

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

Stage-1     Stage-2     Surveillance     Re-Certification

**Name of Management Organisation** : Jendarata Palm Oil Mill subsidiary of United Plantations Bhd.

**Plantation Name** : Jendarata Estate and Seri Pelangi Estate

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

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

**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, 5, 7 April 2017	Octo H.P.N. Nainggolan (Lead Auditor), Mahmud Firdaus, Ebnu Holdoon Shawal	Ganapathy Ramasamy	Tony Arifarachman
Re-Cert	24, 25, 26, 27 May 2017	Octo HPN Nainggolan (Lead auditor); Ebnu Holdoon Shawal; Mohd. Nizam; Mohd. Hairimi		

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

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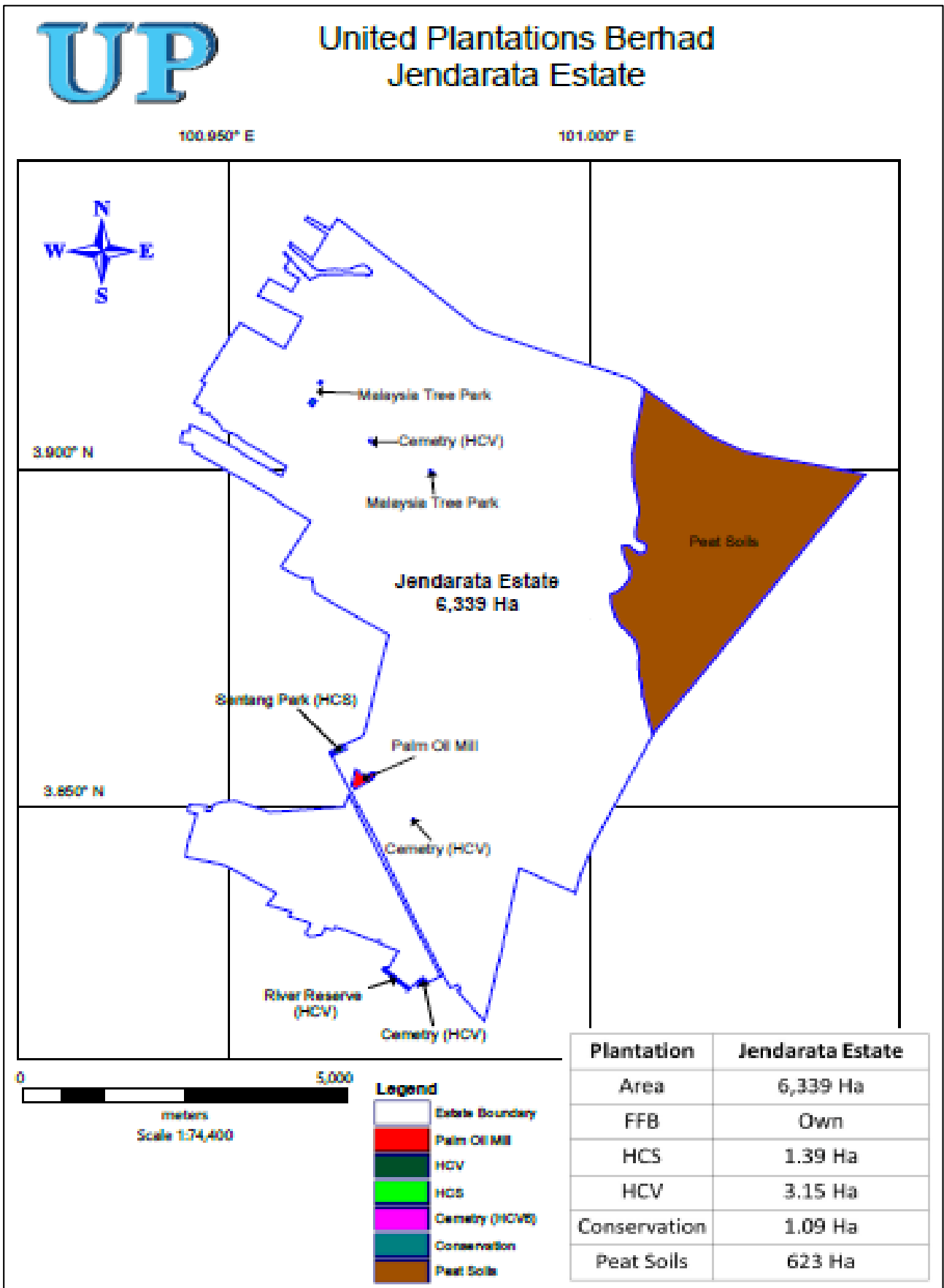
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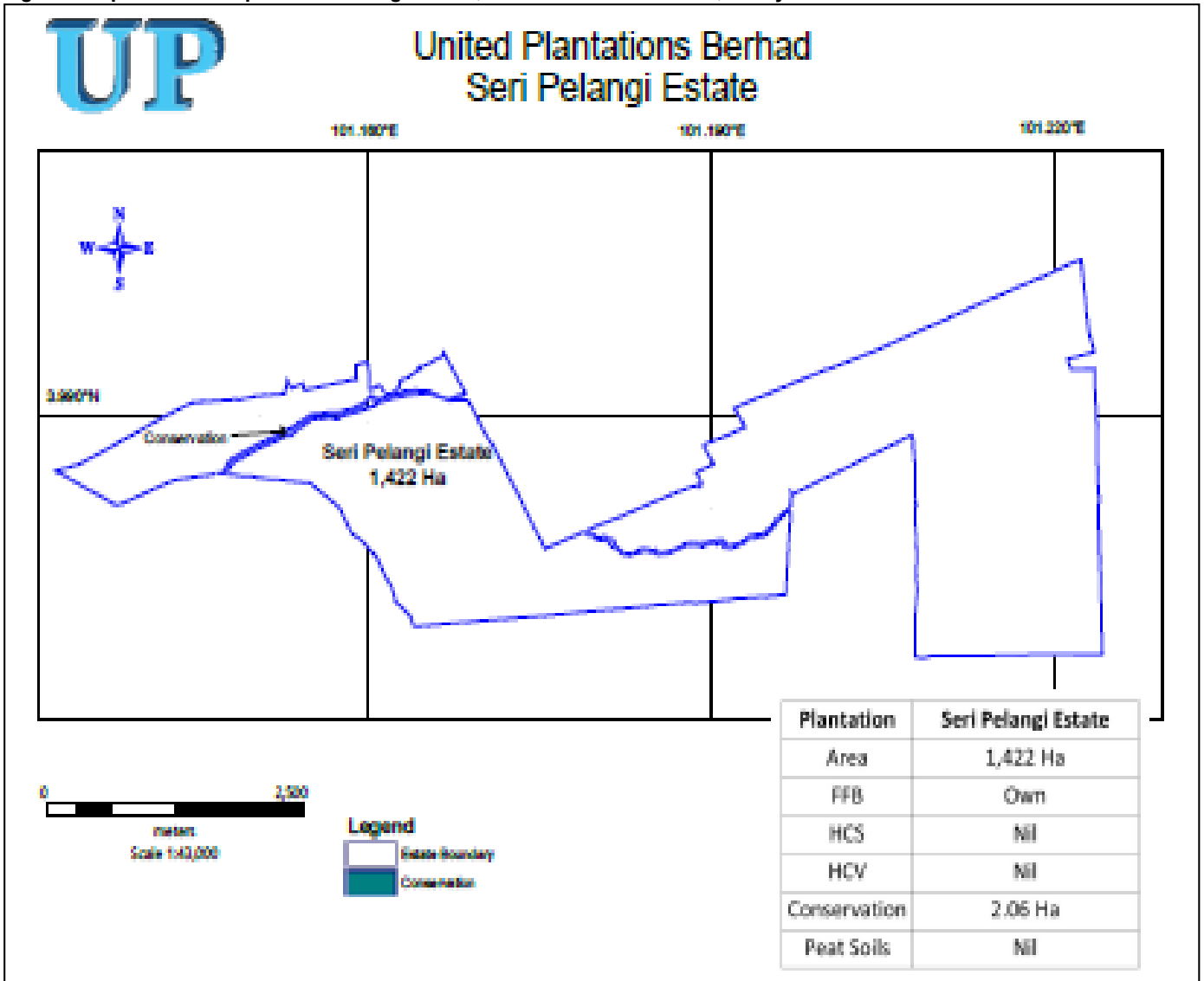
Figure 1. Location Map of Jendarata, United Plantation Bhd, Malaysia



Figure 2. Operational Map of Jendarata Estate, United Plantations Bhd, Malaysia



**Figure 3. Operational Map of Seri Pelangi Estate, 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

<b>1.0</b>	<b>SCOPE OF THE CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• <i>The Malaysian National Interpretation (MYNI), RSPO Principles and Criteria (P&amp;C) for Sustainable Palm Oil Production endorsed on 6<sup>th</sup> March 2015</i></li> <li>• <i>RSPO Supply Chain Certification Systems (SCCS) endorsed on 21<sup>st</sup> November 2014 for CPO Mill.</i></li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
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	+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>	
1.2.8	Management Representative who completed the application for certification	C. Mathews	
1.2.9	Registered as RSPO member	1-0004-04-000-00, 19 July 2004	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of management unit	1 (One) unit Palm Oil Mill supplied by 2 (two) oil palm estates	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill, Plantations and Area Statement</b>		
f1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude                      Longitude</b>
	<b>Jendarata Mill</b>	Jendarata Business Unit, 36009 Teluk Intan Perak, Malaysia	N 3° 51' 14"                      E 100° 58' 06"
1.4.2	Location of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude                      Longitude</b>
	<b>Jendarata Estate</b>	Jendarata Business Unit 36009 Teluk Intan, Perak	3° 54' 00" N                      100° 58' 39" E
	<b>Seri Pelangi Estate</b>	Seri Pelangi Estate Batu 11 ¾ Jalan Bidor 36009 Teluk Intan Perak	3° 59' 37" N                      101° 09' 34" E

<b>1.5</b>	<b>Description of Area Statement</b>		
1.5.1	Tenure		
	• State	-	Ha
	• Private	7,396.60	Ha
1.5.2	<b>Area Statement</b>		
	• Total area	7,396.60	Ha
	• Mature area	5,899.20	Ha
	• Immature area	1,058.60	Ha
	• Mill	5.38	Ha
	• Workers Quarters	30.30	Ha
	• Infrastructure area (Airstip, Office Building, railway, drain etc.)	377.36	Ha
	• Nursery	15.30	Ha
	• (Self-Created Conservations)	7.00	Ha
	• Conservation (Riparian)	0.46	Ha
	• Burial Ground	3.00	
	<b>*There is a reduction in audit scope covering 364.40 Ha for coconut cultivation.</b>		
<b>1.6</b>	<b>Planting Year and Cycles</b>		
1.6.1	Age profile of planting year		
		<b>Hectarage (Ha)</b>	
	<b>Planting Year</b>	<b>JENDARATA</b>	<b>SERI PELANGI</b>
		<b>TOTAL</b>	
	1990	20.20	0
	1993	241.26	0
	1994	208.40	71.00
	1995	204.16	321.00
	1996	148.44	211.00
	1997	136.00	247.00
	1999	120.84	0
	2000	832.96	175.00
	2001	232.32	150.00
	2002	194.43	0
	2003	193.47	3.00
	2004	102.80	159.00
	2005	89.20	0
	2006	48.70	0
	2007	217.40	0
	2009	<b>159.40</b>	0
	2010	363.60	0
	2011	158.92	0



	2012	265.10	0	265.10			
	2013	373.30	0	373.30			
	2014	251.30	0	251.30			
	2015	590.00	0	590.00			
	2016	460.10	0	460.10			
	2017	8.50	0	8.50			
	<b>TOTAL</b>	<b>5,620.80</b>	<b>1,337.00</b>	<b>6,957.80</b>			
1.6.2	New Planting area after January 2010 (new planting)		-	Ha			
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
<b>1.7</b>	<b>Description of Supply Base</b>						
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 (%)
	Jendarata POM	50	146,180.59	32,176.82	22.01	7,512.54	5.14
	<i>*Production Data from May 2016 – April 2017</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Jendarata	5,974.60	5,620.80	108,531.77	19.31	108,386.43	99.87
	Seri Pelangi	1,422.00	1,337.00	36,897.97	27.60	36,762.29	99.63
	<b>TOTAL</b>	<b>7,396.60</b>	<b>6,957.80</b>	<b>145,429.74</b>	<b>20.90</b>	<b>145,148.72</b>	<b>99.81</b>
	<i>*Production Data from May 2016 – April 2017</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisations	Location	Supplied to Mill			
				FFB (tonnes/year)			
	Ulu Bernam	United Plantations Bhd (RSPO Certified)	Teluk Intan Perak, Malaysia	107.57			
	Changkat Mentri Estate		Teluk Intan Perak, Malaysia	105.24			
	Ladang Sg. Erong		Teluk Intan Perak, Malaysia	93.97			
	Ladang Sg. Chawang		Teluk Intan Perak, Malaysia	115.26			
	ladang Ulu Basir		Teluk Intan Perak, Malaysia	167.41			
	Lima Blas Estate		Teluk Intan Perak, Malaysia	442.42			
	<b>TOTAL</b>			<b>1,031.87</b>			
	<i>*Production Data from May 2016 – April 2017</i>						
1.7.4	Product categories			FFB, CPO, PK			
<b>1.8</b>	<b>Estimate Tonnage of Certified Product</b>						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim (tonnes/year)	Actual certified product (tonnes/year)		

