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RSPO P&C Surveillance assessment PUBLIC SUMMARY REPORT

UNIVANICH PALM OIL PUBLIC COMPANY LIMITED
Siam Mill and its Supply Bases

Date of assessment:	January 29-31, 2015
Number of ASA: (1 to 04):	2
Report prepared by:	Chaiyaporn Seekao, Lead auditor
Certification decision made by:	TÜV NORD INTEGRA bvba

Contents

1	Scope	4
1.1	Organizational information/Contact person	4
1.2	Certification details	4
1.3	Identity of certification unit	4
1.4	Production volume	5
1.5	Description of fruit supply base	6
1.6	Date of planting and cycle	12
1.6.1	Planting program for each estate	12
1.6.2	Replanting program for each estate	14
1.7	Time-bound plan	14
1.8	Progress of associated smallholders or outgrowers towards compliance with relevant standards - should be in accordance to the 3 year implementation plan.	14
2	Partial certification	15
2.1	General	15
2.2	Requirements for time-bound plan	15
2.3	Requirements for uncertified management units and/or holdings	16
3	Assessment process	18
3.1	Certification body	18
3.2	Qualifications of the assessment team	18
3.2.1	Qualification of the lead auditor: Chaiyaporn Seekao (CS), Ph.D candidate	18
3.2.2	Assessment team members	19
3.3	Assessment methodology	22
3.3.1	General overview	22
3.3.2	Assessment agenda	22
3.4	Outline of how stakeholder consultation was managed	27
3.4.1	Summary	27
3.4.2	List of contacted stakeholders	28
4	Assessment findings	32
4.1	Summary of findings by RSPO Principle and sample of the Criteria	32
4.2	Sample criteria for inclusion in this report on an annual basis during the lifetime of the certificate	53
4.3	Noteworthy positive components and identified non conformances	53
4.3.1	Details of noteworthy positive components	53
4.3.2	Status of non-conformities previously identified.	53
4.3.3	Detail of Non Conformities identified during this ASA	55
4.4	Issues raised by stakeholders	58
5	RSPO Supply Chain Certification	59
5.1	Findings by criteria	59

<Siam mill and its supply base> <29-31.1.2015>

5.2	Noteworthy positive components and identified non conformances	63
5.2.1	Details of noteworthy positive components	63
5.2.2	Detail of non-conformity	63
6	Certified organization's acknowledgement of internal responsibility.....	64
6.1	Date of next surveillance visit	64
6.2	Date of closing non-conformities	64
6.3	Formal sign-off of assessment findings.....	64

<Siam mill and its supply base> <29-31.1.2015>

1 Scope

1.1 Organizational information/Contact person

Principle Contact Person	Dr. Palat Tittinutchanon
Business address	258 Aoluk-Laemsak Road, Aoluk, Krabi 81110 Thailand
Group Name (<i>If applicable</i>)	-
Office Number	+66 75-634-634
Mobile Telephone Number	+66 81 968-5965
Fax	+66 75-681-124
E-mail address	palat.t@univanich.com
Web site	www.univanich.com

1.2 Certification details

RSPO membership number:	1-0074-09-000-00
Parent company as applicable:	Univanich Public Company Limited (referred to hereafter as Univanich)
Certificate number:	74295
Date of previous assessment	17-20 March 2014
Date of issue certificate	30/07/2015
Date of expiry certificate	2/06/2018

1.3 Identity of certification unit

Palm oil mill and plantation owned by Univanich Public Company Limited (referred to hereafter as Univanich) were assessed against RSPO Certification Systems, RSPO P&C Generic version 2013.

<Siam mill and its supply base> <29-31.1.2015>

Name of Mill and Plantation	Location	Coordinates
Siam Mill	258 Aoluk-Laemsak Rd, Aoluk District, Krabi 81110 Thailand	8.385622N ; 98.729131E
Chean Vanich Estate	159 M.8 Tumbon Plaipraya, Plaipraya District, Krabi 81160 Thailand	8.514817N ; 98.89543E
Siam Palm Estate	Siam Palm: 105 M.1 Tumbon Ban Khlang, Aoluk District, Krabi 81110 Thailand	8.377235N ; 98.799457E
	Nanua Division: 49 M.4 Tumbon Kao Yai, Aoluk District, Krabi 81110 Thailand	8.488805N ; 98.7211730E
	Wanee Division: 2 M.3 Tumbon Keereewong, Plaipraya District, Krabi 81160 Thailand	8.474792N ; 98.807988E

Remark: Based on the size of area and location of Nanua and Wanee division which are located nearby Siam Palm estate, the management system at these divisions is controlled by Siam Palm estate manager.

See Figure 1.1 further below.

1.4 Production volume

Siam mill and its supply base is a subsidiary of Univanich. There are also another 2 mills (Lamthap mill and TOPI mill) and estates under the ownership of Univanich. Detail of each mill and its supply base will be reported separately. The table below is the description of total production of Siam mill based on actual production in year 2014. The table shows the total quantities processed in the Siam Mill (production of own estates + independent smallholders) as well as the certified palm oil production (FFB coming from own estates).

<Siam mill and its supply base> <29-31.1.2015>

Description	Projected production from last 12 months (MT)			Actual production (MT)			Projected production for next 12 months		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Total volume (Estates + independent smallholders)	211,324	37,134	11,687	222,437	40,038	12,234	220,000	39,600	12,100
Certified volume (Estates)	6,699	506	132	3,970	948	237	5,517	993	303

If only FFB supplied by own estates were taken into account, based on the RSPO certificate issued for Siam mill and its supply base for year 2014, it showed that tonnage of certified CPO and PK were 948 and 237 tons, respectively. However, the quantity of certified CPO and PK for year 2015 will slightly increase when compared to certified volume last year. The reason for this is that harvesting activity of FFB in planted area is expected to be more than last year. Details of certified FFB that are supply base for Siam mill from each estate will be given in the next section (description of fruit supply base). Therefore, the quantity certified CPO and PK for year 2015 of Siam mill are 993 tons and 303 tons, respectively. The certified production of CPO and PK are estimated based on average annual production in 2014 of 18% of oil extraction and 5.5% of palm kernel extraction.

1.5 Description of fruit supply base

The fresh Fruit Bunches (FFB) for Siam mill are supplied by two (2) estates owned by Univanich Public Company Limited. Independent growers are the main FFB provider for Siam mill, but they are not included in this certification. There are no contracts between the independent growers and Univanich, Siam mill. The independent growers have the right to supply their FFB to any mill. The estimation of the FFB production for each supply base as shown in the table below was based on average annual production in 2014 at 20.5 tons/ha/year.

<Siam mill and its supply base> <29-31.1.2015>

Name of Plantation	Area (Ha)		FFB Production (ton/year)
	Total	Planted	
Chean Vanich estate	1,894.2	1,894.2	1,941 ^{1/}
Siam Palm estate - Nanua division - Wanee division	1,368.2	1,368.2	3,576 ^{2/}
Total	3,262.4	3,262.4	5,517

Remark: ^{1/} Even though total FFB production from Chen Vanich estate would be around 38,830 tons/year, only 50% of annual FFB production or 19,415 tons can be used because company don't want to do harvest in planted area where concession has expired. Approximately 10% of total FFB production or 1,941 tons from total 19,415 tons produced by Chean Vanich estate is supplied to Siam mill, the remaining FFB are delivered to TOPI Mill.

^{2/} Approximately 13% of total FFB production or 3,576 tons from 28,048 tons produced by Siam Palm estate is supplied for Siam mill, while about 87% of total FFB production is delivered to TOPI mill.

<Siam mill and its supply base> <29-31.1.2015>



Figure 1-1 Overall location of mills and estates of Univanich including Siam mill and its supply bases

