3. Business Sustainability Development

3.1 Policy and objectives of Sustainable Management

The Univanich company's 6,000 hectares of oil palm plantations now produces approximately 6% of the fruit processed by the company's five crushing factories. More than 4,000 independent small farmers produce 94% of fruit processed by the company, and it is through encouragement of this smallholder participation that Univanich business has grown into an agribusiness success.

Univanich Palm Oil PCL was listed on the stock exchange of Thailand in 2003, under the abbreviation of UVAN. Today, it is one of Thailand's leading producers of crude palm oil (CPO) and crude palm kernel oil (PKO) for domestic and international markets. Biodiesel and other renewable biofuels are rapidly expanding new uses for palm oil, within Thailand's domestic palm oil market.

In helping to promote this successful transformation, Univanich has always emphasized what it perceives as the "four Pillars of Sustainability" which are:

Advances in Science

In 1983, Univanich commenced a collaboration with the UK based Unilever Plantations and Plant Science Group. During the ensuing fifteen years, the company's Oil Palm Research Centre (OPRC) was established to carry out research into unique features of Thailand's oil palm agronomy and in particular, into oil palm breeding for improved drought tolerance.

Today, the Univanich OPRC is recognised internationally as a leader in oil palm research. High yielding, drought tolerant Univanich seeds are exported globally to oil palm growers in more than 15 countries. In 2006 the company established Thailand's first laboratory for oil palm tissue culture, with an objective to clone the elite parent palms from the Univanich breeding programme. This long-term research is now coming to fruition with Thailand's first planting of high yielding clones in 2010, and in 2016 the company produced Thailand's first semi clonal oil palm seeds, which are now available for sale. The latest advance in science should ensure the competitiveness of Thailand's oil palm industry into future generations.

Environmental Best Practice

Since the company's first Environmental charter in the 1980's, which prohibited clearing of primary forests, Univanich has been at the forefront of promoting environmental best practice. The company's pioneering investment to reduce greenhouse gas emissions has led to development of four methane capture projects which together supply renewable electricity to many thousands of households through Thailand's national grid and which have generated more than 100,000 Gold Standard Certified Emission Reductions (CERs) annually, under the United Nations Clean Development Mechanism. This creation and sale of Gold Standard CERs from Palm oil waste was another world first for the Univanich company.

Social Sustainability

Independent smallholders now make up more than 80% of Thailand's 1 million hectares of oil palm, mostly located in the Southern provinces of Krabi and Surat Thani. What had been an impoverished and politically unstable region 40 years ago, has achieved a new prosperity, largely as a result of this successful agricultural development. Univanich has encouraged this development through the annual supply of more than 1.5 million high yielding seedlings to local farmers and through field- days at the company's OPRC training centre.

The company's strategy of 'sharing the technology and spreading prosperity' has paid off for the entire community. As thousands of small farmers have expanded and prospered, so too has the Univanich business.

These three pillars of sustainability have been developing into the culture of the Univanich Business since the early plantings by Khun Chean Vanich in the late 1960s.

The realization of stakeholder engagement and sharing the value with the local community has meant that the business has grown in a sustainable manner through the decades.

This fourth and final pillar is the Development of Sustainable markets with RSPO Certification.

In the early 2000's there were strong links developing that associated palm oil with deforestation, threats to species survival, environmental damage and severe social consequences. In response to this urgent and pressing global call for the production of sustainable palm oil, the Round Table for Sustainable Palm Oil (RSPO) was formed in 2004. With the objective of promoting growth and use of sustainable oil palm products through a credible global standard, and engagement of stakeholders from all sectors of the palm oil industry:

Producers & Processors, Traders, Consumer goods manufacturers, Retailers, Banks, Investors, Environmental conservation NGO's and Social or Developmental NGO's.
The aim was to develop and implement a global standard for Sustainable Palm Oil.

This multi stakeholder approach developed a set of Principles and Criteria (with supporting Indicators) that the industry players could adhere to.

The Principle is the fundamental statement about the desired outcome and the Criteria is the implementation of this principle, the means of judging whether or not the Principle has been fulfilled.

Univanich Palm Oil PLC, with it's previously embedded sustainable and inclusive culture, became an early member of the RSPO, and the RSPO has now provided Univanich with a globally recognised and certifiable framework.

As a certified member of RSPO since 2013, Univanich engages in an annual audit and verification of the production process to the stringent RSPO Principles and Criteria for Sustainable Palm Oil Production by accredited Certifying Bodies. The certificate can be withdrawn at any time in case of infringement of the rules and standards.

RSPO Principles and Criteria Topics and Objectives

Principle No.		Criteria Topic	Objective
Prosperity	1.	Information and public availability	A sustainable, competitive and resilient palm oil sector ensures long term viability of the entire supply chain and shared benefits for both private sector as well as the livelihoods of communities where oil palm is grown. Effective planning and management system to address economic viability, environmental and social compliance and risk, establish procedures and systems for ensuring conformance to the RSPO P&C, and supports continuous improvement towards sustainable palm oil.
		Communication and consultation	
		Commitment to ethical conduct	
	2.	Legal compliance	
		Third party contractors legal	
		Third party FFB legally sourced	
	3.	Long term plan and economic viability	
		Continuous Improvement and Reporting	
		Standard Operating Procedures	
		SEIA and Plans	
		System for managing human resources	
		Occupational Health and Safety Plan	
		Training	
People	4.	Human Rights	Human rights protected, respected and remedied. The palm sector contributes to reducing poverty, and palm oil production is a source of sustainable livelihoods. Human rights are respected. People participate in processes that affect then with shared access and benefits. Everyone engaged in palm oil production has equal opportunities to fulfill their potential in work and community with dignity and equality and in a healthy working and living environment.
		Complaints and Grievances	
		Contribution to local sustainable development	
		Land use and Free, Prior, Informed Consent (FPIC)	
		Land use: Compensation	
		Land use: Conflict	
	5.	Improved smallholder livelihoods	
		Pay and working conditions	
	6.	No discrimination	
		Freedom of association	
		No child labour	
		No harassment	
		No forced or trafficked labour	
		Safe working environment	
Planet	7.	Effective Integrated Pest Management	Impact Goal: Conserved, protected and enhanced ecosystems that provided for the next generation. Ecosystems and their services are protected, restored and resilient, including through sustainable management of natural resources (sustainably manage forests, combat desertification, halt and reverse and degradation, halt biodiversity loss. Climate change is addressed through continuous GHG reduction and air and water pollution are controlled.
		Pesticide Usage	
		Waste management	
		Soil health fertility	
		Soil Conservation (erosion and degradation)	
		Soil surveys and topographic information	
		Peat	
		Water quality and quantity	
		Energy use	
		Pollution and GHG's	
		Fire	
		HCV and HCS	

Univanich uses the RSPO Principles and Criteria as it's foundation and guidance for its Environment, Social and Governance (ESG) platform, where we can demonstrate benchmarks and continuous improvement through the monitoring of key performance indicators with targets to highlight our sustainable and responsible growth, and mitigate our enterprise risk.

