

Reconnecting



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BOARD OF DIRECTORS' STATEMENT FOR 2021

It is an honour to present the 2021 Mewah Group Sustainability Report. This is the fifth (5th) annual sustainability report since we first published the Group's Sustainability performance in 2017. This report encapsulates our sustainability policies, strategies, and other ESG-related performance in 2021.

The theme of this year's report is "**Reconnecting**". Since the end of 2019, the COVID-19 pandemic has infected millions of people globally, taken hundreds of thousands of lives, and disrupted various global supply chains. During this COVID-19 induced physical and social isolation, many of us got severely disconnected from the network of instrumental and emotional support we were used to, resulting in significant deterioration of mental wellness. The pandemic has spotlighted the importance of sustainability as an integral part of our business resiliency. As the global economy gradually reopens in this post-pandemic world, we are ready to reconnect with our colleagues, our customers, and our global communities with agility and resilience, while navigating the pressing challenges of climate change, biodiversity loss, resource scarcity, and economic uncertainty.

At Mewah, building a sustainable business is our value proposition. We believe in business, it is not enough to just do well, we must do good and make sure that the social fabric around our operations is intact. As we reflect on the past year, we are extremely proud of our colleagues adaptability and resilience as we responded to the unique challenges of a global pandemic without compromising our sustainability commitment. In line with our commitment to the principles of United Nation's Sustainable Development Goals 2030 (UN's SDGs), the Board is cognisant of our responsibility to use our global scale and influence for the betterment of our planet, our society and the ecosystem of our supply chain. We are determined to use our leadership to drive positive change in every part of the world we operate in. We consistently review our short-, medium- and long-term sustainability targets that embed sustainability into our decision-making process and day-to-day business operations. This includes short-term strategy to re-engage our workforce in the post-pandemic world as well as long-term action plan to lower GHG emissions from our operations.

Across the Group, we have long considered the impact of climate change and extreme weather condition that is disrupting national economies. For many years, we have been ensuring that our operations and products comply with the guiding national environmental laws and principles. Now we are stepping up our environmental ambitions

and shaping them towards contributing to the UN's SDGs. "Environmental Protection & Stewardship" is one of the core areas under Mewah's Sustainability Framework where we focus on decarbonising our energy sources for an energy resilient future. Over the past three years, we have invested in various clean technologies including cogeneration plants (combined heat and power) for our major refineries, rainwater harvesting system, and solar panels in our Dairy plant which have significantly reduced the carbon and water intensity of our operations. Moving forward, we are committed to continue investing in low-carbon energy assets, strengthening our commitment toward energy conservation, and putting in place effective mitigation measures to lower carbon footprint in our operations.

The Board recognises our people are the driving force and cornerstone of Mewah's operations. We have strategically invested in our people by creating a safe, inclusive, motivating, and positive working environment. To equip our employees with relevant skill sets and competencies for their roles and responsibilities, we have put in place robust training and education programme so that each employee can reach their full potential. In 2021, we are pleased to observe zero fatal accidents across the Group's operations. The reported lost-time injury rate (LTIR) is maintained low at 1.49, the same level as the year 2020. We are proud that our staff have demonstrated an extra level of vigilance in a very difficult year where our factories are operating in full compliance with the respective government's regulations for safe distancing and contact tracing.

Above all, we acknowledge that it is important to ensure effective corporate governance is in place. The Group is upheld by a Business's Code of Conduct policy that articulates the principles to which all stakeholders within our business operation and supply chain must strictly adhere to.

Looking into 2022, the Board is proud of all we were able to achieve in 2021. We are committed to working closely with Management by doing more to increase ESG resilience towards ensuring the long-term sustainable success of Mewah. We will continue to grant our utmost support to the Management to take firm and transformative steps to address climate challenges and continue to step up in other key sustainability areas such as embracing a more inclusive workforce. We aim to "**Reconnecting**" with a stronger sustainability performance in our journey towards shaping a more sustainable business and enriching lives through a positive influence on our people, our planet, and our society that underpin Mewah's sustainability strategy.

ABOUT MEWAH GROUP

Mewah Group is a global food & agribusiness. Our business operations are integrated throughout the value chain from sourcing of raw materials, refining, processing, packing, branding to marketing and distribution to end customers under our own brands. Our primary capabilities are in manufacturing and distribution. We focused on edible oils and fats with refineries and processing facilities in Indonesia, Malaysia and Singapore, established brands and sales to customers in over 100 countries. Our range of consumer products include cooking oils, margarine, rice, sweetened condensed creamer, evaporated milk, cheese, soap, detergent, and premix powder. We are strategically positioning ourselves to become a global consumer products business by expanding range of consumer products, offering specialised applications and customer solutions while consolidating our position in oils and fats business.

