

Mewah Group Sustainability Grievance Log (Update as at Apr 2019)

No.	Date Logged	Target of Grievance (Mewah's Subsidiaries or Independent Suppliers)	In Mewah's Supply Base	Issue Under Review	To-date action taken by Mewah	Status
1	11-Mar-19	Double Dynasty - Radiant Lagoon Sdn. Bhd.	Yes, indirect supply from Double Dynasty subsidiary - DD Palm Oil Mill, Sarawak through CPKO purchase from third-party supplier.	Mighty Earth Rapid Respond Report 13 - Land conflict and deforestation at Radiant Lagoon Sdn. Bhd. concession in Sarawak in Dec 18 - Jan 19.	<p>1.) In year 2018, Mewah received CPKO supply from Wilmar's Bintulu Edible Oils through Socship and Fimachem bulking installation.</p> <p>2.) Reference to Wilmar's sustainability dashboard, DD Palm Oil Mill came into Mewah's supply chain through palm kernel (PK) supplied to Wilmar's Bintulu Edible Oils.</p> <p>3.) Mewah has immediately reached out to our direct contractual supplier for supply chain verification. The engagement with our direct supplier is still in progress.</p> <p>4.) Prior to the publication of Mighty Earth Rapid Respond Report 13 in Mar 19, Wilmar has initiated engagement with DD Palm Oil Mill since Feb'19. The first meeting was conducted on 11 Mar 19, where Wilmar has sought clarification and documentation evidence of Radiant Lagoon's operation.</p> <p>5.) Through an email dated 25 Mar 19, Wilmar is in the pipeline of investigating the allegation of "land conflict and deforestation at Radiant Lagoon" and confirming whether the moratorium of land clearing is in place. Meanwhile, field visit/ supply chain verification assessment will be carried out by Wilmar's team from 25 Mar'19 onwards.</p>	Ongoing verification/ monitoring.
2	28-Nov-18	Felda/ FGV	Yes, supply from FGV's Malaysia-based subsidiaries.	Suspension of RSPO P&C certificate for Serting Palm Oil Mill on 28th Nov 2018, due to allegation of the use of forced labour and poor-working conditions in FGV-owned plantations as well as unfair wages.	<p>1.) In Year 2018, Mewah received CPO supply from 18 FGV's palm oil mills. Serting Palm Oil Mill is one of the supplied FGV's palm oil mills to Mewah-Oils (Port Klang).</p> <p>2.) On 30th Nov 2018, FGV has made a public statement in respect of the findings of the RSPO Complaints Panel (CP).</p> <p>3.) On 4th Dec-2018, Mewah has reached out to FGV's Sustainability team. FGV has stressed its commitment to restore and rebuild best social practices in all FGV-owned plantations that includes:</p> <ul style="list-style-type: none"> a) To freeze all new recruitment of workers from external contractors across its operations, with immediate effect. b) To review employment policies on the benefits enjoyed by its plantation workers and will absorb the costs of basic necessities, including food supplies given to its workers. c) To review where necessary revising, all communication materials and training programmes for workers, especially with regard to their terms of employment, whistle-blower protection and health & safety procedures. d) To engage with a responsible independent third party to train its workers on its human rights policy. e) To adhere strictly on national policies and all applicable standards on parity of employment for workers including remuneration and benefits in kind. f) To continue its commitment towards RSPO P&C certification. <p>4.) As at Jan-2019, we do not enforce ban/ exclusion for the CPO supply from Serting Palm Oil Mill. The decision was made judging at the fact where FGV is displaying very positive attitude to collaborate with RSPO to rectify its sustainability/operations deficiencies. FGV is showing good progress in achieving the expectation within the specific timeframe that set by RSPO Complaint Panel.</p> <p>5.) As at Mar-2019, the chairman of RSPO Complaint Panel, Dato'Henri Barlow has granted the request of three weeks extension of Action Plan by FGV from date 8 Mar 2019. In other words, FGV will submit its action plan to RSPO Complaint Panel by 29 Mar 2019.</p> <p>6.) In terms of FGV's RSPO recertification plan, the recertification has been in progress since year 2017. FGV targets to recertify all its palm oil mills for RSPO P&C by year 2021. As of Mar-2019, FGV has its 27 palm oil mills recertified for RSPO.</p>	Ongoing verification/ monitoring.