The remainder of this report focuses on the methods Univanich use in addressing the RSPO Principles and Criteria in regards to maintaining certification since 2013, and how we monitor continuous improvement through annual KPI's.

3.2 Management of Impacts on stakeholders in the Business Supply Chain

3.2.1 Business Value Chain.

3.3 Management of Environmental Sustainability

Climate Change

Global weather patterns and sea levels are changing because of increasing temperatures caused by human activities releasing greenhouse gases (GHGs) into the atmosphere.

Carbon dioxide has been the main cause of global warming to date, releasing into the atmosphere by use of fossil fuels, land use change, such as deforestation and agricultural conversion. Methane is another significant greenhouse gas (the impact of methane on global warming is 23 times greater than that of CO_2).

GHG emissions and temperatures will continue to increase throughout the 21st century. This will encourage a greater frequency of extreme weather events such as heatwaves, droughts and sudden heavy rainfall.

The RSPO has a strong focus on reducing Green House Gas emissions and the attempts to limit the contribution of the palm oil industry to climate change.

Members are required to monitor and report emissions and implement plans to reduce emissions.
Univanich takes the matter of climate change seriously and as a member of RSPO we currently monitor and look for opportunities to reduce our GHG emissions.

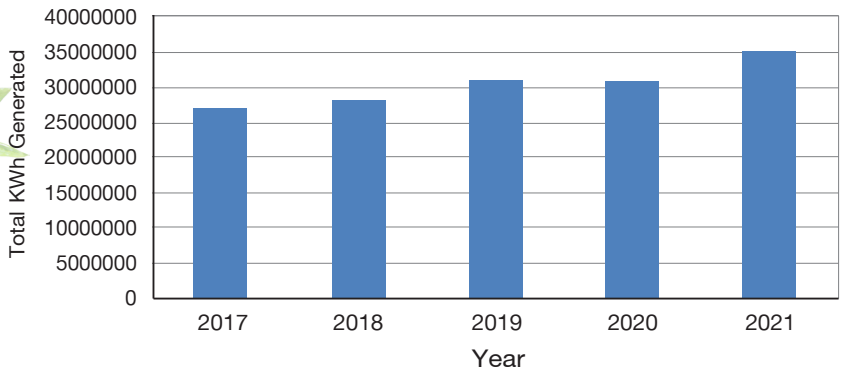
Univanich weather conditions are also on the drier spectrum of growing oil palm, with longer dry seasons than other more suitable growing regions. The longer drier period can have pronounced effects on the yield and this has also led to a focus on our water management practices and water usage which we monitor, and look for innovative methods of irrigation to support our production.

Reducing our Carbon Footprint

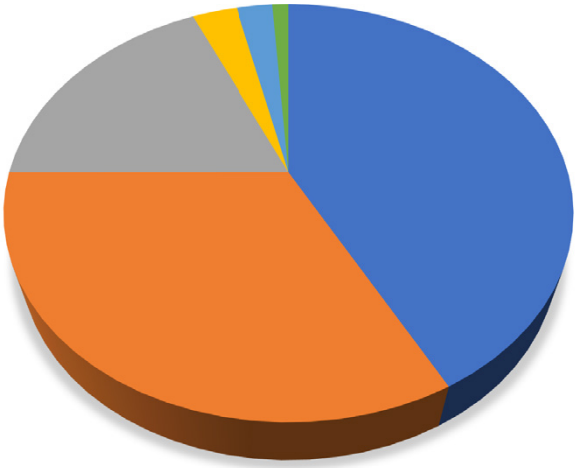
RSPO Principle No.		Criteria Topic	Objective
Planet	7.	Energy use	Use of renewable energy
		Pollution and GHG's	Reduction in GHG emissions

Univanich remains strongly committed in the reduction of our greenhouse gas (GHG) emissions and carbon footprint at our plantations and factory processing operations. Nearly 20% of the planets warming can be attributed to methane gas. Since 2008 we have been harnessing the methane gas from our waste water treatment ponds at our factories and converting this into energy through our biodigesters and gas engines. This energy is then sold into the local power grid.

Electricity Generatated through our Methane Capture Projects 2017-2021



Univanich Gross GHG Emissions by Source 2021 (MT CO_2 e%)



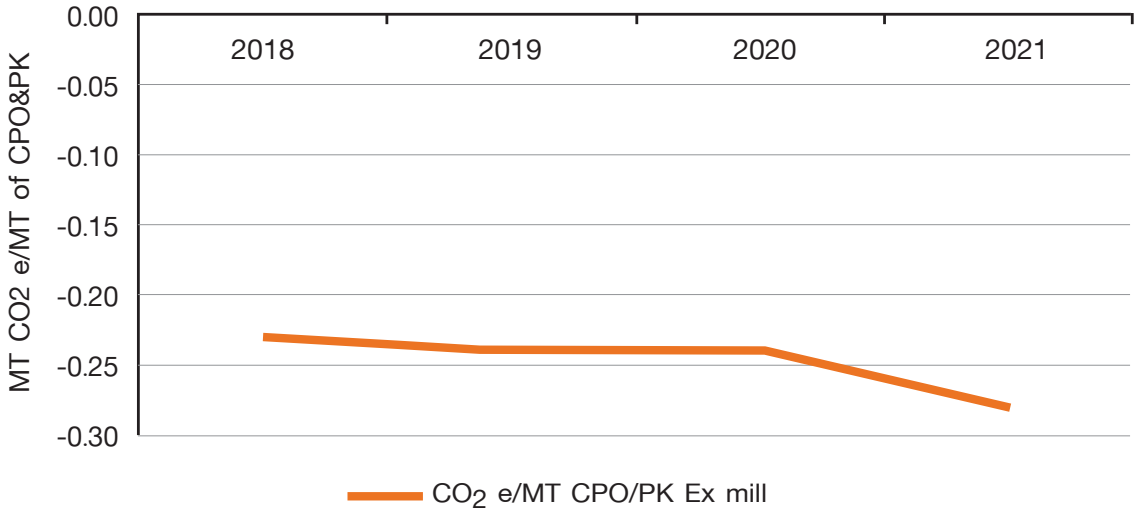
	Land Conversion	42%
	Pome	33%
	Factories Fuel	18%
	CO_2 Emissions Fertiliser	3%
	N_2O Emissions	3%
	Fuel (Field Operations)	1%

Our most significant source of emissions comes from our land use change of the establishment and operations of our own plantation estates, with a CO_2 emission of 38,683.01 MT of CO_2. This makes up 42% of our total CO_2 emissions from all our operations in 2021 (based on the assumptions made in the RSPO Palm GHG calculator). Our second most significant GHG source comes from the palm oil mill effluent (POME) from our factories, at 33%. Emissions from fuel use in the processing factories represents 18% of the total emissions, and this is a combination of the requirement for fossil fuel use, as well as the requirement to use power from the main grid on occasions. The majority of factories fuel is independent from fossil fuel, as it relies heavily on the biomass supply from the process.

