.3</b>	<b>Assessment Methodology, Assessment Process, and Locations of Assessment</b>
<b>2.3.1</b>	<b>Figure of person days to implement assessment</b>
<b>Main / ST-2</b>	<p>Number of auditors: 3 auditors</p> <p>Number of days for Main/Stage-2 at site: 1 day</p> <p>Number of working days for Main/Stage-2 at site: 3 Working days</p>
<b>2.3.2</b>	<b>Detail process of assessment</b>
<b>Main / ST-2</b>	<p>Mutuagung Lestari Malaysia Sdn. Bhd. [thereafter known as <i>MUTU</i>] has conducted on-site Certification Assessment for Ulu Basir Palm Oil Mill on 4<sup>th</sup> July 2018 by 3 auditors as to assess the compliance of the certification unit against the MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills. The Stage 1 audit not applicable as the client already certified for RSPO and other sustainability programs.</p> <p>This stage 2 assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase. All information obtained was recorded in Check List of MUTU. It was witnessed, the Ulu Basir Palm Oil Mill was having partial production as they were not receiving enough crop to start the process during the scheduled time of for the POM visit. However, the audit team started the site visit from the input receiving and then walk through the production process which eliminates the risk of missing certain key aspects.</p> <p><b>The assessment program please find Appendix 2</b></p>
<b>2.3.3</b>	<b>Locations of Assessment</b>
<b>MAIN / ST-2</b>	Up River Business Unit, 35800. Slim River, Perak, Malaysia.



<b>2.4</b>	<b>Stakeholder Consultation</b>
<b>2.4.1</b>	<b>Summary of stakeholder consultation process</b>
<b>MAIN / ST-2</b>	<p>Consultation of stakeholders for Ulu Basir POM – PT United Plantation was held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement at web <a href="http://www.mutucertification.com">www.mutucertification.com</a> on 18 June 2018</li> <li>2. Public consultation by interview with Gender Committee, contractor, labor union, Shop owner, and worker's representative on July 3<sup>rd</sup>, 2018.</li> <li>3. Consultation with NGO (Suhakam-National Human Rights Society, NUPW –National Union of Plantation Worker, Traffic - the wildlife trade monitoring network, &amp; Malaysian Environmental NGOs – MENGGO) via email on June 26<sup>th</sup>, 2018</li> </ol> <p>Numbers of input from stakeholders were clarified by Ulu Basir POM –United Plantation.</p>
<b>2.5</b>	<b>Determining Next Assessment</b>
	The next visit of ASA 1 will be determined one year after this Main / ST-2.

### 3.0. ASSESSMENT FINDINGS

#### 3.1. Summary of Assessment Report of the MSPO Certification

MUTU has conducted the main / ST-2 assessment of Ulu Basir Palm Oil Mill – United Plantations Bhd operation consisting of one (1) mill. During this assessment, there was zero (0) non-conformities but two (2) opportunities for improvement were identified against MS 2530-4:2013. Further explanation of the non-conformities raised are provided in section 3.5.

MUTU found that Ulu Basir Palm Oil Mill satisfactorily complied with the requirements of MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills. Since the audit objectives as mentioned in the audit plan have been achieved and assessment that was resulted with no major non-conformity, therefore the lead auditor **recommends** Ulu Basir Palm Oil Mill for compliance with the MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mills.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
4.1 PRINCIPLE 1 MANAGEMENT COMMITMENT AND RESPONSIBILITY		
4.1.1 Malaysian sustainable palm oil (MSPO) policy		
4.1.1.1 Indicator 1: A policy for the implementation of MSPO shall be established.		
A corporate MSPO Policy seen dated on 29/03/18 was approved Dato' carl Bek-Nielsen, the CEO of United Plantations Berhad. Sighted the policy has been translated into Bahasa Malaysia, Tamil, Bengali and Hindi. This policy is linked to various Group Sustainability Policies such as commitment towards No Child Labour, No Deforestation, No Forced Labour & Contract Substitution, Meeting the Minimum Wages Standard, etc. The mill workers and staff are being regularly briefed on Group Sustainability Policies during toolbox meeting, sampled training records dated for 30/05/18.		
	Status:	Ok
4.1.1.2 Indicator 2: The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.		
Group Sustainability Policies sampled for legal compliance requirements that cross verified with objective, target plan and CIP such as to achieve domestic water usage 60 gallon per capita, BOD from final discharge < 300ppm, OSH safety performance at 100% and etc.		
	Status:	Ok

<b>4.1.2 Criterion 2: Internal audit:</b>		
<b>4.1.2.1 Indicator 1:</b> Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.		
There is annual "Sustainability" Internal Audit by the HRESH [Human Resource, Environment, Safety and Health] and latest audit was done on 04/06/18. The assessment was conducted by Jeevan, Lee and Ramesh which resulted with 12 non-conformities. Seen the assessment covers requirements needed by the sustainability scheme and mill best practices. Among the lapses found were schedule waste management at workshop, poor awareness on PPE usage by WTP operator, MSPO file management and etc.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.2.2 Indicator 2:</b> The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.		
Internal audit procedure dated on 27/02/18 is adequately identifies the process flow of the annual exercise is from establishing audit schedule → audit team selection → prepare audit plan → conduct audit – reporting of findings. Any non-conformities found during internal audit, shall be issued with a summary of findings and HRESH team to follow-up on the corrective actions.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.2.3 Indicator 3:</b> Report shall be made available to the management for their review.		
The findings from internal audit was responded by the mill management. Since the management review for 2018 is planning to be in 3 <sup>rd</sup> quarter, therefore the findings from internal audit will be discuss accordingly. It will be review by auditor in next assessment. The internal audit findings seen effectively addressed of the root causes with corrective actions plan in the NCR finding matrix.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.3 Criterion 3: Management review</b>		
<b>4.1.3.1 Indicator 1:</b> The management shall periodically review the continuous suitability, adequacy, and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.		
Management review meeting was done on 24/05/18 attended by operation & office staff and the mill manager chaired the meeting. Sighted the management review effectively covers internal audit findings from 2017, objectives & targets, reviewed of QMS, EMS & OSH policies, budget management, stakeholder communication, resource management customer satisfaction and production process.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.4 Criterion 4: Continual improvement</b>		
<b>4.1.4.1 Indicator 1:</b> The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.		
There are 14 CIPs available in the presentation form and some are on-going activities that brought forward from 2017 to 2018 with reason to maintain legal compliances of environment and safety. The CIP been associated with respective section's quality, environmental and OSH objectives. Aside the installation of another Alfa Laval 3 phase decanter to replace Humbolt 2 phase decanter for efficient operation of the oil room where the use of sludge separator stopped that eventually reduce operation cost. The installation of water gate at water catchment reservoir to maximize the water storage capacity to cater for uninterrupted supply of water for the factory especially during dry spell.		
	<b>Status:</b>	<b>Ok</b>
<b>4.1.4.2 Indicator 2:</b> The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.		
During mill visit seen the Vorsep Dust Collector System was commissioned at cost of RM 1 million to meet the DOE's Clean Air Regulation that to be below 150mg/m <sup>3</sup> from the current standard of 400mg/m <sup>3</sup> . With this improvement, the current stack sampling conducted in June 2018 recorded at 114mg/m <sup>3</sup> .		
	<b>Status:</b>	<b>Ok</b>