Today, we are growing at an impressive rate with more than 2,900 employees under Mewah’s wings.

SALES AND MARKETING OFFICES

Malaysia, Singapore, Australia, China, Turkey, India, Ivory Coast, Thailand, USA, Benin, Ghana, Uganda, Mozambique, Cameroon and Niger.

MANUFACTURING OPERATIONS

Malaysia, Singapore, Indonesia

Malaysia

- 4 edible oil refineries and manufacturing plants
- 2 packing plants
- 1 biodiesel plant
- 1 dairy manufacturing plant

Singapore

- 1 packing plant

Indonesia

- 1 edible oil refinery, manufacturing and packing plant
- 1 milling plant*
- 1 plantation*

* Plantation and milling plant in Indonesia are insignificant to the Group



Sales to over **100** countries

Sales volume of **4.1** million MT

CORPORATE PROFILE

Our operations are integrated throughout the value chain from sourcing of raw materials, refining, processing, packing, branding to marketing and distribution to end customers under our own brands.



>70
years of operations



Products are sold to customers in **>100** countries

A **GLOBAL FOOD AND AGRI-BUSINESS** focused on edible oils and fats



UPSTREAM

- Plantation*
- Milling*



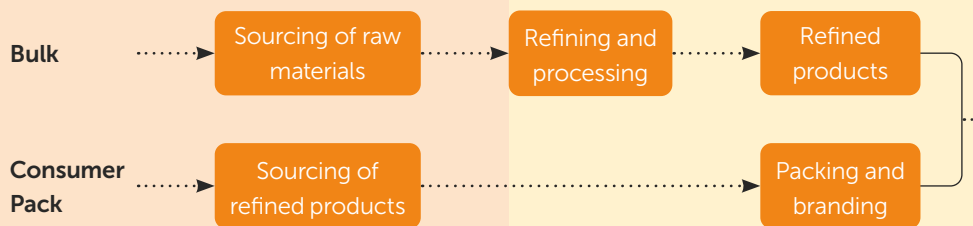
MIDSTREAM

- Refining vegetable oil
- Specialty oils



DOWNSTREAM

- Consumer packs
- Branding
- Private Label
- Sale / marketing
- Distribution



Bulk

Bulk segment produces and sells vegetable-based edible oil and fat products in bulk form primarily to distributors and factories involved in the production of confectionery, bakery products and other food items.

Consumer Pack

Consumer pack segment produces vegetable-based edible oil and fat products, in consumer pack form and sell under own brands and under the brands of third parties, primarily to importers and distributors at destination markets.

* Plantation and milling plant in Indonesia are insignificant to the Group



Total refining capacity of **3.5** million MT annually



Sales volume of **4.1** million MT



Long established and well recognised brands – **OKI & MOI**



SALES MARKETING & DISTRIBUTION



CUSTOMERS

Consumer Products Range

Our range of consumer products include cooking oils, margarine, rice, cashew, sweetened condensed creamer, evaporated milk, cheese, soap, detergent and premix powder. We are continuously working on expanding the products range.



SUSTAINABILITY MANAGEMENT AND GOVERNANCE STRUCTURE

An effective sustainability governance, clear decision-making and responsible structures are critical in enabling Mewah to deliver our sustainability targets. The Mewah's sustainability efforts for the entire business are mainly driven by the CEO and supported by the Sustainability Department. The Sustainability Department works in collaboration with all business and operational unit to execute Mewah's sustainability strategies and initiatives focusing on key emerging ESG issues such as environment, health and safety, product quality and safety, employee welfares and labour rights.

BOARD OF DIRECTORS

The Board of Directors provide strategic direction to Mewah's management in the development of sustainability policies and strategies.



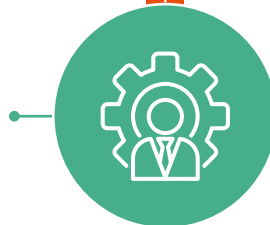
CHIEF EXECUTIVE OFFICER (CEO)

The CEO oversees the management and overall implementation of Mewah's sustainability strategies.



GROUP SUSTAINABILITY TEAM LEAD

Responsible for spearheading the overall strategy of Mewah's sustainability agenda and leading the development and execution of Mewah's sustainability matters in both operations and strategic policies.



SUSTAINABILITY WORKING GROUP

Responsible for supporting policy and sustainability framework implementation; benchmarking best practices in business operations and ensuring sustainability compliance of our supply chain.



MANAGEMENT OF BUSINESS UNITS

Management in each business units are empowered to improve factory operations, support, and engage our employees and communities in collective action across the full spectrum of sustainability.