		21 August 2016 to 20 August 2017	21 August 2016 to 20 May 2017					
	• FFB Production	151,119	109,972.57					
	• CPO Production	34,047	24,167.85					
	• Palm Kernel (PK) Production	7,904	5,727.18					
1.8.2	Product selling							
	Tonnage of selling product	Actual selling product period August 2016 to April 2017						
	• CSPO	24,167.85 MT						
	• CSPK	5,727.18 MT						
	• CPO under other scheme trading (e.g ISCC, RFS)	-						
	• CPO under conventional trading (if any)	-						
	• PK under other scheme	-						
	• PK under conventional trading (if any)	-						
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Jendarata	5,974.60	5,620.80	117,214	20.85			
	Seri Pelangi	1,422.00	1,337.00	39,850	29.81			
	<b>TOTAL</b>	<b>7,396.60</b>	<b>6,957.80</b>	<b>157,064</b>	<b>22.57</b>			
	<i>*Production Projection twelve months license periode</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	JENDARATA Palm Oil Mill	50	157,064	34,711	22.10	8,167	5.2	Identity Preserved
	<i>*Production Projection twelve months license periode</i>							
1.9	<b>Other Certifications</b>							
	OHSAS 18001:2007			-				
	ISCC			-				
	Others							
1.10	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>		
	<b>Mill</b>	<b>Time Bound Plan</b>						
	<b>Indonesia</b>							
	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		

		Lada Estate	(Division 1 & 2) 1,769.6 ha + 250.34 ha (Division 1 & 2)	2018		November 2017 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		
		<i>Farmers own land and also new ijin for Plasma in Arut and Kumai Estate</i>	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		
<b>Malaysia</b>						
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,		2008	Teluk Intan, Perak Darul Ridzuan, Malaysia	Recertification 2017

		Sungai Ering Estate, 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	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	There are no associated smallholders/outgrowers supplying FFB to this mill.				

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>Re-Cert</b>	<p><b>1. Octo HPN Nainggolan (Lead Auditor).</b> Indonesian citizen, Bachelor of Agriculture, majoring of Social Economics of Agriculture (Agribusiness). Seven years working experience since 2004 at oil palm Plantation Company in Indonesia and followed several trainings namely: Training of Conservation of Natural and Biological Resources in supporting HCV, Basic Plantation Management Program, Plantation Integrated Pest Management training, Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), Environment Management System (ISO 14001:2004), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Wildasia, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, supply chain certification system training and RSPO Renewable Energy Directive Lead Auditor training. Currently he worked as an auditor at Certification Body. During this assessment he was observed and audit on legal aspect, social aspect, conservation and supply chain for CPO mill</p> <p><b>2. 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), and Project Management Training Course &amp; Train the Trainer Course (MIM) and fluent in local language. During this audit he has been assigned to verify the Safety and health, Legal Aspect and Best Agricultural Practices.</p> <p><b>3. Ebnun Holdoon Shawal (Auditor)</b> is a trainee auditor which covering the environmental aspect of the audit. He graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001 : 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit including Felda POM and United Plantation and fluent in local language. During this audit, he has been assigned to verify the Environmental aspect and transparency aspect.</p> <p><b>4. Mohd. Hairimi (Auditor).</b> Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honours (Geography). Registered as assistant consultant on Social Impact Assessment with DOE Malaysia AC 1105, and certified on CESSWI 3756 (Certified Erosion Sediment and Storm Water Inspector). He was involved for past 5 years in environment auditing and in Social and Environmental Impact Assessment Report (EIA and SIA) and fluent in local language. In Annual Surveillance Audit 3, he conducted an assessment on Social aspect (Social Impact Assessment) and Safety in Estate</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ST-01</b>	<p>Number of auditors : 3 auditor          Number of days for <b>ST-01</b> at site : 2 days          Number of working days for <b>ST-01</b> at site : 6 Working days</p>
<b>Re-Cert</b>	<p>Number of auditors : 4 auditors          Number of days for <b>ST-02</b> at site: 3.5 days          Number of working days for <b>ST-02</b> at site: 14 Working days</p>
<b>2.2.2</b>	<b>Detail process of assessment</b>
<b>Re-Cert</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the United Plantations Berhad Jendarata POM, Jendarata Estate and Seri Pelangi Estate to the requirements of <i>The Malaysian National Interpretation (MYNI)</i>, <i>RSPO Principles and Criteria (P&amp;C) for Sustainable Palm Oil Production endorsed on 6<sup>th</sup> March 2015</i> and the <i>RSPO Supply Chain Certification Systems (SCCS) endorsed on 21<sup>st</sup> 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>

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

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

The assessment program please finds Appendix 2.

**2.2.3 Locations of Assessment**

**Re-Cert**

**Jendarata Estate:**

- **Boundary poles number 4, 7, 8, 14, 15, 16, 18.** Observation about boundaries marker and the boundary between the operational area and other plantations and smallholders area.
- **Self-Declare Conservation Area.**

**Seri Pelangi Estate:**

- **Boundary poles number 4, 9, 10, 13, 14, 16, 18.** Observation about boundaries marker and the boundary between the operational area and other plantations and smallholders area.
- **Self-Declare Conservation Area.**

**Jendarata Mill.**

- **Weighbridge.** Interview with weighbridge operator regarding the understanding of supply chain system mechanism.

**Chemical Storage Area**

- Proper storage of chemical store, labelling and signage available. Stacking and class of chemical and pesticide also available at the area including MSDS

**Fertilizer Store**

- Proper arrangement of fertilizer store including MSDS available. Good handling and arrangement of Fertilizer

**Composting Pit**

- Composting Pit at Field 21. Proper handling of waste including waste segregation for recycling of waste.

**Water catchment at field 40**

- Water catchment area include the proper signage , bund , and water pump house to extract the water from Bernam River

**Biogas Plant**

- Biogas Plant located at Jendarata Mill. Personnel in charge has been interviewed. Record of biogas production taken daily, PPE available and First aid kit available at the Mill

**LineSite Housing Area**

- Proper linesite sighted at the Jendarata estate and Seri Pelangi estate. Sighted a house with 3 rooms and 6 people staying inside. Fresh water and electricity provided at the area

**Riparian Zone at Seri Pelangi**

- Riparian / buffer zone well managed. A good practice by the company to enhance biodiversity. Proper signage available

**Field 12 at Seri Pelangi**

	<ul style="list-style-type: none"> <li>Harvesting activities sighted. Proper PPE available including the first aid kit provided at the area.</li> </ul> <p><b>Field 52 Jendarata Estate</b></p> <p>Harvesting activities has been sighted . 3 workers interviewed at the estate.</p> <p><b>Field 36 Jendarata Estate</b></p> <ul style="list-style-type: none"> <li>Buffalo evacuation for FFB sighted. Well trained workers handling the buffloes in field</li> </ul> <p><b>Field 11B Manuring at Seri Pelangi</b></p> <ul style="list-style-type: none"> <li>Manuring activities sighted at the area, proper PPE available at the area</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-03</b>	<p>Stakeholder consultation of JENDARATA POM:</p> <ul style="list-style-type: none"> <li>Public Notification at RSPO Website on April 22nd, 2017.</li> <li>Interview the internal stakeholders on May 24<sup>th</sup>, 2017 in audit process (particularly to foreign workers, eq. from Indonesia, Bangladesh, etc).</li> <li>Public consultation on May 24<sup>th</sup>, 2017 was participated by related agency and local peoples or community surrounding</li> <li>Public consultation with NGO by email on May 20<sup>th</sup>, 2017.</li> </ul> <p>Numbers of input from stakeholders were clarified by Jendarata POM, Jendarta Estate and Seri Pelangi estate. Numbers of inputs from stakeholders both positive and negative were received by the audit team and clarified by the management. The consultation results are captured under 3.6 (Summary of Arising Issues from Public, Management and Auditor Response).</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit (Surveillance-1) estimate period of nine to twelve months after the date of certificate issued (August 2018)

**3.0. ASSESSMENT RESULT**

**3.1. Summary of Assessment Report of the RSPO Certification**

MUTUAGUNG LESTARI has conducted an assessment of JENDARATA Palm Oil Mill – United Plantation Berhad operation consisting of one (1) mill and two (2) oil palm estate.

During the assessment, there was one (1) Nonconformity assigned against Major Compliance Indicator; two (2) nonconformities assigned against Minor Compliance Indicators, three (3) opportunities for Improvement and no nonconformance against supply chain requirement for CPO mill identified. In addition.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor (s) in form of documentation evidence(s) e.g. document and record. Those corrective actions taken that consist of one (1) major non-conformity had been closed out.

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

Therefore MUTUAGUNG LESTARI Recommends RSPO Re-Certification of compliance is **issued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>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.</b>	
	<p><b>Indicator 1.1.1</b>            During the audit at Jendarata Palm Oil Mill, the company had updated the latest stakeholder list dated 9<sup>th</sup> March 2017 and the stakeholder meeting has been done Lindquist Hall attended by management of United Plantations, workers , staff and related stakeholders including villagers, teachers, Police and NGOs. 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 Mugilan assistant engineer of Jendarata mill, and for Seri Pelangi Estate the stakeholder list verified by Mr Patrick Kannan (former manager of Seri Pelangi estate) 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[contractor, chief operation officer, manager of contractor, SV thambi company , Sawit Pelangi Company] and police department Sergeant Mejar Saad form Police station Chui Chak, Langkap. However during the observation, there is a dispute between the company and Syarikat Jasa Budiman, a company next to the estate but the company has not been listed in the stakeholder list. <b>Minor non-conformance is raise.NCR 2017.01.</b></p>	
	<p><b>Indicator 1.1.2</b>            The stakeholder meeting for Jendarata Mill and both its supply base Jendarata Estate and Seri Pelangi Estate had shared the same stakeholders and the meeting has been done together at Lindquist Hall. 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</p>	



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. 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.

The company also had a SOP of constructive response to the stakeholders and has been clearly communicated to all level of staff and workforce:

- i) External : steeled not more than 30 days – forward to company secretary with supporting documents → liter will be send to the stakeholder and estate in 7 days from secretary
- ii) 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 Mugilan, assistant engineer of Jendarata Mill and approved by Mr IR Rajasegaran. Record of request for the mill and estate has been recorded in a 'Register for Request and Response Logbook' available at the mill. There is a request form external parties 'Jabatan Alam Sekitar' for the seminar in Putrajaya dated 7<sup>th</sup> October 2016 and the seminar has been replied and attended on 21<sup>st</sup> October 2016. There is a request from the teacher of SJKT Jendarata div 3 that request *Pemohonan kebenaran untuk Memulakan kerja Awal Pembinaan tapak 1BRIS*' dated 2/5/17 and has been answered by the management on the same day, referring to the letter to Puan Kunavathy.

<b>1.1.1</b>	<b>Status: Non Conformance with 2017.01</b>
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<b>1.2</b> <b>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.</b>
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**Indicator 1.2.1**  
The management has made publicly available the related document listed by the standard. It include the Land title of the management unit (mill and supply bases), OSH plan of the mill and estate, risk assessment, mitigation plan (HIRARC document), Environmental Management Plan (EMP) and Environmental Risk Assessment (EIA) were made available at the estate and mill.

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, Pollution prevention Plan (PPR), communication procedure to internal and external parties, and also including the Human right policy that made available at all estate and management unit of UP as per field visit and document verification.

	<b>Status:</b>
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<b>1.3</b> <b>Growers and millers commit to ethical conduct in all business operations and transactions.</b>
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**Indicator 1.3.1.**  
The company has a policy of code ethical conduct being 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

The company has 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 company policy, 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. In this assessment auditor team raised an observation regarding the socialization of code of business conduct to being communicated to all levels of workforce including third party contractors

**Status: OFI.1**

**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

**2.1**

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

**Indicator 2.1.1**

The Certified Unit shows Regulatory Compliance document and identified as many as 42 regulations, A Legal Register covering the applicable local and international laws and regulations is available at the mill and estates. The identified legislations were regarding to safety and health, environmental management, pollution management, chemical handling, usage & storage, schedule waste management, employment, building, etc.