The remaining 7% of our CO_2 emissions is made up from fertiliser which emits both CO_2 and N_2O (which is 300 times the potency of CO_2), and fuel use from carrying out field operations.

	Emission Sources							Credits			Summary		
Year	Land Clearing	CO_2 Emissions Fertiliser	N_20 Emissions	Fuel (Field Ops)	POME	Mill Fuel	Grid Electricity	Crop Sequestration	Export of Electricity	Sales of PKS	Net Emissions	Total Palm Product	CO_2 e/MT CPO/PK Ex mill
2018	46,344	3,075	17,158	1,534	25,663	2,783	11,899	- 44,767	- 4,746	- 114,782	- 55,838	237,787	- 0.23
2019	47,481	3,312	2,429	1,320	23,754	2,495	12,122	- 42,959	- 7,302	- 101,239	- 58,587	240,087	- 0.24
2020	31,601	3,058	2,554	1,225	23,103	1,821	12,705	- 32,542	- 5,161	- 93,675	- 55,309	231,116	- 0.24
2021	36,039	2,632	2,121	940	28,096	1,821	13,879	- 33,173	- 6,489	- 120,804	- 74,938	267,623	- 0.28

2021 Univanich CO_2 Emissions per MT of CPO and PK Produced



Our target is to maintain a carbon negative footprint and continue to improve on these reductions from our 2018 baseline data. The 2018 baseline was an overall palm product carbon footprint of -0.23 MTCO2e/MT CPO/PK (ex-factory). Our method of monitoring this measurement is through the use of the RSPO Palm GHG calculator, which came into effect in January 2020.

The net CO_2 emissions from Univanich operations in 2021 was a total of - 74,938 MT CO_2, or -0.28 MT CO_2 / MT CPO & PK. This is a significant reduction in emissions from 2020 (- 0.24 MT CO_2 / MT CPO & PK), primarily due to the following reasons.

An increased palm production and therefore increased credit from carbon dioxide sequestration.

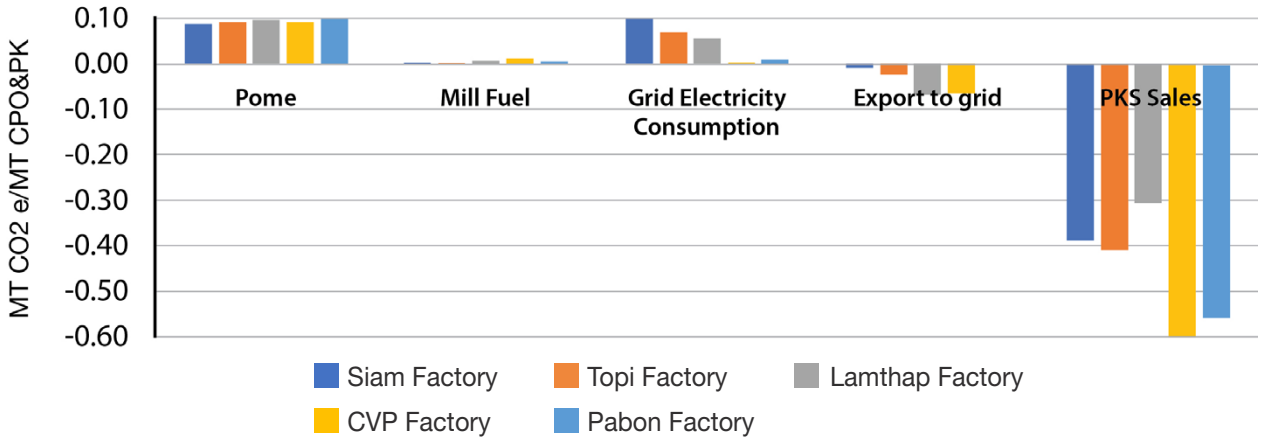
The substitution of inorganic fertiliser, with the increased use of our own empty fruit bunches.

Improvements in our energy management at our processing factories to ensure we maximise the use of our biomass fuel supply and run our boilers as efficiently as possible to reduce our power requirement from fossil fuels.

The improvement in efficiency has allowed for additional credits from electricity export to the grid, and sales of palm kernel shell to third parties for their own fuel supplies.

Our ability to be able to recycle our byproducts of fibre, and palm kernel shell, and our biogas operations, allow Univanich operations to demonstrate negative GHG emissions, or a carbon negative operation.

2021 Processing Emissions From Univanich Factories ($MTCO_2$ e/MT CPO&PK Ex-mill)



To highlight potential areas of improvement, we analyze the emissions for each factory.

Emissions from POME fluctuate subject to processing fruit volumes and the volume of water used in the process. By strictly monitoring our water usage at our factories. We are able to reduce our emissions from POME.

The factories fuel emissions and grid electricity consumption are our main areas for focus, through the improved boiler operations, and improvements in our energy management and use and sale of byproducts. This is where we can aim to reduce emissions further over the next few years and we have highlighted a number of projects to address this area of efficiency.

The Biogas project at CVP is run by a third party, and Univanich involvement is only on the supply of POME to the digester.

At Pabon we have completed the digester infrastructure only and the methane gas is flared off. The remaining infrastructure for production of electricity is still under discussion, subject to availability of a power purchase agreement with the Provincial Electricity Authority. By converting this biogas into electricity, we can make a significant reduction in emissions for this factory.

Overall, our processing factories are able to demonstrate negative emissions from the sale of electricity from the biogas operation and the sale of by products for use by third party companies for energy production in their biomass power stations.

By products from processing factories have evolved, from once being considered as a waste product, to now becoming very suitable replacements for fossil fuels. Univanich will continue to review new technology in this area and aim to reduce GHG emissions further.