<Siam mill and its supply base> <29-31.1.2015>

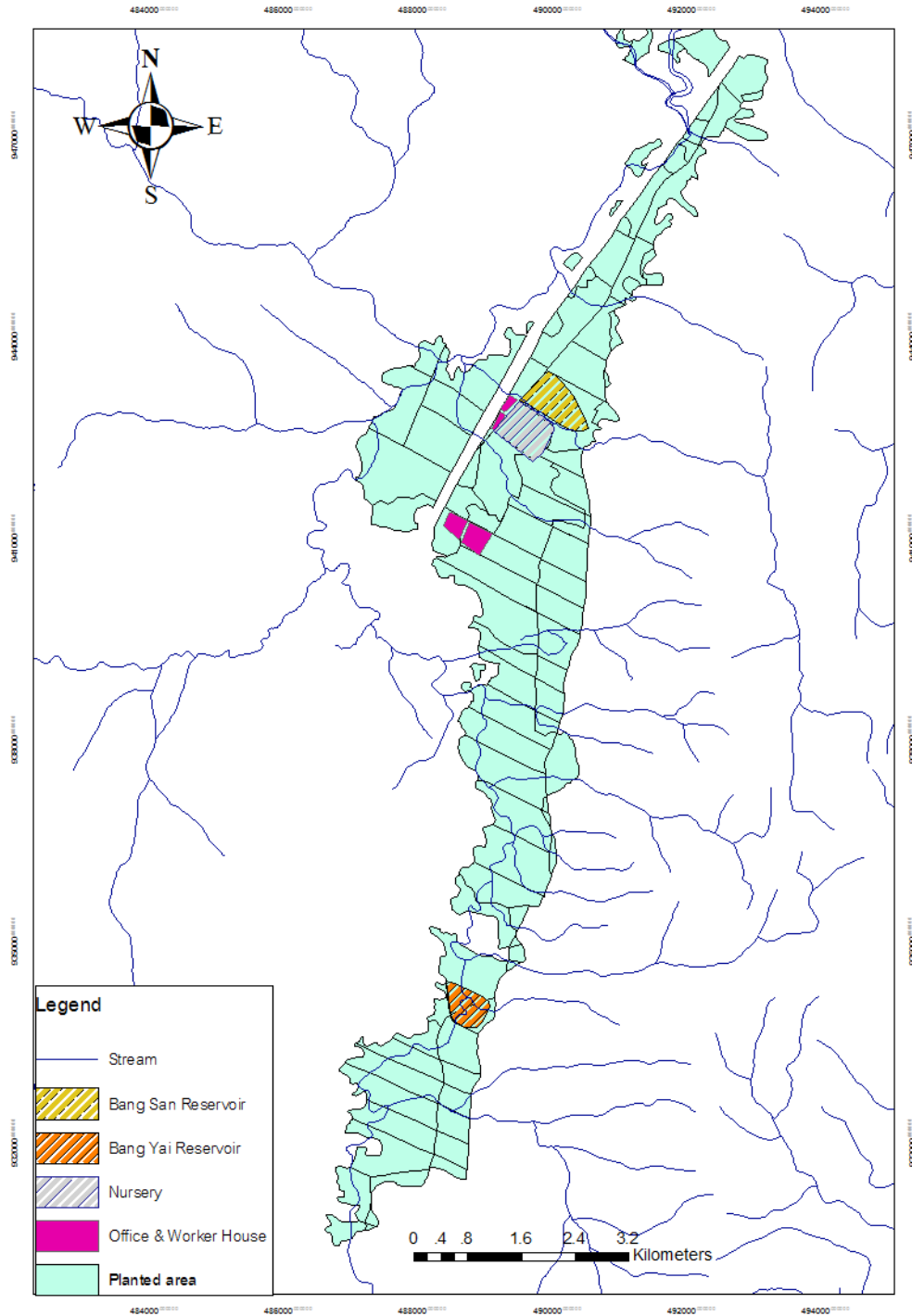


Figure 1-2 Map of Chean Vanich Estate Block

<Siam mill and its supply base> <29-31.1.2015>

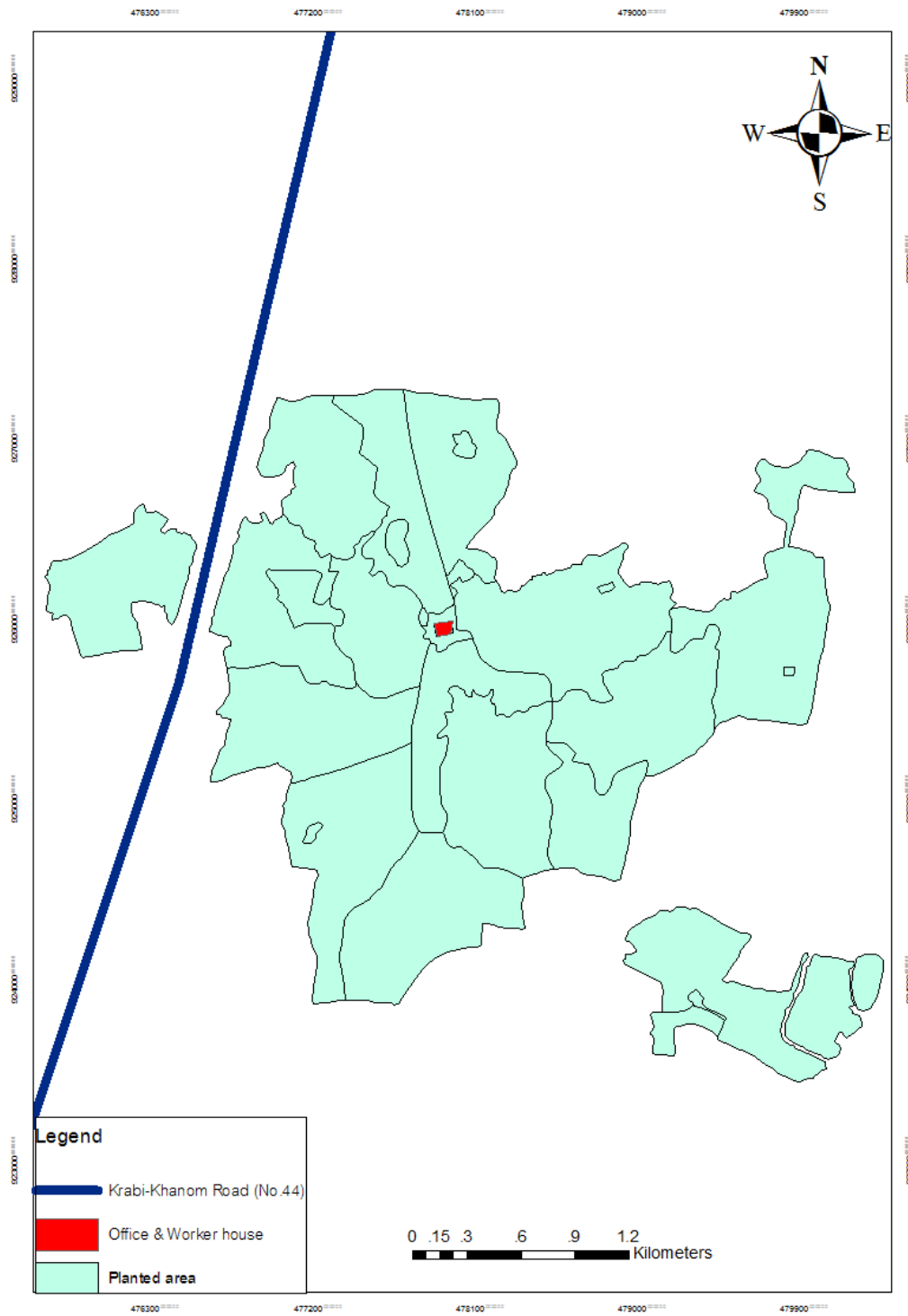


Figure 1-3 Map of Siam Palm Estate Block

<Siam mill and its supply base> <29-31.1.2015>

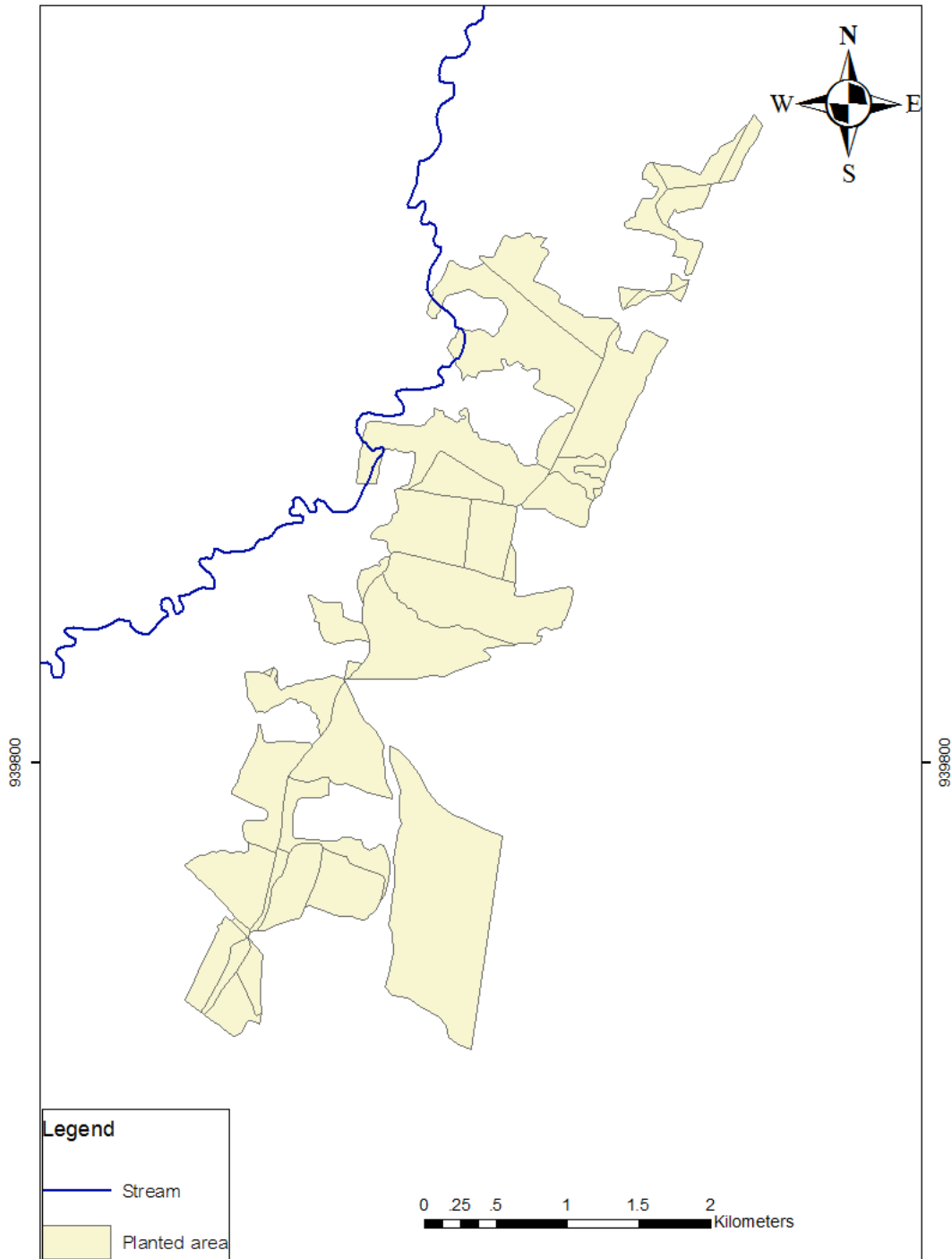


Figure 1-4 Map of Nanua division Block

<Siam mill and its supply base> <29-31.1.2015>

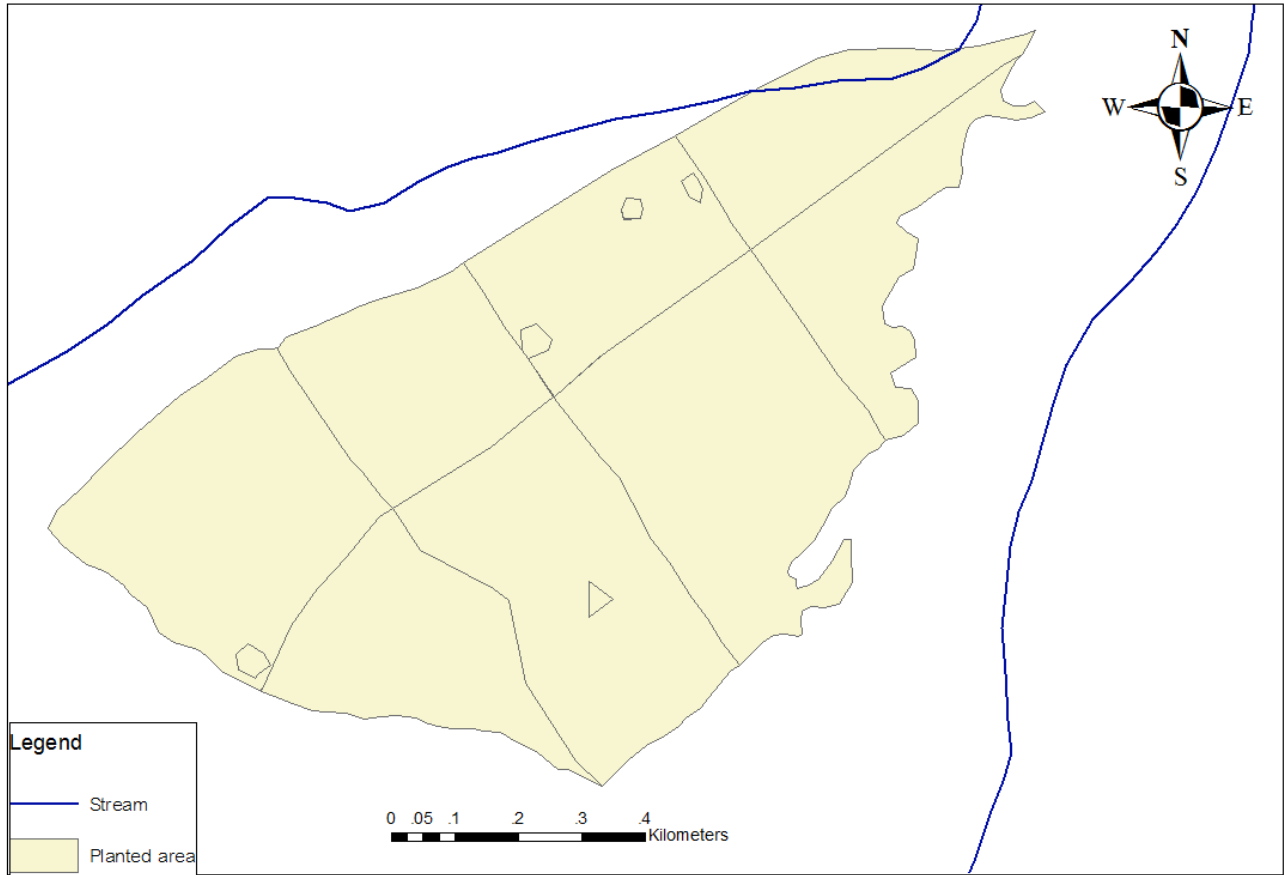


Figure 1-5 Map of Wanee division Block

1.6 Date of planting and cycle

1.6.1 Planting program for each estate

Year of planting	Planted area (ha) in each estate		Total planted area (ha)
	Chean Vanich	Siam Palm	
1985	404	0	404
1986	231.8	0	231.8
1987	101.4	0	101.4
1988	43.8	0	43.8

<Siam mill and its supply base> <29-31.1.2015>

1989	0	0	0
1992	0	0	0
1993	0	0	0
1994	0	0	0
1995	0	0	0
1996	0	0	0
1997	0	0	0
1998	0	10.4	10.4
1999	4.3	0	4.3
2000	5.2	254.3	259.5
2001	0	0	0
2002	70.3	200.4	270.7
2003	0	134.5	134.5
2004	68.3	105.2	173.5
2005	80	74.3	154.3
2006	191.3	0	191.3
2007	178.5	83.8	262.3
2008	181	0	181
2009	103.8	108.6	212.4
2010	66.1	99.7	165.8
2011	50.4	170.6	221
2012	114	126.4	240.4
2013	0	0	0
2014	0	0	0
TOTAL	1,894.2	1,368.2	3,262.4

<Siam mill and its supply base> <29-31.1.2015>

1.6.2 Replanting program for each estate

Currently, Univanich has no replanting program for Chean Vanich and Siam Palm estate during 2015-2017.

1.7 Time-bound plan

Univanich does not have any mills and estates other than those being certified in this second surveillance audit process, so there is no time bound plan for other units of mill and estates.

1.8 Progress of associated smallholders or outgrowers towards compliance with relevant standards - should be in accordance to the 3 year implementation plan.

Univanich has no associated smallholders or out-growers. However, almost hundred percent of FFB for Siam mill is supplied by independent smallholders and out-growers.

<Siam mill and its supply base> <29-31.1.2015>

2 Partial certification

2.1 General

Organizations that have a majority holding* in and / or management control of more than one autonomous company growing oil palm will be permitted to certify individual management units and/or subsidiary companies only if all the following are complied with the requirements mentioned below.

**Majority shareholding: the largest shareholding. Where the largest shareholdings are equal (e.g. 50/50) this applies to the organisation that has management control*

Requirement	Finding/ Compliance
The parent organization or one of its majority owned and / or managed subsidiaries is member of RSPO.	Not applicable
For groups with complex management structures the following are required: (a) A statement of the ultimate controlling shareholders and directors in the managing agency company/companies. (b) Ditto in respect of each of the operating groups. (c) Application for membership by the top asset owning company/companies. (d) Application for membership by the managing agency company/companies	Not applicable

If one of above mentioned requirements is non-compliant, this leads to a major non-conformity.

The following requirements about a time bound plan (2.2) and requirements for uncertified management units and/ or holdings (2.3) are applicable, if the registered RSPO member is the holding company or one of its subsidiaries.

2.2 Requirements for time-bound plan

Requirement	Finding/ Compliance
A challenging time-bound plan for certifying all its relevant entities (Relevant entities – including both the business units and parent company(ies)' commitment to RSPO, membership status and involvement with palm oil for each subsidiary) is available. The time-bound plan should contain a list of subsidiaries, estates and mills.	All units of Univanich are certified. It is not applicable for those independent smallholders as independent smallholders are not considered to have the time bound plan
The time bound plan is appropriate (in particular, the time scale is sufficiently challenging, taking into account circumstances around each entity), taking into account comments received from stakeholders following the public	All units of Univanich are certified. It is not applicable for those independent smallholders as independent smallholders are not considered to have the time bound plan

<Siam mill and its supply base> <29-31.1.2015>

consultation process.	
What is the progress of this plan since the last audit? (if the last audit was done by another CB, the time-bound plan shall be accepted at the moment of first acceptance and only check continued appropriateness shall be checked).	All units of Univanich are certified. It is not applicable for those independent smallholders as independent smallholders are not considered to have the time bound plan
Are there any revision to the time-bound plan or to the circumstances of the company e.g. due to acquisitions/disposals, emergence/re-emergence of land disputes and/or labour conflicts?	All units of Univanich are certified. It is not applicable for those independent smallholders as independent smallholders are not considered to have the time bound plan
If the previous question was answered with yes, the plan shall be reviewed for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organisation can demonstrate that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent).	All units of Univanich are certified. It is not applicable for those independent smallholders as independent smallholders are not considered to have the time bound plan

Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance is raised. Where there is evidence of systematic failure to proceed with implementation of the plan, a major non-compliance is raised.

2.3 Requirements for uncertified management units and/or holdings

Requirement	Finding/ Compliance
No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	All units of Univanich are certified. Thus, it is not applicable
Land conflicts, if any, 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.	All units of Univanich are certified. Thus, it is not applicable
Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	All units of Univanich are certified. Thus, it is not applicable
Legal non-compliance, if any, are they being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	All units of Univanich are certified. Thus, it is not applicable

Assessment of above mentioned requirements is based on the following approach:

Positive assurance statement, which is based upon self-assessment (i.e. internal audit) by the organisation. This would require evidence of the self-assessment against each requirement.

<Siam mill and its supply base> <29-31.1.2015>

Targeted stakeholder consultation may be carried out by the certification body. If this has already been conducted by a certification body, other certification bodies may request the summary report through the organisation.

If necessary, the certification body may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.

For the requirements mentioned in the section, the approach to defining major and minor non-compliance can be applied from the relevant national interpretation. For example, if a non-compliance against a 'major indicator' in a non-certified holding/management unit is identified, the current certification assessment cannot proceed to a successful conclusion until that is addressed.

Failure to address any of the requirements may lead to certification suspension(s) (consistent with the RSPO Certification Systems document rules on non-compliance).

3 Assessment process

3.1 Certification body

TÜV NORD INTEGRA is a certification and inspection body which operates in agriculture and horticulture and the food and feed processing industry. TÜV NORD INTEGRA offers all certification schemes with an added value in the agriculture and food industry, the legal systems as well as the private systems.

TÜV NORD INTEGRA is active in Belgium but also in a large number of other countries all over the world.

TÜV NORD INTEGRA is member of the internationally operating German inspection and certification organisation TÜV NORD.

TÜV NORD INTEGRA is accredited by ASI for RSPO P&C and RSPO SCC.

TÜV NORD INTEGRA is accredited by the Belgian accreditation body BELAC

- for the standard ISO 17020 for inspection organisations (Certificate Number 103-INSP).
- for the standard EN 45011 for product certification (Certificate Number 103-PROD).
- for the standard ISO 17021 for certification of quality systems (Certificate Number 103-QMS).