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

- Malaysian Palm Oil Board license
- Department of Environment License
- Worker Licenses (Electrician, Boiler man, Engine Grade)
- Machinery licenses and certificates
- Audiometric test
- CHRA conducted as per requirement and relevant suggestions implemented (LEV test and Medical Surveillance)

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

**Indicator 2.1.2 ; 2.1.3; 2.1.4**

Estate's manager is the key person to monitor and update the readiness of required legal records. The Group Manager Human resources and ESH will update the estate on any changes in the legal requirements. During the recertification assessment the auditor team have sighted all the documents are available and showed. Last internal audit for Jendarata POM and -Jendarata Estate conducted on 4, 5 and 6 of May 2017 for legal compliance. Internal audit performed on quarter yearly basis

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

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

- Percetakan National Malaysia Bhd – Lawnet.com.my
- Malayan Agricultural Producers Association

- Malaysian Palm Oil Board
- Malaysian Palm Oil Association
- Statutory Bodies e.g. EPF, SOSCO, etc..
- Government Department

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

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

**2.2**

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

**Indicator 2.2.1.**

During the recertification assessment the auditor team have sighted the land rights documents and kept save in the office

At Seri Pelangi Estate the total area covered 1,421.8426 Ha (2 Free Hold & 3 Leasehold) and for Jendarata estate the total area covered 6,211.67 Ha (66 freehold and 8 Leasehold) and Jendarata mill location is in the Jendarata estate Freehold

**Indicator 2.2.2.**

The management unit has SOP/mechanism dedicated for boundary stones maintenance; the boundary are erected by the respective land office and the Management records the GPS readings of its location and plants an additional pole next to the stones. There are list of boundary stones with GPS Co-ordinates, location map and pictures of the boundary stones. The last census was done on 7/05/2016. Based on interview with stakeholders, there are no land conflict issue between company and local community.

Auditor team field observation at Jendarata estate found all the boundary poles that have taken as a sample (6 poles) were visibly maintained along the legal boundaries.

However during the field visit at Seri Pelangi estate there were 2 boundary poles not sighted and 1 pole was broken from 10 poles taken as a sample. This also contradict with the information provided in the *Boundary Stone Maintenance Monthly Upkeep Checklist* that stated all the 25 boundary poles available and maintained.

The certification unit has not consistently monitored the boundary marker/stones in their operations area

**Minor Non-conformity raised 2017.02.**

**Indicators 2.2.3; 2.2.4 & 2.2.5.**

The planting age is 1989 – 2016 in 9,551.15 Ha. There is no evidence of dispute, proof of legal acquisition of title and evidence that fair compensation has been made to previous owners. Therefore no surrounding or local communities are affected or involved in agreements detailing the process of free, prior and informed consent (FPIC). There is no conflict or evidence that oil palm operations have instigated violence in maintaining peace and order in their current operation.

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

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

As for Jendarata estate there was no evidence of dispute, proof of legal acquisition of title and evidence that fair compensation has been made to previous owners. Therefore no surrounding or local communities are affected or involved

in agreements detailing the process of free, prior and informed consent (FPIC). There is no conflict or evidence that oil palm operations have instigated violence in maintaining peace and order in their current operation.

During the stakeholder interview **on 24<sup>th</sup> May 2017**, there were several stakeholders informed that currently there is no land dispute between the certification unit with local people's area or other company area.

However there was reported cases of land disputes arising from the acquisition based on Letter 7 April 2016 from United Plantation (Seri Pelangi Estate) to **Syarikat Perusahaan Jasa Budiman Sdn Bhd**. The auditor team have contacted the **Syarikat Perusahaan Jasa Budiman Sdn Bhd** by telephone and the stakeholder informed that they will cooperate to conduct a land survey.

The resolution between Seri Pelangi estate and **Syarikat Perusahaan Jasa Budiman Sdn Bhd** would observed on the next assessment. **OFI. Observation**

**Indicator 2.2.6**

The planted years are from 1994 – 2004 in 1,337 HA; since then no conflict or evidence that oil palm operations have instigated violence in maintaining peace and order in their current operation.

Certification unit operations not use of confrontation and intimidation by the company and no use of para-militaries, mercenaries in or around the plantation.

**2.3**

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

**Indicator 2.3.1; 2.3.2; 2.3.3; & 2.3.4.**

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

During the stakeholder interview **on 24<sup>th</sup> May 2017**, there were several stakeholders informed that there is no customary rights in the Jendarata and Seri Pelangi estates operations area.

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

**3.1**

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

**Indicator 3.1.1**

The company had implemented a business plan and budget for a period of 3 year including the company operation at mill and estate. For Seri Pelangi and Jendarata estate, there is a map of land area statement including the non-planted areas, Self-conservation area, title, and legend and soil type at the estate. For Seri Pelangi the plan for FFB yield trend is [ 2018 : 26.55 ton/ha, 2019 : 26.09 ton / ha, and 2020 : 23.93 ton/ha ] Jendarata [ 2016 : 27.04 ton/ha, 2017 : 26.0 ton/ha, 2018 : 27.0 ton/ha ]

Topics ( Jendarata POM)	2018	2019	2020
FFB yield trends	174,200.00 MT	175,079.00 MT	155,500.00 MT
Oil Extraction Rate (OER)	22.8 %	22.8 %	22.7 %
Palm Kernel Extraction	5.85 %	5.85 %	5.85 %
Matured area (Ha)	8,301.54 (ha)	9,505.44 (ha)	9,690.11 (ha)
Cost / ton CPO	726.97	793.6	755.89

During the audit, sighted the document of replanting activities for coconut on 2017, changes of crop from oil palm to coconut at Jendarata Estate 333.4 ha. The budgetted plan has been prepared by the executive, staff, assistant manager and Manager approve by th Group manager before it submitted to the executive director for approval.

**Indicator 3.1.2**

There is a replanting activities at Jendarata estate going on and Seri Pelangi estate replanting program start on 2018. For Jendrata estate replnting program of 5 years including year [ 2014 : 251.30, 2015 : 590.00, 2016 : 460.20, 2017 : 520.20, 2018 : 313 .10, 2019 : 346.76 and 2020 :570.94 ha ] .At Jendarata estate, up to current replanting progrees from January is 38.98 ha has been planted.Total replanting of coconut from 2014-2020 is 542.25 ha. Sighted during the audit at Seri Pelangi letter proposal of replanting program dated 27<sup>th</sup> April 2017 at at fiel 1 to field 4 totalling 321 ha on the second half of 2018. The planning for Seri Pelangi replanting [2018; 321.0 ha, 2019: 320.0 ha, 2020: 212.0 ha]. Based on the documentation and field visit, Seri Pelangi estate soil is 'Sandy Riverine Soil' and the terrain is flat and undulating terrain. The replanting program has been updated yearly and if there is any changes due to certain circumstances, the company will revised the planning of replanting.

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

**4.1**

**Operating procedures are appropriately documented and consistently implemented and monitored.**

**Indicator 4.1.1**

**JENDARATA MILL**

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

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Standard SOP prepared for all UPB operating Mills and Estates covering all aspects of estate operation. Prepared in English language, transmitted through training to management, field staff and finally to workers. Monitoring was recorded in estate operation activities such as spraying, manuring, IPM. Jendarata has peat and acid sulphate soil management SOP. Seri Pelangi estate did not have peat or acid sulphate soil.

**Indicator 4.1.2**

**JENDARATA MILL**

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

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.1.3**

**JENDARATA MILL**

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

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Performance was measured by Field Investigation, warning and action.

**Indicator 4.1.4**

**JENDARATA MILL**

The Mill takes FFB from its own supply base of Certified FFB and carries IP.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Third party supply did not involve estates.

**4.2**

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

**Indicator 4.2.1**

**JENDARATA MILL**

Field management manual does not apply to Mill operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.2.2**

**JENDARATA MILL**

Fertilizer records and application does not involve in Mill operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.2.3**

**JENDARATA MILL**

Manuring SOP is not related to Mill operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

There was records of fertilisers input including nutrient recycle. There was records of fertilisers input including nutrient recycle.

**Indicator 4.2.4**

**JENDARATA MILL**

Nutrient recycling programmes are not related to Mill operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Nutrient recycle programme was established and involved EFB mulching and effluent land application. Fields visit confirmed implemented at 15(EFB) and 61 (furrows effluent application). Seri Pelangi estate only involved EFB application.

**4.3**

**Practices minimize and control erosion and degradation of soils.**

**Indicator 4.3.1**

**JENDARATA MILL**

Fragile soil is not related to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

The JENDARATA estates has 2 fragile soil:-

1. Acid sulphate (Bayas series).
2. PEAT –Jawa, Sedu, Sabrang, Liniau series

The map was available in geo reference.

While Seri Pelangi did not have fragile soil.

**Indicator 4.3.2**

**JENDARATA MILL**

Fragile soil is not related to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.3.3**

**JENDARATA MILL**

Road maintenance does not relate to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

JENDARATA estate has road maintenance programme as well as rail revamping, maintenance. Proper budget was allocated and implementations were recorded till April 2017 (62%). Seri Pelangi also has the similar programme and implementation.

**Indicator 4.3.4**

**JENDARATA MILL**

Soil subsidence issues does not relate to Mill operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.3.5**

**JENDARATA MILL**

Drainability issue does not relate to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Drainability assessment was conducted in 2016 by UPRD. It was recommended field drain intensity of 1:4 rows of OP . This has proven to be efficient for water management in peat soil (maintain 160 OP per ha). JENDARATA Estate has flood risk map and provided with 6 water gates draining into Sg. Perak while 4 water gates draining into Sg. Bernam. This situation does not apply to Seri Pelangi Estate.

**Indicator 4.3.6**

**JENDARATA MILL**

Managing fragile soil does not relate to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**4.4**

**Practices maintain the quality and availability of surface and ground water.**

**Indicator 4.4.1; 4.4.2; 4.4.3; 4.4.3**

The company had record of rainfall data from January 2016 until December 2016 and the highest rainfall data is month of May and September. The company had a water pond area at field at division 1 field 40 (4.03 ha) to be treated and supplied to the mill and estate. There is 2 water treatment plant at Jendarata Estate and Jendarata Mill to cover the whole Upriver Business unit. Seri Pelangi estate is using the treated water from the government and supplied to the workers and staff at the estate. Water Sources renewability is from Perak river and supplied into the Jendarata estate by 2 Watergates ( Benzon Watergates and Dolry Watergates) . Benzon Watergates is for the treated water and consumed on the estate and mill however Dolry Watergates is for the estate controlling the water level. SOP of water management plan has been made at the estate issued on 10/12/2007 for the whole UP Berhad. 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 16<sup>th</sup> April 2018. Sample awater analysis has been made and tested :

- Color ADMI : ND <10 : MOH guideline = 15
- TDS : 280 (dissolved solid) mg/l = 1000
- Ammonia : ND (<0.01) = 0.5
- Turbidity : 0.05 =5
- Iron ; 0.10 = 0.3
- Alumunium : 0.22 = 0.2
- E- coli : ND = -
- Total Coliform : not detected

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.

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 water courses area





Figure 1 : Water canal protection by signboard



Figure 2: Water courses protected by buffer zone

area.

**4.5**

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

**Indicator 4.5.1**

**JENDARATA MILL**

Pest management does not relate in Mill activity..

**JENDARATA ESTATE & SERI PELANGI ESTATE**

JENDARATA Estate has carried out IPM management system including early warning system. Census was done to detect existence of pest. Control was done both by Biological control and chemical control such as for Rat – BOB, bagworm – planting beneficial plants and Dipel spray. Seri Pelangi did have record on trunk injection.

**Indicator 4.5.2**

**JENDARATA MILL**

IPM training not related to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Status: Full Compliance**

**4.6**

**Agrochemicals are used in a way that does not endanger health or the environment.**

**Indicator 4.6.1**

**JENDARATA MILL**

.Chemical spraying activity does not relate to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.6.2**

**JENDARATA MILL**

Weeds control does not relate to Mills activity..

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.6.3**

**JENDARATA MILL**

.Pesticides usage does not relate to Mills operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Paraquat was completely banned in 2010. The only Class 1B chemical used was monocrotophos which last used in 2015. The rest adhere to Rotterdam Convention declaration.

**Indicator 4.6.4**

**JENDARATA MILL**

.Chemical reduction issue does not relate to Mill activity.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

JENDARATA and Seri Pelangi estates has a complete list of chemical that followed WHO Class 1A and 1B. Paraquat used was banned in 2010.

**Indicator 4.6.5**

**JENDARATA MILL**

Pesticide handling does not relate to Mill operation.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.6.6**

The company had shown the SOP of pesticide storage available and documented on Occupational Safety and Health Manual on Section 11 Safe Use of Pesticides. (S4.3.2 Storage and Issues of Pesticides). Based on the field visit Jendarata Estate is implemented the SOP and well organized. Sighted during the audit, the pesticides has been stored according to the color code and class in the chemical store which divided into Class I, ii, iii, and iv. The company also had a designated store for Chemical storage for tripled rinsed container and has been collected , send to the recycler. Based on the visit , the company had no evidence of pesticide and chemical container being disposed and used for other purposes.

**Indicator 4.6.7**

**JENDARATA MILL**

Pesticide application not relate to Mill operation..