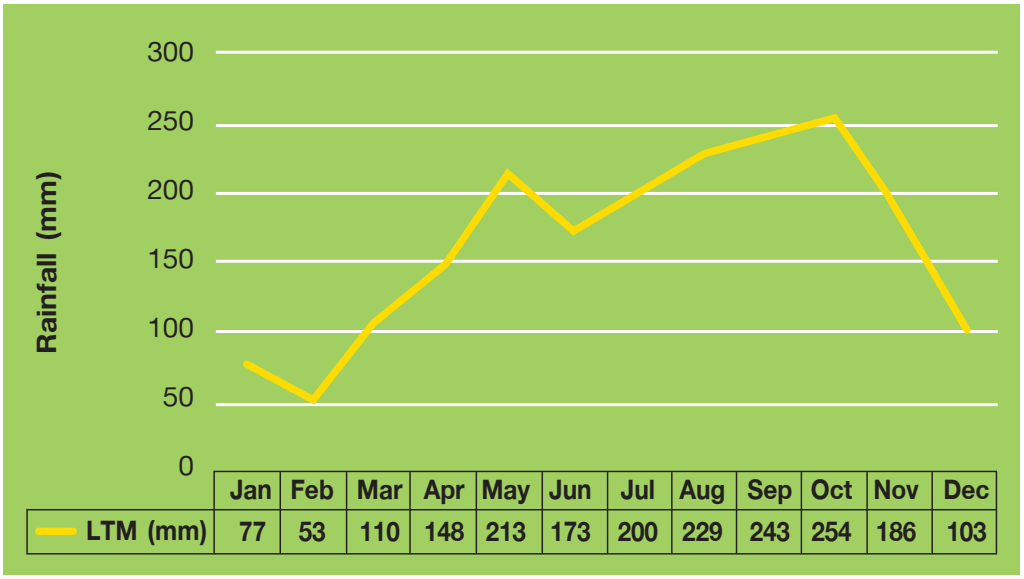
Water Management

RSPO Principle No.		Criteria Topic	Objective
Planet	7.	Waste Management	Waste Management Plan and reduction in waste
		Soil Conservation (erosion and degradation)	Protecting soil structure and water conservation
		Water quality and quantity	Management of water usage

The average long term annual rainfall for the Univanich operations is below 2,000mm and therefore it is important to manage our use of water with care and attention. Whilst we consume water for the processing of FFB, it is also vital we look for ways to recycle and conserve water for the field operations.

Being in a region with lower rainfall means we tend to experience a pronounced dry season in the early part of the year that can lead to consecutive months with rainfall below the 150mm mark. This can strongly influence our yield performance and hence the reason for our focus on water conservation, recycling and irrigation opportunities.

Univanich Rainfall (Long Term Mean mm)

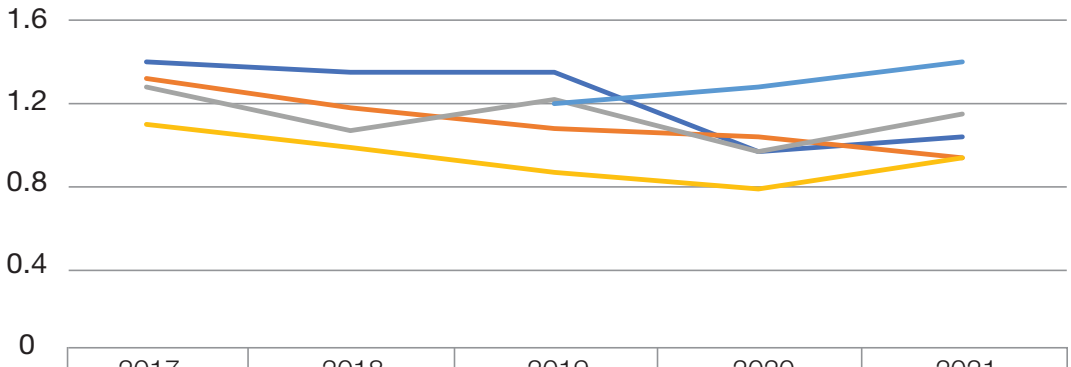


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LTM (mm)	77	53	110	148	213	173	200	229	243	254	186	103

Water for our factories processing and nurseries is drawn from local rivers and from Univanich reservoirs that have been constructed for operational use. The palm oil factories water usage does fluctuate year on year, depending on the process management, boiler efficiency and sterilizing methods used at each factory.

Univanich's current target is to maintain usage below 1.4m^3 per tonne of FFB processed. This has been maintained for the past five years. We have also targeted to reduce water consumption and over the 5-year period we have seen a 15% reduction in water usage at our processing factories. This reduction is through active monitoring and improved management attention.

Palm oil water usage intensity for factories 2017 - 2021 (M^3/MT FFB Processed)



	2017	2018	2019	2020	2021
Siam Factory	1.4	1.35	1.35	0.97	1.04
Topi Factory	1.32	1.18	1.08	1.04	0.94
Lamthap Factory	1.28	1.07	1.22	0.97	1.15
CVP Factory	1.1	0.99	0.87	0.79	0.94
Pabon Factory			1.20	1.28	1.40

The increase in usage for Pabon factory (commissioned in 2018) from 2020, is partly due to the introduction of palm oil separators into the system, which require increased usage of water for dilution purposes. These separators have been installed to help reduce oil losses in waste water, so whilst we have improved our efficiency in recovering more oil, we have also added to our water consumption. Another reason for the higher usage in Pabon is due to the consumption from our small nursery, which we will separate from the factories usage in future reports.

Our CVP processing factory shows consistently lower usage and this is because of different equipment used for the oil recovery system which requires less water.

Continuous monitoring and improvements to the processes will allow us to continue in our efforts to reduce water usage.

All palm oil factories effluent (POME) is processed through our bioreactors and treatment ponds before being discharged. For all factories, upon completion of water treatment, the water is used for land application and provides a useful source of water for irrigation of the oil palm palms, allowing for a steady flow of water to maintain soil moisture through the pronounced dry period.

To improve the treatment process, we carry out regular desilting of the treatment ponds. The recovered silt is also applied to our plantations, as it is a useful source of organic matter to maintain soil structure and provide nutrients for the oil palms.

We monitor the Biological Oxygen Demand (BOD) levels of our final treatment pond to ensure the level does not exceed 20 ppm at the last pond of water treatment.

Chemical Management and Pest Control

RSPO Principle No.		Criteria Topic	Objective
Prosperity	3.	Occupational Health and Safety Plan	Health & Safety Procedures
		Training	Chemical Handling Training
People	6.	Safe working environment	Personal Protective Equipment
Planet	7.	Effective Integrated Pest Management	Alternative Solutions to using pesticides
		Pesticide Usage	Monitoring of chemicals applied

Principle 3,6 and 7 of RSPO focuses on the commitments to monitor pesticide usage within our own plantation estates, and the implementation of integrated pest management (IPM) plans to reduce the use of chemicals application and find alternative methods to minimise the use of chemicals on the plantations.

The Univanich plantation estates utilise the following pesticides in their field management practices.