3.2 Qualifications of the assessment team

3.2.1 Qualification of the lead auditor: Chaiyaporn Seekao (CS), Ph.D candidate

Requirement	Qualifications	Compliance
A minimum of post high school (post secondary school) training in either agriculture/forestry, environmental science or social sciences;	<ul style="list-style-type: none"> - May, 2010-present, Ph.D candidate (Environmental Management) full Scholarship at The International Postgraduate Programs in Environmental Management (Hazardous Waste Management), Chulalongkorn University, THAILAND - April, 2006, hold Master of Science (Sustainable Land Use and Natural Resource Management) degree from Kasetsart University, THAILAND. - April, 2002, hold Bachelor of Science (Fisheries) degree from Kasetsart University, THAILAND 	Yes
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	<ul style="list-style-type: none"> - October 2009 to present: work at TÜV NORD (Thailand) Ltd. and responsible for several standards such as ISO9001:2008, GMP, HACCP, FAMI-QS, GLOBALG.A.P and RSPO - Year 2008-2009: worked at Team 	Yes

<Siam mill and its supply base> <29-31.1.2015>

	<p>Consulting Engineering and Management Co., Ltd., consultancy company, and was responsible for conducting the Environmental Impact Assessment (EIA) study which includes HCV, biodiversity social and health impact assessment</p> <ul style="list-style-type: none"> - Year 2006-2008: worked Virbac (Thailand) Co.,Ltd , responsible for Act as GMP and HACCP coordinator (QMR) - Year 2005-2006: worked at Food and Agriculture Organization of the United Nations (FAO) - Year 2002-2005: worked at Department of Fisheries, Ministry of Agriculture and Cooperatives 	
Training in the practical application of the RSPO criteria, and RSPO certification systems;	<ul style="list-style-type: none"> - RSPO Lead Auditor Course Organized by Stepwise Support Programme during April 12-16, 2010, Johor Bahru, Malaysia - HCV and its application in RSPO Organized by WildAsia during August 28-29, 2012 at Krabi, Thailand 	Yes
Successfully completion of an ISO 9000:19011 lead assessors course;	<ul style="list-style-type: none"> - ISO 9001:2008 Series Auditor/Lead Auditor Training Course (Course No: A17086 Certificated by IRCA) Organized by Robere & Association (Thailand) Ltd. October 26-30, 2009, Bangkok, Thailand 	Yes
A supervised period of training in practical assessment against the RSPO criteria or similar sustainability standards, with a minimum of 15 days assessment experience and at least 3 assessments at different organisations.	Having more than 50 days of audit in more than 10 palm oil companies (March 2010 – June 2015)	Yes

3.2.2 Assessment team members

Requirement	Assessor	Qualification	Compliance
Field working experience in the palm oil sector, or demonstrable equivalent.	Mr. Chaiyaporn Seekao (CS)	<ul style="list-style-type: none"> • Since 2010 experience as RSPO auditor performing more than 10 RSPO P&C audits • Year 2005-2006: worked at Food and Agriculture Organization of the United Nations (FAO) as responsible for rehabilitation of all agricultural farmers including palm oil growers in the affected areas 	Yes

<Siam mill and its supply base> <29-31.1.2015>

	Ms Saowalak Thongsong (ST)	Having experiences in CDM projects associated to oil palm mill in the last 3 years	
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use.	Mr. Chaiyaporn Seekao (CS)	More than 3 years auditing experience against GLOBALG.A.P which is the standard concerning to good agriculture practices. More than 5 years of experience with Department of Fisheries in involving to establish the Good Agriculture Standard released by Department of Fisheries of Thailand. Besides, experience obtained while working with Food and Agriculture Organization of the United Nations for rehabilitation project for agricultural farmers who were affected by tsunami in 2004	Yes
Health and safety auditing on the farm and in processing facilities, for example OHSAS 18001 or Occupational, Health & Safety Assurance System.	Mr. Chaiyaporn Seekao (CS)	More than 3 years auditing experience against GLOBALG.A.P which is a standard concerning to the health and safety on the farm and processing level	Yes
	Mr. Pongrat Khamnungkit (PK)	Work for TUV NORD (Thailand) for almost a decade and had responsible to audit against ISO9001, ISO14001, TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
	Ms Saowalak Thongsong (ST)	Work for TUV NORD (Thailand) for almost a decade and had responsible to audit against, ISO14001, TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes.	Mr. Chaiyaporn Seekao (CS)	More than 10 environmental and social impact assessment (ESIA) for huge project in Thailand and overseas	Yes
	Mr. Pongrat Khamnungkit (PK)	Work for TUV NORD (Thailand) for almost a decade and had responsible to audit against ISO9001, ISO14001, TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
	Ms Saowalak Thongsong (ST)	Work for TUV NORD (Thailand) for almost a decade and had responsible to audit against TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS).	Mr. Chaiyaporn Seekao (CS)	<ul style="list-style-type: none"> Year 2008-2009: worked at Team Consulting Engineering and Management Co., Ltd., consultancy company, and had responsibility to Conduct the Environmental Impact Assessment (EIA) study which 	Yes

<Siam mill and its supply base> <29-31.1.2015>

		<p>includes HCV, biodiversity social and health impact assessment CS also performed an audit and monitor at project sites during the construction and commissioning period, to ensure that all construction and commission process/activities meet with EIA mitigation measures.</p> <ul style="list-style-type: none"> • Year 2006-2008: worked Virbac (Thailand) Co.,Ltd with responsible as GMP and HACCP coordinator (QMR) to coordinate with Department of Fisheries for GMP and HACCP certification, • Year 2005-2006: worked at Food and Agriculture Organization of the United Nations (FAO) with responsibility to coordinate with governmental sector, international organization, national organization, embassy, university and NGOs • Year 2002-2005: worked at Department of Fisheries, Ministry of Agriculture and Cooperatives 	
	Mr. Pongrat Khamnungkit (PK)	Work for TUV NORD (Thailand) for almost a decade and had responsible to audit against ISO9001, ISO14001, TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
	Ms Saowalak Thongsong (ST)	Work for TUV NORD (Thailand) for almost a decade and had responsible to audit against 1, ISO14001, TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
Fluency in the main languages relevant to the location where the specific assessment is taking place, including the languages of any potentially affected parties such as local communities.	Mr. Chaiyaporn Seekao (CS)	Thai language is our mother language. This language will be used for the audit	Yes
	Mr. Pongrat Khamnungkit (PK)	Thai language is our mother language. This language will be used for the audit	
	Ms Saowalak Thongsong (ST)	Thai language is our mother language. This language will be used for the audit	

3.3 Assessment methodology

3.3.1 General overview

The assessment was carried out following the TÜV NORD Integra RSPO P&C Certification Procedure. During the assessment the assessors use the RSPO standard as endorsed for the country in which the assessment took place and recorded their findings.

The second surveillance assessment for the mills and their supply base of Univanich was done during 29-31 January 2015. This period of surveillance assessment covered all mills and their supply bases owned by Univanich. Siam mill and its supply base, which is one of production units owned by Univanich. The second surveillance assessment comprised three phases:

- Monitoring of all non-conformities from previous assessments to confirm whether or not there was continued compliance, even if the non-conformities had been closed out.
- Background investigations (published disputes if any, public comments on preliminary announcement, laws and regulations concerns related to land, environmental and social aspects), map of land right and prohibited areas from relevant governments, and followed by interviews with RSPO management, employees and other stakeholders (associated people, NGOs, land regulators, social watchers, labour union).
- Verification of compliance with each principle and some example criteria as well as seeking the evidence of continued implementation of all plans that have drawn up since the previous assessment.

The summary public report of surveillance assessment includes corrective action requests, corrective action plan, verification of corrective actions taken, and progress on implementation of corrective actions which will be checked during the next surveillance audit assessment.

3.3.2 Assessment agenda

The audit schedule is as below.

<Siam mill and its supply base> <29-31.1.2015>

Table 3-1 Audit Schedule

Date/ Time ¹⁾ Site	Focus/ Standard Requirement/ Chapter	Subject	Auditor (Initials)	Contact ²⁾
29.1.2015	Lamthap mill and estate		(2 MD)	
09.00-09.30	Opening meeting at mill	Introduction Find tune the understanding on the audit plan and briefings the RSPO audit process	Team	All
09.30-12.00 (CS will move to access estate on 10.30)	Principle 1-4 (principle 3 cover both mill and selected estates)	<ul style="list-style-type: none"> ● P 1.1, 1.2 (Commitment to transparency) ● P 2.1, 2.2, 2.3 (Compliance with applicable laws and regulations) ● P 3 (Commitment to long-term economic and financial viability) ● P 4.1 (operating procedure for mill), 4.4 (water use and mill effluent) 4.7 (occupational health and safety) , 4.8 (worker contractors), 	CS responsible for P.3 and 4 + ST responsible for P.1 and 2 (separate audit + separate interview + separate contact person)	Mgr and staff (separate contact persons as the audit team was split)

<Siam mill and its supply base> <29-31.1.2015>

10.30-12.00 at Khlongtom Division of Lamthap estate	All requirements	<ul style="list-style-type: none"> • General issues for RSPO certification assessment • Justification for RSPO principles and criteria • P 1.1, 1.2 (Commitment to transparency) • P 2.1, 2.2, 2.3 (Compliance with applicable laws) • P 3 (Commitment to long-term economic viability) • P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices) • P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) • P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights) <p>P7 (NPP) P 8 (continual improvement)</p>	CS	Mgr and staff
13.00-17.00 at Lamthap mill	Principle 5-8 (principle 8 cover both mill and selected estates)	<ul style="list-style-type: none"> • P.5.1 (Environmental impact assessment), P. 5.2 (HCV and threatened or endangered species), P 5.3 (Waste management), 5.4 (Efficiency of energy use), 5.6 (Pollution reduction plan) • P.6.1 and 6.2 (SIA), P.6.3 (complaints and grievances), P.6.4 (compensation for loss of customary right), P.6.5 (wage payment), P6.6 (freedom of association), P6.7 (child labor), P.6.8 (discrimination), P6.9 (sexual harassment), P.6.10 (FFB mill gate price) • P 7 (new area) • P.8 (commitment for continuous improvement) 	ST	Mgr and staff
13.00-17.00 at Khlongtom Division of Lamthap estate	All requirements	Con't from the morning	CS	Mgr and staff
17:00		End of day 1		
30.1.2015	Topi mill and its supply base		(3 MD)	

<Siam mill and its supply base> <29-31.1.2015>

09.30-12.00 at TOPI mill	Principle 1-4 (principle 3 cover both mill and selected estates)	<ul style="list-style-type: none"> • P 1.1, 1.2 (Commitment to transparency) • P 2.1, 2.2, 2.3 (Compliance with applicable laws and regulations) • P 3 (Commitment to long-term economic and financial viability) • P 4.1 (operating procedure for mill), 4.4 (water use and mill effluent) 4.7 (occupational health and safety) , 4.8 (worker contractors), 	PK	Mgr and staff
09.00-12.00 at TOPI estate	All requirements	<ul style="list-style-type: none"> • General issues for RSPO certification assessment • Justification for RSPO principles and criteria • P 1.1, 1.2 (Commitment to transparency) • P 2.1, 2.2, 2.3 (Compliance with applicable laws) • P 3 (Commitment to long-term economic viability) • P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices) • P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) • P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights)P7 (NPP)P 8 (continual improvement) 	CS responsible for P.3, 4 and 5 + ST responsible for P.1, 2 and 6 (separate audit + separate interview)	Mgr and staff (separate contact person while split the team)
13.00-17.00 at TOPI mill	Principle 5-8 (principle 8 cover both mill and selected estates)	<ul style="list-style-type: none"> • P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) • P.6.1 and 6.2 (SIA), P.6.3 (complaints and grievances), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights) • P.8 (commitment for continuous improvement) 	PK	Mgr and staff

<Siam mill and its supply base> <29-31.1.2015>

13.00-17.00 at Chean Vanich estate	All requirements	<ul style="list-style-type: none"> • General issues for RSPO certification assessment • Justification for RSPO principles and criteria • P 1.1, 1.2 (Commitment to transparency) • P 2.1, 2.2, 2.3 (Compliance with applicable laws) • P 3 (Commitment to long-term economic viability) • P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices) • P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) • P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights) <p>P7 (NPP)</p> <p>P 8 (continual improvement)</p>	CS responsible for P. 1, 3, 4 and 5 + ST responsible for 2, 6 and 8 (separate audit + separate interview)	Mgr and staff (separate contact person while split the team)
17:00		End of day 2		
31.1.2015	Siam mill and its supply base		(1,5 MD)	
09.00-10.30 at Siam Mill	Principle 5.1-5.6 and Principle 6.1-6.11	Public consultation meeting at TOPI Mill • EIA, HCV, Burning Issues, Waste Mgt, Agrochem. • SIA, Communication, Complaint, Customary • Wages, Trade Union, Anti Child Labour/ Discrimination/Sexual Harassment, Payment to Outgrower, CSR	CS + PK	Stakeholders
10.30-12.00 at Siam Mill	Principle 1-4 (principle 3 cover both mill and selected estates)	<ul style="list-style-type: none"> • P 1.1, 1.2 (Commitment to transparency) • P 2.1, 2.2, 2.3 (Compliance with applicable laws and regulations) • P 3 (Commitment to long-term economic and financial viability) • P 4.1 (operating procedure for mill), 4.4 (water use and mill effluent) 4.7 (occupational health and safety) , 4.8 (worker contractors), 	CS responsible for P.4 + PK responsible for 1, 2, and 3 (separate audit + separate interview)	Mgr and staff

<Siam mill and its supply base> <29-31.1.2015>

13.00-15.30	Principle 5-8 (principle 8 cover both mill and selected estates)	<ul style="list-style-type: none"> • P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) • P.6.1 and 6.2 (SIA), P.6.3 (complaints and grievances), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights) • P.8 (commitment for continuous improvement) 	PK responsible for P.5 and 8 + ST responsible for P.6 (separate audit + separate interview)	Mgr and staff (separate contact person while split the team)
16.30-17.00		Closing meeting	All	All
Audit duration	3 days spent for the assessment on site 6.5 person days used for the assessment on site			

3.4 Outline of how stakeholder consultation was managed

3.4.1 Summary

Mills and estates owned by Univanich have held regular meeting with stakeholders voluntarily without being bound by RSPO requirement after the certification audit. Those stakeholders who are listed by Univanich for each mill and their supply bases will be invited to participate the public consultation meeting once a year at Siam mill.

After the first surveillance audit last year, it was also observed from the application completed by Univanich that there were no changes which affect the community and environment. However, stakeholder consultation meeting was organized during the second surveillance assessment at the club of Siam mill. The stakeholders included local community leader and representatives of governmental agencies concerned, who live surrounding TOPI mill, Siam mill and Lamthap mill from Playpraya District, Na Nuay Sub-district, Cha oat Sub-district, Ao luk Districk and Lamthap District. They were invited to discuss critical issues in communal development, to make any comments on several issues related to them with and without consideration of RSPO requirements as well as brainstorming for community development together. Some of the items agenda for the public consultation meeting were as follows:

- The impact caused by Siam mill and estates on the Environment and Conservation.
- The impact caused by Siam mill and estates on social and community development.
- How to promote sustainable palm oil

<Siam mill and its supply base> <29-31.1.2015>

- Determine issues of community that will be affected either by direct or indirect impacts from the mill and estates, as well as determine how to improve the solutions.

Agenda above covered relevant issues on community and environment, mechanism to raise the complaint and grievances, maintain environmental conditions, corporate social responsibility including how to provide financial support, scholarships, welfare, sanitation and improve the quality of life of stakeholders who live around the estates. The discussion with stakeholders was well organized and freedom was given to the stakeholders to reveal their perspectives, either negative or positive. The minutes were recorded in a proper manner for confirmation by Univanich after which the results were incorporated in the assessment finding.