<b>4.2 PRINCIPAL 2: TRANSPARENCY</b>		
<b>4.2.1 Criterion 1: Transparency of information and documents relevant to MSPO requirements</b>		
<b>4.2.1.1 Indicator 1:</b> The management shall communicate adequate information to other stakeholders on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.		
The stakeholder meeting for was done on 30/04/18, sighted the attendance record [total 48 attended] attached with the minutes of meeting. Various issues were discussed and communicated, such as awareness on PPE usage for contract workers, open burning activities, the introduction on MSPO and the effect of Paraquat usage. A log book established for tracking of internal and/or external complaint. Based on the log book for communication and respond, appears no external stakeholder's remarks and for workers seen complaints on house maintenance.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.1.2 Indicator 2:</b> Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
The information on the publicly available documents seen specifically addressed in company webpage and annual financial report. This information also been communicated to external stakeholder during annual meeting.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2 Criterion 2: Transparent method of communication and consultation</b>		
<b>4.2.2.1 Indicator 1:</b> Procedures shall be established for consultation and communication with the relevant stakeholders.		
There is a Grievance Redressal Procedure in the Annual Financial Report for 2017 and in MSPO folder. This SOP serves as part of communication and consultation in clearing up misunderstanding / conflict / grievances or raising any issues with United Plantations Berhad. This SOP 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 mill manager / head of department from the company secretary.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2.2 Indicator 2:</b> The management shall nominate management officials at the operating unit responsible for issues related to Indicator 1 (4.2.2.1).		
Sighted a letter dated on 29/03/18 from the company CEO who has appointed the mill manager Mr. Padmanathan as window person to communicate and follow up with regards to stakeholder's issues.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.2.3 Indicator 3:</b> A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.		
The latest reviewed of immediate stakeholder list dated on 01/01/18 seen consists of government agencies and other interested parties. The meeting minutes with stakeholder are effectively documented. The 5 complaints and feedbacks during stakeholder meeting was responded by mill through a management plan.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3 Criterion 3: Traceability</b>		
<b>4.2.3.1 Indicator 1:</b> The management shall commit itself to implement and maintain the requirements for traceability and shall establish a standard operation procedure for traceability.		
The mill is necessary to verify the volumes and source of FFB entering the mill and to keep track of the FFB production throughout the mill processing. The mill has implemented SOP for Traceability [SOP on Traceability] Doc No: MSPO Indicator 4.2.3, dated 17/04/18 and SOP on Sustainable Supply Chain and Traceability RSPO SCC dated 08/03/18 as to provide guideline to establish sustainable supply chain and traceability for FFB. Sampled verified of chits from Feb, Mar, Jun and July 2018 with no negative findings. Mill is maintaining appointment letter for personals delicate on monitoring traceability. .		
	<b>Status:</b>	<b>Ok</b>

<b>4.2.3.2 Indicator 2:</b> The management shall conduct regular inspections on compliance with the established traceability system.		
Internal audit by the HRESH team found includes the traceability processes that covering the 4 indicators in the criterion 3. The assessment is conducted on annual basis. During mill visit, sighted the weighbridge operator able to demonstrate on how the system tracks the FFB input and how does the supply bases register in the “Approved Sustainable Supplier List”.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3.3 Indicator 3:</b> The management shall identify and assign suitable employees to implement and maintain the traceability system.		
The person in-charge is the assistant manager, verified “Job Scope” that stated his role on implement and maintain traceability system. The records for traceability [RSPO & SCC training] on various dates to the respective supporting personnel seen maintained.		
	<b>Status:</b>	<b>Ok</b>
<b>4.2.3.4 Indicator 4:</b> Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.		
Sampled weighbridge tickets [Mar-July’18] were cross-checked for the delivery of non-certified CPO against the shipping instruction from logistic department. The daily production record [throughput] were reviewed to cross-check against the daily ullage measurement taken every morning. The amount of FFB processed was cross-checked against the amount received. Example, weighbridge tickets include contract number. CPO delivery order weighbridge tickets include contract number.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3 PRINCIPLE 3: COMPLIANCE TO LEGAL REQUIREMENTS</b>		
<b>4.3.1 Criterion 1: Regulatory requirements</b>		
<b>4.3.1.1 Indicator 1:</b> All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
Below permits and licenses were verified for compliance:		
<ul style="list-style-type: none"> <li>• MPOB license for FFB, PK, CPO, SPO from until 30/09/19, (license number 500111304000).</li> <li>• DOE License was applied and payment was done on 23/04/18. However, the copy of license not received from the authority. A copy of payment receipt maintained in the MSPO folder.</li> <li>• CHRA – JKPP HIE 127/171-(2)-2017/010 valid until 2022. An additional test was done on 23/05/18 [JKPP Reg. No. PKK 5618] for the biogas plant.</li> <li>• License to operate private hospital as required by Akta Kemudahan dan Perkhidmatan Jagaan Kesihatan Swasta 1998 – 130807-00306-01/2016 – valid 23/02/20</li> <li>• The mill management has initiated the Fire Certificate application [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. Sighted a letter from the appointed consultant [PYK Consultant] to Bomb was acknowledged on 26/06/18 [PYK/UPB/18-19/ARC.</li> <li>• Water extraction SPAN SPAN/EKS/(PT)/800-4(1)/15/09 – Akta Air 1920 [Act 418], Sek 7(4)</li> <li>• Annual medical surveillance [Occupational exposure – N-Hexane] 23/03/18 sampled for Saiful Anwar bin Samsudin and for competent person for confined space [AGTES] – Mohd. Shafiq bin Naslah - NW-NCC-AGT-0407-C</li> <li>• Certified Environmental Professional in Waste Management (CEPSWAM) – Muhamad Shafiq bin Naslah – CePSWAM/16870. FTR has been submitted and awaiting interview with DOE.</li> <li>• Certified Environmental professional in the Treatment of Palm Oil Mill Effluent – Pond Processes (CePPOME) No. CePPOME/16068 – Padmanathan.</li> <li>• CEMS monitoring was seen stable with no distortion nor instability of modem [graph appears on the screen while the mill in operation].</li> <li>• Quarterly Return Form as per First Schedule of the EQ (Prescribed Premises) (Crude Palm-Oil) Regulations, 1977 – report to DOE sighted for 1<sup>st</sup> Q 2018 [ref. A31/152/000/036 – license 004217]. Total CPO produced 3336 MT / total FFB processed 15,872 MT and total water consumed 26,448 cubic meter(m<sup>3</sup>).</li> </ul>		

- Sampled Steam Engineer Gred 1 – Padmanathan [041/2009]
- Engine Driver – Chandrakesan Kanason [PK 33/2008]
- Charge man – Adnan bin Yeop Shahidan [PJ-T-2-B-0071-1997]
- Authorized Entrant and Standby Person for Confined Space [Bharathan NW-PNG-AE-R-0065-Q] expires 24/02/20
- Based on Additional Noise Monitoring result [DOSH PKK 5618] dated 10/02/16 – Sterilizer station [83-88dB], Press Machine/Thresher/Digester [84-91dB], compressor [89-94dB], locomotive engine [81-83dB], turbine/Genset [100-105dB] and feed pump [91-93dB].
- Annual & Baseline Audiometric Testing done by CSK Murni Services 24/03/18 [No. GR/UPB/AUDIO/0418/201] as per required by the Noise Regulation for Workplace 1989, total 95 employees were tested [28 baseline, 67 annual] found possible hearing impairment-profound (4 workers) possible STS [2], possible hearing loss [23] and normal [29].
- Isokinetic stack, Air Emission and Dark Smoke [report No. MURNI/0518/3280] done on 30/05/18 and reported on 18/06/18. Result for boiler 2, 3 and 4 tested parameters were below than required by Clean Air Regulation 2014.
- Ambient Air tested on 26-27/10/17 by CSK Murni Services [MURNI/1017/2992] TSP as to monitor the ambient air characteristics surrounding the palm oil mill.