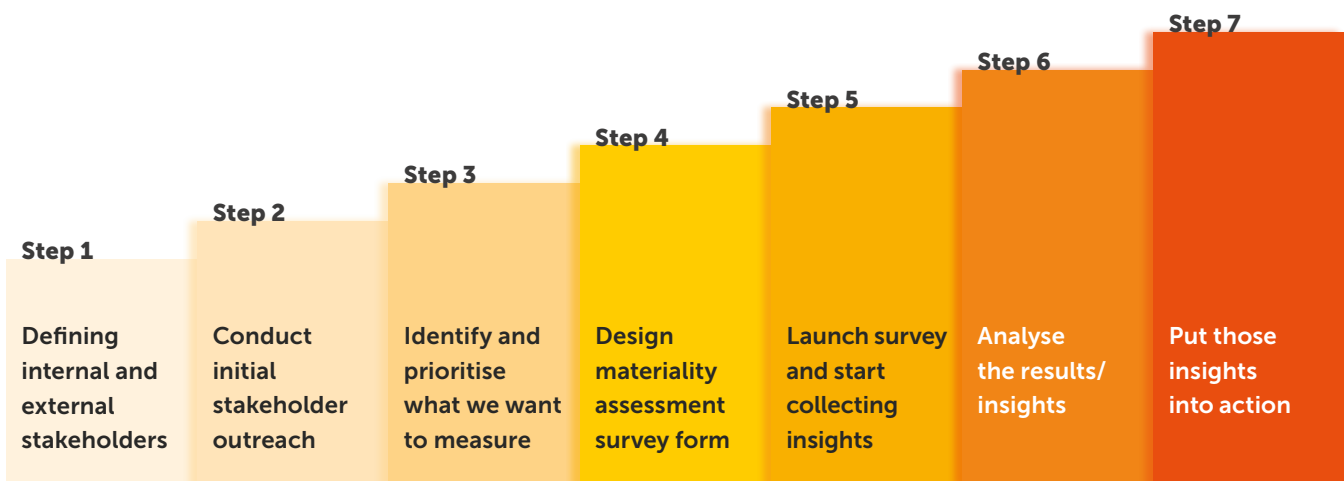


MATERIALITY ASSESSMENT

Sustainability is a board discipline. It encompasses vast disciplines ranging from business to technology to environment and social science. At Mewah, we strive to keep our business resilient without compromising the people and planet needs. We are cognisant of the importance of sustainable investments among our socially conscious investors, and we have continued putting emphasis on the implementation of ESG initiatives outlined in Mewah’s Sustainability Framework.

Through Materiality Assessment, we determined the key and specific environmental, social and governance areas to our businesses and our stakeholders. Through the lenses of our stakeholders and business, we gained the opportunity to recalibrate our sustainability priorities and strategies ahead. The materiality assessment outcome allows us to identify key economic, social, and environmental issues that will help us in our planning in designing our sustainability agenda and programme.

There are 7 steps in our materiality assessment process:



In our 2021 materiality assessment, we undertook a phased approach towards the identification of 15 potential material issues that are derived from environmental, social and governance (ESG) pillar of sustainability. These material issues are then incorporated with the 17 United Nations Sustainability Development Goals (UN SDGs). This provides us alignment between our sustainability strategies with the global sustainability ambitions.