3.4.2 List of contacted stakeholders

Public consultation meeting was held at club of Siam mill, and below is the list of stakeholders who were attending the meeting (see Table 3-2 List of stakeholder)

Table 3-2 List of stakeholder Siam mill and its supply base

No	Statutory Bodies	Name in Contact List
1	Aoluk Distric Chief	Mr. Prasit Phoochatwanichkul
2	Aoluk Tai subdistrict Chief	Mr. Suriya Chumjai
3	Head of Talad Tai Community, Aoluk	Mr. Sukhum Keethong
4	Head of Tharn Bok Community, Aoluk	Mr. Peerapol Keethong
5	Director of Aoluk School	Mr. Yin Prombutra
6	Tanbok Community Leader	Mr. Peerapol Kheethong
7	Talad Tai Community Leader	Mr. Wichein Kheethong
8	Ban-Klang subdistrict Chief	Mr. Suchart Bannop
9	Aoluk Nuey Subdistrict Chief	Mr. Khumron Seangdum
10	Moo 4 Tambon Banklang Village Leader	Mr. Khamalae Kamaetep
11	Khaoyai Subdistrict Adminstration Leader	Mr. Suthep Khonkham
12	Khaoyai Subdistrict Adminstration Member	Mr. Kueykool Pattanasing
13	Khaoyai Subdistrict Adminstration Member	Mr. Suchart Tippayangkul
14	Khaoyai Subdistrict Community Leader	Mr. Montee Kaosa-art
15	Moo. 4 Tabmon Nanuey Village Leader	Mr. Supakij Paklao
16	Moo. 4 Tabmon Nanuey Village Assistant Leader	Mr. Boonmee Paklao

<Siam mill and its supply base> <29-31.1.2015>

17	Moo. 4 Tabmon Nanuey Village Assistant Leader	Mr. Somchoke Pankul
18	Moo. 4 Tambon Nanuay Village Leader	Mr. Taweesak Boonyathein
19	Nanuay Subdistrict Administration Office Member	Mr. Narongwut Wanich
20	Moo. 5 Tambon Nanuay Village Leader	Mr. Suwij Promrattana
21	Moo. 5 Tambon Nanuay Village Assistant Leader	Mr. Sompong Sahakij
22	Small grower	Mrs. Ladda Eiamsiri
23	Small grower	Mr. Sithisak Petkom
24	Small grower	Mr. Jaroon Tunpun
25	Small grower	Mr. Chirawut Petchluan
26	Small grower	Mr. Sophon Khammee
27	Small grower	Mr. Raewat Thamsuy
28	Small grower	Mr. Aphicah Thongrak
29	Small grower	Mrs. Jirawan Choomduang
30	Small grower	Mrs. Kietiya Patphong
31	Small grower	Mrs. Amporn Thitiputtakul
32	Small grower	Mr. Chokchai Khonsai
33	Small grower	Mrs. Kimnai Thanomnuan
34	Small grower	Mr. Somporn Mukkaew
35	Small grower	Mr. Somprasong Mukkaew
36	Small grower	Mrs. Prakong Sakulsuan
37	Supplier	Mr. Somporn Prombut
38	Outsource	Mr. Suthat Kaewsawang
39	Outsource	Mr. Prasert Sittichean
40	Outsource	Mr. Ardoon Kaosa-art
41	Outsource	Mr. Boonchaury Boonchan
42	Kraibi Integrated Community Development Center	Mr. Wasan Monkhung
43	Kraibi Provincial Industry Work Office	Mrs. Narumol Sawatdee

<Siam mill and its supply base> <29-31.1.2015>

44	Praipaya Public Health Office	Mr. Amnuay Huayluak
45	Villager	Mrs. Narumon Sawasdee
46	Villager	Mr. Boonchoo Eamkarn
47	Villager	Mr. Nawanachapol Sornkaew
48	Villager	Mr. Wirat Daengbanjong
49	Villager	Mr. Saroj Suanraksa
50	Villager	Mr. Sakpan Khammee
51	Villager	Mr. Weerawat Srisattha
52	Villager	Mr. Kosin Pawittachart
53	Villager	Mr. Nattawut Payungphan
54	Villager	Mr. Pramote Damkham
55	Villager	Mr. Pradit Muenthip
56	Villager	Mr. Thanomsak Chaitasna
57	Villager	Mr. Sakorn Tiddaeng
58	Villager	Mr. Somnuek Kessarín
59	Villager	Mr. Suphit OngMueng
60	Villager	Mr. Soonthorn Saengwan
61	GIZ	Mr. Thitinai Pongpiriyakit
62	GIZ	Mr. Anongnit Jaikling
63	Siam Palm Estate	Mr. Praiswan Todum
64	Siam Palm Estate	Mr. Sunej Meechai
65	Siam Palm Estate	Mr. Sontorn Tadej
66	Seed Selling Department	Mr. Sawaj Boonnakkaew
67	Siam mill/Production	Mr. Sayan Kongkaew
68	Siam mill/Production	Mr. Prasong Wongmuang
69	Safety Health and Environmental Office	Mr. Kriegnsak Booranaprapan

<Siam mill and its supply base> <29-31.1.2015>

70	Siam mill/electricity head	Mr. Saroj Sauangraksa
71	Siam mill/maintenance	Mr. Wimol Aenchuan
72	Siam mill/engineer	Mr. Jakkapan Chana
73	Siam mill/biogas chief	Ms. Laongsri Hemanon
74	Mill employee	Mrs. Somjai Keisarin
75	Mill employee	Mr. Sakorn Tiddang
76	Mill employee	Mr. Artid Choornapun

4 Assessment findings

4.1 Summary of findings by RSPO Principle and sample of the Criteria

The assessment team conducted a thorough assessment of each principle and some example criteria. Over the 5 year period of the life of the certificate, there will be 4 annual surveillance audits in which different criteria will be assessed. Evidences were sought for conformity with the RSPO Generic Version 2013 and their implementation. The summary of the assessment can be seen below, where “Findings/Comments” column reflects the findings in accordance with each criteria and indicator or evidences that were, and when non conformity was found, a summary of the non-conformity can be found in 4.2.2.

FINDINGS/COMMENTS	COMPLIANCE
Principle 1: Commitment to transparency	
Criterion 1.1 (C.1.1) Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>Transparency procedure P-AM-01 revision 0 dated 1.10.2011 which contains information related to environmental, social and legal issue has been established by the central office of Univanich since the initial assessment. This procedure was used by all mills and estates owned by Univanich. Until now, there was no significant change on this procedure. Siam mill has announced transparency procedure to the stakeholders since 2012 in order to inform the right of stakeholders to ask the relevant information showing the transparency of company’s operations. Annual public consultation meeting was used to communicate with stakeholder on their right to ask for information. Latest public consultation meeting used to inform the right to stakeholder was carried out on 31 January 2015. Therefore, Siam mill and estate maintain a system of request for information and responses. Not only stakeholder but also workers at mill and estates have the right to request any recorded information.</p> <p>Result of review of correspondence found that there were no requests for information from the stakeholders proposed to Siam mill and estates since 2012 (Indicator 1.1.1). In case that stakeholder requests the information, relevant information such as summary of land title or land-use rights, health and safety plan, social and environmental impact assessment report, pollution prevention plan, details about complaints and grievances, procedures and process of negotiation are ready for public disclosure. Testing availability of this documentation was asked by auditor during the audit. Result confirmed that these documents were available. If there is any request for information, the record of request/response is designated to be kept for 5 years (Indicator 1.1.2).</p>	Yes
Criterion 1.2 (C.1.2) Management documents are publicly available, except where these are prevented by commercial	

<Siam mill and its supply base> <29-31.1.2015>

<p>confidentiality or where disclosure of information would result in negative environmental or social outcomes</p>	
<p>Even though the distance of each location between Siam mill, Chen Vanich estate and Siam Palm estate is not far between each other, the relevant documents for public disclosure is managed by the mill and estates separately. However, during the site visit at Siam mill and Chean Vanich estate, it was showed that copies of the management documents such as summary of land title or land-use rights, health and safety plan, social and environmental impact assessment report, pollution prevention plan, details about complaints and grievances, procedures and process of negotiation required by RSPO for both mill and estate were available and ready for transparency purpose on request (Indicator 1.2.1). Details of document are listed below.</p> <ul style="list-style-type: none"> - The mill and estates decided to make a list of land deed/license and prepare a map showing the boundary of legal land ownership for transparency purpose rather than make a copy of the land deed available. However, land deed can be shown within in few minutes after submitting the request - The mill and estate have a health and safety plan that consists of policy signed by top management, annual training plan, quarterly meeting to identify and address health and safety issues. - The mill and estate have prepared the environmental impact assessment report which identified significant impact using ISO14001 approach. Mitigation plans to reduce the significant impact are also addressed. Social impact assessment done by consultation with stakeholders and action plans are prepared and addressed relevant issues raised by stakeholders. These documents were made up by the head quarter of Univanich which is located in Siam mill and apply for all mills and estates. - Pollution prevention plans have been developed by using report of environmental monitoring done by Environmental Research and Technology Co., Ltd, as the baseline information. - Copies of HCV assessment report carried out by Forest Industry Organization of Thailand was available at all site visited - The mill and estates maintain a system of receiving complaints. Records of written complaints and issues raised by stakeholders will also be maintained even though there are no complaints given by stakeholders. - Procedure and processes of negotiation associated with land acquisition were available. The final process of negotiation associated with land acquisition will be judged at the court as final solution. - Human right policy and summary of previous public consultation meeting were available on the company's board - Central office of Univanich at Siam mill and management representative has prepared a consolidated improvement plan for both mill and estates. Continuous improvement plan developed by the central office of Univanich was distributed to all mills and their supply base 	<p style="text-align: center;">Yes</p>
<p>Criterion 1.3 (C.1.3) Growers and millers commit to ethical conduct in all business operations and transactions.</p>	
<p>Top management of Univanich modified policy of the company in accordance to the requirement of RSPO P&C generic version 2013 standard. Policy committing to a code of ethical conduct and integrity in all operations and transactions is one of the policies. This policy is available at the company board at Siam mill and Chean Vanich esate for communication to all levels of the workforce and operation. Investigation on the presence</p>	<p style="text-align: center;">Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>of forms of corruption and fraudulent use of funds and resources to gain benefit and money for the company was checked by interviewing stakeholder during the public consultation meeting. Result confirmed that there is no any forms of corruption and fraudulent use of funds (Indicator 1.3.1)</p>	
<p>Principle 2: Compliance with applicable laws and regulations</p>	
<p>Criterion 2.1 (C.2.1) There is compliance with all applicable local, national and ratified international laws and regulations</p>	
<p>Siam mill and Chean Vanich estate maintain a copy of all licenses on file. Latest list of relevant laws and regulations that needs to be realized by mill and estates was developed in the form FV R01. Then, list of relevant law and regulations have been reviewed and confirmed by the management representative as the final step. This list remains unchanged because there is no change on laws and regulations related to mill and estate operation. Sample of documents and records of Siam mill and Chean Vanich estate were examined for assessment of legal compliance. Inspection of a sample of significant licenses showed that for the majority of the cases, implementation was done in compliance with laws and regulations as details given below (indicator 2.1.1).</p> <ul style="list-style-type: none"> - Univanich holds land deeds and contracts for all land used for oil palm cultivation. Land deeds and contract were done according to the Land Development Act B.E. 2551 (2008), Land Renting for Agriculture Act B.E. 2524 (1981), Agricultural Land Reform Act (No. 2) B.E. 2532 (1989) and Ministry of Environmental and Natural Resources. - Chean Vanich estate used only chemicals that have been registered with Department of Agriculture. For instance, paraquat with registration number of 694/2547 (2004) and glyphosate with registration number of 1528/2550 (2007) have been reviewed during the assessment. - Waste disposal done by authorized company namely Mahachai Aeksirioil who hold the license number 3-106-5/46 issued by Department of Industry Work. This waste collector remain unchanged since previous assessment - Boiler inspector license issued by Department of Industry Work was inspected. - Results of environmental monitoring on June and October in 2014 at Siam mill done by Environmental Research and Technology Co., Ltd, who holds the license number Wor.-099 for environmental monitoring and analysis, revealed that neither Total Suspended Particulate (TSP), sulfur dioxide, nitrogen dioxide nor carbon monoxide level exceeded the notification of the Ministry of Industry B.E. 2549 (1996) setting for emission released from the factory. This report was also submitted to Krabi Provincial Industry Office for consideration as required by Act no. 30 of an Industry laws B.E. 2535 (1992). - Siam mill treats effluent in anaerobic ponds. Then, effluent is treated until relevant parameter meet with the national standard will be applied in the palm oil estate only. The treated effluent is tested monthly at an independent laboratory even though there is no discharge of treated effluent to environment. It was done in accordance with the Notifications of Ministry of Industry No 2 B.E. 2539 (1996) Requirements on the characteristic of discharge waste water from the factory. - Inspection of payment records at Siam mill and estates since the mid of year 2014 until the date of audit showed that workers were paid in accordance with the notification of Ministry of Labour indicating the minimum wage for Krabi province at 300 Baht/day. The records of payment for sub-contracted worker were also reviewed and it was found that sub-contracted workers were paid in 	<p>No (NC 1 of 4)</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>accordance with the respective award rates.</p> <p>However, it was found that even though daily workers/wagers, who have not been recruited through a general normal procedure of the company, preferred to work without requesting for public holiday and annual leave, public holiday and annual leave are still required for those daily workers/wagers. During the assessment and interview with daily workers they confirmed that they had to work on public holidays and have never used annual leave, in order to gain the wage for their family. Based on this consequence, major non-conformity was raised against Indicator 2.1.1.</p> <p>In order to ensure that all operations are still in compliance with laws and regulations, the central office of Univanich has established procedure for the provision of the laws and regulations revision 00 dated 1.4.2012 and work instruction SD/SMR-006 dated 17.02.2012 for reviewing any updating relevant to laws and regulations every 3 months. On the other hand if there is any update on law and regulation, updates on the changes will be done via website: http://www.npc-se.co.th/index/index.asp and will be sent to the responsible person's email automatically (Indicator 2.1.2).</p> <p>Mechanism for ensuring compliance was carried out through the internal audit by local staff and hired subcontractor from consultancy company. This mechanism was also used to monitor the compliance with the relevant laws and regulation as well as requirements of the standard (Indicator 2.1.3).</p> <p>Based on the latest list of laws and regulations, it was revealed that there have been no significantly changes in relevant laws and regulations affecting to the mill and estate operations since the certification assessment in 2012. If there is any update on law and regulation, updates on the changes will be done via website: www.npc-se.co.th and will be sent to the responsible person's email automatically (Indicator 2.1.4).</p>	
<p>Criterion 2.2 (C.2.2) The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>	
<p>Univanich has the full right to use the land for oil palm cultivation because all square meter of land of Univanich including mill and estates have been alienated with the land deeds and concession license. There is only one difference between land deed and concession. Land deeds issued by Department of Land allow to transfer rights to others. Meanwhile, land concession issued by Ministry of Agriculture and Cooperatives cannot transfer rights and have an expiration date. Therefore, land deeds which have no expiration date can be used to support in the long term of business. However, for Chean Vanich estate, 1,660.72 ha of land concession issued by Department of Royal Forestry and Cooperation Promotion Department have already been expired since 22 April 2013, but in fact the Univanich still occupy their crop in Chean Vanich estate. Univanich is also protected by Nakorn Srithammarat Administrative Court while waiting for the resolution from the Ministry of Natural Resources and Environment whether the extension of concession validity is possible as the Univanich has submitted the official request to extend the validity of concession for Chean Vanich to Ministry of Natural Resources and Environment 2 years ago. Chean Vanich estate also hold 233.48 ha that were occupied by the land deeds. This condition is remaining the same since previous assessment. Therefore, they still occupy the crop legally, unless the resolution from the Ministry of Natural Resources and Environment has been come out (Indicator 2.2.1).</p> <p>The boundaries of Chean Vanich estate were inspected at several places and at every</p>	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>instance found to be demarcated by pillars. Land maps indicated the boundary of estates were prepared properly. All property boundaries were coincident with surveyed map (Indicator 2.2.2).</p> <p>Even though all areas of land can be showed by deed and concession, Siam mill and its supply base have established the mechanism on how to resolve the disputes/conflict (if any) which is already presented to the first public consultation meeting held in 2012. Latest public consultation meeting held at the club of Siam mill was used to repeat the mechanism for resolving any disputes and conflicts. Based on the results obtained from the latest public consultation meeting confirmed that there are no disputes or conflicts so far (Indicator 2.2.3, 2.2.4, 2.2.5 and 2.2.6).</p>	
<p>Criterion 2.3 (C.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.</p>	
<p>Univanich have the full right to use the lands for oil palm cultivation. Maps showing the extent of recognized legal are indicated in the land deed and land licenses. Maps were also integrated and indicated in the procedure of the company (Indicator 2.3.1).</p> <p>Investigation of the conflict on land rights with other users was done through in-depth interview with stakeholders during the public consultation meeting at club of Siam mill. . Result of interview with stakeholders during stakeholders meeting confirmed that there is no conflict on the land use for all areas of Univanich. Inspection of the complaint records showed that there was no complaint on customary right raised by stakeholders. Therefore, it was confirmed that there is no customer rights of other users because all square meters of land owned by Univanich are bound with the land deeds. Even though the land ownership for some area of Chean Vanich has now been protected by Nakorn Srithammarat Administrative Court, there was no problem about the legal rights because Univanich has the right to manage and harvest their FFB products. Based on these consequences, there is no need to have evidence of negotiated agreement showing the consent between Univanich and the stakeholder (Indicator 2.3.2, 2.3.3 and 2.3.4).</p>	<p>Yes</p>
<p>Principle 3: Commitment to long-term economic and financial viability</p>	
<p>Criterion 3.1 (C.3.1) There is an implemented management plan that aims to achieve long-term economic and financial viability</p>	
<p>Central office of Univanich is responsible for making a decision and approval of annual budget for 2015-2017. TOPI estate manager has been assigned by Plantations Director, Dr. Palat Tittinutchanon to collect relevant information for developing an annual budget for all estates. Then, final decision will be done by Dr Palat Tittinutchanon. Univanich is committed to economic and financial sustainability of the palm oil business. The annual budget plan for Siam mill includes production forecast of amount of CPO based on amount of FFB from different sources, OER trends operation costs i.e. use of electricity from both purchasing from EGAT and their own biogas as well as amount of budget for purchase of FFB from independent small growers, and production cost. Regarding production costs or cost per tonnage of CPO trends, there are many activities with regard to the production of CPO and PK that can be counted in term of financial e.g. bunch reception, sterilizing, stripping, oil extraction, clarification, oil storage & transfer, nut & kernel plant, boiler house, power plant, upkeep mill building, supervision and other. The mill extraction rates or oil extraction rate (OER) trend is to increase slightly from 18% to</p>	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>18.5-19% because the mill plans to increase portion of FFB supplied by owned estates for the production of CPO. For the annual plan of Siam mill's supply bases, it includes forecast of FFB production per ha, budget for harvesting and collection of FFB, budget for transportation of FFB from estate to mill, budget for plantation maintenance (i.e. fertilizer application, weeding, pest and disease control, EFB application, and POME application), and expected volume of amount of rainfall, the estate performance to produce FFB/ha according to the plan is also evaluated monthly and yearly (Indicator 3.1.1).</p> <p>Replanting program for 2015-2017 is not applicable for any estates within supply base of Siam mill. However, if replanting program deemed necessary, the budgetary plan for replanting program will be allocated and decided by Dr Palat. This plan, for example, will be including the land area to be replanted, cost for land clearance using excavators and number of palm plants (Indicator 3.1.2).</p>	
<p>Principle 4: Use of appropriate best practices by growers and millers</p>	
<p>Criterion 4.1 (C.4.1) Operating procedures are appropriately documented, consistently implemented and monitored</p>	
<p>Relevant procedures and work instructions were established by collaboration between Lamthap mill, TOPI mill and Siam mill. Estate managers have also worked together to establish procedures for palm oil operation. These written documents are based on document hierarchy structure in compliance with ISO9001:2008. List of procedures remained the same, but some revisions are observed during the second surveillance audit. Here below are some procedures and work instructions used in the mill and estates (Indicator 4.1.1).</p> <ul style="list-style-type: none"> • Agrochemical storage operation "Document no. 4.9" • Maintenance of engines and vehicles for agriculture "Document no. 4.7" • Fertilizer application and soil improvement "Document no. 4.3" • Harvesting and transporting of FFB from estate to mill "Document no. 4.1" • Integrated Pest Management program "Document no. 4.6" • Irrigation in the plantation "Document no. 4.11" • Palm oil nursery management "Document no. 4.2" • Pruning technique and implementation "Document no. 4.4" • Replanting program and methods "Document no. 4.12" • Road maintenance "Document no. 4.8" • Training "Document no. 4.10" • Weed protection and elimination "Document 4.5" • Safe working practices for both mill and estates • Application of pesticide. Riparian zone management is also addressed in this procedure with explanation that buffer zone of at least 15 meters on both sides of the canals in the estates has been delineated to ensure that they are free of agrochemical usage. <p>In addition, it was found that procedures are in place to ensure that duties and services are performed in a consistent manner. Moreover, Univanich applied internal audit to check consistent of implementation of procedure with written SOPs. Latest internal audit for all sites was carried out during 21-23 November 2014. It was used to check the compliance with RSPO P&C generic version and written procedures (Indicator 4.1.2).</p>	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>Based on the results of verification on the records for selected activities in estate e.g. harvesting, application of agrochemical, fertilizer application, road maintenance and irrigation in the plantation, it was found that the implementations were done in compliance with the documented procedures and work instructions. For the mill, some records of selected activities e.g. FFB receiving from the supply base and smallholder, oil extraction, nut and kernel production were observed. Weighing bill issued by the weighing department of Siam mill could show origin of FFB source between their own estates and smallholders. Based on the records, it was also found that the implementation in the mill was done in compliance with written procedures. The mill operators recorded operating parameters hourly of boiler onto shift log sheets which are then reviewed by the registered supervisor. In additional, records of operation activities based on the relevant procedures and work instructions are kept properly and could be shown when requested (Indicator 4.1.3 and 4.1.4)</p>	
<p>Criterion 4.2 (C.4.2) Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield</p>	
<p>Chean Vanich estate apply different fertilizers depending on the purpose of the use and results of leaf nutrient analysis. At the time of surveillance assessment, there were 2 formulas of fertilizer composition of 16-16-18 and 21-0-0 found in Chean Vanich estate. Based on the records of fertilizer application, the estates recorded fertilizer application for each block of the estate. Fertilizer application is done daily but cover 2 times a year/block. Latest record on 27 December 2014 in the log sheet showed that Chean Vanich estate applied fertilizer formula 16-16-18 at 312.5 kg/ha for block 12A of 8.5 ha. The application of fertilizer is done by spraying by worker directly or use the fertilizer spraying machine. The implementation was consistent with the procedure of fertilizer application and soil improvement "Document no. 4.3" (Indicator 4.2.1 and 4.2.2).</p> <p>Foliar samples of Siam Palm estate; for example, were taken and analysed by "Applied Agricultural Research SDN. BHD", Malaysia. Foliar nutrient analysis for each estate owned by Univanich is done annually, but number of leaf sample is subject to the land area and decision of plantation director (Dr Palat Tittinutchanon). The results of foliar analysis of each estate are monitored by Plantations Director, Dr. Palat Tittinutchanon, again. He will make a recommendation for fertilizer application on the basis of foliar samples analysis (Indicator 4.2.3).</p> <p>The relevant work instructions for practices to maintain and improve soil fertility remain the same as the previous assessment especially the procedure with regard to fertilizer application and soil improvement "Document no. 4.3". The estates have EFB and POME application program in place as described in the Fertilizer application and soil improvement "Document no. 4.3". Decanter cake was used to improve soil fertility in estates. Application of EFB received from Siam mill was carried out at Chean Vanich estate and Siam Palm estate, which is located adjacent with Siam mill. EFB and decanter cake were applied to improve soil fertility. POME cannot be used in Chean Vanich estate due to barrier of distance between Siam mill and estate. However, POME from Siam mill is normally applied at Siam Palm estate. Monitoring BOD level from the last wastewater treatment pond before pumping for irrigation is done monthly as required by law. Latest BDO level monitoring result after treatment done on October 2014 was below 30 mg/L as required by Department of Industry Work. In addition, covering the ground by putting the dried leaf of in-matured palm oil tree is also a method to improve soil nutrient content and prevent erosion (Indicator 4.2.4).</p>	<p style="text-align: center;">Yes</p>