	Brand Name	Active Ingredient	Target Pest
HERBICIDES	Roundup Garlon Starane Basta Ally	Glyphosate Triclopyr Fluroxypyr Glufosinate Ammonium Metsulfuron	Broadleaf weeds & grasses Broadleaf & woody weeds Broadleaf & woody weeds Broadleaf weeds & grasses Broadleaf weeds
INSECTICIDES	Cypermethrin	Alpha-cypermethrin	Rhinoceros Beetle
RODENTICIDES	Deadline,Lanirat	Bromadiolone	Rodents

Since the very early days, Univanich has been implementing IPM through best management practices. A high standard of replanting with focus on sanitation and effective palm chipping, to reduce potential breeding sites for Rhinoceros beetle, a major pest to oil palm. The Rhinoceros beetle larvae chew into the growing point of young palms and can kill the palm. They are a very significant pest in oil palm plantations.

If replanting, and sanitation is maintained to a high standard, this can significantly reduce the amount of insecticide, namely cypermethrin, which is used as a prophylactic, to control the numbers of Rhinoceros beetle at the replant area.

Cover crops are planted early, to establish good ground cover, and suppress weeds in the early stages of the palm growth. Palm circles are cleared and empty fruit bunches are applied in a single layer around the palm to form an effective mat to prevent weed emergence in the early years. This allows management to reduce the number of rounds of chemical herbicide control in the immature stage when there is no canopy to assist in weed suppression. The empty fruit bunches provide a much-needed supply of nutrients as well as suppressing weed species that will compete with the newly planted palms for both light and soil nutrients. It is important that the young palms are provided with optimum growing conditions so as to reach early maturity and fresh fruit bunch formation.

At Univanich we do not use chemicals identified by World Health Organisation (WHO) as Class1A (extremely Hazardous) or 1B (Highly Harzardous).

Rats are a major pest causing damage to oil palm plantations. They can eat the leaf bases of young palms, sometimes killing the palms and in older palms, rats eat the ripening fruits on the bunch and thereby reduce the oil content of the fruitlets which can affect overall yield. Most farmers use poisons or rodenticides to control rat numbers.

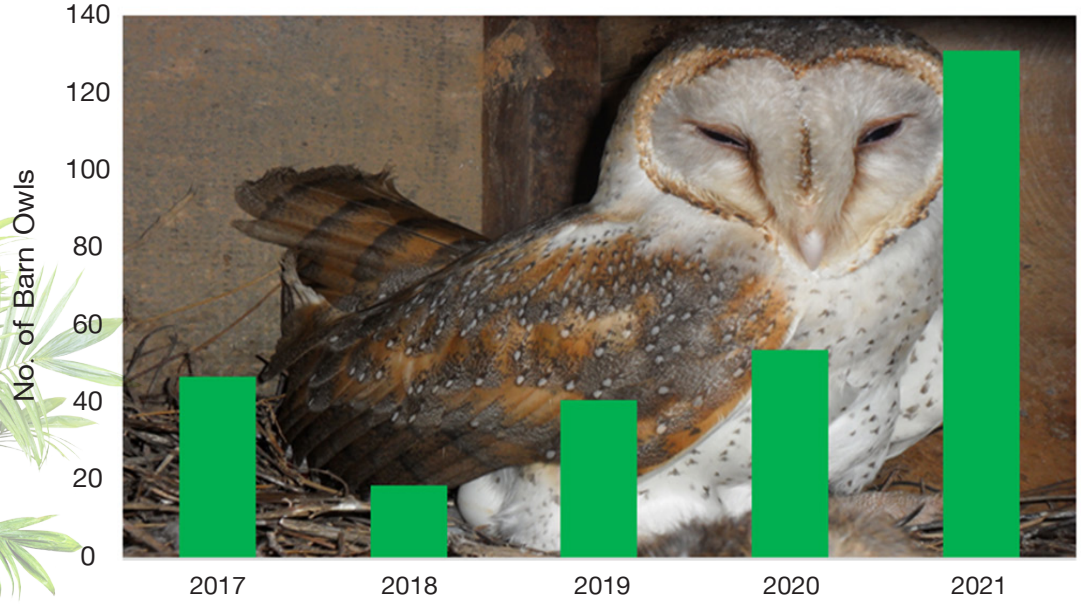
Barn owls are efficient predators of rats and at Univanich Plantations, we have been actively encouraging barn owls to reside in the plantations as an environmentally sustainable method of rat control.

The Univanich team has been erecting Barn owl boxes in the plantation blocks to encourage barn owls to live and breed on the estate.

Adult barn owls can catch up to three rats per day, thereby reducing the need for chemical poisons to control rat numbers.

Numbers of barn owls have been increasing and have almost tripled over the past 5 years.

Barn Owl Population in the Univanich Estates



An annual census is carried out to record, adult numbers, occupancy rates, egg counts and owlet numbers. Univanich has also developed a breeding programme to be able to carry out awareness and assist with rearing and providing barn owls for smallholder farmers that are interested in biological control for their own estates.

3.4 Social Sustainability Management

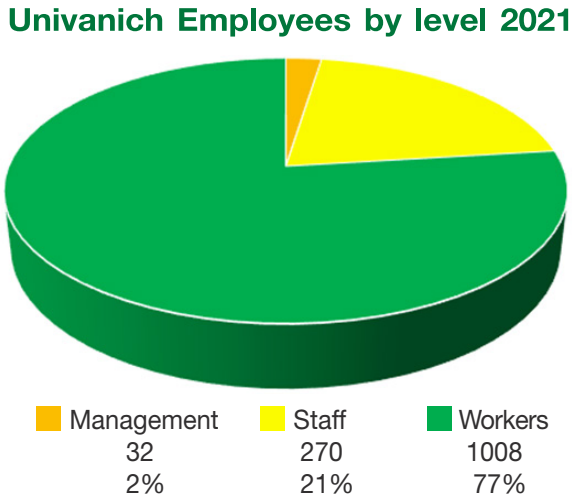
Managing our People

RSPO Principle No.		Criteria Topic	Objective
People	4.	Human Rights	Policy in place to protect our employees
		Complaints and Grievances	Grievance Procedures
	5.	Pay and working conditions	Policy in place to protect our employees
	6.	No discrimination	Policy in place to protect our employees
		Freedom of association	Policy in place to protect our employees
		No child labour	Policy in place to protect our employees
		No harassment	Policy in place to protect our employees
		No forced or trafficked labour	Policy in place to protect our employees

Univanich employs over 1,300 people across the operations in Thailand and Philippines. It is key for Univanich to uphold the highest standards to ensure we are a fair and safe place to work.

We are guided by the national laws in the respective countries and by the RSPO Principles and Criteria guidelines, to which we are audited against annually.

