



# United Malacca Berhad

Reg. No. 191001000010 (1319-V)

## SUSTAINABLE PALM OIL POLICY

### Scope

This policy applies to all United Malacca Berhad (UMB) operations in Malaysia and Indonesia, including our subsidiaries, joint ventures and companies where UMB has management control. UMB would also require all its third-party Fresh Fruit Bunch (FFB) suppliers to comply with this policy.

### UMB's Commitment

UMB is committed to ensuring its palm oil is produced sustainably through continual assessment and improvement of its operations.

UMB is committed to;

- Complying with all applicable local, state, national and international laws
- Adhering to the Principles and Criteria of national sustainability certification standards to which UMB have registered
- Protecting High Conservation Value (HCV) areas
- Respecting human rights and the rights of local communities
- Upholding a transparent, traceable and sustainable supply chain for palm oil and
- Conducting business ethically

### 1. Environmental and Biodiversity Management

- 1.1 Protect High Conservation Value (HCV) areas, as defined under the national sustainability certification standards
- 1.2 No new development on peat areas, as defined under the national sustainability certification standards.
- 1.3 Initiate plans to progressively reduce greenhouse gases (GHG) emissions by composting, no deforestation and management of peatlands.
- 1.4 Maintain zero-burning commitment.
- 1.5 Minimise the use of pesticides and hazardous chemicals and progressively adopt natural biological controls through Integrated Pest Management.
- 1.6 Communicate with employees and local communities regarding the importance of protecting HCV areas and observing the ban on hunting and trafficking of birds and animals. These include collecting rare, threatened and endangered flora and fauna.

### 2. Human Rights and Rights of Local Communities

- 2.1 Fair and equal employment opportunities for employees, regardless of race, nationality, religion, gender, physical ability, age, union membership or political affiliation. Upholding rights and respect for all level of employees, including contract, temporary and migrant workers.

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- 2.2 Prohibit all forms of illegal, forced, bonded or child labour and upholding the rights to freedom of movement.
- 2.3 Uphold the right to freedom of association and rights to collective bargaining.
- 2.4 Wages and all pertaining statutory payment are made per the national legislation of the country.
- 2.5 Workers recruited by UMB do not need to pay any recruitment fees, and all employment contracts are documented.
- 2.6 Prohibit withholding of workers' wages, passports or identity documents unless provided for by law.
- 2.7 Provide a safe and healthy working environment, free of violence and sexual harassment
- 2.8 Respect and recognises the rights of indigenous and local communities formal and customary rights to lands.
- 2.9 UMB commits to Free, Prior and Informed Consent (FPIC) in all negotiations with the indigenous and local communities before commencing any new operations.
- 2.10 Policies UMB supports including:
  - Environment, Health and Safety (EHS) Policy
  - Whistleblowing Policy
  - Anti-Bribery Policy
  - Directors' Code of Ethics
  - Employees' Code of Conduct.

### 3. Transparency and Traceability

- 3.1 Engage openly and transparently to resolve verifiable complaints and grievances raised by internal or external stakeholders.
- 3.2 UMB will strive to source from suppliers who are committed to our Sustainable Palm Oil Policy
- 3.3 UMB will build a traceable palm oil supply chain by working together with our buyers and suppliers

### Implementation and Monitoring

UMB will be implementing this policy throughout its Group. Management will continue to monitor this policy's implementation while consulting, engaging, and supporting all employees and stakeholders to ensure full compliance.

**YOUNG LEE CHERN**  
Chief Executive Officer  
1<sup>st</sup> June 2023

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