<p>Criterion 4.3 (C.4.3) Practices to minimize and control erosion and degradation of soils</p>	
<p>Procedure for soil conservation practices no. P-SI01/2000 described how to minimize and control erosion. Estates have committed to do this by using the topography map with contour lines from Royal Thai Survey Department to delineate sensitive areas of erosion. Map showing the areas of fragile soils for Chean Vanich estate and Siam estate is still not necessary because topography map with contour lines and results from inspection onsite confirmed that there were no areas with slopes of 10-15%. However, terraces were constructed with a back-slope and stop embankment for water conservation at Chean Vanich estate. Pruned palm fronds are stacked along the contour on sloping areas to prevent the erosion and degradation of soils. During the assessment, it was found that terracing and digging silt traps at Chean Vanich estate are in good condition even though terraces have been constructed for many years (Indicator 4.3.1, 4.3.2 and 4.3.6).</p> <p>The estates have an annual budget and annual plan for road maintenance. Locations of road where maintenance is necessary were defined in road maintenance program. However, there is no road maintenance program for Chean Vanich because the estate wants to wait upon gaining the new validity of land concession. For Siam estate, road maintenance is not required for year 2015 because it is in good condition. Records of road maintenance in last two years were observed instead. Normally, road maintenance was carried out by qualified workers of the estates rather than engagement of outsourcing. The main practice of road maintenance remained the same which is the use of rouge to compress soil surface by using road roller vehicle until it is smooth and strengthen. Number of rollers and excavators owned by Univanich are still available and ready to use at Chean Vanich estate when road maintenance is required. (4.3.3).</p> <p>Based on the EIA report, HCV report and the results from public consultation meeting, there are no peat soil for any estates owned by Univanich. Protective measures for minimizing the subsidence of peat soils are not necessary (Indicator 4.3.4)</p> <p>Refer to the finding in the indicator 4.3.2 and 4.2.3, the relevant management strategy dealing with soil infertility was established especially procedure for soil conservation practices no. P-SI01/2000 (Indicator 4.3.5).</p>	<p>Yes</p>
<p>Criterion 4.4 (C.4.4) Practices to maintain the quality and availability of surface and ground water</p>	
<p>Estates have a policy which states that natural surface water will not be used for irrigation of palm oil cultivation purpose. The use of ground water will only be allowed for worker consumption (not for drinking) and only in the summer season. Procedure on water management plans is described in P-PT-13 is also still valid and unchanged. During the site inspection, it was found that a reservoir was constructed in all estates including Chean Vanich estate to dam up rainwater. Water stored in this dam will be pumped for irrigation in the estate mainly during summer and winter seasons. However, rainwater is normally used for irrigation in the palm oil estates. Buffer zones of at least 15 meters wide were marked on both sides of either big or small canal in the estate as areas to be free of agrochemical usage. During the assessment, it was observed that there is many native vegetation along a waterway canal. Result from field inspection also confirmed that agrochemicals are never used to control weed along the canal (Indicator 4.4.1 and 4.4.2).</p>	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>Siam mill has monitored the effluent water quality at the inflow (before pumping effluent into the first wastewater treatment) and outflow (after treatment at last wastewater treatment pond no.9) monthly. Not only BOD but also COD, pH, suspended solid, oil and grease (O&G) will be monitored monthly. The analysis of effluent is done by Saint Environment Co., Ltd, external laboratory who holds license no. Wor-052. Latest result of effluent analysis at outflow on November 2014 showed BOD from Siam mill below 30 mg/L as required by Department of Industry Work. In addition, to support the zero discharge policy, effluent will be reused in biogas and to irrigate the estate. Inspection of the effluent treatment ponds of Siam mill found that the pond embankments were well maintained and there was adequate dike height to prevent overflow of POME (Indicator 4.4.3).</p> <p>Siam mill measures monthly water usage per ton of FFB processed, even though there is no nuisance from public water bodies. Data for 2014 is available. Based on the production record at Siam mill FFB supplied by Siam Palm estate and Chean Vanich estate and independent smallholder was 222,437 tons. Meanwhile, approximately 200,233 m³ were pumped and used for the mill processing. Thus, average water usage in 2014 per tonne of FFB was 1.1 cubic meters/ ton of FFB (Indicator 4.4.4).</p>	
<p>Criterion 4.5 (C.4.5) Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management Techniques</p>	
<p>All estates owned by Univanich have formulated an Integrated Pest Management (IPM) plan described in the document procedure no. 4.11 to control major palm pest which are rats and leaf eating caterpillars. The estates have installed barn owl boxes. Moreover, IPM program includes the establishment of beneficial host plants such as <i>Cassia cobanensis</i> and <i>Euphorbia heterophylla</i> along the roadsides and estate. To stop spreading and outbreak of leaf eating caterpillar, the estates cut damaged fronds which are heavily attacked by bagworms or caterpillars. This implementation was done according to the plan for monitoring the presence of pests. Up to now, chemicals have not been used to interfere and intervene. To decide which IPM technique can be used especially when use of chemical is necessary, workers are assigned by estate manager to monitor the presence of pest daily. Workers have been given the training on how to monitor leaf-eating insects and rats. Besides, monitoring the number of barn owls used to control the population of rats was also carried out by workers. Based on the results of monthly monitoring number of barn owls at Chean Vanich, the number of barn owls has continuously increased when comparing number recorded in last year. At least one barn owl box is preset in every block covering an area of 10 ha. Rat baits are also used to facilitate workers for catching rats. IPM techniques based on natural control food chain control by encouraging proliferation of snake and even workers to eat up rats were noted as a current practice at estate. (Indicator 4.5.1)</p> <p>In order to ensure the effectiveness of application of each IPM technique, workers have been given the training in particular on how to monitor leaf-eating pests and rat. IPM training was done on yearly basis as refreshment training to existing workers. Latest IPM training was done on 18 October 2014 (Indicator 4.5.2)</p>	<p>Yes</p>
<p>Criterion 4.6 (C.4.6) Pesticides are used in ways that do not endanger health or the environment</p>	
<p>The selection of chemical for weed control and the treatment is based on the inspection of field conditions before spraying. When chemical pesticides are necessary, it is the</p>	<p>No (NC 2 of 4)</p>

<p>responsibility of the estate manager to take a decision. Justification for application of pesticides is addressed in the procedure agrochemical application "Document no. 4.9". Mechanical weed control is the main choice and priority, but specific pesticides may be used to control the specific pest and weed (if any). However, the justification of purchasing chemical pesticides used in the estates is decided by Dr. Palat Tittinutchanon, Plantations Director. From the records of pesticide usage of last year, it was confirmed that ratio between chemical and water used by sprayer was in accordance with the written work instruction regarding to the dosage and application methods. Application of paraquat at Chean Vanich estate was still carried out to control broad and narrow-leaf herbs. Based on the record of pesticide application, it was showed that 32 litres of 27.6% of active ingredient of paraquat (2,4-D dimethyl ammonium) was applied for block 12A of Chean Vanich which covers 22 ha of planted area. The oral LD50 of paraquat is 196 mg/kg in mice. (Indicator 4.6.1 and 4.6.2).</p> <p>Inspection on the record book and chemical storage also confirmed that all types of chemicals used in the estates were registered under the Hazardous Substances Act B.E. 2535 (and its amendments) of Thailand. For example, the license number of glyphosate (Roundup) and paraquat (Grammoxone) issued by Department of Agriculture are 158/2554 and 694/2547, respectively. Based on the record of pesticide applications, the use of pesticide was to control weeds only when mechanical weed control is not suitable for some weed especially broad leaf and narrow-leaf herbs. It was not used to control pests and diseases. Therefore, minimizing the amount of pesticide used is part of a plan and in accordance with IPM plans (Indicator 4.6.3).</p> <p>The use of paraquat is still found during the assessment. Moreover, the minimization and elimination of the use of paraquat is not established as part of a plan. Therefore, minor non-conformity was raised against Indicator 4.6.4.</p> <p>Inspection at the store of Chean Vanich estates showed that it meets requirement on security, spill containment, well ventilation, and labelling. Easy to read and understand MSDS of each agrochemical is displayed in front of the shelf where it is placed/ stacked. Chemical pesticides are always kept in store which is secured with lock. Key to the store is only held by designated person responsible for chemical inventory and storage. Running water is provided to workers who have to handle with chemical pesticides. The existing agrochemical use procedure described in document no.4.9 was used to train the workers who deal with the agrochemical. MSDS and how to apply chemical properly were the topic of the training given for 8 sprayers on 12 October 2014 at Chean Vanich. Information on the areas where pesticides are used is recorded in the estate daily on a block basis. Application of pesticides was done with back sprayers taking into account a correct dosage, no spillage, time for application, spare water onsite for cleaning PPEs and equipment. (Indicator 4.6.5, 4.6.6, 4.6.7, and 4.6.9).</p> <p>Aerial application of pesticides is not done (Indicator 4.6.8)</p> <p>Personal safety equipment (PPE) which include mask, rubber gloves, and rubber boots are provided to workers who are responsible for chemical spraying. Workers are allowed to keep and clean PPE as their assets. Interview with sprayer of Chean Vanich estate confirmed that those PPE are provided by the estate manager. Moreover, spare PPE is available at the office and ready to be distributed in case of need (Indicator 4.6.5). Facility to clean and wash the containers, equipment and also PPEs after spraying is duly provided by the estates. Water used to clean containers and PPE that contained some chemical will be reapplied in the estate in order to reduce negative impact of chemical to environment. Designated area to collect empty pesticide containers is provided by each estate. Meanwhile, waste collecting station (waste house) is also</p>	
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<Siam mill and its supply base> <29-31.1.2015>