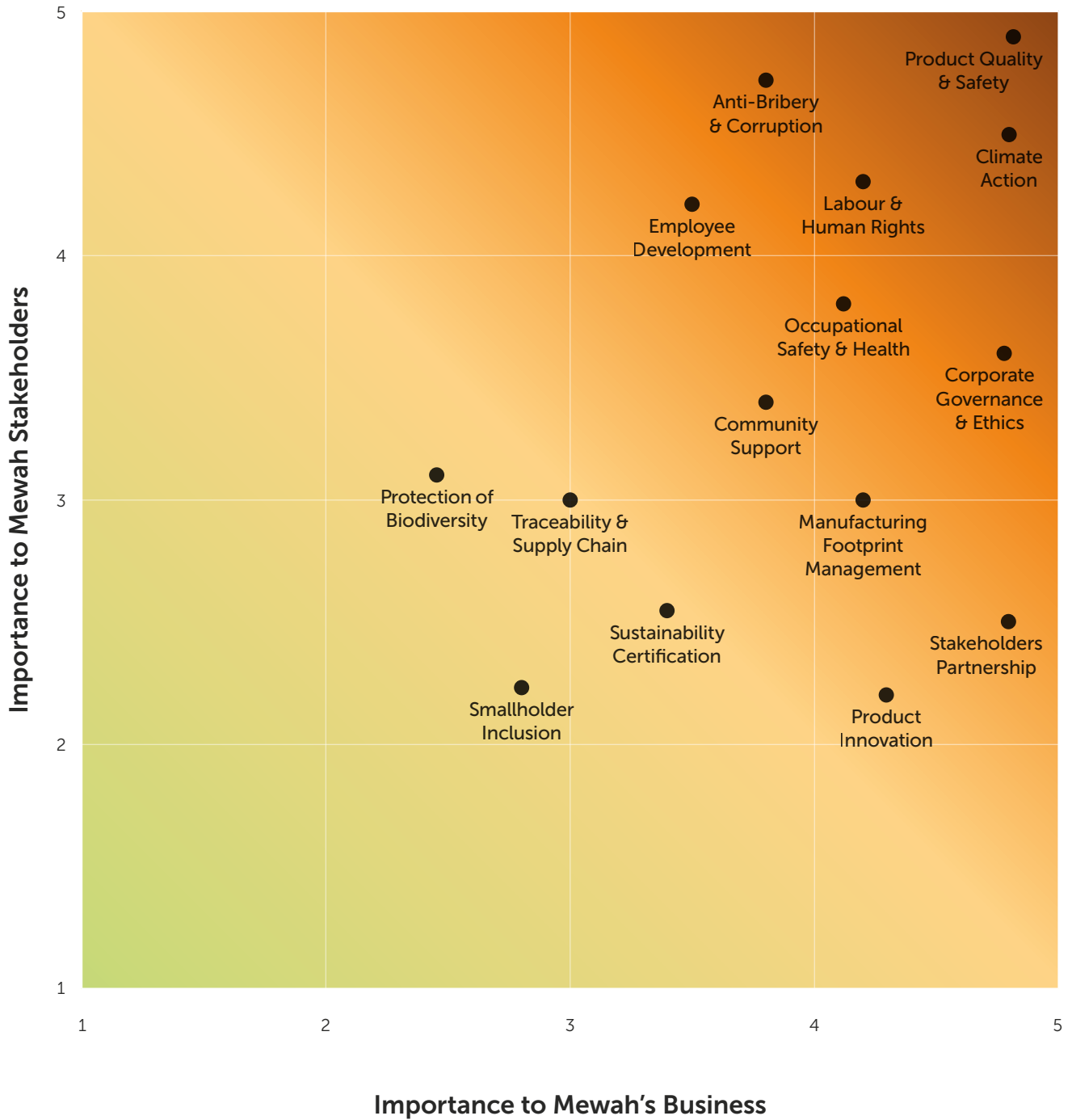
The matrix on the next page illustrates the specific material issues that we and our stakeholders deem important. Issues plotted towards the top right corner are the most material issues, while the ones in the bottom left section are seen as less important in relative terms. In 2021, **“Product Quality & Safety”** is vital material for both our business and our stakeholders, safeguarding our promise

to deliver top-notch products. Ensur from COP26, **“Climate Action”** ascended to be one of the essential materials. We believe in human right is indubitable the upmost and most valuable right to our businesses and our stakeholders, hence **“Labour & Human Rights”** is assigned with great importance.


Effective governance is vital in fostering our overarching sustainability goals and targets. This leads us to high emphases of **“Anti-Bribery & Corruption”** and **“Corporate Governance & Ethics”** from both the businesses and our stakeholders. In Mewah, our employees are the treasures to our businesses and our stakeholders, we value their growth and wellness hence we weighted on **“Employee Development”** and **“Occupational Safety & Health”** in the materiality assessment.

MATERIALITY ASSESSMENT

Materiality Matrix












OUR COMMITMENTS AND PROGRESS

Sustainability Key Areas	2020 Commitments	2021 Progress	2022 Priorities
Extremely High Priority			
Product Quality & Safety  	<ul style="list-style-type: none"> Safeguard and continuous improvement on our products in accordance with Good Manufacturing Practices (GMP) 	<ul style="list-style-type: none"> Maintained zero report on non-compliance with regulations or voluntary codes concerning health, food safety, and quality of our products. 	<ul style="list-style-type: none"> Improve operational resilience and focus on meeting key emerging quality trends of our products.
Climate Action 	<ul style="list-style-type: none"> Measuring GHG emission (scope 1 and 2) across business operations. Adopt best management of peatland. 	<ul style="list-style-type: none"> Completed GHG emission (scope 1 and 2) across business operations. Implemented best peatland management practices. 	<ul style="list-style-type: none"> Initiate GHG (scope 3) measurement of our business operations. Commence climate-related reporting in accordance TCFD recommendation.
Labour & Human Rights  	<ul style="list-style-type: none"> Strengthen our commitment and implementation on labour and human right within entities and supply chain. 	<ul style="list-style-type: none"> Implemented advanced Human Rights and Labour Policy. Carried out human rights due diligence assessment on major suppliers group. 	<ul style="list-style-type: none"> Further strengthen our commitment and implementation on labour and human rights in every area of our business.
Anti-Bribery & Corruption 	<ul style="list-style-type: none"> Strengthen our employees understanding and awareness on Anti-Bribery and Corruption. 	<ul style="list-style-type: none"> Maintained zero report on bribery and corruption. Rolled out online Anti-bribery & Corruption training to all employees. 	<ul style="list-style-type: none"> Further strengthen awareness by establishing corporate Anti-Bribery and Corruption programme.
Corporate Governance & Ethics 	<ul style="list-style-type: none"> Safeguard and strengthened our corporate governance and ethics through full compliance to all law and legal regulations. 	<ul style="list-style-type: none"> Maintained zero non-compliance. 	<ul style="list-style-type: none"> Increase internal training to raise awareness as to promote good corporate governance at all areas of our business.
Occupational Safety & Health 	<ul style="list-style-type: none"> Ensure zero fatalities within our facilities Reduce LTIR 	<ul style="list-style-type: none"> Maintained zero fatalities within our facilities. Annual Safety Campaign were held in all manufacturing units. 	<ul style="list-style-type: none"> Ensure zero fatalities within our facilities and further reduce LTIR.
High Priority			
Employee Development 	<ul style="list-style-type: none"> Equip and uplift our employees with necessary knowledges and skills. 	<ul style="list-style-type: none"> Established online learning platform – Mewah iLearning Management System (iLMS) for all employees. 	<ul style="list-style-type: none"> Improve cultural competence in the workforce. Increase employee engagement and uphold inclusive workplace.