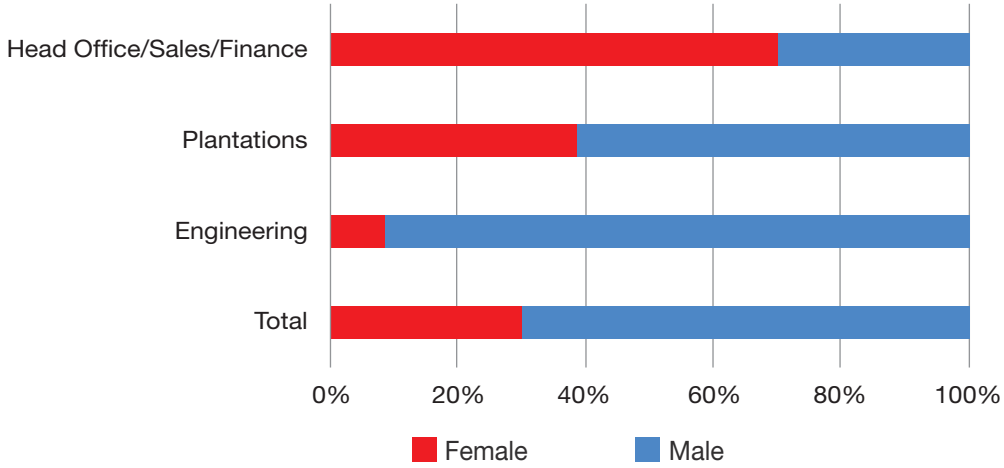
The number of employees as of December 2021 is displayed below.



Our employees are predominantly from the local areas of operations for both Thailand and Philippines, as it is part of our social responsibility to support the local community, by providing employment.

The company also provides the majority of employees with housing and utilities. The company ensures that wages are above the national minimum wage.

No. of Male and Female Employees within Univanich Operations



Univanich is an equal opportunities employer that does not allow any forms of discrimination. All our employees receive the same pay and benefits regardless of gender.

Univanich actively supports gender equality and continues to challenge traditional notions of what gender roles should be. We monitor the gender balance across all our operations and are encouraged by the changes that we are seeing over time, to balance what was previously perceived as a male dominated industry.

Under the guidance of RSPO Principles and Criteria Univanich has established a set of policies in relation to our employees,

Our labour standards are benchmarked against the ILO core labour standards and the National Labour Protection Act (No.7) that include

- All employees have the right of freedom of expression to join and form organisations of their own choosing.
- No children below the age of 18 are permitted to work on Univanich premises, either paid or unpaid.
- There is no engagement or support of discrimination on the grounds of race, colour, gender, disability, age, national origins, marital status, religion or ethical beliefs.

Health and Safety of our People

RSPO Principle No.		Criteria Topic	Objective
Prosperity	3.	Occupational Health and Safety Plan	Health & Safety Procedures Committee Establishment, Awareness, Training and regular monitoring of Incidents and Prevention Plans.
		Training	
People	6.	Safe working environment	

Improving health and safety standards and safeguarding the health and safety of our employees has always been a major focus for Univanich.

Monthly Health and Safety briefings are held at our operational sites on rotational basis, throughout the year. This provides an opportunity for the operational teams to visit and inspect other sites of the Univanich operations to support and share knowledge, experience and awareness to improve the Health and Safety culture within each of our operations.

The key performance indicators used to measure our performance are:

1. No of Lost Time Cases across all Univanich Operations

A lost time case is an occupational injury/incident which results in an employee being unable to return to meaningful work.

2. The Lost Time Incident Rates

This represents the number of cases that result in lost days' work over a given time period. The current industry standard is to use 1,000,000 working hours as the time unit for comparison across other oil palm companies.

3. Severity Rate

This is a calculation that gives the average number of lost days per recordable incident.
We currently record all lost time incidents resulting in more than 3 lost days of work, and have been tracking this information since 2017.

Our target is to reduce all Health and Safety KPI's by 5% each year.

The number of incidents in the Univanich operations is showing a reduction over the past 5 years, however the downward trend fluctuates year on year, rather than a steady decline. In 2020 we saw a rise in cases. The majority of these cases occurred in our factory operations. The monitoring encouraged management to carry out a needs analysis and focus on targeted training in areas of concern.

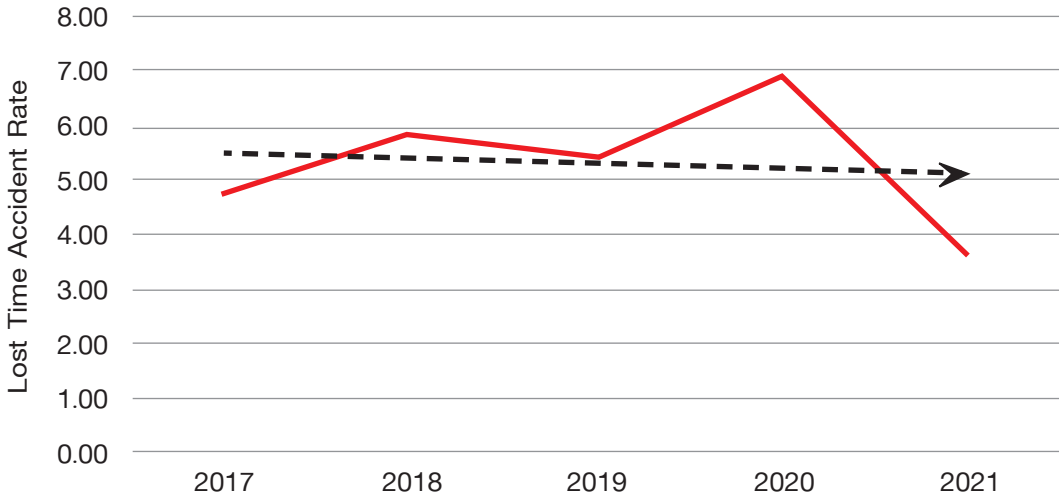
In the same year we also embarked on the ISO 9001 certification across all our processing factories, which helped us develop a quality management system that allows us to focus our management in the factories, this also encompasses our Health and Safety monitoring systems, which in turn heightens our awareness.

For each Lost time incident, a detailed investigation is carried out and an Improvement and Prevention Plan (IPP) is completed and implemented.

Our target is to reduce the number of incidents by 5% each year. Since our monitoring programme commenced in 2017, we have seen a 23% reduction in lost time cases.