**Status:**
**Obs**

**4.3.1.2 Indicator 2:** The management shall list all relevant laws related to their operations in a legal requirement register.

The mill annually checks the adequacy of legal compliances and they receive updated legal requirement notifications from Group HR Manager. There are 43 law books available as for reference and cross verified against annual legal compliance monitoring list. Among the legal list maintained are Anti-Corruption Act 1997, Employees Provident Fund Act 1991, Water Act 1920 and etc. Sampled legal requirement register for Schedule Waste Regulation 2005.

**Status:**
**Ok**

**4.3.1.3 Indicator 3:** The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.

The Group Manager Human Resources and Environment, Safety and Health manage the set of legal documents and communicate to the mill manager. There were no significant changes addressed in the regulation of OHS and environment. As for the general category, "Laws of Malaysian Act 803, Anti Fake News Act 2018 has been updated and communicated of the changes within all operating units. Personnel in charge on tracking and updating applicable legal documents are stated in the sustainability manual and mill have list of licence and permit includes the expired date and person responsible as system to tracking all permit is up to date.

**Status:**
**Ok**

**4.3.1.4 Indicator 4:** The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.

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. 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 in 2016, 11 in 2017 and 7 in 2018 notifications of changes been circulated and the changes effectively received and acknowledged by mill manager.

**Status:**
**Ok**

**4.3.2 Criterion 2: Land use rights**

**4.3.2.1 Indicator 1:** The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.

This mill was commissioned on 1989 with a processing capacity of 60MT/hr – an average of 200MT/year for 2017 and 60MT/year for 2018. The mill receives owned estate crops. Based on the MPOB and DOE license, evidenced the mill has approval to operate milling activities.

**Status:**
**Ok**

<b>4.3.2.2 Indicator 2:</b> The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.		
The mill is located in Ulu Basir Estate. Verified the land title – GRN00161499 [6352 sq.m] that able to correspond to DOE's Jadual Pematuhan.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.2.3 Indicator 3:</b> Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.		
The mill perimeter found fenced from illegal entrance by outsiders. The mill has no plan of extension of operational area.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.2.4 Indicator 4:</b> Where there are, or have been disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).		
There are no communities nor individual has any implications for the legal status of their land.		
	<b>Status:</b>	<b>Ok</b>
<b>4.3.3 Criterion 3: Customary land rights</b>		
<b>4.3.3.1 Indicator 1:</b> Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.		
There are no communities nor individual has any implications for the legal status of their land.		
	<b>Status:</b>	<b>NA</b>
<b>4.3.3.2 Indicator 2:</b> Maps of an appropriate scale showing extent of recognized customary rights shall be made available.		
There was no traces of communities nor individual implications for the legal status of their land or have been disputes.		
	<b>Status:</b>	<b>NA</b>
<b>4.3.3.3 Indicator 3:</b> Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.		
No negotiation process involved.		
	<b>Status:</b>	<b>NA</b>
<b>4.4 PRINCIPLE 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY AND EMPLOYMENT CONDITION</b>		
<b>4.4.1 Criterion 1: Social impact assessment (SIA)</b>		
<b>4.4.1.1 Indicator 1:</b> Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.		
Based on the internal stakeholder's social risk assessment review plan, the risk identified were low and negligible. The social impacts outputs which rated as critical to be review on weekly, high cases on monthly, medium risk at quarterly and negligible on annual basis. The mill has done a group level review on 09/07/18. Among the key issues discussed were on regular inspection to arrest spillage of lauric oil and floor washing, conflict with stakeholders over boundary, access roads for surrounding communities passing the mill's road, work condition of foreign workers and their turnover rate, prohibition of child labor and discrimination, human rights policies, basic human ethics, basic amenities and etc.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2 Criterion 2: Complaints and grievances</b>		
<b>4.4.2.1 Indicator 1:</b> A system for dealing with complaints and grievances shall be established and documented.		
The Annual Report 2017 of United Plantations Berhad [which publicly available] consist of latest version of complaints and grievances procedures in page 143. The procedure meant for continuous stakeholder engagement process and a framework for internal and external stakeholders to understand the applicable process for raising any issues with United Plantations Berhad.		
	<b>Status:</b>	<b>Ok</b>

<b>4.4.2.2 Indicator 2:</b> The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.		
Sighted the grievance redressal procedure in page 144 explained in a flow chart, such as if any matter unsettled within 30 days [extremal stakeholder] and 7 days [internal stakeholder] or without any mutual satisfaction, then it be dealt under provision of Malaysian legal appeals and/or under the provision of industrial relations Act 1967 of the employment Act 1955.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.3 Indicator 3:</b> A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints		
Seen there is a complaint box affixed at entrance to the office. There are empty forms attached to the box. The admin staff will collect any filled forms on daily basis.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.4 Indicator 4:</b> Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.		
Confirmed during the interview with workers and stakeholders that they have been aware and understand regarding to the complaint and grievance mechanism, including the personal in charge to handle the complaint and timeframe for responding. During the external stakeholder meeting, sufficient briefing on complaint flow made. This was verified during stakeholder consultation on 03/07/18, whereby all the attended stakeholders agree the company provides information.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.2.5 Indicator 5:</b> Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.		
Seen the internal and external complaint & grievances log book and as at audit period, there was no negative complaints made by either party in the last 24 months. Its more to request and response from them for household maintenance which the estate management responded timely.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.3 Criterion 3: Commitment to contribute to local sustainable development</b>		
<b>4.4.3.1 Indicator 1:</b> Palm oil millers should contribute to local development in consultation with the local communities. Where the mill is an integral part of a plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.		
As part of promoting good education among dependents of POM workers, on 05/03/18 the mill has accepted an Industrial Trainer from Faculty of Chemical Engineering, University Technology Mara. There are also records available to demonstrate the mill gives monitory funds and infrastructure facilities to surrounding communities as well for the nearby schools. Sighted the UP Annual report for 2017, page 76 with information on social commitments of the group for the period 2013-2017.		
	<b>Status:</b>	<b>Ok</b>
<b>4.4.4 Criterion 4: Employees safety and health</b>		
<b>4.4.4.1 Indicator 1:</b> An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act139) shall be documented, effectively communicated and implemented.		
OSH Policy has been developed generally for the whole UP group comprising of Mills and Estates. Latest Policy was endorsed by the CEO Dato' Carl Bek-Nielson on 18/8/17. The policy was communicated via series of programmes such as OSH Plan, OSH Manual, circular on safety – tracking system in changes of laws. Managed by HR, Environment, Safety & Health Department. Latest Circular was on Guidelines for Manual Handling at Workplace, 8/6/18. Sighted OSH Committee Meetings – latest organization chart reviewed in 2018 and the latest meeting held was on 17/6/18. Verified the OSH training – OSH Training programme for 2018. Latest training conducted on 9/6/2018 on Biogas station. There is a good management system formulated on OSH.		
	<b>Status: Comply</b>	<b>Ok</b>