OUR COMMITMENTS AND PROGRESS

Sustainability Key Areas	2020 Commitments	2021 Progress	2022 Priorities
High Priority			
Community Support   	<ul style="list-style-type: none"> Partner with the local communities to support the needs of the community and to facilitate self-reliance, particularly through the provision and support of education, healthcare, and infrastructure growth in our neighbouring communities. 	<ul style="list-style-type: none"> Improved livelihood of 7 neighbouring villages Aided and cared for 83 old folks. Aided 3,400 student education Aided 525 flood victims Aided COVID-19 impacted 22,779 local communities and employees 	<ul style="list-style-type: none"> Continue to work together with local communities to support their needs and facilitate self-reliance.
Manufacturing Footprint Management   	<ul style="list-style-type: none"> Comply to law and regulations on water discharge. Adopt best practices on waste management. 	<ul style="list-style-type: none"> Reduced water intensity in our oil palm plantation from 1.28 tCO₂e /MT FFB to 1.02 tCO₂e /MT FFB. Zero in compliance in wastewater discharge quality COD and BOD across all manufacturing sites. Implemented 5R's principle of waste management across all facilities. 	<ul style="list-style-type: none"> Initiate GHG (scope 3) measurement of our operations. Adopt sustainable water system in upstream operations. Promote resource efficiency and circularity to a lower carbon and waste footprint.
Stakeholders Partnership 	<ul style="list-style-type: none"> To maintain our collaboration with various non-profit organisations for community support. To work passionately with non-governmental organisations on our NDPE journey. 	<ul style="list-style-type: none"> Collaborated with 8 non-profit organisations for community supports. Worked with 3 non-governmental organisations on our No Deforestation analysis, Dealer Engagement and Human Rights Due Diligence. 	<ul style="list-style-type: none"> Continue to uphold strong partnership and engagement with all relevant stakeholders.
Product Innovation  	<ul style="list-style-type: none"> Continuous improvement to meet global food safety standards as well as customers' requirements to deliver sustainable and high-quality products. 	<ul style="list-style-type: none"> Achieve breakthrough in food innovation research through working with Mewah R&D Solutions. 	<ul style="list-style-type: none"> Continuous improvement on products based on customers' requirements to deliver sustainable and high-quality products.