<p>provided at Siam mill. Once number of empty containers is enough, it will be disposed by authorized company. Record of waste disposal conducted by authorized company (Mahachai Aeksirioil) is available during the audit (Indicator 4.6.10).</p> <p>From the list of workers who deal with chemical spraying, it was found that women from both estates are also responsible for spraying. There were no pregnant or breast-feeding women sprayers found during the audit. Mechanism to deal with pregnant or breast-feeding women who work with chemical was verified by interviewing women sprayers during the audit in order to confirm whether or not women sprayer are aware on any impacts caused by spraying chemical while pregnant. Result of interview confirmed that all women sprayers are aware on the relevant procedures and negative impact of pesticide application while they are pregnant or breast-feeding. Women sprayers who are pregnant or breast-feeding are not allowed to spray agrochemical. It's the responsibility of the estate manager to make a decision for rotating the position during the pregnancy period. Result of interview also confirmed that they were rotated to work at the administration office (Indicator 4.6.12).</p> <p>Annual health check-up is carried out for all workers including those applying agrochemicals. All workers who deal with chemical spraying have health examination done by Prai Praya Hospital in 2014. The results revealed that no one has any serious condition that may be caused by the chemicals they sprayed such as hepato-pancreas damage (Indicator 4.6.11).</p>	
<p>Criterion 4.7 (C.4.7) An occupational health and safety plan is documented, effectively communicated and implemented.</p>	
<p>Univanich has a safety, health and environment policy approved by Managing Director, Safety coordinator and HR manager on 2 July 2012. Policy addressed that all accident, occupational illness and incidents are preventable through management of identified risks. Every employee has a personal responsibility to encourage safe work practices. The policy is displayed on notice boards throughout the operation sites. Existing health and safety plan covering all activities is described and integrated into a safe working practices procedure. As occupational health and safety are the first priority of Univanich, the occupation health and safety plan revised by the expert who was already engaged by the company is available. Health and safety risk issues which could cause impact to workers were assessed and reviewed by the expert. Therefore, a safe working practice procedure was established to respond to the identified risks. The result of monitoring of occupational health and safety is reported to either estate manager or mill manager on daily basis. The record of loss time accident (LTA) at Siam mill and estate for 2014 showed that no serious accident occurred. In addition, an occupational health and safety committee is appointed by mill and estate. Occupational health and safety implementation will be monitored its effectiveness by the committee on quarterly basis. The latest meeting of occupational health and safety at Siam mill on 2 November 2014 showed that there were no concerns on health and safety raised by worker representative. In this meeting, welfare provided by mill and estate was also discussed among the committee. Inspection of workplace was done and found that safe working practices were being implemented (Indicator 4.7.1, 4.7.2, 4.7.4, and 4.7.7)</p> <p>Even though there were no records of serious accidents, a proper recording system is in place and ready for use at any time which includes: how and when the accident occurred, who was injured, root cause of accident, and the mechanism to deal with accident cases. Estates and mill have a documented annual training programme for safety. All new hired workers are required to be trained on occupational health and safety</p>	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>before starting his/her career. Trained first aid staff who were trained since 2012 are still working at Chean Vanich estate. Mobile first aid kits are available at the point of use at Chean Vanich estate. Personal protective equipment (PPE) was also provided by the company to all workers at the work place. In particular, sprayers are provided with appropriate PPEs such as mask, rubber gloves, protective clothes and rubber boots. Workers were given information about the first aid kits available at the workplace through the training. Meanwhile, workers who work at mill are also provided with appropriate PPEs such as safety shoes, ear plugs and/or ear muffs and safety helmet. (Indicator 4.7.3 and 4.7.5).</p> <p>Risk assessment is established under the collaboration between estates and mill. Risk assessment took all activities of estate and mill into account to identify the risk that could occur and affect to worker's health and safety. There are 3 levels of identified risk ranging from low risk (33-55 scores), medium risk (55-77 scores) and high risk (77-100 scores). Not only occupational health and safety, but also risk assessment was revised by the expert who hired by Univanich in the mid of year 2014. Safe working practices procedure was established to minimize those identified risks. Highest risk score on occupation health and safety is given for working with boiler. Therefore, ear muffs are provided by the mill for those workers. Moreover, there are many signs and accident and emergency procedures available at the points which are identified as high risk. During the assessment, it was observed that the implementation of the workers are in compliance with the written procedure (Indicator 4.7.2 + 4.7.5)</p> <p>With regard to accidental insurance, all workers are paid in accordance with the labor laws of Thailand. Social security beneficiaries that are paid by the company cover treatment fee in case of accident from either working or livelihood. Moreover, company is normally responsible to pay for all treatment fee when workers are injured from working (Indicator 4.7.6)</p>	
<p>Criterion 4.8 (C.4.8) All staff, workers, smallholders and contractors are appropriately trained.</p>	
<p>Siam mill and its supply base have an annual training program for calendar year 2014 and 2015 which was approved by Engineering Manager. The annual training program is integrated for all mills and estates of Univanich. The training program includes, for example, firefighting, boiler operation, air pollution monitoring, waste management, handling of hazardous wastes, integrated pest control and agrochemical spraying. New employees will be given the training on company's rules and regulation, health and safety concerns and relevant work instruction to their area of work. Harvesting contractors and other contracted workers are also included in safety training conducted by the estate. For each worker individual training record is kept. For instance, records for chemical sprayers showed that they have been trained for the use of chemical on 10 October 2013 as the first training. Refreshment training on pesticide application was also carried out. Latest training given to women sprayers was done on 8 November 2014 (Indicator 4.8.1 and 4.8.2)</p>	<p>Yes</p>
<p>Principle 5: Environmental responsibility and conservation of natural resources and biodiversity</p>	
<p>Criterion 5.1 (C.5.1) Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>	

<Siam mill and its supply base> <29-31.1.2015>

<p>Univanich has appointed staff, who hold Bachelor or Master degree on environmental background, to assess the environmental impact by using the approach of an environmental management system (ISO14001). Relevant provincial governmental agencies (Krabi Provincial Office of Natural Resources and Environment, Than Bok Khorani National Park, and Khlong Praya Wildlife Sanctuary) are invited to read and comment on the EIA assessment report. They have returned on the confirmation during September-October 2012 after the review to confirm that there is no any objection to EIA report done by Univanich. Since there is no change that might be affected to environment, EIA conducted since 2012 is still valid. The environmental risk assessment was also conducted to determine risk scale ranging from 3 levels; low (normal), medium (abnormal) and high (critical). Score of possibility of adverse effects is used to rank the impacts. Based on the system of scoring, if the result of scoring was higher than 54 scores, the mitigation plan need to be established. Identified risks for mill and estate remained the same. For instance, either emission or explosion from boiler operation had a highest score of possibility of adverse effect and could result in huge damage on both social and environmental aspects. The impact on environment from operation of estates, for example, consists of using persistent chemical and erosion. Procedures to deal with identified risks in mill and estates were established since 2012. They are now still in valid and in place for implementation. Monitoring of the implementation and a review of the implementation was also carried out by an expert who was engaged by the company. The expert was assigned to review the effectiveness of the mitigation measures. The results of the review by the expert at the mid of year 2014, showed that there are no required changes to current mitigation measures and/or operational change. (Indicator 5.1.1, 5.1.2 and 5.1.3)</p>	<p>Yes</p>
<p>Criterion 5.2 (C.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.</p>	
<p>HCV assessment was carried by the approved HCV assessor Forest Industry Organization, Ministry of Natural Resource and Environment of Thailand, during 6-9 November 2012. HCV report was also reviewed by forest officers who work for Praipraya Wildlife Sanctuary. As there is no change on the land area for both mill and estates, HCV is still valid. Based on the HCV report, it was found that there was no HCV area at Siam mill and its supply base. There is also no presence of RTE in the planted area and adjacent area. However, conservation management plans to avoid damage and deterioration of water quality at Khlang canal were suggested by HCV assessor. To deal with this, management plan was established by the company in compliance with the suggestion obtained from HCV assessor. This management plan and implementation were described in criterion 4.4 especially buffer zones of native vegetation at least 15 meter along Khlang canal. Based on the consequence showing that there is no HCV at Siam mill and its supply bases, negotiated agreement between company and local community or even authority concerned is not necessary (Indicator 5.2.1, 5.2.2, 5.2.3, 5.2.4 and 5.2.5).</p>	<p>Yes</p>
<p>Criterion 5.3 (C.5.3) Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner</p>	

<Siam mill and its supply base> <29-31.1.2015>

<p>Waste products and all sources of pollution are identified and listed in the document no. FV104 revision 00. The list of waste and pollution source in Siam mill and supply bases is updated annually. Last update of list of waste and pollution sources was done in the mid of year 2014. However, list of waste and pollution sources remain the same when comparing list of waste and pollution source in last year. Waste management plan code FV301 revision 00 established by Siam mill and estate is also reviewed during that period of time, however, operational changes are not required. Those identified wastes either solid or liquid will be managed in different ways such as reuse, recycle or disposal by authorized company as described in this procedure. For example, decanter cake, POME, POME cake and waste water generated by mill are listed as available waste for reuse in the estate. The “Waste collection station” is the permanent storage which provides sufficient containment system to deal with used liquid chemical in laboratory and obsolete lubricant/oil. Solid wastes can be collected at the waste collection station as well in separation zone away from the area to deal with liquid chemical. Siam mill and its supply bases maintain records of scheduled wastes collected by authorized company namely Mahachai Aeksiri oil who hold the license number 3-106-5/46 issued by Department of Industry Work. Empty pesticide containers will be kept in the permanent storage sheltered from rain and with the sufficient containment system to prevent any leakage of agrochemical that may remain in the containers due to improper clean-up after use to environment. Meanwhile, Fibre is used as fuel for the mill boilers. (Indicator 5.3.1 and 5.3.2). Inspection at the Chean Vanich estate also confirmed that EFB and fronds are recycled to the estates. Due to limitation of treated POME volume and long distance between Siam mill and Chean Vanich estate, POME is not applied in Chean Vanich estate (Indicator 5.3.3).</p>	<p>Yes</p>
<p>Criterion 5.4 (C.5.4) Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>	
<p>Univanich and estates have a plan to strive for continuous efficiency improvement in the use of renewable energy. Renewable energy generated from either biogas or turbine (palm fibre is used as fuel in boiler) is the most successful for Univanich. Univanich was a pioneer for biogas electric generator from wastewater of palm oil mill in Thailand. Biogas power plants are seen at all mills including Siam mill. Electricity generated by biogas is not only for sale to the public through the Provincial Electrify Authority’s grid (PEA) but also for use in crushing mill. Even though Siam mill could generate the electricity from renewable sources, the purchasing of electricity from PEA is still required at times of certain emergency or when the power generation system in the mill breaks down. The total amount of petroleum diesel or fossil fuel used for various purposes of Chean Vanich estate was significant less than from previous years due to land concession expiration and no attempt to do harvesting. Therefore, the main FFB source for Siam mill was from independent smallholders. However, the use of oil or fossil fuel for all vehicles and any purposes at mill is still required e.g. OFP wheel loader, factory wheel loader, factory drum truck, and office pick up. Record of fossil used in 2014 showed that approximately 72,000 litres of fossil fuel were used. While total CPO production resulted from processing of FFB of 222.437 tons was 40,038 tons. Therefore, result of monitoring direct fossil fuel used per ton of CPO last year was equal to 0.32 litre/ton FFB (Indicator 5.4.1).</p>	<p>Yes</p>
<p>Criterion 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>	

<Siam mill and its supply base> <29-31.1.2015>

<p>Inspection at Chean Vanich estate confirmed that there was no evidence of open burning in the estate. Stakeholder interview during the public consultation meeting held at club of Siam mill confirmed that land burning during replanting is never carried out. Site inspection was also carried out and confirmed that there is no evidence of land burning in the supply base of Siam mill. For municipal waste generated by households and office, it will be collected at the waste house before disposal by landfill. (Indicator 5.5.1 and 5.5.2).</p>	<p>Yes</p>
<p>Criterion 5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>	
<p>All mills of Univanich have documented a pollution and emission control plan FV102 revision 00 dated 4 January 2012 that identifies the sources of emissions and methods for control. This document hasn't changed since the initial assessment. Environmental quality monitoring report done by Environmental Research and Technology Co., Ltd every six month is a good resource that has been taken into account to develop the pollution and emission control plan. Based on this assessment, pollution in mill is still mainly from boiler, generator and vehicles. However, as long as the emission released through stack of mill doesn't exceed the requirement laws, the management plan to reduce gaseous emissions is not necessary (Indicator 5.6.1). Currently, the company has done well to prevent the emission of methane by construction of the methane capture generating on average 100,000 gold standard CER. Even though source of pollutions were identified and monitored regularly, significant pollutions and greenhouse gas (GHG) emission caused by mill and estate operations have not been identified. Therefore, there was no plan to reduce or minimize those emissions. Based on this consequence, major non-conformity was raised against Indicator 5.6.2.</p> <p>Based on the latest result of air quality monitoring done on December 2014 at Siam mill reveal that there were no emission parameters that exceeded the required standards set by the relevant authorities such as Industrial Emission Standards, Notification of the Ministry of Industry, dated December 4th, 2006; Opacity Standard, Notification of the Ministry of Industry, dated December 4th, 2006 and Notification of the Ministry of Natural Resources and Environment, dated December 9th, 2005. However, there is no evidence showing that significant pollutants and emissions are reported to RSPO. Therefore, a minor non-conformity was raised against Indicator 5.6.3.</p>	<p>No (NC 3 and 4 of 4)</p>
<p>Principle 6: Responsibility consideration of employees and of individuals and communities affected by growers and millers</p>	
<p>Criterion 6.1 Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.</p>	
<p>Social impact assessment was carried out by qualified staff under the recommendation of the permanent officer of Krabi Provincial Social Development and Welfare Office. SIA was initially carried out through a participatory approach during the first public consultation meeting held at TOPI mill in 2012. Questionnaire was used to evaluate participant's opinion whether they have been affected by mill and estate's operation. Results after questionnaire survey was then incorporated into the social impact</p>	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>assessment report. To make this SIA report reliable, Krabi Provincial Social Development and Welfare Office was invited to read and comment the SIA report. Based on the official letter issued by Krabi Provincial Social Development and Welfare Office dated 5 October 2012, it was confirmed that there was no objection to the SIA report done by Univanich.</p> <p>During the surveillance audit, the public consultation was held at club of Siam mill in order to take this opportunity to follow up on any concerns on mill and estate's operation raised by stakeholder. Stakeholders listed by Univanich were invited to attend this meeting. However, it was not limited to those stakeholders who are listed in the stakeholder list but also local community member were also invited. Then, participants signed an attendance sheet to confirm their participation. Stakeholder interview was also conducted during the second public consultation meeting on following cases: access the use rights, economic livelihood, cultural and religious values, health and education facilities and other community values. However, stakeholders are free to give their concerns anytime. It is responsibility of estate manager or mill manager who designated by Managing Director of Univanich to handle these concerns from the stakeholders in order to ensure that mitigation plan can be done immediately (if any) (Indicator 6.1.1, 6.1.2, 6.1.3, 6.1.4 and 6.1.5).</p>	
<p>Criterion 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</p>	
<p>Communication and consultation management guidelines are developed and documented. This guideline was reviewed and updated annually. However, the guidelines are still valid. Based on the communication and consultation management guidelines, the public consultation meeting is planned to be done annually in order to ensure that the concerns of affected persons or interested parties will be presented and considered at the appropriate stage (if any). From the latest public consultation meeting at club of Siam mill, stakeholders were informed on procedures related to how to raise a complaint and grievance, steps to deal with complaints and grievance, how to request for reviewing documents relating to environmental, social and legal issues, transparency, policy related to discrimination, respect to the grouping as the worker union, sexual harassment, EIA, SIA, risk assessment, occupation, safety, mitigation plan and possible impacts. After that, interview with stakeholders by auditor team was carried out without interference from the management team staffs of Univanich (6.2.1).</p> <p>Siam mill (Mr Piyapong) and estate manager (Mr Kritana) are the representative appointed by Managing Director of Univanich on April 8th, 2012. The responsible person to communicate with the affected person remains the same since previous assessment (Indicator 6.2.2).</p> <p>A list of stakeholders including local communities, statutory, local governments, Islamic religious leader, head of communities, NGO (if any), and local community members are kept and maintained properly. There was no significant change on the list. The list includes contact details and address so that communication with those stakeholders can be done immediately. The eventual change of person on the list will be monitored by the mill or estate manager. It is Univanich's policy on the recruitment of new staff, local people who don't have to travel very far to work are the most welcome. Therefore, some stakeholders are now recruited by the company. Communication on any concerns caused by mill and estate's operation can be done easily. This is the reason why the stakeholder has never communicated with the company. However, stakeholders will be</p>	<p style="text-align: center;">Yes</p>