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.6.8**

**JENDARATA MILL**

Aerial spraying not relate to Mill operation..

**JENDARATA ESTATE & SERI PELANGI ESTATE**

No aerial spray done for JENDARATA and Seri Pelangi Estates.

**Indicator 4.6.9**

**JENDARATA MILL**

.Not related to Mill.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Workers who handle pesticides were given appropriate training. Interviewed in field proved that workers understood the handling procedures. For Bagworm outbreak in 2015, smallholders were train to do Dipel spraying.

**Indicator 4.6.10**

**JENDARATA MILL**

.Waste management in Mill related to Schedule Waste and Effluent. Effluent was managed by land application while Scheduled Waste was managed in accordance to SW regulations.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

**Indicator 4.6.11**

**JENDARATA MILL**

Annual medical surveillance was conducted to 8 Mill workers. Test result observed satisfactory. Audiometric test conducted in 2016 showed that 2 workers name Jaivejyan and Narayanan had threshold shift. Both were send to ENT Specialist on 12/5/2016. Action Plan taken is to enforce PPE (ear plug) and continuous monitoring on these two workers.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Sprayers: 84

All pass the CHOLINESTERASE test.

All pesticides operators have undergone Annual Medical Examination and Occupational Medical surveillance. Latest conducted 16 February 2017. All have passed the CHOLINESTERASE test.

**Indicator 4.6.12**

**JENDARATA MILL**

Mill workers does not involve chemical handling..

**JENDARATA ESTATE & SERI PELANGI ESTAT**

No lady sprayers involved in both estates

**4.7**

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

**Indicator 4.7.1**

**JENDARATA MILL**

Occupational Safety and Health Policy was observed available. Relevant safety operating procedures covering overall Mill operation signed by Chief Executive Director. The policy was written in English, Malay, Tamil, Hindi, Nepali and Bangaladeshi language. The policy cover effort in accident prevention by conducting HIRARC, training and supervision.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.7.2**

**JENDARATA MILL**

OSHA Management system was established for the Mill. OSH Plan established with responsibility and action plan. Targets established and monitored monthly. Communication on OSH Plan was documented through briefing and permit to work. OSH Plan was discussed and copy given to workers.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.7.3**

**JENDARATA MILL**

HIRARC procedures developed are related to risk assessment at Mill. All Mill activities were covered in HIRARC study. Action plan was proposed for each hazard identified. OSH action plan used to assess implementation. Updating HIRARDC taken into occurrence of accident. PPE training record was available and field visit noted that all workers were using appropriate PPEs. CHRA was conducted according to legal requirement.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.7.4**

**JENDARATA MILL**

.OSHA Committee was established for the Mill and found in line with the legal requirement. OSHA meeting was conducted on quarterly basis. Safety and health related issues were discussed and action plan was developed.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.7.5**

**JENDARATA MILL**

.First aid training was conducted in the Mill and first aid box was observed adequate. Eye wash facility was available and fire hydrants were inspected according to schedule.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

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

**Indicator 4.7.6**

**JENDARATA MILL**

Local workers were covered with SOCSO while foreign workers were covered with Foreign Workers Compensation Scheme.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

All local workers are provided with SOCSO while foreign workers are provided with Foreign Workers Compensation Scheme. Documents are available.

**Indicator 4.7.7**

**JENDARATA MILL**

.Accident record in LTA was prepared for Mill.

**JENDARATA ESTATE & SERI PELANGI ESTATE**

Occupational injuries recorded using LTA metric.

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

**Indicator 4.8.1**

There is a list of staff, workers and contract workers is maintained by the Mill and Estate. Jendarata 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.

Jendarata POM show annual training programs for 2017 made by assistant manager and approved by estate manager. The training programs for 2017 are :

- Standard Operating Procedure for RSPO Certified Oil Mill Supply Chain Training (15 March 2017)
- 2017 OSHA Training Schedule (Safe Usage of PPE, Tractor & Front Loader Safety Operation, SOP Operations / Maintenance Biogas Plant , Fire Fighting Drill, SOP / Hirarc Chemical Spillage, LOTO, FOS, MSDS, ERT, Hirarc / SOP Lab, Effective Work Place safety Inspection and First Aid Training)

Jendarata and Seri Pelangi Estate show OSHA annual training programs for 2017 made by assistant manager and approved by estate manager. The training programs for 2017 are :

- Field Clinic
- Fire drill training
- PPE training
- First aid course
- HIRARC Training

**Indicator 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 from different countries were interviewed during the ground verification in Jendarata POM and both estates.

**Status: Full Compliance**

**PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**

**5.1**

**Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

**Indicator 5.1.1**

There is available Environment action plan made available at the estate: Environment Risk Assessment (ERA) < Action Plan (EAP) & review Plan ERP 2017 that covers road, pathways, railways and mill processing activities, operation of water management, Regular desludging of Effluent ponds and disposal to land Application Furrows, . .

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 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

**Indicator 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. 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 2017 at Jendarata POM, Jendarata and Seri Pelangi Estate. The result of monitoring will be changes on operational of the unit depending on the severity of the SQP result.

**Status: Full Compliance**

**5.2**

**The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.**

**Indicator 5.2.1**

The initial complex level HCV assessment was done by Wild Asia between 01 – 06/01/2008. The report’s mentioned the methodology applied as well the extend of coverage that includes the presence of protected areas, the conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller. The assessment not found any HCV habitats, such as rare and threatened ecosystems, however there are Self-Declared Conservation within estate perimeter.

7 species of mammals, 2 species of reptiles, 8 species dragonflies, and 80 species of birds have been identified in the HCV report. At Jendarata Estate there is HCV areas 3.15 ha, Conservation area 1.09 ha, 0.46 ha riparian area at the southern boundary Apart from ensuring the Sonneratia caseolaris trees which are vastly grown along the mangrove reserve, the Management has taken the initiative to develop specific habitats within the area. Sago palms were planted to enrich the habitat for firefly larvae host species (snails) and larval development. In the conjunction of Wild Asia’s recommendation, 100 units of sago palms, 30 units of mangrove and 10 unit of Berembang manually planted to date along the mangrove & river reserve. At Seri Pelangi Estate the self-declaration “The Bengang Canal’ 2.06 Ha, and Malaysian Tropical Forest Tree (Sentang). The HCV assessment is performed by the qualified ALS assessor Dr Reza from wild asia.

**Indicator 5.2.2, 5.2.3**

There is no HCV, however there are self-declared conservation area. During field visit, the audit team witness signage on how the management control any illegal or inappropriate hunting, fishing or collecting activities. There is no periodic monitoring of RTE, due to the conservation is self-declared. The self-declared conservation area have been monitored in annually basis. Sighted the monitoring book of conservation area. Latest in on 2017. UP policies stated that in United Plantations Berhad Environment and Biodiversity Policy- “Protect and conserve Endangered, rare, and threatened tree species and animals” Awareness programs have been done to stakeholders and school children’s but on low key to avoid unnecessary attention to opportunistic poachers.

**Indicator 5.2.4, 5.2.5**

There is a SOP for Protection River Reserves (Riparian & Buffer Zones), Conservation review, action and conservation improvement list of HCV identified (HCV Management) on Firefly Conservation, Mangrove and River Reserve, Malaysia Tropical Forest Trees, Local communities rights and company SOP. The estate manager do relies on feedbacks and information’s from internal and external stakeholders to determine if any presence of any RTE. The collected data and information to be analyzed further and the discovered RTE will be mapped out. HCV treat assessment (Self-Assessment / Wildlife Report) and conservation action plan available. No rights of local communities are applicable as Jendarata POM, Jendarata and Seri Pelangi Estate acquired this land from the state government.

**5.3****Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.****Indicator 5.3.1**

The company had provide a registry list 'Type of Waste Product and Method of Disposal' available at the estate and mill. Records of scheduled waste available at the estate comprising SW 410, Waste oil filter, SW 305 Lubricating Oil, SW 102 Spent Battery and SW 110 Fluorescent Tube, SW 404 Clinical Waste. There is also available list of pollution available at the estate including chemical container, spent lubricant, fertilizer rags, tractor batteries, hospital syringes, swabs, domestic waste and EFB from mill.

Based on inventory list ,the company had updated the latest chemical and containers used at site including dipetrex, cyper, Ebor 401, Krotfos, Sentry, Supremo 41.0, Malban 60 WG, Amfine 45 SC, Cypher H2O, Rogor 40, Thiram 80%, Farmon 500, Antracol Ken-amine 600, Monex HC and Activator. There is also record of fertilizer usage available at the estate :

- CCM Compound fertilise
- Rock Phosphate : phosphate
- Ground Magnesium Limestone – Calcium and Magnesium Oxide
- Limestone Dust : Calcium oxide
- Cooper sulphate : Copper
- Zinc Sulphate
- MOP
- Borate
- Urea
- PK Mg Mixture 1

In this assessment auditor team raised an observation regarding the segregation of waste at composting area to be done regularly. OFI.2

**Indicator 5.3.2**

Sighted during the audit the company had a record of syringes an swabs being disposed to licensed contractor ' Sharps and Bins Sdn Bhd' date of collection consignment note on 7<sup>th</sup> April 2017 [3Kgs] and Empty chemical container to recycler [ 20 litres , 460kgs]. However based on observation, the company had not updating the record and notifying the Department of Environmental accordingly after the waste had been sent. **This was raised as minor non-conformance NCR.2017.03.**

As for Jendarata Estate, the notification has been updated to Department of Environmental , notification sighted and the waste had been disposed to SP Metro Sdn Bhd (licensed collector) dated 11/4/2017 [waste spent oil : 418 litres, Used / spent filters : 71 pcs]. All the labelling and time retention has been kept up to date according to the law and regulation.

**Indicator 5.3.3**

The company had also documented a waste management and disposal plan available at the estate and mill. The source and waste of pollution has been identified and documented. The company had implemented biogas plant and the methane gas had been supplied at Unitata Berhad. The company had a composting pit at Jendarata Estate (field 26- dvision 2) that has separated into plastic, scrap iron and glass. Based on the field observation, the company had no evidence of waste disposal using fire and all the waste material are properly decomposed and deposed aligned with company policy.

In this assessment auditor team raised an observation regarding the company monitoring and updating the notification of scheduled waste according to EQA 1974 regulation 2005. OFI.3



<b>5.3.1</b>	<b>Status: OFI.2</b>	
<b>5.3.2</b>	<b>Status: Minor Non Conformance 2017.03</b>	
<b>5.3.3</b>	<b>Status: OFI.3</b>	
<b>5.4</b>		
<b>Efficiency of energy use and use of renewable energy is maximized.</b>		
<b>Indicator 5.4.1</b>		
<p>Their efficiency of fossil fuel usage has been recorded for both mill and estate. The plan has has been implemented at both mill and estate as details until April 2017:</p> <ul style="list-style-type: none"> <li>• Fibre 5475.11 MT / ton FFB (energy produced : 5.71 GJ)</li> <li>• Shell 29864.22 MT/ ton FFB (4.74 GJ)</li> <li>• Empty bunch fibre produced 8461.53 MT / ton FFB (14.61 GJ)</li> <li>• Biogas produced : 710,768.00 MT / ton FFB</li> </ul> <p>Diesel usage as per ton FFB also made available at the mill and estate Mill [January until April: 2,341.50 litres petrol, and Diesel: 18,586.00]. The company also had taken efficiency into account by changing the machineries [3 Nos]. Biogas plant has been operated at the mill since 2006 and it's reduce the effect of Green House Gas.</p>		
	<b>Status: Full Compliance</b>	
<b>5.5</b>		
<b>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.</b>		
<b>Indicator 5.5.1 &amp; 5.5.2</b>		
<p>The company has a policy of zero burning and the policy has been set up by the UP management on 18<sup>th</sup> 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 heterage 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.</p>		
	<b>Status: Full Compliance</b>	
<b>5.6</b>		
<b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b>		
<b>Indicator 5.6.1</b>		
<p>United Plantations (Jendarata and Seri Pelangi Estate) had identified and documented the significant pollutants from the estate and mill. The assessment of gaseous emission has been monitored and captured through the report of Life Cycle Assessment. United Plantation Berhad has embarked on a Carbon Footprint initiative and have conducted Life Cycle Assessments (LCA) by an international consultant. The Life cycle Assessment has been done in UP Malaysia and Indonesia and the records has been done thoroughly by the assessor (Dr. Jannick Schmidt) .UPB has implemented a total of 4 projects under the Clean Development Mechanism (CDM) that have been registered under the UNFCCC. The Biogas plants installed at Jendarata mill was inspected. GHG emitted was calculated annually by a 3<sup>rd</sup> party to independently verify the GHG savings achieved and the 3<sup>rd</sup> party report was sighted. UPB has set targets and implemented initiatives to reduce its carbon footprint per ton CPO produced. According to UPB annual report sighted, the projects implemented achieved 70% reduction in CO<sub>2</sub>, and 80% reduction in CH<sub>4</sub> compared to pre-2006 levels. List of identified polluting activities has been recorded include the operation units as per documentation. Its include the usage of fertilizers at the estate, record of [ ammonium chloride, ammonium nitrate, urea , fertilizers , Muriate of Potash, Kiserite, Agrobland, NPK, Borate] chemical usage at the estate [ Cypermethrin, Benomyl, bentazone, Dimethoate, Glusofinate</p>		

ammonium, Glyphosate, Metsulfuron-methyl, Diuron, Warfarin ]. The Life cycle assessment report has been reported to RSPO personnel dated 3/4/2017.