Sustainability Key Areas	2020 Commitments	2021 Progress	2022 Priorities
High Priority			
<p>Traceability & Supply</p>  	<ul style="list-style-type: none"> Maintain 100% TTK and TTM across all refineries. Achieved 100% TTP by 2024. 	<ul style="list-style-type: none"> Maintain 100% TTK for CPKO across all refineries. Maintained 100% TTM for both CPO and CPKO across all refineries. Improved from 80% to 90% of TTP for CPO across all refineries. Improved 7% TTP for CPKO across all refineries. Achieved 100% verified deforestation free volume for specific buyer. 	<ul style="list-style-type: none"> Maintain 100% TTK and TTM across all refineries. Achieved 100% verified deforestation free volume for specific buyer.
<p>Supply Chain Sustainability Certification</p>   	<ul style="list-style-type: none"> Increase sourcing of certified sustainable products (RSPO, MSPO, ISPO &/or ISCC) by 2022. 	<ul style="list-style-type: none"> Improved from 71% to 87% - CPO sourcing from palm oil mills that are MSPO-certified. 20% - CPO sourcing from palm oil mills that are RSPO-certified. Improved from 6% to 7% - CPO sourcing from palm oil mills that are ISCC certified. 	<ul style="list-style-type: none"> Implement strategic sourcing strategy and increase our efforts to promote sales/ consumption of certified sustainable products (RSPO, MSPO, ISPO &/or ISCC) by 2022.
Moderate Priority			
<p>Protection of Biodiversity</p>  	<ul style="list-style-type: none"> Continue to work with our stakeholder in addressing deforestation issue and any other biodiversity related matters. Continue to monitor and work with stakeholders to ensure biodiversity is protected. 	<ul style="list-style-type: none"> Worked closely with various stakeholders in addressing deforestation grievance within our supply chain. Delivered progress in fire monitoring protocols in the plantation. 	<ul style="list-style-type: none"> Continue working closely with industry stakeholders to tackle drivers of deforestation and biodiversity protection while striking a balance with our business growth.
<p>Smallholder Inclusion</p>  	<ul style="list-style-type: none"> Continue to support and assist independent smallholders to access to market and good agricultural practices. 	<ul style="list-style-type: none"> Conducted participatory mapping with our neighbouring smallholders. Aided more than 100 of independent smallholders through training and community infrastructures. 	<ul style="list-style-type: none"> Increase our efforts to support independent smallholders by putting in place strong institutional arrangement as well as trainings to increase productivity and thereby contributing for development.

OVERVIEW OF MEWAH SUSTAINABILITY FRAMEWORK

At Mewah, sustainability is part of everything we do and building a sustainable business is part of our value proposition. We are committed to building sustainable and long-term business growth, while leading and shaping positive change for our marketplace and customers, our employees, global communities we operate in and the environment. We believe that Environmental, Social, Governance (ESG) investing is the right way forward.

We regularly review our sustainability strategy against the risk and opportunities we face today and foresee in the horizon. Our sustainability strategy focuses on five (5) key focus areas in Mewah’s Sustainability Framework:



Environmental Protection and Stewardship



Responsible Supply Chain



Product Quality and Safety



Valuing Our People



Community Support

At the heart of Mewah’s Sustainability Framework are our Mission and Vision, which inform all business decisions. Sustainability is more than just a priority, it is a purpose, as we work towards delivering high quality and sustainable products to our customers worldwide.

Delivering our Mission and Vision

Mission	Create value for our stakeholders by delivering quality products and services through continuous improvement, innovation, and sustainable business practices.
Vision	To be a leading, integrated and diversified global food and agribusiness providing quality and value-added products to customers worldwide.

Our vision unifies us to have a common cause and sustainable growth strategy. It inspires our employees to make a positive contribution everyday and gives us a sense of mission.

Motivation	We are one great Mewah team that make things possible. We embrace challenges, we never give up.
Engagement	We believe in being constantly engaged with the company and with each other. There's no you or I, there's only "WE".
Wisdom	To be discerning when making decisions, after careful analysis and in depth study.
Aspiration	We create a dynamic environment to inspire, motivate our people, our customers and community at large, to continuously change for the better in order to scale new heights.
Honour	We believe in Mewah honour, helmed with honesty. We hold ourselves accountable to the highest ethical and professional standards.

The implementation of Mewah’s Sustainability Framework is governed across various levels, from the Board and Management to Head of business units. Our goal is to embed sustainability across the supply chain and throughout the organisation. As we seek to lower carbon emission in our business operations, we rely on a skilled workforce, effective production processes and technologies to optimise all resources throughout our operations. To build supply chain resiliency, we cannot do this alone, we need the collaboration and commitment from all our suppliers and customers. Our supplier engagement programme started since November 2014 with the commitment and determination to engage every single supplier’s group in our supply chain. Today, we have built a robust supplier engagement strategy that consistently identify opportunities to further improve the sustainability standard in our supply chain.