<p><b>4.4.4.2 Indicator 2:</b> The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risks of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ul style="list-style-type: none"> <li>i) all employees involved are adequately trained on safe working practices; and</li> <li>ii) all precautions attached to products should be properly observed and applied.</li> </ul> </li> <li>d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</li> <li>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</li> <li>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</li> <li>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.</li> <li>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</li> <li>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</li> <li>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals</li> </ul>	<p>There is an Occupational Safety and Health Plan prepared for Ulu Basir Mill. It began with Policy, manual, training, meetings and tracking systems. The systems are being managed to ensure the safety condition of the Mill operation under control. Safety performance from Jan to June 2018 showed that percentage performance was within 99 % to 100%. Accident record showed, an accident happened on 6/5/2018 at the marshaling yard. Accident investigation has been carried out on 7/5/2018 to identified and addressed the issue.</p> <p>Accident report to DOSH was done annually, 2017-2018. OHS meeting done by OSH Committee and OSH meeting minutes evidenced and the in charge person is the Resident Engineer M Padmanathan. CHRA assessment was conducted on 17/7/2017, by registered Assessor Ridzwan Hj. Hussain (JKKP HIE 127/171-2(1). Annual health surveillance record available and latest done on 23/3/2018 for 4 lab assistant staffs. This medical surveillance was recommended by CHRA report for worker exposed to N-Hexane. PPE issuance was documented in PPE records file. Latest issuance in 2018 was available.</p> <p>Mill site inspection conducted observed that workers were fully equipped with PPEs. Awareness Training on safe working was available and latest was conducted in June 2018. Employees trained in First Aid seen available at every station. A First Aid Kit equipped with approved contents seen available at each worksite. First Aid training was last conducted in June 2018 and aid kits were observed kept by all section supervisors.</p>
<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5 Criterion 5: Employment conditions</b>	
<p><b>4.4.5.1 Indicator 1:</b> The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p>	
<p>There is a Human Rights Policy established for UP group endorsed on 18/8/2017. Bullet points number 9 mentioned that child workers are prohibit to be employed. Child workers mean anyone who is less than 18 years old. The mill has kept the record of all their workers and complied accordingly. The policy highlights the company's commitment to support human rights by having high in committing to take into consideration of the human rights requirements in structuring its manual, procedures that incorporated into company's policies.</p>	
<b>Status: Comply</b>	<b>Ok</b>



<b>4.4.5.2 Indicator 2:</b> The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.		
The mill did not practice discriminatory and provide equal opportunity to all races, color, sex and political opinion. There was workers record showed the above was complied. Sighted also the social policy of the company that the company will committed to adhering to the principles as “All employees should be treated fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion, or age.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.3 Indicator 3:</b> Management shall ensure that employees’ pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.		
Employee’s payment record showed that the mill adheres to the Malaysian Minimum wages scheme of RM 1,000 per month. Payment record showed in check roll summary were all above RM 1000.00 per month [6 days working - RM 38.46 per day / Hourly RM 4.81. With regard to employees who are not paid basic wages, but are paid wages based only on piece rated system, tonnage system, task system, trip or commission system, the rate of monthly wages payable to such employees seen received wages not less than RM 1000.00.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.4 Indicator 4:</b> Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.		
There is only 1 contract between the mill and contractor named Armada Semarak Sdn Bhd. The contractor is to supply land labour (11 workers only) to the mill. The contract agreement endorsed on 1/1/2018 was available. UP not engage any contract workers for their mill activities since they have enough own workers for planned tasks. This was cross verified during external stakeholder meeting and mill visit.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.5 Indicator 5:</b> The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.		
Check roll summary on June 2018 has observed detail of worker’s income inclusive of overtime and holiday pay. Sighted a master list been divided into description of sex, date of birth, employee full name, the date of joining the company, and work designation description verified.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.6 Indicator 6:</b> All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.		
There is Workers contract agreement showed between the employee and employer. The salary was clearly stated followed MAPA and MPOB palm oil price. Sampled the foreign and local worker’s contract agreements that includes the offer of appointment, letter of employment, induction training for the new employee, offer of employment, acceptance form, form of giving passport, attendance certificate for the foreign workers and copy of workers passport.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.7 Indicator 7:</b> The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.		
Time recording system was implemented via Daily Rated Workers Input Form for every individual. It is transparent for both employee and employer. The company had also a system that record the type of employment in the company including workers in shift 1 and 2, workshop, monthly payment and clerical Staff – office. Based on the pay slip sighted for the mill, the workers had been paid according to the regulation that include the hours of working, normal working hours, rest day, public holiday, yearly holidays, approved holiday, non-approved holiday, resting days, and average salary for this month and previous month.		
	<b>Status: Comply</b>	<b>Ok</b>

<b>4.4.5.8 Indicator 8:</b> The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirement applicable.		
Daily Rated Workers Input Form has shown the details of the working hours and over time. Based on the contract agreement made by the company and workers, stated that “you may work overtime and this is subject to approval from your manager. Overtime means any work performed after your normal working hours. You will be paid overtime based on applicable rates in the employment Act 1955(EA). Sighted the contract agreement had been signed by the workers and management (mill manager and, passport number and date of agreement made		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.9 Indicator 9:</b> Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.		
Workers salary and overtime payment were following the regulations and agreement. The check roll summary record tabulated the details. As per MAPA/NUPW Filed and Other General Employees and Fringe Benefits, agreement 2003, sighted also the clause calculation of annual leave pay in Lieu (Article 20- annual leave) stated that “such payment will be made during the first week in January of the following year”.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.10 Indicator 10:</b> Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings		
Beside free accommodation and other amenities. Workers were being paid Vacation Leave Pay (VLP) provided they adhere to less than 10% absent record. Besides of the mandatory benefits, seen the mill management encourages the workers to do own vegetable farming for own consumption and recreational areas for optimizing the worker’s free time.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.11 Indicator 11:</b> In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.		
Workers were provided with good quarters and amenities. Based on the visit to mill housing area, the workers are placed in a centralized compound. Sighted from the visit adequate housing area that include all the basic amenities such as electricity and both local and foreign workers are provided with clean water that is subsidized for 5000 liters per person’s. The sources of water are from treated water valid license from SPAN license as required by Water Services Industry Act 2006 – approval till 28/08/18. There are 3 rooms for the workers including one kitchen and one bathroom. The maintenance of the house had been done as a request basis and domestic waste had been collected twice a week. There are also nearby sundry shops in the estate for the workers and staff to shop on groceries.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.12 Indicator 12:</b> The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.		
The company had produced a policy dated on 24/04/15 related to Gender Policy stated that the company shall comply: “endeavor to prevent sexual harassment and all other forms of violence against women, workers and community” and “establish a specific complaints and grievance procedure and mechanism, acceptable by all parties, to address gender based issues” by establishing the gender committee to implement and monitor the policy. The company had displayed the policy on the notice board and muster ground roll call. Based on the gender meeting sighted no records of reporting related to sexual harassment in the workplace		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.5.13 Indicator 13:</b> The management shall respect the right of all employees to form and join trade union and allow workers own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.		
Trade Union seen formed in the mill and sighted the records of employees joining NUPW was available. Only 11 workers joined the trade union. Evidence noted in NUPW Insurance Scheme,		
	<b>Status: Comply</b>	<b>Ok</b>