**Indicator 5.6.2 & 5.6.3**

The company had gather all the data related to pollutant at the estate and converted into tCO<sub>2</sub>e unit. It was sighted that the management unit has provided the data to UP research division for the life cycle assessment (LCA) assessment and it the result will be shown as kg CO<sub>2</sub>- eq/ kg NBD oil (Neutralised Bleached deodorized) As for UIE mill and estate, the data as per details :

<b>Estate</b>	<b>Jendarata and Seri Pelangi(tCO<sub>2</sub>e)</b>
Field Emmission (N <sub>2</sub> O)	13,242.00
Field Emmission, CO <sub>2</sub> from peat	46,834.00
Fuels	934.00
Production of fertilizers	9,692.00
FFB from outgrowers	0
Land Conversion	0
Crop Sequestration	0
Nature Conservation	-9
<b>Oil Mill</b>	
POME	2,400.00
Fuels	176900
Exported Electricity	-2,415.00
Exported shells	0
<b>GHG Emissions per CPO</b>	
<b>Total</b>	<b>70,857.00</b>

The result sighted was significantly low compared to last year GHG emission per CPO output which is on 2015 **72,315.00** tCO<sub>2</sub>e. Based on the data sighted the nature conservation had reduced the GHG emission significantly through biogas/methane production and transferred to engine room plant for electricity generation. The treatment methodology of POME recording has been recorded and the license of POME for land application has been sighted (BOD reading -1426 mg/L- pond 1)

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

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

The tools using is methodology of Life cycle assesement cradle to grave and the tools had been compared with Palm GHG calculator as per result detailed. The company had also install the CCTV as doe requirement for smoke and dust and the monitoring has been linked to Department of Environmental Malaysia.

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

**6.1**

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

**Indicator 6.1.1**

Social Risk Assessment (SRA) has been made with latest on 2017 for internal and external stakeholder for various activity :-

- Operation - Nursery
- Operation - Replanting
- Operation - Weeding
- Operation - Pruning
- Operation - Circle Sanitation
- Operation - EFB Mulching
- Operation - Water Management
- Operation - Roads, Paths, and Railways
- Operation - Boundary
- Operation – Oil Palm Pest and Disease Management
- Operation – Foreign Workers

Latest SRA is conducted on 13 March 2017 for Jendarata POM, Jendarata Estate on 20 February and 16 March 2017 for Seri Pelangi 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.

**Indicator 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 Jendarata POM, Jendarata and Seri Pelangi Estate. There is a Social Risk Assessment (SRA) for outline the Social impacts and person in charge to resolve the issues.

**Indicator 6.1.3**

A complete timetable with responsible are presented in Review Plan (Social) latest reviewed on 2017. The list of activity that can be affected to the social issues has been rank and mitigation measure is stated in the plans. There is a complete timetable with responsibilities are shown and updated as necessary for the year of 2017. The plan is documented and tabulated in the Action Plan (Social) timetables that listed items, By Whom, Target Date and Resources. The timeline is observed realistic to implement by the management of mill and estate.

**Indicator 6.1.4 & 6.1.5**

There is a clear column that stated that who is the person in charge in the Action Plan. The plan is reviewed in every year. 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 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 Jendarata Mill and Jendarata and Seri Pelangi estate.

**6.2**

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

**Indicator 6.2.1**

There is a Grievance Redressal Procedure for communication and consultation in clearing up misunderstanding / conflict / grievances or raising any issues with United Plantations Berhad, the procedure is adopted, in an effective, timely and appropriate manner that is open and transparent to any affected parties. The procedure stated that all grievances are formally recorded at point of receipt and settled as soon as possible but not more than 30 days and grievances acknowledged by letter within 7 workings days to stakeholder and estate manager / head of department from the company secretary. The Company SOP was made available through the FPIC process “ref: SOP issued on 11 March 2013 rev; 16 August 2016.

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

**Indicator 6.2.2**

The nominated persons for Jendarata POM Ir. P. Rajasegaran, Jendarata Estate Mr. C. Mohan Dass and for Seri Pelangi Estate is Mr Khor Boon Wah 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).

**Indicator 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 9 march 2017 at Jendarata POM and Estate, 2 April 2017 at Seri Seri Pelangi Estate. There is a registry of complaints book, the latest complaints on 2017 and the action been taken and been documented.

**#OFI 6.2.3** based on the verification there is an action has been taken to resolve the issues however the complaints not list down in the complaint books. The latest complaint only in December 2016.

**6.3**

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

**Indicator 6.3.1 & 6.3.2**

The procedure for communication and consultation been established at Jendarata and Seri Pelangi estates (Grievance Redressal Procedure). The nominated persons:

- Jendarata POM → Resident Engineer supported with the address & telephone number
- Jendarata Estate → Group Manager supported with the address & telephone number
- Seri Pelangi Estate → Manager supported with the address & telephone number
- The Company Secretary, United Plantations Bhd will responsible for the handling of all enquires and grievance against the company.

The Procedure is communicate to all parties through the stakeholder meeting, gender committee meeting and stakeholder booklet. All the workers Acknowledge receipt documentation (date, workers and management signatures, statement) informed about passport and handbook receipt.

Showed each of the workers representative appoint by the community (nationality) for Guest Worker Welfare from Indonesians, Bangladeshi, Indians and Nepalese complete with informed the name and telephone number

There is procedure and complaint and request book to record the complaint and action taken is recorded. During the assessment conducted there was no complaint issued, however there were request from the stakeholders (villagers) and from the workers

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.

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

During the recertification conducted the auditor team have interviewed with several stakeholders of Jendarata estate and Seri Pelangi. All the stakeholders acknowledge about the dispute mechanism should be handle in timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.

**Indicator 6.3.3**

There is a procedure to resolve dispute and displayed in the office and in the stakeholder booklets. There is a Register of Complaints books at JENDARATA & SERI PELANGI Estates. The results of actions taken is documented in the book. Latest complaint is recorded is 12 APRIL 2016

The complaint is dealt by the estate manager for the workers issues and gender committee member to resolve the sexual harassment issues.

**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.**

**Indicators 6.4.1; 6.4.2; & 6.4.3.**

There is no negotiation occurred concerning compensation for loss of legal, customary or user rights, since the land is belongs to UP Berhard from early 1990. However the Group Manager for ESH is responsible to execute any compensation related works with the involvement from Board of directors and company secretary. Based on field observation that showed there is no community settlement surround of Jendarata and Seri Pelangi plantation area, the distance from plantation area to community surround area was separated. During the stakeholder interview **on 24<sup>th</sup> May 2017**, there were several stakeholders informed that there is no customary rights in the certification unit's operations area.

**6.5**

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

**Indicator 6.5.1**

Based on list of Jendarata POM, Jendarata and Seri Pelangi 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).

**Indicator 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.

**Indicator 6.5.3**

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



Workers Housing Quarters

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 220m<sup>2</sup> 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 Jendarata POM and Seri Pelangi Estate. Jendarata 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.

**Indicator 6.5.4**

9 primary schools and 7 kindergarten which are maintained by the UP providing education for more than 500 children ranging from 5 to 12 years. Bus subsidies for school above the age of 12 years are also provided for. A place of worship, group hospitals and clinics and old folks home to care for the aged and the homeless as well as a fully operational Danish bakery are also a part of UP care and commitment towards the wellbeing of its employees. in addition 42 scholarships were granted to children of UP employees enabling these students to pursue their tertiary studies

**6.6**

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

**Indicator 6.6.1 & 6.6.2**

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

The Guest Workers Union Meeting latest on 28 March 2017 25 workers were attended. The meeting is held is every month. All of the issues discuss in the union meeting is documented and action been taken by the management. There is a contract agreement between Jendarata and Seri Pelangi 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.

**6.7**

**Children are not employed or exploited.**

**Indicator 6.7.1**

There is a clear policy that prohibited under aged workers (below 16 years) Human Rights Policy, Signed by Dato' Carl Bek-Nielsen, Chief Executive Director on 23 March 2013. There is a list of workers & age as 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. Jendarata POM, Jendarata and Seri Pelangi Estate is complied with the labour law and their human rights policy to not employed workers less than 16 years.

**6.8**

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

**Indicator 6.8.1**

There is a policy regarding the Human Right Policy signed by Dato' Carl Bek-Nielsen, Chief Executive Director 23 March 2013. United Plantation serves everyone who works for UP BHD fairly and without discrimination and respect the rights

of all personnel to join and participate in registered trade unions and to bargain collectively. The policy is displayed at the main access area and also discussed in the stakeholder meeting. There evidence that all workers is from multi races and also from the other countries (Malay, Indian and Chinese) and also from the other countries (Indonesian, Bangladesh, Nepal, and South India).

**Indicator 6.8.2**

There is evidence that employees and immigrant workers have not been discriminate based on the foreign workers union and gender committee to express the workers feelings. Based on the interview the workers is happy with the way Jendarata 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 individual Mill and Estate.

**Indicator 6.8.3**

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

**6.9**

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

**Indicator 6.9.1, 6.9.2**

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

There is a gender committee training calendar for 2017 (Grievance on sexual harassment prevention, Prevention against violence act, Papsmear Awareness and OSHA issues related gender). A gender committee is established at mill and Estate. List of the member of the gender committee is displayed at the Notice Board at mill and Estate. There is a training calendar for gender committee programme 2016 Based on the grievance procedure for sexual harassment in the workplace there is consultation with the Company's Executive Committee.

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

Latest policy is signed on 24 April 2015.

**Indicator 6.9.3**

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



<b>6.10</b>	<b>Growers and mills deal fairly and transparently with smallholders and other local businesses.</b>
	Not applicable to Jendarata mill not received and cooperate from smallholders and out-growers
<b>6.11</b>	<b>Growers and millers contribute to local sustainable development wherever appropriate.</b>
	<p>The company was sighted an evidences of contributions to local development made by the Mill and Both 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.</p> <p>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)</p>
<b>6.12</b>	<b>No forms of forced or trafficked labour are used.</b>
	<p><b>Indicator 6.12.1</b></p> <p>Human right policy, 2014, UP will not tolerate the use of child or forced labour, slavery, or human trafficking in any UP plantation and facilities, UP are using the United Nations definition of “Child” as anyone who is less than 16 years old or superseded by local regulations above 16. UP will not tolerate the use of child or forced labour, slavery, or human trafficking in any UP plantation and facilities, UP are using the United Nations definition of “Child” as anyone who is less than 16 years old or superseded by local regulations above 16.</p> <p>The recruitment process is though the licensed outsourcing agent's e.g (PT Mitra Solusi Integritas KEP 323 / 2012), the responsible person is Mr Hazizi for selecting / screening labuor suppliers. There is no restriction on workers to leaving the estate or housing facilities outside the working hours. If the workers want to terminate their contracts before theirs contracts expires workers have to borne the cost as stated on the contract document. In the event of employee having to return prematurely to country origin for whatsoever reason other than on medical grounds, the costs will be borne by the employees.</p> <p>Passport keeping is legally allowed there is a Safe Keeping of Passport letter signed by the employee to agree management to keeping their passport. Jendarata Estate have constructed a room containing passports lockers within the plantation to enable our guest workers free access to their passports without any restrictions at Jendarata Estate. On further evaluation of this pilot project, it shall be replicated to the rest of the estates of UP. Currently in other 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.</p> <p><b>Indicator 6.12.2 &amp; 6.12.3</b></p> <p>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.</p> <p>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.</p>

<b>6.13</b>	<b>Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented</b>	
<b>Indicator 6.13.1</b>	A policy for human rights has been established in Human Rights Policy and Guest Workers Policy signed by Dato' Carl Bek-Nielsen, Chief Executive Director on 23 March 2013. The policy stated that no form of forced labour or trafficked labour are used, no difference is made between quest and local workers, all quest and local workers are in possession of a valid work permit in accordance with Malaysian Immigration Regulations, 1963 and all guest and local workers are covered under the purview of "Workers' Minimum Standards of Housing and Amenities Act 1990" all policies are Available and displayed at Jendarata Mill and Jendarata, Seri Pelangi Estate.	
	<b>PRINCIPLE #7 Responsible development of new plantings</b>	
<b>7.1</b>	<b>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.</b>	
	There is no new planting in area of Jendarata and Seri Pelangi estates. Replanting program for third period was actively done since 2010.	
<b>7.2</b>	<b>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.</b>	
	There is no new planting in area of Jendarata and Seri Pelangi estates. Replanting program for third period was actively done since 2010.	
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
	There is no new planting or expansion by the JENDARATA & SERI PELANGI Estates from November 2005 until the audit conducted. There is only replanting activity at Estate. United Plantations Bhd have send the "0" Liability Disclosure to RSPO Secretariat July 2015.	
<b>7.4</b>	<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>	
	There is no new planting in area of Jendarata and Seri Pelangi estates. Replanting program for third period was actively done since 2010.	