invited for participation in the public consultation meeting at least once a year (Indicator 6.2.3).	
Criterion 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	
<p>The complaints, grievance and dispute procedure is documented by the central office of Univanich in April 2012 and shared to all mills. These procedures are still remaining the same. Not only stakeholder but also workers, suppliers and customers can give the complaints and grievance to mill and estate. When they are raised, it is the responsibility of mill and estate manager to handle and resolve complaints in an effective, timely and appropriate manner to reduce the risk of reprisal. Latest minute of public consultation meeting confirmed that there was no evidence of dispute and complaints raised by stakeholder, community leader, governmental officers, and local communities even though they have known the right to give the complaints and grievances. To ensure that this record is reliable, interview with stakeholder was carried out by auditor during the public consultation meeting held at club of Siam mill (Indicator 6.3.1).</p> <p>For internal complaints and grievances, a complaints box is available for workers. Currently, there are no complaints. To ensure that the stakeholders and employees have the right to give the complaints and grievances, the procedures have been communicated and disseminated to all stakeholders. The documented complaint, grievance and dispute procedure also states that in case a dispute is unable to be resolved by two parties, the matter will be referred to the court for a final solution (Indicator 6.3.2)</p>	Yes
Criterion 6.4 Any negotiations concerning compensation for loss of legal, customary or user 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.	
<p>As Univanich holds land deeds and contracts for all land used for oil palm cultivation; therefore, customary right does not apply. Even though concession for Chean Vanich estate is in process of consideration by Minister of Agriculture and Cooperatives, but it is not affected to the customary right. To prevent the problem with the stakeholder, however, Chean Vanich estate decided to stop harvesting for a while. Based on this consequence, the FFB production last year declined when comparing to the previous years.</p> <p>The audit team studied the whole compensation mechanism when Univanich has to pay to affected person (s) for loss of legal or customary right (if any). It was found that it is satisfactory and thus far, no legal action has been taken against the company by any party. The compensation will be made according to the decision of the independent arbitrator or court of justice (if any). Moreover, based on the results of public consultation meeting for all estates and mill as well as interviewing with local communities, it was confirmed that there is no current claim on customary right over land (Indicator 6.4.1, 6.4.2 and 6.4.3)</p>	Yes
Criterion 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.	

<Siam mill and its supply base> <29-31.1.2015>

<p>Minimum wage payment is required by Department of Labor of Thailand. The minimum legal wage for Krabi province remains the same at 300 Baht/day. The salary, wage and conditions of work done in accordance with the legislation of Department of Labor are described in the contracts signed between the company and all workers. The terms and conditions specified in the contract are in line with legislation such as working days, working time, salary levels, regional minimum pay and employee insurance. The contract of each employee for all is kept at the central office of Siam mill. The copied contract is also given to worker for their reference. The terms and conditions specified in the contract are in line with all the legislations such as working days, working time, salary levels, regional minimum pay and employee insurance. The contract and payment record of subcontracted worker at Chean Vanich estate was sampled. It was found that they received more than 10,000 Baht for working 19 days/month. The average daily wage given to this worker is compliant with the minimum legal wage of 300 Baht/day. Wage payment is usually done by bank transfer (Indicator 6.5.1 and 6.5.2).</p> <p>All employees including contractor have been provided with suitable housing, water supplies, medical care and social welfare by the company. Two bedrooms with one separate bathroom are provided for each house so that worker can bring their family to live together. Estate clinics provide medical treatment for staff, workers and their family at no cost. Water and electricity are provided to each house. Water tanks are also provided for the workers to store rain water for use in drought period and when water supply is not being used. Residents are allowed to grow their own vegetables (backyard garden) at their house. Even though affordable food could not be provided by the estate to all workers directly for free, the estates could show their effort to contact food sellers to come into the estate to sell food at low prices compared to the fresh markets. For school aged children, the estate provides financial aid to reimburse fossil fuel costs when the parents use their own cars to transport the children to the school (Indicator 6.5.3 and 6.5.4).</p>	<p>Yes</p>
<p>Criterion 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.</p>	
<p>Policy to respect the right of all personnel to form and join trade unions signed by Managing Director on 8 April 2012 hasn't changed. Employees of Univanich; therefore, have the right to freedom of association and to form or join labor union. This policy is posted on the company boards for all sites visited. However, workers in all sites did not form any labour union or join any labour association at the time of surveillance assessment (Indicator 6.6.1).</p> <p>Instead of forming labor union, workers in each estate will elect their own leader to be worker representative. A worker representative will be responsible to raise issues of concerns to the estate manager. Meanwhile, all workers still have the right to raise their concerns anytime. The meeting between employee and representatives of worker at Siam mill was incorporated into occupational health and safety meeting. The last meeting planned quarterly was carried out on 13 November 2014. Management representatives, representatives of worker, women representative and security officer have joint that meeting and discussed relevant topics. The main matters that were discussed included RSPO, health and safety concerns and welfare (Indicator 6.6.2).</p>	<p>Yes</p>

Criterion 6.7 Children are not employed or exploited.	
<p>According to the child labor policy posted at the company boards, no worker under 18 years of age is allowed even though the labour laws of Thailand allowed employers to hire employees/workers of above 15 years of age. Inspection of individual worker records at the Siam mill and supply bases confirmed that no workers under 18 years of age were observed either at any work location or in the contract between company and worker (indicator 6.7.1)</p>	Yes
Criterion 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.	
<p>Univanich anti-discrimination policy is signed by Managing Director on 8 April 2012 and displayed on the notice boards at the Siam mill and its supply base. The policy is socialized in the contract with workers. Interview of staff and workers who work both at Siam mill and estates indicated that they are treated equally under the equal opportunities policy. No discrimination on the job vacancies announcement was observed. However, no job vacancies were posted in last 2 years for Siam mill. Interview with staff and migrant workers who moved from the north-eastern part of Thailand confirmed that there was no discrimination in relation to ethnicity, religion or gender. They were treated equally by the Siam mill and estates. Inspection at worker house and records also showed that migrant worker and worker from local communities live together at worker houses and salary rate for migrant worker and local worker are the same (Indicator 6.8.1 and 6.8.2).</p>	Yes
Criterion 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	
<p>Univanich policy on prevention of sexual harassment and other forms of violence against women is documented and displayed on the notice boards of the Siam mill and estates. This policy was signed by Managing Director. Women representatives are elected among the female workers at the mill and estates. They are also the member of HSE committee of which the gender committee is a part. As the women representatives stay at the worker house provided by the company, any concerns associated with the health, safety, welfare and even any violation on sexual harassment can be discussed among workers at all times. During the HSE committee meeting quarterly, women representative will be responsible to raise any concerns on sexual harassment and any violence against female workers to the management representatives (if any). The non-occurrence of sexual harassment and any violence was confirmed through the minute of meeting and during the interview of female staff and workers (Indicator 6.9.1 and 6.9.2)</p> <p>In case of any violation to women, the procedures to deal with the violation are established. The procedures were used for training to women employees in order to ensure that they understand the grievance mechanism. Based on the result of interview with women employees during the surveillance audit, it was confirmed that they understood the policy and knew the grievance mechanism which respects anonymity and protects complaints such as go to any members of gender committee or go to estate or mill manager who is appointed by Managing Director as the management representative to resolve any concerns of workers. There are only positive perspectives disclosed by women workers who were interviewed during the surveillance audit (Indicator 6.9.2 and</p>	Yes

<Siam mill and its supply base> <29-31.1.2015>

6.9.3).	
Criterion 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	
<p>Univanich has made fair, legal and transparent agreement with their suppliers and independent growers. Even though there are no purchase contracts to bind with independent growers, they will be informed by the mill of daily FFB price through phone call. The price of FFB is determined by the purchasing department of Siam mill according to the manual of FFB purchasing (OFP manual-pricing mechanism/calculation). Moreover, FFB gate price must be determined in accordance with the minimum FFB price designated by Krabi Provincial Internal Trade Office. The results of daily FFB price will be shared among mills. The daily price of FFB will be posted at the mill gate for 3 possible grades of FFB with OER at 13%, 15% and 17%. The FFB price posted at Siam mill gate on date of the surveillance audit was 4.2 Baht/kg of FFB. Records of mill gate price last year were also observed and found that they are available to the public when needed (Indicator 6.10.1, 6.10.2 and 6.10.3).</p> <p>The payment to independent growers comparing to the gate price throughout year 2014 were higher than FFB price posted at mill gate because it was the strategy of Univanich to induce the interest of independent growers to sell their crop to mill. This practice is not against the laws of Internal Trade Department as long as the company pays higher than the agreed rate. Weighing bill issued for independent smallholder and collected at Weighing department of Siam mill was used to inspect the payment. Payment record for independent smallholder was crosschecked during the surveillance assessment. The payment on 1 October 2014 was done according to the FFB gate price of 5.25 Baht/kg at the same day (Indicator 6.10.3).</p>	Yes
Criterion 6.11 Growers and millers contribute to local sustainable development where appropriate.	
<p>Univanich has operated the corporate social responsibility since the establishment of the company even though they have not been certified for CSR. The corporate social responsibility has always been implemented for decades even though the company had no interest for RSPO certification. Result of interview to community leader, who lives in this community for several decades, during the public consultation meeting confirmed that Univanich has done many things for the local communities and governmental sectors such as local road construction/maintenance, allow local communities to use their roads for transporting at Chean Vanich estate in order to reduce the distance, young oil palm donation, recovery mangrove area, land donation to the local villager habitat, donations to local school, and other activities requested by local communities and governmental sectors (Indicator 6.11.1). Currently, Univanich don't have scheme smallholders being certified in this second surveillance audit process. Therefore, indicator 6.11.2 is not applicable.</p>	Yes
Criterion 6.12 No forms of forced or trafficked labour are used.	
<p>Univanich mills and all estates have a special labour policy for anti-trafficking labour or forcing labour and migrant workers displayed at notice board of every site. This policy was released and signed by the Managing Director. Even though some workers moved from provinces in Eastern region of Thailand, result from interview with these workers</p>	Yes

<Siam mill and its supply base> <29-31.1.2015>

<p>confirmed that they made their own decision to work at estate without forcing by staff of the company. Until now, for example, they still work as sprayer since the first year of recruitment without substitution of the contract to work in other job and/or area. They also know their right on how to terminate the work and how they can return.</p> <p>(Indicator 6.12.1, 6.12.2 and 6.12.3)</p>	
<p>Criterion 6.13</p> <p>Growers and millers respect human rights</p>	
<p>Policy to respect human right for all level of the workforce and operation is recently released by top management of Univanich. This policy is available at the workplace. Workers were informed on the policy during the occupation health and safety meeting done on 27 December 2014. Then, supervisor of each department was responsible to communicate this policy to their staff who were not participating in this meeting (Indicator 6.13.1)</p>	<p>Yes</p>
<p>Principle 7: Responsible development of new plantings</p>	
<p>Principle 7 is not applicable to this assessment.</p>	<p>N/A</p>
<p>Principle 8: Commitment to continual improvement in key areas of activity</p>	
<p>Criterion 8.1</p> <p>Growers and mills regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continuous improvement in key operations.</p>	
<p>Univanich can clearly demonstrate improvement in social, environment and health management system. Action plan for continuous improvement of relevant activities were established for year 2015. The records of relevant activities in last 3 years were incorporated into the plan for the continuous improvement. Here below are the example of plans that were already established by the Univanich for Siam mill and estate.</p> <ul style="list-style-type: none"> - Expected volume of agrochemical usage, especially paraquat, was expected to be zero in the next year (2016). Besides, the estates plan to reduce amount of glyphosate usage for 20% compared to the total amount used in 2014 - The environmental improvement is based on issues identified during the implementation of EIA and risk assessment. All environmental parameters need to be in compliance with the national standards as the environmental quality reports need to be submitted to Department of Industrial Work.. Production planning will be used to reduce the emission especially decreasing start-up time of machinery which is major cause of fly ash generation - Siam mill and its supply base have fully utilized waste from processing either EFB, POME, decanter cake or frond stacking to recycle in the field. Mill and estate monitored the amount of waste recycling in the last 3 years and found that recycling of POME in the estate increased every year. Waste collection site or worker called “waste home” was constructed to segregate the waste between recycling waste and waste that need to be disposed. - Social improvement will not only focus on the workers but also on the stakeholders. Communication with the stakeholder periodically, is a good 	<p>Yes</p>

<Siam mill and its supply base> <29-31.1.2015>

<p>example to ensure that any concerns on social aspect will be resolved immediately by management representative of mill and estate.</p> <p>-</p>	
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4.2 Sample criteria for inclusion in this report on an annual basis during the lifetime of the certificate

All criteria have been inspected during ASA 1 and 2.

4.3 Noteworthy positive components and identified non conformances

4.3.1 Details of noteworthy positive components

Univanich is recognized as the first pioneer of the palm oil industry in Thailand for four decades. Modern agricultural practices was enhanced and managed by the collaboration with Unilever from Cambridge, UK in the last 15 years. All facilities and utilities of mill and estates were designed by the expert from Unilever before the construction in order to meet with the safety procedure of the company. Until the present, the facilities and utilities are well maintained in good conditions. Even though the company has never been certified for other standards such as ISO9001:2008, ISO14001 and others, the management system and operation processes are well established. Computerized system has been provided for the traceability purposes. As Univanich is the first pioneer of the palm oil industry in Thailand, the communities located surrounding the mill and estates are recently established. Corporate Social Responsibility implemented by Univanich helps in maintaining the sustainable development with the local community adjacent with the mills and estates.

4.3.2 Status of non-conformities previously identified.

This section gives an over view of action taken to close out non-conformities raised during the previous audits.

If a minor-non-conformity raised at the last audit, is not closed out, then this will be raised to Major status and the company given 60 days to close this out.