3	24-Sep-18	Rimbunan Hijau/Jasa Tiasa	Yes, indirect supply from Rimbunan Hijau and Jasa Tiasa through CPKO purchase from third-party supplier	Greenpeace: Final Countdown report (page 135/194) due to potential peatland clearance and forest clearance for oil palm development in Eastern Eden Estate (EEE), Sarawak and Gifford LTD, PNG.	<p>1.) Eastern Eden Estate (EEE) is an oil palm plantation that owned and operated by Jaya Tiasa, a subsidiary company of Rimbunan Hijau Group.</p> <p>2.) In the period of Jan-Jun 2018, Mewah-Oils (Port Klang) received about 200mt Crude Palm Kernel Oil (CPKO) from Wilmar's Bintulu Edible Oils as the raw material for our refinery. The receiving quantity stands at approximate 0.4% of our total sourcing quantity at the period.</p> <p>3.) Reference to Wilmar's sustainability dashboard, 8 palm oil mills of Rimbunan Hijau Group that are supplying PK to Wilmar's Bintulu Edible Oils.</p> <p>4.) There is lack of traceability to plantation (TTP) information on the aforesaid mills. Hence, nothing can be assured on whether EEE is supplying any of the aforesaid mills. We will provide update to all stakeholders once the TTP information is made available to us by our supplier.</p> <p>5.) Since Mewah is unable to effectively engage with Rimbunan Hijau/Jasa Tiasa since Dec-18, we have decided to stop sourcing from the Company starting from Jan-19 until and unless the Company shows positive respond in the engagement process to resolve the ambiguity.</p>	On-going monitoring/ suspended
4	17-Aug-18	Goodhope Holding	Yes, supply from Premium Vegetable Oils (Kernel Crushing Plant), a Malaysia-based subsidiary of Goodhope.	Deforestation, development without Environmental Impact Assessment and failure to comply to proper FPIC process at its concession PT Nabire Baru, in Nabire, Papua.	<p>1.) RSPO has registered an official complaint against PT Nabire Baru in December 2016 after received the complaint from Yayasan PUSAKA. On 5th May 2017, Goodhope published its first sustainability policy. In the interim, the Company has taken initiative to progressively updates their sustainability policy implementation plan.</p> <p>2.) In Apr 2018, Mewah received RSPO certified CPKO from Goodhope's Malaysia-based subsidiary, Premium Vegetable Oils Sdn. Bhd. Goodhope assured that PT Nabire Baru does not take place in PVO's supply chain.</p>	Closed
5	14-Jul-18	BLD Plantation Bhd	Yes, indirect supply from BLD Plantation subsidiary - Kirana Palm Oil Refinery, Sarawak through CPKO purchase from third-party supplier.	Mighty Earth Rapid Respond Report 4, 5, 6, 7 & 11 - Deforestation at BLD Plantation Bhd concession in Sarawak since Mar - Dec 2018.	<p>1.) In July 2018, Mewah received CPKO supply from BLD Plantations - Kirana Palm Oil Refinery Sdn Bhd, Sarawak through Butterworth bulking installation.</p> <p>2.) Mewah has immediately reached out to our direct contractual supplier for supply chain verification. The engagement with our direct supplier is still in progress.</p> <p>3.) Mewah decided to temporarily stop sourcing from the supplier until and unless the company shows positive progress to resolve the ambiguity.</p>	Closed