<b>4.4.5.14 Indicator 14:</b> Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.		
Young person below 18 years will not be employed by UP. This is stated in employment policy and employment SOP. Workers age record showed that all workers are above 18 years old.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.6 Criterion 6: Training and competency</b>		
<b>4.4.6.1 Indicator 1:</b> All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.		
There are OSHA training programme plan for 2018 covering the needs such as Biogas Flaring, AESPR, Supply Chain, Fire Drill and Schedule waste handling. Latest training conducted on 27/6/2018. Based on the annual training plan, it covers all operation section, particular attention to those areas with high impact on social, environment and OHS.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.6.2 Indicator 2:</b> Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.		
Training needs for employees were identified by mill management through MSPO training needs analysis. The plan has been started in early quarter of 2018. After the training, they are given the on the job training for them to familiarize with the applicable operation before they transferred to specific station.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.4.6.3 Indicator 3:</b> A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.		
Continuous training programme was included in the MSPO Training Needs which was planned for 12 months.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.5 PRINCIPLE 5 : ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY AND ECOSYSTEM SERVICES</b>		
<b>4.5.1 Criterion 1: Environmental management plan</b>		
<b>4.5.1.1 Indicator 1:</b> An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.		
Sighted the environment and Biodiversity policy dated 18 <sup>th</sup> August 2017 signed by Dato' Carl Bek Nielsen regarding United Plantations commitment through protection of the environment and conservation of Biodiversity. Based on the document, few objectives had been made such as conducting our operation under the best principles of agriculture that is compatible with the natural environment and full support of integrated pest management techniques and Best Management Practices for existing plantations on peat.		
Sighted the environmental commitments of the company in line with national regulations such as: A Zero- Burn Policy 1989, A no Primary forest clearing policy 1990, a No biodiesel production supply policy 2003, a No HCV forest clearing policy (2005), A methane capturing policy (2000), and a no new planting on peat policy 2010. Sighted the policy had been translated into Malay language, Bangladeshi, Indian and English Language to accommodate the workers that come from different nation into the mill. Based on mill visit, there were policy being displayed in the general store room area, muster ground area in front of the mill office as the place are easily accessible by the workers.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.1.2 Indicator 2:</b> The environmental management plan shall cover the following:		
a) An environmental policy and objectives		
b) The aspects and impacts analysis of all operations.		
The mill had done the environment management plan that has been made into Environment Risk Assessment on 2018 that will have included the station in the mill impacted to environment such as weighbridge, sterilizer, crane / stripping station and etc. Sighted the management plan had been reviewed annually that will include the heads of estate, members-affected stakeholders and the minutes had been circulated to all the stakeholders, management unit of Ulu Basir mill. Based on the matrix evaluation form, the plan provided is include the monitoring protocol for the activities, and mitigation action has been made to reduce the impact such as POME discharge to land and etc.		
	<b>Status:</b>	<b>Ok</b>

<b>4.5.1.3 Indicator 3:</b> An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.		
Environmental improvement plan had been done based on the environmental risk assessment that will access the risk based on the Severity X Quantity X probability. Based on the assessment, the company manage to get the significance level of severity and impact of the operation towards the environment. significance level of medium, Low and Negligible will determine the environment action plan taken to reduce the level of impact such as for sterilizers → environment impacts : discharge of sterilizer condensate , noise from sterilizer exhaust , oil lubricant spillage at marshalling yard → load items : CPO and Mineral Oil → estimated quantity per hectare → SQP Significance level = low → environmental action plan , methods to reduce level of impact ( channel all condensate to effluent plant , annual servicing of the sterilizer automation system for efficient operation, vehicles maintained properly, floor washing once a week).		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.1.4 Indicator 4:</b> A programme to promote the positive impacts should be included in the continual improvement plan.		
Continual improvement to promote positive impact had been including in continual improvement impact. sighted the action plan in Ulu Basir Engineering Department for effluent treatment and waste management such as regular pumping of POME from effluent Ponds for land application, annual desilting of effluent ponds, continuous monitoring of the effluent discharge to meet standard, maintain and enhance oil traps and etc. Sighted the action plan and improvement plan had been made into items, Action by whom , targeted dated, resources and current status of the operation.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.1.5 Indicator 5:</b> An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives and management plans and are working towards achieving the objectives.		
Sighted the training programmed that being established and implemented to ensure all employees understand the policy, objectives and management plan of environmental impact assessment. One of the training that being held by the mill department is scheduled waste training dated 27 <sup>th</sup> June 2018 attended by 4 peoples that explained the process of scheduled waste management. The procedure had been clearly stated into the SOP on scheduled waste management as per documented.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.1.6 Indicator 6:</b> Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.		
United Plantations Ulu Basir mill had developed some environment committees on environment management committee (EMC) which include Upriver Working group (UP Mill Ulu Basir) into mill working group. Ulu Basir mill had done a meeting on mill operation regarding the environment aspect dated 11 <sup>th</sup> April 2018 alt mill laboratory Ulu Basir Eng. Dept. sighted the attendance present on the meeting including resident engineer, workshop supervisor, weighbridge supervisor, factory supervisor, junior factory supervisor, maintenance supervisor, electrical charge man, and worker's representative. Based on the minutes meeting the meeting will discuss and review ratings of the impact / risk significance the previous year operation categories that will be followed and discussed accordingly station by station. Sighted the meeting report had been prepared with assistant engineer and approved by resident engineer.		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.2 Criterion 2: Efficiency of energy use and use of renewable energy</b>		
<b>4.5.2.1 Indicator 1:</b> Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.		
The consumption and nonrenewable energy had been monitored by the mill. Sighted the fuel and lubricant usage for 2018 from Month of January 2018 until May 2018 (liters): e.g. <ul style="list-style-type: none"> <li>• Diesel: 3524, Petrol: 293, Lubricant: 399</li> <li>• March: 3600, Petrol: 276, Lubricant: 496</li> <li>• May: 1882, Petrol: 285, Lubricant: 181</li> </ul> Total usage form Month of January 2018 – May 2018 = 14,146.00 liters, Petrol = 1391.00 Liters, and Lubricant 1557 Liters.		
	<b>Status:</b>	<b>Ok</b>



**4.5.2.2 Indicator 2: Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.**

The mill had recorded the usage of non-renewable energy of the operation throughout the year of 2017 and being send to the R and D unit for greenhouse gas calculation base on Life Cycle Assessment by Dr. Jannick Schmidt. Sighted the usage of non-renewable energy for their operations including usage of electricity in the operation on 2017 in KW/H: Sampled for:

- January 2017: 373,860.00 – 26.26 steams consumed KG/KWH
- February 2017: 357,220.00 – 26.12 Steams Consumed
- March 2017: 429,900 – 24.91
- June: 349,190 – 27.44
- July: 407,270 – 28.39
- August: 492,900 – 29.04