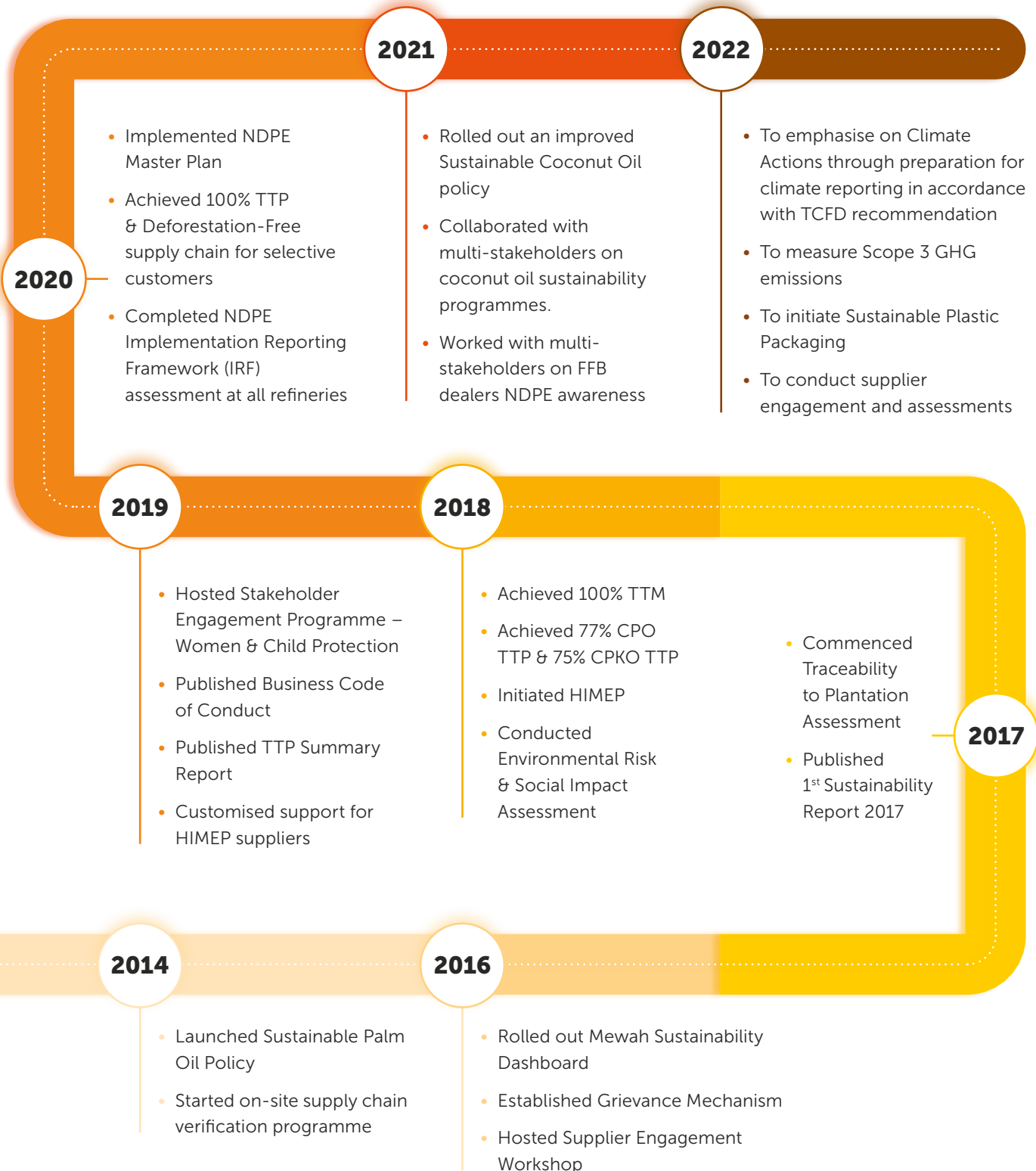
The Group Sustainability Department has been assigned to actively engage with all relevant stakeholders in our supply chain to ensure compliance with our Sustainable Palm Oil Policy. At the same time, the departmental managers are responsible to proactively engage our employees in day-to-day corporate sustainability efforts with the target to create a stronger link between the values of our employee and their daily work for us.

With these sustainability goals in mind, we have put together nineteen (19) sustainability focus areas under the Mewah Sustainability Framework. These sustainability focus areas serve to guide Mewah forward, as we strive to be a sustainable and responsible food agribusiness, and continuously innovate to be future-ready, in the face of an ever-changing global landscape.

The five (5) focus areas and nineteen (19) core areas of Mewah Sustainability Framework:



MEWAH SUSTAINABILITY ROADMAP



KEY HIGHLIGHTS OF SUSTAINABILITY PERFORMANCE IN YEAR 2021

Environmental Protection & Stewardship

Mitigating Impacts of Climate Change

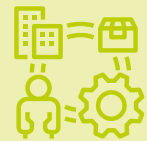
- 15% reduction of water intensity (m³/MT product)
- 100% production waste recycled



Responsible Supply Chain

Embracing Supply Chain Resilience

- 90% Traceability to Plantations in the CPO supply chain
- Attained 100% verified deforestation-free CPKO supply chain



Valuing Our People

Adopting a Positive Workplace Culture

- ZERO fire accidents & ZERO fatalities at our operations
- 16 minimum hours of training per staff