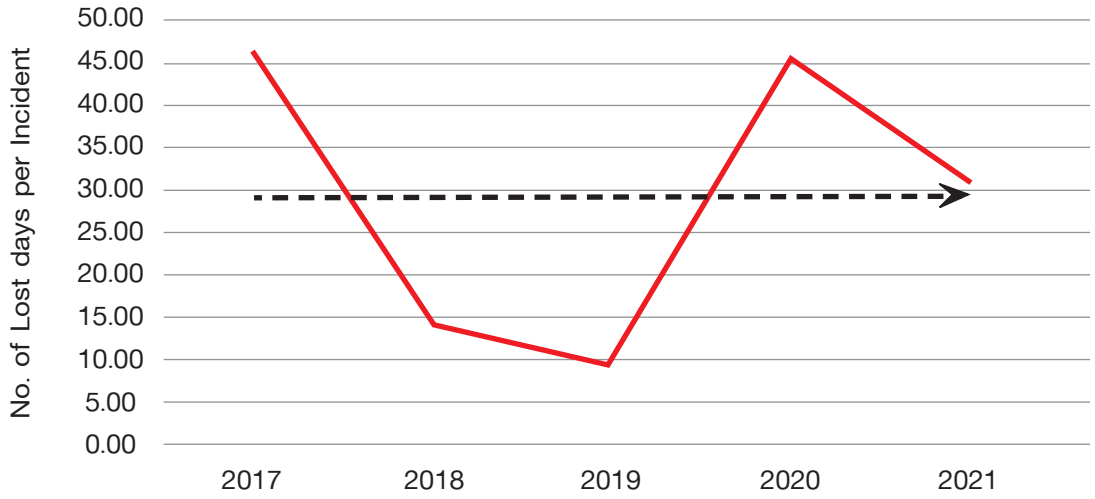
For our lost time rate, or the number of lost time cases per 1,000,000 work hours. We have seen a downward trend as a result of our improved awareness and attention to Health and Safety.

Lost Time Accident Rate 2017-2021
(Per 1,000,000 working hours)



The severity rate has not seen a downward trend and this highlights the area of focus moving forward. This performance indicator fluctuates based on the scale or severity of the incident.

Severity Rate 2017-2021
average lost days per incident



In 2020 we had a serious accident resulting in a compound fracture of an employee's wrist which resulted in 87 lost work days and this has significantly skewed the annual result.

Overall, since 2017 we have managed to reduce the severity by 34%. However, our target remains to reduce 5% year on year.

In 2022 we will continue our Health and Safety awareness and training in order to continue the downward trend in terms of lost time incidents and the severity of these such incidents. One area of focus is to curb our excessive overtime hours. This is a common issue across the industry given the seasonality of the crop and the large peak periods when the factory is running 24 hours a day.

It is important to note that the overtime is voluntary overtime that has been authorized.

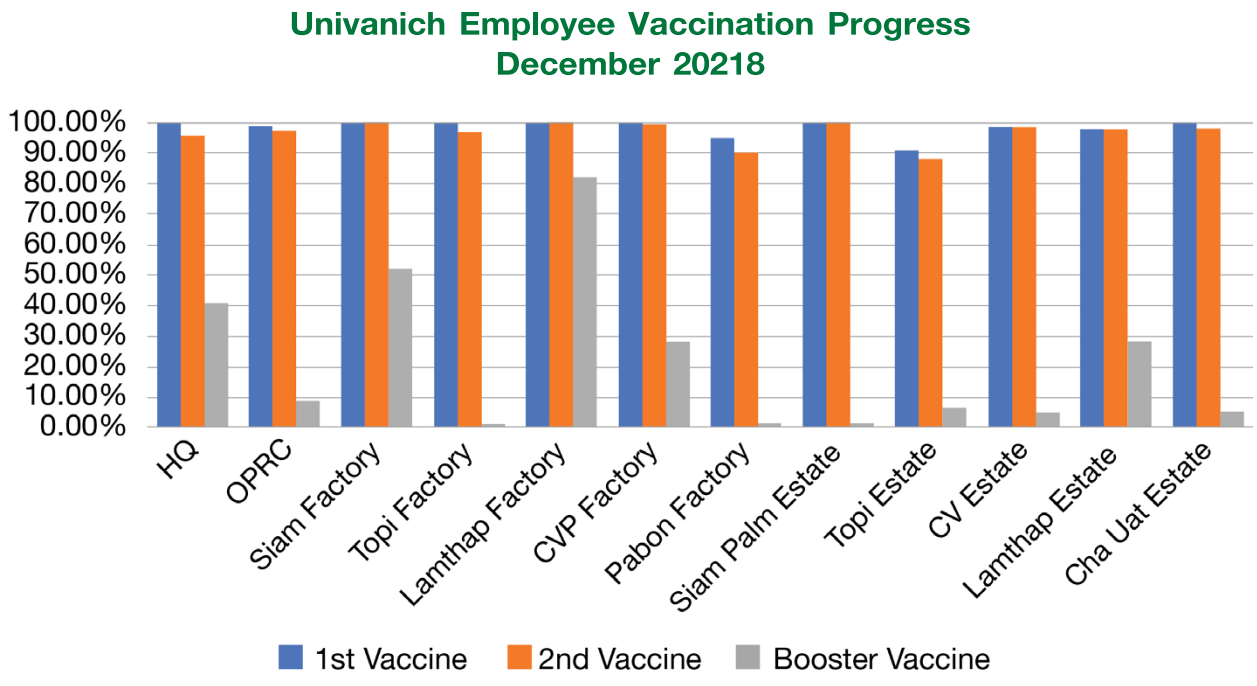
Workers generally prefer the extra hours and earnings and understand that in other periods of the year there is no opportunity for overtime.

However, we also need to be concerned that our team can become tired and tiredness can lead to lack of concentration and more accidents at work. Management is looking at methods to try and reduce the overtime and believes this will help to improve the Health and Safety KPI's further.

Covid 19 – Protecting our People

Currently, we are now into another wave of the Covid 19 pandemic.

As at December 2021 there have been 26 confirmed positive cases across all Univanich operations.
By end of 2021 98% of the Univanich workforce had received 2 vaccinations and progress of the booster vaccine was ongoing at 22% of the total workforce.



From the onset of the covid pandemic Univanich appointed a committee to ensure that we had a robust protocol for implementing protective measures to protect our people and all people visiting our operational sites.

During the second wave we had a situation where two of our processing factories had to go into "Bubble and Seal' operation which meant we contained our full team within the factory's residential area for a period of 14 days. During this period the factories continued work as normal, with strict monitoring to ensure the number of covid cases did not increase. During this period, we were supported by the District Health department for monitoring requirements.

Once it was confirmed that there were no more cases, we then opened the access again with continued strict protocols.

Overall Univanich incurred minimal disruption throughout the pandemic, and all operations continued as normal. This is to the credit of each of our dedicated team members in taking a very responsible and committed approach throughout this difficult period.

Stakeholder Extension Services

RSPO Principle No.		Criteria Topic	Objective
People	5.	Improved Smallholder livelihoods	Extension service for support and Advice

With 94% of our FFB volume coming from smallholders, it is paramount that we work together and support our local farmers and maximise their production. Univanich has the benefit of being vertically integrated, from seed production to estate management and factory processing. This provides the opportunity for a supportive extension service for knowledge sharing and technical advice on growing oil palm.

Through coordination with the District Agriculture Department, Univanich are regularly invited to participate in oil palm field days. These events are held across all districts and are designed to educate farmers on the following:

1. General knowledge of oil palm farming
2. Planting techniques and the importance of selecting the correct planting material.
3. Oil Palm Seedling handling.
4. Upkeep practices.
5. Pest and Disease Control.
6. Fertiliser Application.
7. Replanting methods.
8. Basic Budgeting.
9. Sustainable production of oil palm and benefits of becoming RSPO certified.