**Status:**

**Ok**

**4.5.2.3 Indicator 3: The use of renewable energy should be applied where possible.**

United Plantations Ulu Basir POM had several method of usage of renewable energy. Sighted the usage the renewable energy that being recorded and monitored on Ulu Basir Engineering department dated on January 2018, volume produced = 247,063.00 – average = 7970 and in March 2018: 287,497.00 – average 9274. Sighted the total production of biogas plant = 980,247.00 m3 produce to support the boiler in Ulu Basir Mill Operation. The renewable energy uses per ton CPO / Palm product at Ulu Basir Palm Oil Mill 2018 (January – April 2018):

- FFB Processed = 57,868.80 MT
- CPO Produced = 12,285.25 MT
- Fiber produced @ 13.5% to FFB = 7812.29 MT
- Shell produced @ 5.5% to FFB = 3182.78 MT

Sighted the by product form fiber and shell as per Calorific Value Fiber (Mj/KG) = 18.8, Energy Produced (GJ) 146.871 X10<sup>3</sup>, Energy Produced per Ton (GJ/MT CPO) = 11.96. the shell – calorific value = 19.5, Energy Produced = 63.064 X 10<sup>3</sup>, Energy Produced per tonner = 5.05 GJ/ MT CPO.

**Status:**

**Ok**

**4.5.3 Criterion 3: Waste management and disposal**
**4.5.3.1 Indicator 1: All waste products and sources of pollution shall be identified and documented,**

The mill had and inventory to record the waste sources and pollution that Sighted the waste sources had been recorded and monitored in the inventory as per E SWIS system of DOE and of scheduled waste as per latest updated on June 2018. Sampled, on 06/06/18 – SW 305, spent Lubricant oil – 130 liters, waste category code (SW 305), Used Lubricant oil and on 27/06/18 – SW 409 – used container – 1 Nos in Store.

**Status:**

**Ok**

**4.5.3.2 Indicator 2: A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:**

- a) Identifying and monitoring sources of waste and pollution.
- b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.

Sighted the Standard operating procedure for Schedule Waste Management. Workers collect and ensure no spillage of the schedule waste items etc. spent lubricants oil , SW 305, Spent Hydraulics SW 306, filters and old rags (SW 410) contaminated containers (SW 409), tube light (SW 109) and batteries SW 102 → waste disposed the scheduled waste items to the Ulu Basir Engineering department schedule waste store → workers informed the quantity and sources of waste to store personal → store supervisor updates the to date scheduled waste quantity in scheduled waste form → engineers verify and checked the record of the scheduled waste stated in scheduled waste form and update in ESWIS → every 6 months , the schedule waste were disposed to the DOE approved waste manager.

**Status:**

**Ok**

<b>4.5.3.3 Indicator 3:</b> The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.		
<p>Based on the consignment note sighted from the DOE regarding the scheduled waste item sighted the waste had been dispatched to PRIMOCHEM Sdn Bhd (Kawasan Perindustrian Gopeng Kinta Perak, license no. 004164 expired on 30<sup>th</sup> April 2019) and details of the driver and vehicle registration had been made into consignment note as per details:</p> <ul style="list-style-type: none"> <li>SW 305 – spent lubricating oil = 0.4 MT disposed on 12<sup>th</sup> May 2018</li> <li>SW 306 – Spent Hydraulic Oil = 0.16 MT dated 21<sup>st</sup> August 2017</li> <li>SW 410 – Spent Rags, plastic, papers or filters contaminated with scheduled waste = 0.026 MT and 0.037 MT dated 26<sup>th</sup> June 2018 to KENEP Waste management Sdn Bhd</li> </ul> <p>Sighted the competent person in charge of the mill scheduled waste (CEPSWAM), the assistant manager of Ulu Basir POM that will record, updating inventory and disposed to the registered waste collector as per documentation.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.3.4 Indicator 4:</b> Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.		
<p>The mill had shared the domestic waste with the estate that dispatched of the waste as per alternate day of the mill and the management of waste disposal managed by Ulu Basir Estate. Waste disposal had been disposed at Changkat Menti Estate. Sighted the landfill at Field 16 for Ulu Basir Estate that has been made into segregations and separation waste. Sighted a person had been allocated at the dumping site to separate the waste into Plastic, bottles, iron and glass. Sighted a proper dumping site that has a trap for the leachate and the site is far from watercourses to prevent the leachate from entering the watercourses. Based on the disposal of domestic waste records, it was found that the UP had been implemented a system of waste collection for alternate days, a week 3 times. Sighted the agreement (MOA) with Armada Semarak Sdn Bhd dated 1<sup>st</sup> January 2018 for Ladang Ulu Basir to collect the rubbish and dumping it at the Landfill area,</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.4 Criterion 4: Reduction of pollution and emission including greenhouse gas</b>		
<b>4.5.4.1 Indicator 1:</b> An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.		
<p>Sighted the assessment activities of all polluting activities operated in the mill on 2017 that will be captured in Life Cycle Assessment 2017. The company had developed a Life Cycle Assessment of Palm Oil at United Plantations Berhad 2018. Based on the reports, it was sighted that the Life Cycle Assessment is the technique to assess the environmental impact associated with all the life cycles stages of a product or services from cradle to grave. The environmental impact of palm oil is presented in a GHG emission, carbon footprints, as well as for a number of other impact categories such as biodiversity, respiratory effects and toxicity. The environmental impacts related to the life cycle of palm oil from cultivation to the gate of refinery including all upstream emission from production of fertilizers fuels and machinery.</p>		
	<b>Status:</b>	<b>Ok</b>
<b>4.5.4.2 Indicator 2:</b> An action plan to reduce identified significant pollutants and emissions shall be established and implemented.		
<p>Sighted the action plan regarding the significant pollutant that has been included in the continual improvement plan of the mill which include of the BOD from final discharge of effluent ponds → maintain the efficiency of the effluent ponding system by implementing desludging works. Sighted also the dust emission from the mill: to maintain the current standard by maintaining the efficiency of the VORSEP System. Methane Gas Captures → action plan will be reduce in tandem with FFB Production once the OPTIMILL start operation. The diesel usage by oil mill → diesel footprint expected to reduce further after the commissioning of the OPTIMILL.</p> <p>Based on the Action plan with continuous improvement by the mill, it was found that the mill had implemented the action plan for year 2018 for the waste and source of pollution such Scheduled waste → spent oil in Gearbox → used for lubricating elevator conveyor chain and rail sleeper protection → action plan : corrosion protection for rail sleepers , sale to schedule waste collectors, to increase the no of chain conveyors lubricant oil box at every conveyors, to evaluate the efficacy of food grade lubricant → disposal to DOE approved waste oil handler.</p>		
	<b>Status:</b>	<b>Ok</b>



**4.5.4.3 Indicator 3:** Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.

POME discharge limits had been in accordance with the DOE Licensed 004217 for UP Berhad Ulu Basir Palm Oil Mill from 1<sup>st</sup> July 2017 – 30<sup>th</sup> June 2018 however the renewal of the license been made on 23<sup>rd</sup> April 2017 to Jabatan Alam Sekitar Negeri Perak. Sighted from the license (Jadual Pematuhan) as maximum capacity of FFB processing is 55 tons/hour, effluent produced from the mill will be in biogas plant at lading Ulu Basir – LUB 206/87 dated 21<sup>st</sup> December 2009, the land application available as per schedule and etc. Based on the result and certificate analysis from CHEMVI laboratory lab report number LW/0518/0688(2), dated 14<sup>th</sup> May 2018 which stated the PH = 8.06 at 26.1 c, COD = 1799 mg/l, BOD 3days 30c = 473 mg/l and total dissolved solid = 4210 Mg/l.