6	24-May-18	Lembaga Tabung Haji	Yes, supply from Tabung Haji's Malaysia-based subsidiaries.	Deforestation at its PT Persada Kencana Prima (North Kalimantan) and Hydroflow Sdn Bhd plantations in 2017	<p>1.) Mewah receives CPO supply from Tabung Haji's palm oil mills base in Peninsular Malaysia i.e., Bukit Lawang Palm Oil Mill and Kota Bahagia Palm Oil Mill.</p> <p>2.) Mewah has completed supply chain assessment to Bukit Lawang Palm Oil Mill including FFB traceability assessment, and social-environmental impact assessment. The outcome was satisfactory.</p> <p>3.) It is confirmed that CPO supplied from Tabung Haji has its FFB supplied from Malaysian-base plantations. The CPO originated from Tabung Haji's Indonesian mills do not take place in Mewah's supply chain.</p> <p>4.) Through an email between Mewah and TH Plantations on 29th Mar 2019, TH Plantations has completely ceased all development in PT PKP since mid-2018. No land clearing activities and no planting on the cleared land have been carried out since then.</p> <p>5.) Any sign of land clearing are the work of IPK permit holders who continue logging activities at TH Plantations concession. There are few IPK concessionaires who were given the license to log by local government, before TH Plantations acquired the HGU for the land. Hence, TH Plantations is in the process of engaging with the local authorities and IPK permit holders to cease the logging activities.</p>	Ongoing verification/ monitoring. Implementation of action plan
7	11-Apr-18	Tee's Family / Prosper Group	Yes, supply from Prosper's Malaysia-based subsidiaries.	Tee Family Summary Report - Deforestation/ social exploitation in Bewani Oil Palm Plantation (PNG)	<p>1.) Aideenvironment engaged with Mewah about Tee Family report on 12 April 2018. We had reached out to Senior Management of Prosper Group; to convey our concern and provide recommendation/action plan (that suggested by Aideenvironment).</p> <p>2.) In year 2018, we received CPO from 8 Prosper's mills that base in Peninsular Malaysia. We have accomplished supply chain verification that includes FFB traceability and social-impact-assessment (SIA) at Prosper POM, Kosfarm POM, Wujud Wawasan POM, Sawira Makmur POM, Rompin POM, and Endau POM. The assessment outcomes were satisfactory.</p> <p>3.) Prosper Group explained that there is no direct linkage between Bewani PNG and Prosper Malaysia, stating that Bewani is an investment by its minority shareholder with no commercial links to the Group.</p> <p>4.) The fact is established that the CPO/CPKO supplied from Prosper to Mewah are produced in Prosper's mills at Peninsular Malaysia. It is a forthright understanding that all Prosper's mills in Peninsular Malaysia have its FFB supplied from its own estates, dealers and smallholders that base in Peninsular Malaysia. In other words, CPO/CPKO origin Prosper's Group in Papua New Guinea does not take place in Mewah's supply chain.</p> <p>5.) In Nov-2018, Mewah decided to stop sourcing PKO from Prosper due to the fact that the supplier has shown little progress.</p> <p>6.) In Jan-2019, Mewah re-engaged with Prosper and requested Prosper for action plans implementation. Since Jan-2019, Mewah has strictly controlled and limited the purchase of palm products from Prosper. The business relationship between Mewah and Prosper will only be reviewed and resumed until and unless the agreed action plans are implemented.</p> <p>7.) In Feb-2019, Mewah has received a written announcement from Prosper with regards to its completion of divestment of "Tee Family" from Bewani Oil Palm Project Management. The letter assured Prosper Group of Companies are no longer be associated with any PNG company or project in this connection.</p> <p>8.) In the Chain Reaction Report dated on 20 Mar 2019, the NGOs have valid points that Tee Family/Prosper has to provide proof and clarification of their relation with Top Leap Holding Ltd.</p>	The supplier has been fully suspended from Mewah's supply chain.