The Univanich team attended 21 events in 2021, due to covid the number of field days was reduced when compared to previous years. However, each field day in 2021 was well supported by farmers.

Seed and Seedling Customer visits were also carried out throughout the year, a total of 13 visits. Visits are carried out as an after sales service to ensure quality is maintained and to provide further support in nursery and immature upkeep practices. These visits also allow our team to look at new market areas.

In addition to Field Days and Customer visits, Univanich also runs a very active Facebook page with regular updates and this is a good method of reaching out to smallholders for advice and support.

Univanich continues to support the Univanich Plaipraya Community Enterprise Group in their ongoing RSPO certification. Univanich provides logistical and administrative support, as well as agronomic advice and support.

This group of 235 members with 1,193.43 ha have been certified under RSPO since 2012. The Univanich Plaipraya Community Enterprise Group was the first independent smallholder farmers to become RSPO certified in Thailand, under the Book and Claim model. This model allows for smallholder farmers to be able to sell RSPO credits against physical sales of oil palm products.

Univanich CVP Factory 'To Be Number One' Campaign.

RSPO Principle No.		Criteria Topic	Objective
People	4.	Contribute to local sustainable development	Supporting stakeholders and local community

The 'To be Number One' campaign is an initiative that was founded by Princess Ubolratana Rajakanya which was established in 2002. The main aim is to help youths stay away from the dangers of drug use. The drug problem in Thailand has been escalating year on year. The Princess recognises the very important role that the youth population has to play in the development of the country. This age group is also the high-risk group for drug addiction.

The 'To be Number One' initiative is aimed to prevent and solve this increasing drug problem through awareness and information. With the support from a multi stakeholder approach, organisations and government agencies are to join forces and share the challenges to reduce the drug problems across the whole nation.

The main objectives of the 'To Be Number One' programme are:

1. To create a set of values and to strengthen the youth population to say no to drugs.
2. To develop a new generation who believes in and is proud of their achievements.
3. To provide a social support group to organizes creative activities.
4. To provide support to addicts and their families.
5. To provide general awareness and knowledge about the preventions, and options for rehabilitation.

Our Phang Nga processing factory, at CVP, has been a part of the "To be Number One' campaign since January 2016.

The main activities are promoting the recycling of our waste products such as ash, fibre, empty bunches and decanter cake for organic vegetable farming.

The team have been working with local communities and schools to encourage the benefits of using our waste products as a soil medium for growing organic vegetables. The team have supported the community with the supply of the organic produce. This has helped to create positive awareness to demonstrate that the processing factories waste products have enormous value as an organic fertiliser.

The 'To be Number One' programme has also helped establish a strong network amongst stakeholders, in particular linking the Univanich operation with the local community, and local leaders at the sub district level and, district level. Strong links have also been established with the local Health Authority at the District and Provincial level. The forming of these relationships has been of particular benefit during this Covid pandemic, when information sharing and support amongst the community can make a very significant difference in getting through challenging times.

For our operation, this initiative has encouraged teamwork and created awareness amongst our own workforce of the dangers of taking drugs and the importance of a close community.

The team at CVP won an award for outstanding establishment in the Southern region and also took part in the National Competition in December 2021.

Community Support

RSPO Principle No.		Criteria Topic	Objective
People	4.	Contribute to local sustainable development	Supporting stakeholders and local community

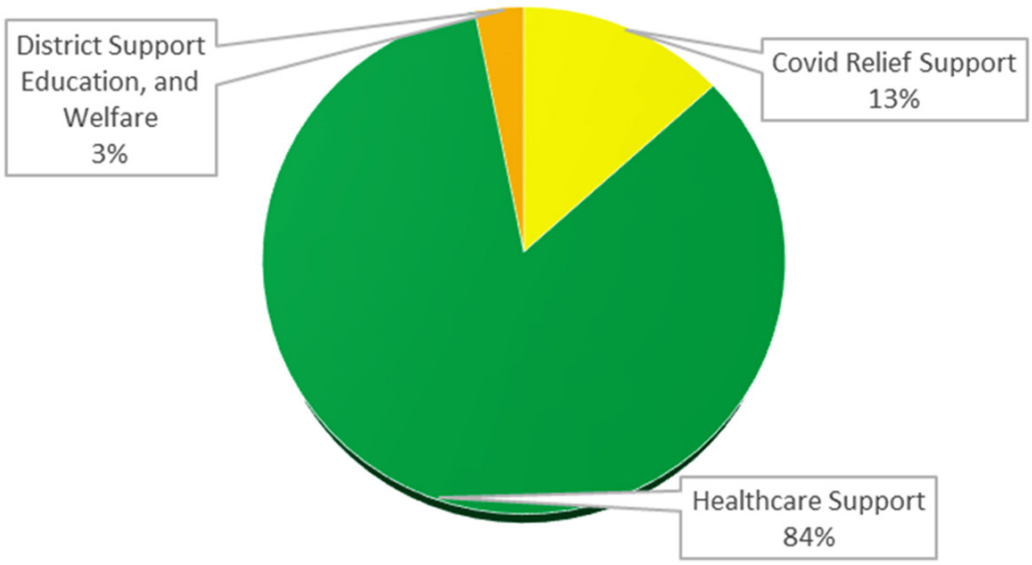
Univanich Palm Oil Public Company appreciates and understands the importance of its stakeholders within the community. Being a large footprint in the community in terms of employment and support to smallholder farmers, Univanich likes to support community development.

Each year Univanich donates towards community programs, primarily in areas of Health and Education.

Due to the Covid pandemic there have been less opportunities for community programmes and understandably the attention has focused on supporting the health in the community and providing assistance for the many covid related initiatives.

For 2021, Univanich has supported community projects with donations totaling over 2 million Baht. The chart below highlights the areas of focus, predominantly in the Healthcare support and Covid relief support.

2021 Donations for Community Support



Establishments supported by Univanich in 2021

Aoluk Covid Checkpoint	Plaipraya District	Bangwan Sub District	Bangtong Temple
Aoluk District	Plaipraya Municipal	Phang Nga Province	Lamthap Hospital
Aoluk Coop	Plaipraya Hospital	Kuraburi Hospital	Krabi Labour Protection and Welfare
Aoluk Hospital	Moo 10 Kuraburi Phang Nga	Bongkrung School Phang Nga	Chalerm Ratchakumaree Public Library
Aoluk Rescue Team	Bann Hislard Kuraburi	Nongtalay Sub District	Pabon Sub District
Moo2 Aoluk District	Kuraburi Chaipat Hospital	Kuraburi District Chief Officer	