**Status:**

**Ok**

#### **4.5.5 Criterion 5: Natural water resources**

**4.5.5.1 Indicator 1:** The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:

- Assessment of water usage and sources of supply.
- Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
- Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).
- Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.
- Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
- Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.

Sighted from the water analysis result – sighted the water analysis for few locations of Ulu Basir POM: LUB 1(HDT Gate Outlet), LUB 2/3 Suez Watergate, LUB 7 B (inside Twin Gate), LUN 39 Sg Dharoi Inlet, LUB 41/42 Road bridge Sg Dharoi, LUB – 44 Metal Bridge Sg Bernam Inlet, LUB ½ HDT Gate Sg Bernam and LUB 7 Twin Gate Sg Bernam. Sighted the water quality for each inlet and outlet that include PH, BOD 30c, suspended solids, COD, Total suspended solids, oil and grease, dissolved oxygen, ammoniac nitrogen, E. coli, water quality index and water quality class. For example, testing results in April 2018 has shown in Certificate with Lab. Report No. LW/0418/0488 (4) dated April 13<sup>th</sup> 2018. According to the laboratory results, the parameter tested results on the Final Discharge during January to March 2018 were conforms to parameter limit for watercourse discharge from Department of Environment (BOD < 5,000 mg/l).

**Status:**

**ok**

**4.5.5.2 Indicator 2:** Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.

The mill has developed a conventional system pond for POME treatment that will phased out the effluent in the mill. Sighted the flow diagram of effluent treatment which include Sterilizer and Sludge trap → Condensate Sump → cooling pond → 2 Mixing Pond → 4 Anaerobic Pond → intermediate sump → 2 Facultative pond → 2 algae Pond A1 → 2 Algae Pond B2 → Bio polishing Plant → final Discharge. Based on the evident of finals discharge that being submitted to DOE, sighted that the analysis on final discharge is in accordance to the national regulation of Malaysia. The mill also had installed the biogas plant that will capture the methane and flaring it. License of effluent discharge for Ulu Basir Mill is presented in License No.004217 from Jabatan Alam Sekitar (or Department of Environment/DOE). The license valid until June 30<sup>th</sup> 2018. Regarding this matter, mill management has sent extension letter on March 27<sup>th</sup> 2018 as mentioned in DOE Letter No. BA 91/110/616/070 dated April 3<sup>rd</sup> 2018. Mill management also able to shows license payment which shows through receipt No. 201832040401R300108 dated April 23<sup>rd</sup> 2018 with Ref. Code No. HBMBMYKL 857848.

**Status:**

**Ok**

<b>4.5.5.3 Indicator 3:</b> Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.		
Sighted the JP – regulation DOE license regarding the POME discharge limits to water course not more than 100 Mg/ l as per regulation. The mill had taken the final discharge of POME Result every month. Sighted the mill had done the water result analysis for POME final discharge at pond no 8 to water courses.		
<b>Status:</b>		<b>Ok</b>
<b>4.6 PRINCIPLE 6: BEST PRACTICES</b>		
<b>4.6.1 Criterion 1: Mill management</b>		
<b>4.6.1.1 Indicator 1:</b> Standard operating procedures shall be appropriately documented and consistently implemented and monitored.		
The mill had developed SOP for operation Mill that has been appropriately documented and revised accordingly whenever there is a revision on operation based on the Social and environmental assessment that includes of SOP at Sterilizer Bay and Its HIRARC, SOP at Marshalling Yard, SOP at Pressing station, SOP at clarification Station and etc. Based on the SOP documentation , the company had developed into PPE usage , before starting work, While in operation and after work for the whole SOP.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.1.2 Indicator 2:</b> All palm oil mills shall implement best practices.		
Based on the site verification sighted the oil mill had implemented the operation according to the SOP of company. The operation including the workers PPE, during working, while operation before and after work. Sighted the training had been done throughout the year for all the workers (86 workers) including the workshop operation. The awareness training had been done accordingly during muster ground at the mill. Based on the mill visits location at the processing area, workshop, scheduled waste store and biogas plant, the mill had maintained a high standard of SOP in their workmanship through entire mill operation. Interview had been done with the store keeper, person in charge of scheduled waste and biogas plant, the best practices had been done at the highest standard of operation according to mill SOP.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.2 Criterion 2: Economic and financial viability plan</b>		
<b>4.6.2.1 Indicator 1:</b> A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.		
Based on the documentation on Ulu Basir Mill, Sighted the budget had been made as per engineering Department including: i) Crop Projection for 2019 and 2021- at 22% Oil and 5.3% Kernel ii) FFB – 83,953: CPO 18,470.00 at 22%: Kernel 4617 at 5.5 % iii) 2019 = FFB 88516, CPO 19473 @22%, Kernel 4691 @5.3% iv) 2020 = FFB 91411, CPO 20110 @22%, Kernel 4845 @ 5.3% The summary budget of Crop including extraction Rate OER and KER (225 and 5.3%) with general charges had been made on 2017 for budget 2018 of entire operations of the mill based on crop projection.		
<b>Status:</b>		<b>Ok</b>
<b>4.6.3 Criterion 3: Transparent and fair price dealing</b>		
<b>4.6.3.1 Indicator 1:</b> Pricing mechanisms for the products and other services shall be documented and effectively implemented.		
Ulu Basir Mill did not buy outside crop. The pricing mechanism adopted is for worker salary which follow strictly to MAPA/NUPWW.		
<b>Status: Comply</b>		<b>Ok</b>
<b>4.6.3.2 Indicator 2:</b> All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner.		
Ulu Basir Mill only involved in One contract with Armada Semarak Sdn Bhd. The other contract involved is between Mill and daily rated workers. All contracts are observed fare, legal and transparent. Record of payment was in order and made in timely manner.		
<b>Status: Comply</b>		<b>Ok</b>

<b>4.6.4 Criterion 4: Contractor</b>		
<b>4.6.4.1 Indicator 1:</b> In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.		
There was a training conducted on 30/5/2018 explaining RSPO and MSPO policies and requirements. The evidence showed notification letters, photographic evidence and attendance list.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.6.4.2 Indicator 2:</b> The management shall provide evidence of agreed contracts with the contractor.		
Contract agreement with Armada Semarak Sdn Bhd was provided.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.6.4.3 Indicator 3:</b> The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.		
The Ulu Basir Mill management has accepted MSPO approved auditors under Mutuagung Lestari Certification.		
	<b>Status: Comply</b>	<b>Ok</b>
<b>4.6.4.4 Indicator 4:</b> The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.		
Mechanism of contractor pursuance towards PPE, has carried out through daily field checking and inspection which conducted by Foreman listed on document.		
	<b>Status:</b>	<b>Ok</b>

### 3.2 Identification of findings, Corrective actions, observations, opportunity for improvement and noteworthy positive components.

#### 3.2.1 Noteworthy Positive Components at Stage-2

No	Description
1	Machine downtime tracking at workshop to monitor the efficiency well maintained.
2	Signages are seen clear, visible and simplified to understand by workers.
3	The biogas plant for methane emission reduction.