<Siam mill and its supply base> <29-31.1.2015>

Non Conformity Number 1	
RSPO – Criterion : 2.1 (indicator 2.1.1)	
Location	Siam mill and its supply bases
Description of Finding/Objective Evidence:	
Equipment used in the estates especially sickle for the harvesting activity is provided and bought by plantation workers itself. As required by the labour protection and welfare laws, in fact, the equipment should have been provided by the estates	
Classification	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor
Comment	
<p>The compensation for the workers who purchased sickles before the date of first surveillance audit was already given back to those worker at 50% of sickle price through the payroll that was paid on the beginning of May 2014 because the company allow the workers to keep the sickle as their asset. The rest payment was done at the end of the year 2014.</p> <p>Based on the corrective action; however,as long as the equipment used for plantation’s activities are provided by the company rather than let the worker purchase it by themselves, it is compliant with the labour protection and welfare laws</p> <p>Follow up with the non-conformity raised during the previous audit was carried out. Result showed that compensation for workers who purchased sickles was completely done by the company at the end of year 2014. Therefore, non-conformity was closed properly</p>	

Non Conformity Number 2	
RSPO – Criterion : 2.1 (indicator 2.1.3)	
Location	Siam mill
Description of Finding/Objective Evidence:	
Relevant laws and regulations are required to monitor the compliance as addressed in procedure PV2 Rev.00 “Identification of related laws and regulations and follow up”, but there was no evidence to show and confirm that the mill has checked the compliance with any laws and regulations.	
Classification	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor
Comment	
<p>As there was no obviously appointed person to monitor the compliance with relevant laws and regulations for mill operation, the mill has assigned the engineer (mill manager) for monitoring and checking the compliance with the laws and regulations concerned.</p> <p>Follow up with the non-conformity raised during the previous audit was carried. Result showed that company has taken an action to close out non-conformity properly. Currently, list of relevant law and regulations that have been reviewed and confirmed by the management representative it up to date and available during the assessment</p>	

<Siam mill and its supply base> <29-31.1.2015>

4.3.3 Detail of Non Conformities identified during this ASA

This section gives an over view of new or revised non-conformities raised during this audit.

AUDIT OUTCOME		
During this audit,	2	Non-Conformities MAJOR
	2	Non-Conformities MINOR

Non Conformity Number 1		
RSPO – Criterion : RSPO P&C Generic Version 2..1.1		
Location	All Estates	
Description of Finding/Objective Evidence:		
Daily wage worker had to work on public holidays and have never used their right for annual leave in order to gain the revenue for their family even though they are willing to work in public holidays and do not need to request for annual leave		
Classification	<input checked="" type="checkbox"/> Major	<input type="checkbox"/> Minor
Corrective action planned (by company):	Deadline for implementation	: 31 March 2015
The company released the policy with respect to labour laws. This policy states that workers who work at the estate need to take a rest on public holidays even though they want to work for gaining the money. If workers who are willing to work without requesting for annual leave, they will be paid by the company at the minimum wage of 300 Baht/day		
Review of corrective action		
Once the policy was released, the company has started to implement accordingly. Daily workers are required to take a rest even though they want to work on the public holidays. Moreover, company plan to pay for their living expenses for food to offset if they will not be paid for daily wage.		
Closed:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
The implementation of the corrective action will be counter checked during the annual surveillance audit.		
Lead Auditor or Auditor, Date	Chaiyaporn Seekao, 30 March 2015	

<Siam mill and its supply base> <29-31.1.2015>

Non Conformity Number 2	
RSPO – Criterion : RSPO P&C Generic Version 4.6.4	
Location	Chean Vanich estate
Description of Finding/Objective Evidence:	
There is no objective evidence showing that use of paraquat has been planned to be minimized or eliminated especially at the nursery area	
Classification	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor
Corrective action planned (by company):	Deadline for implementation : Next surveillance audit
Company established the plan to eliminate the use of paraquat in the estate. However, paraquat is still required to be used in the young palm oil nursery to control broadleaf and narrow-leaf weed which can grow very fast between the rows of young palm oil. Workers are required to collect all loose fruit to prevent it become young palm oil or weed in the future. Alternative chemical especially Allion herbicide will be used to control broadleaf weed instead of paraquat	
Review of corrective action	
Plan to minimize and stop using of paraquat is established. All estates where are supply base of FFB to Lamthap mill decided to stop using paraquat. Paraquat can be allowed to use in palm oil nursery area where is located in Lamthap estate only. However, the implementation for elimination of the use of parquat will be verified in the next surveillance assessment	
Closed: <input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
The implementation of the corrective action will be counter checked during the annual surveillance audit.	
Lead Auditor or Auditor, Date	Chaiyaporn Seekao, 30 March 2015

Non Conformity Number 3	
RSPO – Criterion : RSPO P&C Generic Version 5.6.2	
Location	All mill and all estates
Description of Finding/Objective Evidence:	
Currently, the company has done well to prevent the emission of methane by construction of the methane capture generating on average 100,000 gold standard CER; however, some greenhouse gas (GHG) emissions caused by other activities at mill and estate have not been identified e.g. boiler and transportation.	
Classification	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor
Corrective action	Deadline for implementation 31 March 2015

<Siam mill and its supply base> <29-31.1.2015>

Non Conformity Number 3	
<p>Plan to reduce the emission of GHG was established for both mill and estate activities. All activities that cause of GHG emission were identified such as FFB transport from estates to mill, emission from stack of the mill, land conversion, fertilizer manufacture and transport, and N₂O from fertilizer application. Even though biogas was constructed for many years to capture methane, Univanich started to reduce GHG from other activities. The plan to reduce GHG emission from these activities will be implemented during 2015-2016. Based on the quantity of GHG emission from each activity it was confirmed that the company plans to reduce GHG emission every year. For instance, GHG from fuel consumption or transportation will be reduced to 150 tC₂O_e by 2016.</p>	
Review of corrective action	
<p>All activities that are cause of GHG emission are identified. Major GHG emission from methane gases was controlled by biogas. For other GHG, Univanich established plan to reduce GHG emission such as reduce the fuel consumption for FFB transportation from estates to mill.</p>	
<p>Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>The implementation of the corrective action will be counter checked during the annual surveillance audit.</p>	
Lead Auditor or Auditor, Date	Chaiyaporn Seekao, 30 March 2015

Non Conformity Number 4	
RSPO – Criterion : RSPO P&C Generic Version 5.6.3	
Location	All mill and all estates
Description of Finding/Objective Evidence:	
<p>Currently, significant pollutants and emissions from mill and estates were not reported to RSPO</p>	
Classification	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor
Corrective action	Deadline for implementation Next surveillance audit
<p>PalmGHG which is released by RSPO is now adopted to use for monitoring the significant pollutants and emissions. Results of the monitoring done recently will be reported to RSPO annually before the audit.</p>	
Review of corrective action	
<p>The company adopted the PalmGHG to monitor the significant pollutants and emissions. However, the report of the monitoring to RSPO is not carried out. Therefore, this non-conformity is still outstanding and need to be follow up in the next surveillance assessment</p>	
<p>Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>The implementation of the corrective action will be counter checked during the annual surveillance audit.</p>	
Lead Auditor or Auditor, Date	Chaiyaporn Seekao, 30 March 2015

<Siam mill and its supply base> <29-31.1.2015>

4.4 Issues raised by stakeholders

Stakeholder meeting was held on 31 January 2015 at the club of Siam mill.

Complaints received:

No complaints raised by stakeholders during the public consultation meeting

Company response and proposed action to be taken:

Not necessary

Audit team findings

Based on discussion between stakeholders and auditor team, it was confirmed that there is no negative impact concerned by stakeholder.

<Siam mill and its supply base> <29-31.1.2015>

5 RSPO Supply Chain Certification

The palm mill mentioned in the scope of the audit was audited against the requirements of the following:

- RSPO Supply Chain Certification Systems. November 2011.
- RSPO Supply Chain Certification Standard. November 2011.

Supply chain model for which the mill applies:

Segregation

Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill, the implementation of any processing controls (for example, if segregation is used), and volume sales of RSPO certified producers. 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 segregating the material then only Mass Balance is applicable.

Mass Balance

Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.

5.1 Findings by criteria

Criterion	Compliance	Comments
1 Documented procedures		
1.1 The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:		
a) Complete and up to date procedures covering the implementation of all the elements in these requirements	Yes	Procedures and/or work instructions covering the implementation of all the elements required to handle certified RSPO products especially CPO was established into one document. It was used by responsible person who works at Siam mill

<Siam mill and its supply base> <29-31.1.2015>

b) The name 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 facilities procedures for the implementation of this standard.	Yes	Mr. Skulrath, the director of sale and marketing, is assigned by top management as responsible over the implementation and monitor the compliance with the RSPO SCC standard
1.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.	Yes	Based on their current instruction and implementation, receiving of certified FFB from each estate was done in compliance with the standard
2 Purchasing and goods in		
2.1 The facility shall verify and document the volumes of certified and non-certified FFBs received.	Yes	SAP system is a useful tool to verify the volume of certified and non-certified FFBs received. The procedure SD-001 also covers this implementation
2.2 The facility shall inform the CB immediately if there is a projected overproduction.	Yes	System to deal with the overproduction case and mechanism to inform CB is available
2.3 For facilities that are required to announce and confirm trades in the RSPO IT system (all facilities up to the final refinery and excl. traders) this shall include making Shipping Announcements and Shipping Confirmations in the RSPO IT system on the level of each shipment.	Yes	Based on their implementation to confirm trades of CSPO showed that it was done in compliance with the standard
3 Record keeping		
3.1 The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.	Yes	Records of receiving certified FFB are well kept and maintained. Weighting of certified FFB from each estate and sale documents of certified CPO were also kept
3.2. Retention times for all records and reports shall be at least five (5) years.	Yes	Retention time for all report is established to maintain at least for 5 years
3.3 Supply chain actors who take legal ownership of and physically handle RSPO certified sustainable oil palm products and who are part of the supply chain of RSPO certified sustainable oil palm products before and up to the (final) refinery need to register their transaction in the RSPO IT system upon the moment of physical shipment. Actors who must register include mills and refineries. Actors who must not register include traders and all operators after the final refinery.	Yes	Based on their implementation to confirm trades of CSPO showed that it was done in compliance with the standard
<u>Specific for Segregation</u> 3.4 The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis.	N/A	Only MB will be applied by the facility

<Siam mill and its supply base> <29-31.1.2015>

3.5. The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/SG or Segregated. The supply chain model used should be clearly indicated.	N/A	Only MB will be applied by the facility
<u>Specific for Mass Balance</u> 3.6 a) The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis.	Yes	Three month basis for verifying the balance of certified FFB from estates and delivery of RSPO certified CPO was set and implemented. However, sell short will not be applied by the company
b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.	N/A	There are only 2 products in the scope of P&C certification. Conversion ratio stated by RSPO is therefore not applicable
c) The facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short.	Yes	Internal accounting system has been set in compliance with the rule. However, based on Univanich policy sell short will not be applied,
3.7. The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated.	Yes	The following trade name "product name/MB" is used to indicate in sale document
3.8. In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	N/A	There is no outsource activity to an independent palm kernel crush.
4 Sales and good out		
4.1. The facility shall ensure that all sales invoices issued for RSPO certified products delivered include the following information:		
a) The name and address of the buyer;	Yes	Only invoice will be issued to customer who received certified RSPO product. However, name and address of buyer will be indicated in that invoice.
b) The date on which the invoice was issued;	Yes	Date on which invoice issued will be indicated in all documents to be sent to customer e.g. invoice and weighting bill
c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance)	Yes	Supply chain model in which facility complied with will be addressed in all documents to be sent with the product e.g. invoice and weighting bill
d) The quantity of the products delivered;	Yes	Quantity of products delivered to customer will be addressed in the weighting bill and invoice
e) Reference to related transport documentation.	Yes	COA and transportation of oil letter approved by Internal Commerce Department are another document done in every lot/batch
5. Processing (only for segregation)		

<Siam mill and its supply base> <29-31.1.2015>

<p>5.1. The facility shall assure and verify through clear procedures and record keeping that the RSPO certified palm oil is kept segregated from non certified material including during transport and storage and be able to demonstrate that it has taken all reasonable measures to ensure that contamination is avoided. The objective is for 100 % segregated material to be reached. The systems should guarantee the minimum standard of 95 % segregated physical material*; up to 5 % contamination is allowed. (*The background of guaranteeing the minimum standard of 95% segregated physical material is due to physical intermixing of two product flows (certified and conventional oil) in processing, which is technically unavoidable.)</p>	<p>N/A</p>	<p>Only MB will be applied by the facility</p>
<p>5.2. The facility shall provide documented proof that the RSPO certified palm oil can be traced back to only certified segregated material.</p>	<p>N/A</p>	<p>Only MB will be applied by the facility</p>
<p>5.3. In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that: The crush operator conforms to these requirements for segregation The crush is covered through a signed and enforceable agreement</p>	<p>N/A</p>	<p>Only MB will be applied by the facility</p>
<p>6 Training</p>		
<p>6.1. The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems</p>	<p>Yes</p>	<p>All selected employees were trained on RSPO introduction and the relevant implementation established as the procedures or work instruction on 29 November 2014</p>
<p>7 Claims</p>		
<p>7.1. The facility shall only make claims regarding the use of or support of RSPO certified palm oil that are in compliance with the RSPO Rules for Communication and Claims.</p>	<p>Yes</p>	<p>Product name/MB is used to show the claim as either RSPO certified product or not. Neither RSPO logo nor RSPO trademark are used</p>
<p>8 Complaints</p>		
<p>8.1 The facility shall:</p>		
<p>a) keep a record of all complaints made known to the facility relating to a product's compliance with requirements of the RSPO SCCS and make these records available to the certification body when requested</p>	<p>Yes</p>	<p>Complaint procedure established for using with other standards has been seen. It will also be used to control the complaints related to product's compliance with requirement of RSPO supply chain certification</p>
<p>b) take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with</p>	<p>Yes</p>	<p>No any complaints received yet</p>

<Siam mill and its supply base> <29-31.1.2015>

the requirements for certification;		
c) document the actions taken.	Yes	No any complaints received yet

5.2 Noteworthy positive components and identified non conformances

5.2.1 Details of noteworthy positive components

The SAP system is useful tool for dealing with the certified FFB and delivering of certified CPO. Even though there are 3 mills owned by Univanich, but every time for confirming trade as RSPO certified, the director of sale and marketing who works at Siam mill will be responsible. Therefore, sale documents showing whether RSPO certified CPO are reviewed and confirmed by director of sale and marketing. Confirm trade in RSPO eTrace will be monitored by the director of sale and marketing rather than allowing all mill to do separately.

5.2.2 Detail of non-conformity

AUDIT OUTCOME	
During this audit	0 Non-Conformities MAJOR

<Siam mill and its supply base> <29-31.1.2015>

6 Certified organization's acknowledgement of internal responsibility

6.1 Date of next surveillance visit

The next surveillance audit is scheduled within 9-12 months from certification date.

6.2 Date of closing non-conformities

All major NCs closed by	30 March 2015
All minor NCs to be closed by	Next surveillance assessment

6.3 Formal sign-off of assessment findings

Name of Client:	UNIVANICH PALM OIL PUBLIC COMPANY LIMITED - Siam mill
Client number:	44690
Certificate number:	74295
Certification Decision Date:	30/07/2015
Issued by	TÜV NORD Integra
Address	Statiestraat 164 2600 Berchem, Antwerp Belgium
Telephone	+32 3 287 37 60
Fax	+32 3 287 37 61
Email	info@tuv-nord-integra.com
Website	www.tuv-nord-integra.com
Scope	FFB, CPO and PK
Name of Mill: Siam mill	
Scope (Summary of suppliers of FFB):	Chean Vanich estate and Siam Palm estate which covers Nanue division and Wanee division
Annual certified volume CPO:	993 tons
Annual certified volume PK:	303 tons
Annual volume FFB (in case of	5,517 tons

<Siam mill and its supply base> <29-31.1.2015>

group certification):	
Type of certification:	Single site: Yes Group Certification: No
Certifier (contact person)	Gerrit De Weerd
Signature: 