8	21-Mar-18	Samling Group-Glenealy Plantations	Yes, supply from Samling's East Malaysia-based subsidiaries.	<p>1.) Glenealy Plantations supply to Timora Palm Oil Mill (MDSB - 2017)</p> <p>2.) Exploitation and illegality: development without free, prior, and informed consent of affected communities and human rights violations in Myanmar Stark Prestige Plantation (MSPP) 5,700ha.</p> <p>3.) Deforestation in Kalimantan - PT Tunas Borneo Plantations (PT TBP) in North Kalimantan, 2,867ha forest was cleared within concession between 2015 and 2017.</p> <p>4.) Use of fire - apparent use of fire in land clearing process in Ome-Ome project in PNG.</p> <p>5.) Deforestation of 44ha in LPF/ 0008 Marudi & Batu Belah concession by Samling Reforestation (Bintulu) Sdn Bhd.</p>	<p>1.) Mewah get supply of CPO from Samling Group Malaysia-based subsidiaries - Timora Palm Oil Mill at Lahad Datu, Sabah.</p> <p>2.) We have carried out supply chain verification exercise i.e., FFB traceability audit and social-impact-assessment (SIA) to Timora Palm Oil Mill. The outcome was satisfactory. The factory is running on tightship with firmness that is proven through proper traceability documentation filed.</p> <p>3.) It is important to take note that Mewah only receive CPO from Timora Palm Oil mills that located at East Malaysia. We do not accept CPO from Samling Group/ Glenealy Plantation that origin from Indonesia. Having said that, CPO originated from Samling's Indonesia palm oil mills do not take place in Mewah's supply chain.</p> <p>4.) As of May 2018, Samling has issued a moratorium on land clearings in their Indonesia, Myanmar and Malaysia operations. In addition, Samling has divested from its PNG operations.</p> <p>5.) On 2 April 2019, Mewah reached out to Samling Group to demand for clarification on deforestation allegation in Marudi & Batu Belah.</p>	Ongoing verification/ monitoring.

9	11-Oct-17	Felda/ FGV	Yes, supply from FGV's Malaysia-based subsidiaries.	<p><u>A. PT Citra Niaga Perkasa, Landak Regency, West Kalimantan Province, Indonesia</u> i.) FGV bought the Company in year 2012 for USD 10.60 million. ii.) The Company is RSPO certified since year 2012. iii.) Allegation on Deforestation & Peatland development – the Company is alleged to clear a 240 hectares HCV forest on deep peatland that greater than 3 metres (> 3m).</p> <p><u>B. PT Temila Agro Abadi, District of Landak and Village of Kuala Mandor, West Kalimantan Province, Indonesia.</u> i.) FGV bought the Company in year 2013 for USD 4.2 million. ii.) The Company is RSPO certified since year 2014. iii.) Allegation on Deforestation & Peatland development – the Company is alleged to clear a total 1,888 hectares of HCV forest and peatland.</p>	<p>1.) It is pertinent to take notice that all FGV palm oil mills that make supply to Mewah are located in Peninsular Malaysia. We do not purchase any CPO or CPKO from FGV's subsidiaries in Indonesia since year 2014 when we first commenced CPO traceability exercise. Having said that, the CPO and CPKO produce in FGV's Indonesian-based palm oil mills have no place in Mewah's supply chain.</p> <p>2.) On 16 May 2017, Mewah has reached out to FGV on allegations of HCV clearance in their Indonesian subsidiary, PT TAA. Felda is appointing a third-party assessor to verify the allegations.</p> <p>3.) On 31 August 2017, FGV made public statement to restore more than 1,000 ha of peat forest in West Kalimantan after coming under pressure for its unsustainable deforestation.</p> <p>4.) On 12 Jan 2018, FGV has updated on their "Kalimantan Peat Restoration Master Plan". FGV has enhanced their Sustainability Policy to reflect "No Peat" development for all new planting regardless of depth and when land was acquired. FGV has also committed to rehabilitating the peat lands that were previously cleared in PT TAA.</p> <p>5.) FGV is engaging various stakeholders as part of preparing its action plan to address these issues. FGV will share their action plan with Mewah following which time-bound milestones will be developed. Mewah will monitor FGV's implementation of the action plan to ensure timely execution.</p> <p>6.) At the present time, Mewah set the record straight that we will not source any palm oil from FGV's Indonesian-base subsidiaries/plantations as a result of deforestation and peatland development.</p>	Closed/Ongoing Monitoring
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