#### 3.2.2 Identification of Non-conformity at Stage-2 – No non-conformities were raised.

### 3.2.3 Opportunity for Improvement (OFI)

No	Ref Std.	Descriptions
1	4.3.1.1	The mill management has initiated the Fire Certificate application [Fire Services Act 1988 and Fire Services (Fire Certificate) Regulations 2001. Sighted a letter from the appointed consultant [PYK Consultant] to Bomb was acknowledged on 26/06/18 [PYK/UPB/18-19/ARC.
2	4.4.1.1	The Social Impact Risk Assessment focuses more on occupational safety related issues. The next review to include wider scope to include on economic livelihood, cultural & religious values and other community values resulted from changing of surrounding environment and/or operation activities.



## 1.4 Summary of Arising Issues from Public, Management, and Auditor Response

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee of Ulu Basir Estate</b></p> <p>There is a feedback from gender committee chairman of United Plantations - Ulu Basir Estate for the women staff at both estates. Sighted the respondent from Gender Committee are having a good response and feedback to the United Plantations Bhd's Management. The relationship with the manager is welcoming.</p> <p>There is a budget given for a year for the committee to run the activities in the estate upon request. There is also meeting among them to discuss the request from women workers and staff, new amendment of company policies of woman rights, and to discuss any sexual harassment that happen in the company.</p> <p>As far from the interview concern, there is no such harassment happen in the estate regarding women staff and workers. The committee also thanks the United Plantations Bhd's management to keep on approving the budget for their activity throughout the years and concerning about the women rights.</p>	<p>United Plantations Bhd - Ulu Basir will continue to follow the company policy and support the woman rights at each respective management unit</p>
<p><b>Contractors of Harvesting and FFB Transport of Ulu Basir Estate</b></p> <p>A local contractor had been interviewed during the audit. He had been in contract with the Ulu Basir estate for thirty years and as far from the interview, the payment method, contracting and worker's welfare had been a priority concern of United Plantations Bhd's management.</p> <p>The method of payment will be done by online banking and payment been made on monthly basis based on the contract available and invoice issuance. Sighted no complain has been logged in towards the United Plantations Bhd's Management and the contractor are satisfied with the way the management handling the contract.</p>	<p>The company will continue to keep a good relation between the contractors and United Plantations Bhd - Ulu Basir also further engagement will be enhanced from time to time.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
The management also giving information to the workers during signing the contract that the workers should obey the company policy, code of conduct and everything had been kept in a booklet send to the contractors and a copy of contract also kept by the contractor. Every single policy and legal requirement are clearly stated in the contract and obeyed by the contractor.	
<b>United Plantations Bhd's Foreign Workers Representative (Nepal, Bangladeshi, India and Indonesian)</b> 4 worker's representative had been interviewed in United Plantations Bhd - Ulu Basir Estate. 1 Indian worker, 1 Indonesian workers and 1 Bangladeshi worker had been interviewed.  The Bangladeshi worker had been working for 10 years in the estate and express satisfaction working in the company. All of them had expressed a good feeling towards the management and satisfied the way how management treat them in the estate fairly between each other and the local workers.  The company also had provided a van to go the nearest town and given them a proper housing area to stay during works in the estate. Sighted also the nearby shop for groceries shopping and the basic amenities had been provided by the management.	United Plantations Bhd's management will keep a good relation especially with the foreign workers representative and NUPW representative of Ulu Basir Estate.
<b>Shops Owner from Ladang Ulu Basir</b> Local shop owner had been interviewed in the estate. 2 groceries shop owner and one restaurant owner had been interviewed. They had a good feedback form the workers as the supplies are continuously provided by the shop groceries.  The food supplies come from the nearby store at Sabak Bernam and Teluk Intan district. Based on the interview, there is no complain related to the management of United Plantations Bhd.	United Plantations Bhd's management will keep a good relation with shops owners of Ulu Basir Estate and will continue good cooperation with them.
There was no feed-back received from NGO and External Stakeholders	No issues raised

**Summary of findings and Recommendation**

MAJOR	MINOR	O F I
0	0	2
<b>Recommendation of Certification:</b>  <b>Due to No Major Non- Conformity finding, Ulu Basir Palm Oil Mill is <u>RECOMMENDED</u> for MSPO Part 4 certification.</b>		

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p><b>Formal Sign-off of Assessment Findings</b></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; padding-top: 50px;"> <div style="text-align: center;"> <p>Company Name Management Representative</p>  <p><b><u>C. Mathews</u></b> 26/06/2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Mahaswaran Maliyapan</u></b> 17/07/2018</p> </div> </div>



### Appendix 1. Glossary

MSPO	:	Malaysian Sustainable Palm Oil
MPOB	:	Malaysia Palm Oil Board
ARM	:	Agriculture Reference Manual
BOD	:	Biological Oxygen Demand
BTS (FFB)	:	Buah Tandan Segar (Fresh Fruit Bunch)
CePPOME	:	Certified Environmental Professional in the Treatment of POME
CEMS	:	Continuous Emission Monitoring System
CPO	:	Crude Palm Oil
CHRA	:	Chemical Hazard Risk Assessment
CLC	:	Child Learning Centre
CSA	:	Conservation Site Area
CSR	:	Corporate Social Responsibility
COBC	:	Code of Business Conduct
COD	:	Chemical Oxygen Demand
DOE	:	Department of Environmental
EFB	:	Empty Fruit Bunch
EMS	:	Environment Management System
EPSM	:	Environmental Protection Society Malaysia
EQMS	:	Environment Quality Management System
FY	:	Financial Year
FPIC	:	Free Prior and Informed Consent
GHG	:	Green House Gases
HCV	:	High Conservation Value
HIRAC	:	Hazard Identification and Risk Assessment Control (HIRAC)
HSE	:	Health Safety and Environment
HQ	:	Head Quarter
IUCN	:	International Union for Conservation of Nature
KER	:	Kernel Extraction Rate
KKS (POM)	:	Kilang Kelapa Sawit (Palm Oil Mill)
LC	:	Land Clearing
LCC	:	Legium Cover Crop
LOTO	:	Log Out and Take Out
LTA	:	Lost Time Accident
MPOB	:	Malaysian Palm Oil Board
MSDS	:	Material Safety Data Sheet
NCR	:	Non-Conformance Report
NPP	:	New Planting Procedure
NWSDM	:	National Council of Welfare & Social Development Malaysia
NUPW	:	National Union Plantation Workers
OFI	:	Opportunity for Improvement

OHS	:	Occupational Health and Safety
OHS A	:	Occupational Health and Safety Assessment
OER	:	Oil extraction Rate
PANAP	:	Pesticide Action Network Asia and the Pacific
PK	:	Palm Kernel
PPE	:	Personal Protective Equipment
POME	:	Palm Oil Mill Effluent
POM	:	Palm Oil Mill
PSQM	:	Plantation Services Quality Management
PSS	:	Pictorial Safety Standard
RSPO	:	RoundTable on Sustainable on Palm Oil
RTE	:	Rare, Threatened, or Endangered
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
SOM	:	Standard Operation Manual
SPMS	:	Sustainable Plantation Management System
SOC SO	:	Social Security Organization
SW	:	Schedule Waste
TQEM	:	Total Quality Environmental Management
WTP	:	Water Treatment Plan