<p><b>7.5</b>  <b>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.</b></p>		
<p>There is no new planting in area of Jendarata and Seri Pelangi estates.  Replanting program for third period was actively done since 2010.</p>		
<p><b>7.6</b>  <b>Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b></p>		
<p>There is no new planting in area of Jendarata and Seri Pelangi estates.  Replanting program for third period was actively done since 2010.</p>		
<p><b>7.7</b>  <b>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.</b></p>		
<p>There is no new planting in area of Jendarata and Seri Pelangi estates.  Replanting program for third period was actively done since 2010.</p>		
<p><b>7.8</b>  <b>New plantation developments are designed to minimize net greenhouse gas emissions.</b></p>		
<p>There is no new planting in area of Jendarata and Seri Pelangi estates.  Replanting program for third period was actively done since 2010.</p>		
<p><b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b></p>		
<p><b>8.1</b>  <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b></p>		
<p>Several continual improvement activities observed during audit:</p> <p><b><u>Mill Management Practices</u></b></p> <ul style="list-style-type: none"> <li>• Installation of VORSEP dust collector system to improve the air emission.</li> <li>• Operation of biogas plant.</li> <li>• Installation of water gate at the Main Water Catchment reservoir to maximise the water storage capacity to cater for uninterrupted supply of water for factory.</li> <li>• Implemented The LOTO system to enhance safety at work and to eliminate/reduce accidents at workplace.</li> </ul> <p><b><u>Best Management Practices in Estate</u></b></p> <ul style="list-style-type: none"> <li>• Buffalo collection contributes effectively towards reduction of fossil fuel usage</li> <li>• Mowing of harvesters path, greater emphasis is given to the mowing of the harvesters' path to control weeds, soil erosion and rutting. These practice effectively reduces the use of herbicides and associated smell and odour problems, including air pollution in general.</li> <li>• Chantas Mechanized Harvesting for increases productivity &amp; harvesting becomes less strenuous</li> <li>• Coated with diamond powder sharpens blades more effectively and faster</li> </ul>		

Monitoring of GHG started in 2004, Report done annually, latest report done by LCA Consultant from Denmark and Forecasted 50% reduction by 2018

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**3.2. Summary of Assessment Report of Supply Chain Requirement**

Clause	MODULE D – CPO MILLS: IDENTITY PRESERVED																										
<b>1</b>	<b>Definition</b>																										
<p><b>1.1</b>            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&amp;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>During the Re-certification, All of FFB supply to three Mill (Jendarata Mill, Ulu Basir Mill &amp; Ulu Bernam Mill) was supplied from eight own estates of United Plantation Berhad Malaysia. There estate consist of Jendarata Estate, Seri Pelangi Estate, Ulu Basir Estate, Ulu Basir Estate, Sungei Erong Estate, Sungei Chawang Estate, Chawang Estate, Changkat Menteri Estate and Lima Blas Estate.</p> <p><b><u>Jendarata Mill</u></b>            Table of FFB receive on Jendarata POM from May 2016 to April 2017:</p> <table border="1"> <thead> <tr> <th>FFB</th> <th>Number (Ton)</th> </tr> </thead> <tbody> <tr> <td>Jendarata Estate</td> <td>112,271.93</td> </tr> <tr> <td>Seri Pelangi Estate</td> <td>37,773.09</td> </tr> <tr> <td>Ulu Bernam Estate</td> <td>107.57</td> </tr> <tr> <td>Changkat Mentri Estate</td> <td>105.24</td> </tr> <tr> <td>Ladang Sg. Erong</td> <td>93.97</td> </tr> <tr> <td>Ladang Sg. Chawang</td> <td>115.26</td> </tr> <tr> <td>ladang Ulu Basir</td> <td>167.41</td> </tr> <tr> <td>Lima Blas Estate</td> <td>442.42</td> </tr> <tr> <td><b>Total</b></td> <td><b>151,076.89</b></td> </tr> </tbody> </table>						FFB	Number (Ton)	Jendarata Estate	112,271.93	Seri Pelangi Estate	37,773.09	Ulu Bernam Estate	107.57	Changkat Mentri Estate	105.24	Ladang Sg. Erong	93.97	Ladang Sg. Chawang	115.26	ladang Ulu Basir	167.41	Lima Blas Estate	442.42	<b>Total</b>	<b>151,076.89</b>		
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<b>Status:</b>																											
<b>2</b>	<b>Explanation</b>																										
<p><b>2.1</b>            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&amp;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>Mill under manage by United Plantation Berhad Malaysia (Jendarata Mill) has a Monthly Report which contain data of CPO and PK products.</p> <p>During the Recertification, The JENDARATA Mill is supplied by one own estate (Jendarata and Seri pelangi estates). Based on data of certified products of CPO and PK, the actual tonnage produced on May 2016 until April 2017 are description on table below.</p> <table border="1"> <thead> <tr> <th rowspan="2">UIE Estate</th> <th rowspan="2">FFB (MT)</th> <th colspan="2">CPO</th> <th colspan="2">PK (MT)</th> </tr> <tr> <th>OER (%)</th> <th>Production (MT)</th> <th>KER (%)</th> <th>Production (MT)</th> </tr> </thead> <tbody> <tr> <td>Actual production</td> <td>150,045.02</td> <td>22.03</td> <td>33,281.82</td> <td>5.14</td> <td>7,761.54</td> </tr> <tr> <td>Projection</td> <td>162,049</td> <td>22.10</td> <td>35,813.00</td> <td>5.20</td> <td>8,427.00</td> </tr> </tbody> </table>						UIE Estate	FFB (MT)	CPO		PK (MT)		OER (%)	Production (MT)	KER (%)	Production (MT)	Actual production	150,045.02	22.03	33,281.82	5.14	7,761.54	Projection	162,049	22.10	35,813.00	5.20	8,427.00
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<b>Status:</b>																											

**2.2**

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

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

Jendarata POM has registered for RSPO Palm-Trace with RSPO IT Platform member on behalf for Jendarata POM UP

- **RSPO IT Platform member registration number:** RSPO\_PO100000238

Certified CPO CSPK sold to each buyer from JENDARATA POM using the JENDARATA Multi Site Account (Jendarata, Ulu Bernam, Ulu Basir) period of August 2016 to April 2017

**CSPO**

Date	Name of Buyer	Model	Volume
August 2016	UNITATA BERHAD	IP	2,848.28
September 2016	UNITATA BERHAD	IP	2,906.84
October 2016	UNITATA BERHAD	IP	2,307.86
November 2016	UNITATA BERHAD	IP and SG	3,194.01
December 2016	UNITATA BERHAD	IP	2,743.37
January 2017	UNITATA BERHAD	IP	2,552.50
February 2017	UNITATA BERHAD	IP	2,355.63
March 2017	UNITATA BERHAD	IP	3,100.77
April 2017	UNITATA BERHAD	IP	2,213.25
<b>Total</b>			<b>24,222.51</b>

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

**CSPK**

Date	Name of Buyer	Model	Volume
August 2016	UNITATA BERHAD	IP sold as SG	564.85
September 2016	UNITATA BERHAD	IP sold as SG	829.14
October 2016	UNITATA BERHAD	IP sold as SG	530.07
November 2016	UNITATA BERHAD	IP sold as SG	673.95
December 2016	UNITATA BERHAD	IP sold as SG	559.47
January 2017	UNITATA BERHAD	IP sold as SG	607.42
February 2017	UNITATA BERHAD	IP sold as SG	725.81
March 2017	UNITATA BERHAD	IP sold as SG	729.68

April 2017	UNITATA BERHAD	IP sold as SG	630.09
<b>Total</b>			<b>5,850.48</b>

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

	<b>Status:</b>
<b>3</b>	<b>Documented procedures</b>
<b>3.1</b>	
<p>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:</p> <ul style="list-style-type: none"> <li>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</li> <li>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.</li> </ul>	
<p>JENDARATA POM – United Plantation Malaysia has have work procedure as guideline to ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on May 25 2012). It is aim for identifying product's traceability with supply chain Identity Preserve (IP) Model. Person in charge to ensure the operation of mill based on the applicable procedure was consist of Group Engineer, Senior Resident Engineer &amp; Resident Engineer), Weighbridge Operator and Oil Mill Staff.</p> <p>However, there was second revision of the RSPO Supply Chain procedure for the United Plantations an applied in every mill. Previously the SOP issued 17 October 2013.</p> <p>Current SOP for Supply Chain was issued on <b>8 November 2016</b> which following with reference from RSPO Supply Chain Standard (21 November 2014).</p> <p>During the to the mill observation, the auditor had interviewed with the weighbridge operator and Senior Assistant Manager shipping they have explained the role in supply chain activities</p>	
	<b>Status: Comply</b>
<b>3.2</b>	
<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	
<p>Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on 8 November 2016).</p> <p>Stated in section 10.4 → Receiving and Processing certified and non-certified FFBs</p> <p>Explanation from the Mill Manager all the FFBs received are from the certified sources (Jendarata estate and Seri Pelangi estate)</p>	
	<b>Status: Comply</b>
<b>4</b>	<b>Purchasing and goods in</b>
<b>4.1</b>	
<p>The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	
<p>Explanation from the Mill Manager and documentation checking all the FFBs received are from the certified sources</p> <ul style="list-style-type: none"> <li>a. Weighbridge Ticket → Stamped with particular RSPO Certified Number MUTU-RSPO/068</li> <li>b. Dispatch Note</li> </ul>	

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

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
From 21st August 2016	4,896.30	-	4,896.30
September 2016	13,479.80	-	13,479.80
October 2016	10,640.70	-	10,640.70
November 2016	13,593.18	-	13,593.18
December 2016	12,776.82	-	12,776.82
January 2017	11,689.11	-	11,689.11
February 2017	11,137.17	-	11,137.17
March 2017	14,531.66	-	14,531.66
April 2017	12,415.80	-	12,415.80
Until 19 May 2017	4,812.03	-	4,812.03
<b>TOTAL</b>	<b>109,972.57</b>	<b>0</b>	<b>109,972.57</b>

**Status: Comply**

**4.2**

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

ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on June 02, 2015). Page 2 Point 1.1.3 RECORDING-PHURCHASING AND GOODS IN, sub point f explain that The Oil Mill shall inform the Certification Body immediately if there is a projected overproduction.

Month	CPO (MT)		
	RSPO Certified	Non Certified	Total
From 21st August 2016	1,105.00	-	1,105.00
September 2016	3,040.99	-	3,040.99
October 2016	2,410.10	-	2,410.10
November 2016	2,848.46	-	2,848.46
December 2016	2,811.36	-	2,811.36
January 2017	2,499.59	-	2,499.59
February 2017	2,394.54	-	2,394.54
March 2017	3,198.81	-	3,198.81
April 2017	2,794.00	-	2,794.00
Until 19 May 2017	1,065.00	-	1,065.00
<b>TOTAL</b>	<b>24,167.85</b>	<b>-</b>	<b>24,167.85</b>

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



Month	PK (MT)		
	RSPO Certified	Non Certified	Total
From 21st August 2016	249.00	-	249.00
September 2016	727.15	-	727.15
October 2016	565.08	-	565.08
November 2016	638.77	-	638.77
December 2016	659.56	-	659.56
January 2017	627.72	-	627.72
February 2017	588.78	-	588.78
March 2017	756.12	-	756.12
April 2017	662.00	-	662.00
Until 19 May 2017	253.00	-	253.00
<b>TOTAL</b>	<b>5,727.18</b>	<b>-</b>	<b>5,727.18</b>

**Status: Comply**

**5 Record keeping**

5.1

The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.

JENDARATA Palm Oil Mill – United Plantation Malaysia has have a Monthly Report of RSPO Certified of FFB, CPO & PK. The table below are description of RSPO production at each mill in three monthly basis

**Jendarata Mill**

Month	FFB Processed	CSPO				CSPK			
		Carry Over	Produced	Sold	Final Stock	Carry Over	Produced	Sold	Final Stock
August 2016	12,267.33	275.1	2,776.93	2,848.28	203.75	275.88	614.13	564.85	325.16
September 2016	13,479.80	203.75	3,040.99	2,906.84	337.9	325.16	727.15	829.14	223.17
October 2016	10,640.70	337.90	2,410.10	2,595.40	152.60	223.17	565.08	530.07	258.18
November 2016	13,593.18	152.60	2,931.84	2,907.09	177.35	258.18	654.15	673.95	238.38
December 2016	12,776.82	177.35	2,811.36	2,761.26	227.45	238.38	659.56	559.47	338.47
January 2017	11,689.11	227.45	2,499.59	2,552.50	174.54	338.47	627.72	607.42	358.77
February 2017	11,137.18	174.54	2,394.54	2,373.63	195.45	358.77	588.78	725.81	221.74
March 2017	14,531.66	195.45	3,198.81	3,100.77	293.49	221.74	756.12	729.68	248.18

April 2017	12,415.81	293.49	2,793.56	2,751.50	335.55	248.18	662.29	630.09	280.38
	<b>Status: Comply</b>								
<b>6</b>	<b>Processing</b>								
<b>6.1</b>									
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.									
<p>Based on document verification in every three mill that shows the JENDARATA POM– United Plantation has work procedure as guideline to ensure the implementation for the entire required elements. The procedure is Standard Operating Procedure for Traceability and RSPO Supply Chain Certification System (SOP No.240-A, has revised on May 25 2012). It is aim for identifying product’s traceability with supply chain Identity Preserve (IP) Model. All of the FFB was supplied by all estates under manage of United Plantation was certified since August 2008.</p> <p>Jendarata Mill have documented procedure to check the certified palm product of CPO and PK kept segregated during the storage and transport.</p> <p>During the previous license period (21 August 2016 to 20 August 2017) six storages used for keeping the CPO and three storage for keeping the PK.</p> <p>All the storage tank have dedicated for CSPO and CSPK</p>									
	<b>Status: Comply</b>								
<b>6.2</b>									
The objective is for 100 % segregated material to be reached.									
<p>Based on document verification shows JENDARATA POM only processed FFB being CPO and PK are 100 % was supplied from certified estates.</p> <p>The estate consist of (Jendarata estate and Seri Pelangi estate) All of CPO and PK all are produced by own estate and dispatch under manage by United Plantation Malaysia.</p> <p>The CSPO and CSPK storage all the storage have kept segregated, and during the audit auditor team have sighted the CSPO transfer using pipes from the Jendarata Mill to UNITATA Refinery.</p> <p>For Palm Kernel Jendarata Mill sold to UNITATA Bhd as Refinery, however UNITATA arrange the transportation for sending the PK to PANGKOR Kernel Crushing Plant direct from Jendarata Mill</p>									
	<b>Status: Comply</b>								

**3.3. Conformity Checklist of Certificate and Logo Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>Recert</b>	JENDARATA Palm Oil Mill, United Plantation Berhad has had approval/permit the use of the certificate by Mutugung Lestari with CERTIFICATE CODE: <b>MUTU-RSPO/067</b>	√
	<b>Status: Full Compliance</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or √</b>
<b>Recert</b>	JENDARATA Mill does not use the logo both in the on-product and off-product.	√
	<b>Status: Full Compliance</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or √</b>
<b>Recert</b>	JENDARATA Mill does not use the logo both in the on-product and off-product.	√
	<b>Status: Full Compliance</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or √</b>
<b>Recert</b>	JENDARATA Mill does not use the logo both in the on-product and off-product.	√
	<b>Status: Full Compliance</b>	

**3.4. Summary of RSPO Partial Certification.**

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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

Section	Requirement	Concerns to Discuss, if any
3.4.1.	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p><b>Auditor verification</b>            There are external audit that has been conducted for all management units of:</p> <ul style="list-style-type: none"> <li>- Lada POM – PT Surya Sawit Sejati</li> <li>- UIE POM</li> <li>- Jendarata POM</li> <li>- Ulu Bernam POM</li> <li>- Ulu Basir POM</li> </ul> <p>And positive assurance is produced for these units.</p>
3.4.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p>United Plantation Bhd has submitted liability disclosure to RSPO.            All three certification units of Ulu Bernam POM, Ulu Basir POM, Jendarata POM and UIE POM have no liability.</p> <p>For Lada POM:            The company has identified HCV area for Lada Estate and Runtu Estate in 2008. However, the identification result is not considered sufficient by the company since there is no information on the hectare of HCV area and the location of the identified HCV. Therefore, the company re-identify the HCV area and delineate the HCV area based on HCV identification 2006. The delineation is conducted by Biodiversity Team of the company. Based on the delineation of HCV area there is HCV area that is opened by the company. The company has sent the disclosure of liability and currently has entered to the third stage of RACP process.</p> <p>In 2014, the company has also conducted HCV identification</p>

		<p>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><b>Auditor verification</b> Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
3.4.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1<sup>st</sup> January 2010</p> <p><b>Auditor verification</b> United Plantation Bhd has sent their LUCA and process their RACP liability. There is no liability applied for units in Malaysia.</p> <p>However, there is liability applied for Lada POM – PT Surya Sawit Sejati, certification unit is located in Central Kalimantan, Indonesia. The company has showed evidence on RACP process for the unit. At current, the compensation process has been sent to RSPO Secretariat but no approval yet.</p>
3.4.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p><b>Auditor verification</b> The SEIA document of the company has identified legal, customary and user right that is presented in the information of the surrounding community. The company has also the SOP to identify legal, customary and user rights that is provided in SOP Land Compensation No. HRD-015-R00 dated 1 January 2016. The community is involved in identifying the land claimed and in the compensation process including the amount of the compensation is negotiated. The company also provides mechanism that has been socialized to the surrounding the community through three monthly meeting between the company and the community. Further, the record of any claim and the compensation process is filed by the company. The record of the compensation process is provided to the claimant and can be access through stakeholder information request regulated in procedure of information request by internal and external party No. SOP-HRD-05-R00.</p> <p>Based on public consultation with the surrounding community, they has understood the mechanism if there is a claim and the PIC of the company to be contacted. They also inform that the claimant has been informed first on the compensation amount offered by the company but they still can negotiated and can say no to refuse the offered compensation if they did not agree. The final result of the negotiation on compensation process is informed to them.</p>

<p>3.4.5</p>	<p>Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p>	<p>There is no labor disputes.</p> <p><b>Auditor verification</b> 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 The procedure has been socialized to employee in morning briefing and SOP day. And the socialization to the surrounding community is given through three monthly meeting. The documentation of incoming complaint and grievance is documented by the company including the response by the company. The documentation of the complaint process is documented and the response is informed to the complainant. This documentation is managed by Human Resource Department. It can be accessed by stakeholder through information request mechanism.</p>
<p>3.4.6</p>	<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>Yes, there is process for land legality.</p> <p><b>Auditor verification</b></p> <p><b>PT Surya Sawit Sejati</b> SSS have complete list of legal requirement that related to RSPO P&amp;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-HRD-017-R00. SSS has conducted internal audit for legal compliance and explained the process for evaluate the compliance of regulation.</p>

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

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

<b>NCR No.</b>	<b>: 2017.01</b>	<b>Issued by</b>	<b>: Ebnu Holdoon Shawal</b>
<b>Date Issued</b>	<b>: 25 May 2017</b>	<b>Time Limit</b>	<b>: ASA – 1 (after re-certification)</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>1.1.1</b> <b>There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor)::</b>			
<p>The company had not updating the stakeholder list accordingly.</p> <p>Objective evidence:  Based document verification of land dispute complaint letter auditor team have found there is an oil palm company (Syarikat Perusahaan Jasa Budiman Sdn Bhd) next to the Seri Pelangi estate, however the company name have not sighted and updated in the Seri Pelangi Stakeholder list.</p> <p>Based on the verification on site audit, the personnel had shown a stakeholder list for 2017 however the list has not been updated.</p>			
<b>Root Cause Analysis (filled by organization audited):</b>			
<b>Corrective Action (filled by organization audited):</b>			
<b>Preventive Action (filled by organization audited):</b>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>			
<b>Verified by</b>	<b>:</b>		

<b>NCR No.</b>	<b>: 2017.02</b>	<b>Issued by</b>	<b>: Octo H.P.N. Nainggolan</b>
<b>Date Issued</b>	<b>: 27 May 2017</b>	<b>Time Limit</b>	<b>: ASA – 1 (after re-certification)</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>2.2.2.</b> <b>There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor)::</b>			
<p>The certification unit has not consistently monitored the boundary marker/stones in their operations area.</p>			

<p>Evidences observed:          Auditor team field observation at Jendarata estate found all the boundary poles that have taken as a sample (6 poles) were visibly maintained along the legal boundaries.          However during the field visit at Seri Pelangi estate there were 2 boundary poles not sighted and 1 pole was broken from 10 poles taken as a sample. This also contradict with the information provided in the <i>Boundary Stone Maintenance Monthly Upkeep Checklist</i> that stated all the 25 boundary poles available and maintained.</p> <p>This finding is grade as minor non-conformity non-systematic failure due to it is an isolated case.</p>	
<b>Root Cause Analysis</b> (filled by organization audited):	
<b>Corrective Action</b> (filled by organization audited):	
<b>Preventive Action</b> (filled by organization audited):	
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):	
<b>Verified by</b> :	

<b>NCR No.</b>	: 2017.03	<b>Issued by</b>	: Ebnun Holdoon Shawal
<b>Date Issued</b>	: 7 April 2017	<b>Time Limit</b>	: Prior to Certificate Issued
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 29 August 2017
<b>Standard Ref. &amp; Requirement</b>	: 5.3.2		
<b>Non-Conformance Description &amp; Evidence observed:</b>			
<p>During the Recertification audit at Jendarata Estate, the personnel in charge had shown the consignment note of syringe and swabs had been disposed of to the registered collector (Sharp and Bins).</p> <p>Based on Malaysian Environmental Quality Act 1974, Scheduled wastes Regulations 2005, Regulation 3(1) every waste generator shall, within 30 days from the date of generation of scheduled wastes, notify the Director General of the new categories and quantities of scheduled wastes which are generated.</p> <p>However during the audit, the personnel in charge could not show the latest evidence of notification to the Department of Environmental Malaysia regarding the schedule waste generated by the estate (SW 404).</p>			
<b>Root Cause Analysis:</b>			
<p>Lack of awareness on personnel who handling the scheduled waste (SW 404 – Clinical Wastes) and understanding on electronic Scheduled Waste Information System (eSWIS) needs to be further improved.</p>			
<b>Corrective Action:</b>			
<p>The clinical waste (SW 404) from Jendarata Group Hospital were disposed to Clinco Waste Management Sdn. Bhd. Clinco Waste Management Sdn. Bhd. which appointed by Kualiti Alam Sdn. Bhd. with effective of 27<sup>th</sup> March 2015. Kualiti Alam Sdn. Bhd. possess valid DOE license to collect clinical waste from Jendarata Group Hospital on 8<sup>th</sup> June</p>			



2017. Furthermore, the inventory is updated through online system by end of each month. Quantity of clinical waste generated today for month of July is 0.0020 metric tonnes (*Kindly refer to Attachment 1 and 2*).

Furthermore, management had invited Department of Environment (DOE) to conduct training on Scheduled Waste Management in accordance to Environmental Quality (Scheduled Waste) Regulation 2005 and electronic Scheduled Waste Information System (eSWIS) (*Kindly refer to Attachment 3*).

The training was conducted by Department of Environment (DOE) Teluk Intan, Perak on 17<sup>th</sup> August 2017. Total of 38 participants from all business units which comprises of representatives from all estates, mills, refinery, Company Group Hospitals, Research Unit (UPRD) and Sustainability Team (*Kindly refer to Attachment 4*).

**Preventive Action:**

Internal audit will be conducted more rigorously by Sustainability Team to ensure all business units maintain complete and up-to-date record keeping on scheduled waste inventory and disposal. This includes valid DOE license of waste manager, monthly updates of inventory and submission of consignment note once scheduled waste being disposed to waste manager.

**Assessor Evaluation and Conclusion:**

The company had an appointment letter to 'Clinco Waste Management Sdn Bhd' as a licensed collector for Scheduled Waste code SW 404- Pathogenic waste, Clinical Wastes, or quarantined materials. The company had been appointed by Kualiti Alam Sdn Bhd which has a valid DOE license no. 000319 that expired on 30<sup>th</sup> April 2018. The company also had notified to the Department of Environmental Malaysia (DOE) regarding the scheduled waste SW 404 dated 8<sup>th</sup> June 2017 amount 0.0056 MT. Sighted also the submission updating of inventory on DOE IT platform (e-swis) regarding SW 404 produced by the unit for Month August 2017. As for preventive action, DOE Teluk Intan has been invited to give a training and talk regarding the notification and e-swis reporting system as per document sighted dated 17<sup>th</sup> August 2017. Sighted the evidence of training including the picture of the training on scheduled waste regulation and online reporting system (e-swis) and name list of 43 personnel that attending the training on 17<sup>th</sup> August 2017. Effectiveness of the training by DOE Teluk Intan and implementation of the system be evaluated further during the next surveillance. The audit team hence accepts this as evidence from the unit to close this non-compliance.

**Verified by** : **Ebnu Holdoon Shawal**

**3.5.2. Opportunity for Improvement (OFI)**

No	Ref. Std.	Description
1	1.3	Ensure the socialization of code of business conduct to being communicated to all levels of workforce including third party contractors
2	5.3.1	The segregation of waste at composting area to be done regularly
3	5.3.3	Ensure the company monitoring and updating the notification of scheduled waste according to EQA 1974 regulation 2005

**3.5.3. Noteworthy Positive Components**



No	Description
1	Well cooperate personnel's with various expertise
2	Well prepared documentation and records
3	Good practices by the company to minimize the Green House Gas especially by implementing biogas plant, railway system and FFB evacuation by buffalo.
4	Pilot project of Passport Locker room was introduced to enable guest workers free access their passport to support shows that there is no form of forced or trafficked labour are used.
5	A group hospitals, clinics and old folks home to care for the aged and the homeless as well as a fully operational.
5	Implementation of Biogas Engine Plant (Green Energy) supplying electricity to National Grid TNB

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

During the Stakeholders consultation held there were 20 participant attend.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Respondent no. 1 (Indonesian Workers Representantive)</p> <p>The Indonesian representative from Lombok has been 8 years working in the Jendarata Estate. He has expressed his satisfaction working in the estate. He thanks the management to provide a good house, electricity and water supplied to the workers. The salary payment has been made on time and never late. The full and thorough medical check up has been done yearly and the medicine has been supplied from Jendarata group hospital for free. There is new motorbike parking has been made by the management and the management has been pro-actively made a motorcycle parking gate for the workers to prevent theft.</p>	<p>The company thanks the compliment from the workers representative that has been 8 years working in the company. The company will continue to give full support and cooperation towards the workers benefit and rights and ensure them to be happy working in United Plantations.</p>
<p>Respondent no. 2 (NGO Malaysian Nature Society)</p> <p>The respondent had praised United Plantations Management providing a very good welfare to their workers and staff. The company had also maintaining a good upkeep of their factory and estate for the workers. The respondent had asked the management regarding the Important Birds Area (IBA) nearby the Bernam River and what is the management role towards the particular area. He is also asking regarding the mechanization plan of FFB evacuation that will be taking place in the near future, what is happen to the workers that is currently working in the estate.</p>	<p>The company will give a full cooperation with Malaysian Nature Society regarding their response on Importants Bird Area(IBA) nearby the Bernam River and will help to conserve the adjacent area to the estate. Based on the current production rate, the company still have the problem on general workers doing the harvesting and the recruitment process still ongoing. Hence the issue of mechanization of FFB evacuation will have a good benefit to the company without jeopardized the workers job.</p>
<p>Respondent No. 3 (Fire Fighters – BOMBA)</p> <p>The representative from fire fighters department has been invited to the stakeholders meeting and he is thanking the management providing a very good cooperation towards BOMBA. There is a training has been done from the management collaborating with BOMBA personnel and it has been done yearly. The participant from the staff and workers are also overwhelming and a good cooperation between the company and BOMBA department.</p>	<p>The company thanked Bomba Department and will give full support and cooperaton towards any activity and awareness held by BOMBA Teluk Intan. The company also ensure the workers and staff aware of the current acrivities from Bomba.</p>
<p>Respondent no. 4 (School teacher – SJKT Div 3 Jendarata Estate)</p> <p>The respondent thanks the management giving a full support and cooperation for up keeping the school compound and helping the schoold management whenever they needs help. There is also request from the school department to the management regarding school sports day and activities from the student and the management had given their helps accordingly.</p>	<p>The company will continue to provide the contribution to the school teacher as per requested and help in whichever way they can help to ensure the student get a proper education. The cooperation between teachers and management of UP Berhad is always at a good level.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Respondent no. 5 (ASP Subki – Police Department Hutan Melintang)</p> <p>The police department thanking the management regarding their cooperation of allowing the company helipad to be used as landing place for the police officer whenever he had any special occasion at Hutan Melintang area. There is no criminal reported at the estate and the management had proactively sending a copy list of guest workers name to the police station for their records in case of any problems happen.</p>	<p>The company had thanked the police department for giving a full cooperation and helping them in any cases. The company also continued to give a full support in the events held by Police station Hutan Melintang.</p>
<p>Respondent No. 6 (Mandore Indonesia – Gender Committee)</p> <p>The guest workers from Indonesia had been working in the company for 13 years. The company had allowed them to have a gender committee and there is a meeting among committee to discuss the gender agenda. The company had also not allowing the female workers doing spraying activities and only loose fruits collection. Medical check-up also had been done by the management to the female workers and the guest workers has been treated same like other workers in the estate.</p>	<p>The company will continue to give a full support and cooperation towards their guest workers and will keep up the good understanding between management and workers. The importance of female guest workers always be the top priority of the company .</p>
<p>Respondent no. 7 (Contractor – shop)</p> <p>The respondent thanks the management providing a good place to sell foods to their workers and the rental fees is very low and reasonable compared to outside rental. The foods quality has been up to the standard and there is no issue regarding the miss payment by the workers. Overall the contractor is very satisfied with the management approach to them.</p>	<p>The company will always keep up the good relation between the workers and a contractor. The company also provide a good and reasonable price for foods and good at the estate to ensure the workers are afford to buy the food while working in UP.</p>
<p>There was no feed-back received from NGO.</p>	<p>No issues raised</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<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 style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p>United Plantation Berhad <b>Group Manager HR &amp; ESH</b></p>  <p><b><u>C. Mathews</u></b> 30 August 2017</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>OCTO H.P.N. NAINGGOLAN</u></b> 30 August 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
<b>Internal Stakeholders</b>							
	5 male spraying workers	Seri Pelangi Estate	-	Interview during field observation	25 May 2017		√
	1 Chemical Store Officer	Seri Pelangi Estate	-		25 May 2017		√
	6 Harvester	Seri Pelangi Estate	-		25 May 2017		√
	3 Manuring Workers	Seri Pelangi Estate	-		25 May 2017		√
	2 Loose Fruit Pickers	Seri Pelangi Estate	-		25 May 2017		√
			-				√
	6 Spraying Workers	Jendarata Estate	-		26 May 2017		√
	7 Harvester	Jendarata Estate	-		26 May 2017		√
	7 Manuring workers	Jendarata Estate	-		26 May 2017		√
	2 Tractor Foreman	Jendarata Estate	-		26 May 2017		√
	2 Hospital Assistant	Jendarata Estate	-		26 May 2017		√
	Indonesian Worker Representative	Jendarata Estate & Seri Pelangi estate		FGD	24 May 2017	√	
	Bangladesh Worker Representative	Jendarata Estate & Seri Pelangi estate		FGD	24 May 2017		√
	Indian Worker Representative	Jendarata Estate & Seri Pelangi estate		FGD	24 May 2017		√
	Nepal Worker Representative	Jendarata Estate		FGD	24 May 2017		√
<b>Contractors</b>							
	2 local contractors		-	FGD	24 May 2017	√	
<b>Government Department</b>							
	Police Department – Government)	Hutan Melintang, Perak		FGD	24 May 2017	√	
	1 PDRM			FGD	24 May 2017		√
	District MPOB	Perak, Malaysia		FGD	24 May 2017		√
	District Fire Fighting (BOMBA)	Perak, Malaysia		FGD	24 May 2017	√	
<b>Local Communities</b>							
	Local Villager (border with Jendarata estate)	Jendarata	-	Direct Interview	24 May 2017	√	
	3 Smallholders Representative			FGD	24 May 2017		√

	2 Local Community			FGD	24 May 2017		√
<b>NGO &amp; Others</b>							
	1 School Teacher	Jendarata estate		FGD	24 May 2017	√	
	NGO – Nature Society	Perak		FGD	24 May 2017	√	

**Appendix 2. Assessment Program**

DATE	22 <sup>nd</sup> to 27 <sup>th</sup> May 2017	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Sunday, 21 May 2017</b>		
12.00 - .....	<b>KUALA LUMPUR → Lodging / United Plantations Guest House, Jendarata, Teluk Intan, Perak</b>	• ON / HR / EBN / NZ
<b>Wednesday, 24 May 2017</b>		
08.00 - 08.30	<b>Opening Meeting (at UPRD) → heads of Jendarata estate, Seri Pelangi estate and Jendarata Mill.</b> (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives, Transparency and Confidentiality Clarification and Audit Agenda Explanation)	• ON / HR / EBN / NZ
08.30 - 13.00	<b>Field Observation JENDARATA POM</b> <ul style="list-style-type: none"> <li>• Mill processing, WWTP, Land Application, Schedule Waste, Water Treatment Plant, Safety &amp; Health</li> <li>• Worker Welfare and Interview (housing, payments, complaint mechanism, health clinic, clean water, etc..)</li> <li>• Supply Chain</li> </ul>	• NZ / EBN  • HR  • ON
13.00 – 14.00	<b>BREAK</b>	
14.00 - 15.30	<b>Document Review</b> <ul style="list-style-type: none"> <li>• Review of Previous Visit Non-conformance</li> <li>• Collect Basic Information (Mill and Estates)</li> <li>• Clarification of Time Bound Plan</li> </ul> Review of Partial Certification	• ON / HR / EHS / NZ
15.30 – 17.00	<b>follow-up any outstanding audit issues</b>	
15.30 – 17.00	<b>Internal &amp; External Stakeholders Meeting (Division-3 Community Hall)</b> <ul style="list-style-type: none"> <li>• Related Government Institutions &amp; NGO</li> <li>• Nearest village and community leader</li> <li>• Worker representative</li> </ul>	• ON / NZ  • EHS / HR
17.00 – 17.30	<b>Brief of Audit progress</b>	• ON / HR / EHS / NZ
<b>Thursday, 25 May 2017</b>		
08.00 - 13.00	<b>Field Observation SERI PELANGI Estate A-Team</b> <ul style="list-style-type: none"> <li>• Legal Operational (Boundary Monitoring).</li> <li>• Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit</li> </ul>	• ON  • NZ



DATE	22 <sup>nd</sup> to 27 <sup>th</sup> May 2017	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Bunch Application, Land Application, Health and Safety Implementation) <ul style="list-style-type: none"> <li>• Conservation area</li> </ul> <b>B-Team</b> <ul style="list-style-type: none"> <li>• Worker Welfare (housing, payments, complaint mechanism, Safety and Health, Labour, health clinic, clean water, other facilities)</li> <li>• Land Fire facilities</li> <li>• Chemical Storage, Schedule Waste storage, ect..</li> </ul>	<ul style="list-style-type: none"> <li>• ON</li> <li>• EHS / HR</li> <li>• EHS / HR</li> <li>• EHS / HR</li> </ul>
13.00 – 14.00	<b>BREAK</b>	
14.00 – 16.30	<b>Document Review →SERI PELANGI Estate</b> <ul style="list-style-type: none"> <li>• Document Verification, Completion of Checklist for Mill &amp; Estates</li> <li>• <b>follow-up any outstanding audit issues</b></li> </ul>	<ul style="list-style-type: none"> <li>• ON / HR / EHS / NZ</li> <li>• ON / HR / EHS / NZ</li> </ul>
16.30 – 17.00	<b>Brief of Audit progress</b>	
<b>Friday, 26 May 2017</b>		
08.00 - 13.00	<b>Field Observation JENDARATA Estate</b> <b>A-Team</b> <ul style="list-style-type: none"> <li>• Legal Operational (Boundary Monitoring).</li> <li>• Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Land Application, Health and Safety Implementation)</li> <li>• Conservation area</li> </ul> <b>B-Team</b> <ul style="list-style-type: none"> <li>• Worker Welfare (housing, payments, complaint mechanism, Safety and Health, Labour, health clinic, clean water, other facilities)</li> <li>• Land Fire facilities</li> <li>• Chemical Storage, Schedule Waste storage, ect..</li> </ul>	<ul style="list-style-type: none"> <li>• ON</li> <li>• NZ</li> <li>• ON</li> <li>• EHS / HR</li> <li>• EHS / HR</li> <li>• EHS / HR</li> </ul>
13.00 – 14.00	<b>BREAK</b>	
14.00 – 16.30	<b>Document Review →JENDARATA Estate</b> <ul style="list-style-type: none"> <li>• Document Verification, Completion of Checklist for Mill &amp; Estate</li> <li>• <b>follow-up any outstanding audit issues</b></li> </ul>	<ul style="list-style-type: none"> <li>• ON / HR / EHS / NZ</li> <li>• ON / HR / EHS / NZ</li> </ul>
16.30 – 17.00	<b>Brief of Audit progress</b>	
<b>Sabtu / Saturday, 27 May 2017</b>		
08.00 - 09.00	<ul style="list-style-type: none"> <li>• <b>Audit finding discussion and preparation</b></li> </ul>	<ul style="list-style-type: none"> <li>• ON / HR / EHS / NZ</li> </ul>

DATE	22 <sup>nd</sup> to 27 <sup>th</sup> May 2017	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
09.00 - 10.00	<ul style="list-style-type: none"> <li>• Closing Meeting (at UPRD) → JENDARATA POM, SERI PELANGI estate &amp; JENDARATA estate</li> </ul>	<ul style="list-style-type: none"> <li>• ON / HR / EHS / NZ</li> </ul>