Community Support

Holding Strong to Our Community Objectives

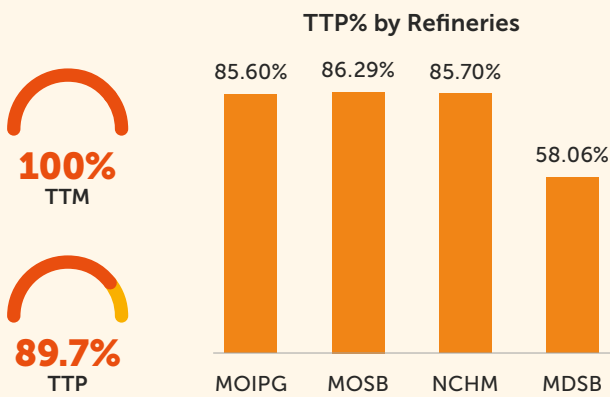
- Successful collaborations with 8 Non-Profit Organisations
- CSR works benefited thousands of global communities



YEAR 2021 CPO & CPKO SUPPLY CHAIN SUSTAINABILITY & TRACEABILITY PERFORMANCE AT A GLANCE



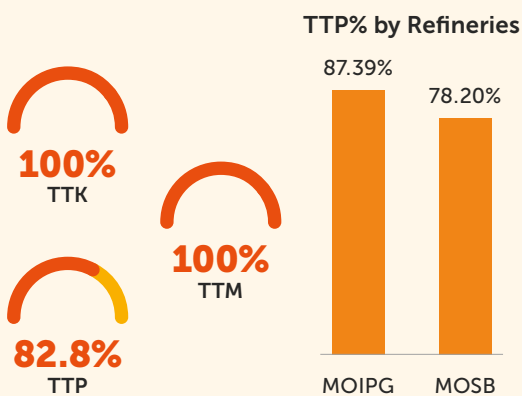
CPO – GROUP TRACEABILITY



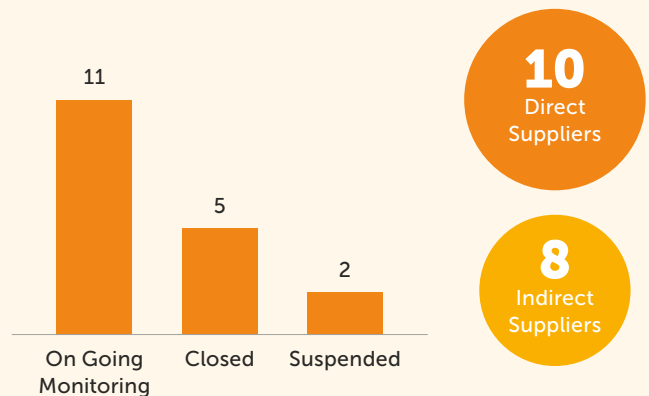
SUPPLY CHAIN GRIEVANCE STATISTICS



CPKO – GROUP TRACEABILITY



Status of Supply Chain Grievance Cases Year 2021



NUMBER OF SUPPLIERS



241
CPO
Suppliers



27
CPKO
Suppliers



131
Audited
Suppliers

SUPPLY CHAIN CERTIFICATION



>20%
RSPO
Certified



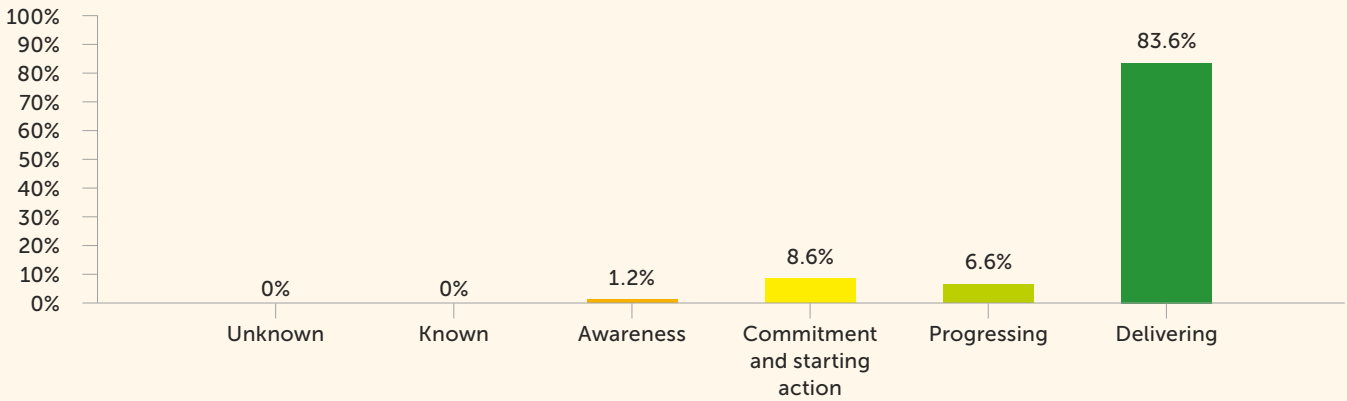
>87%
MSPO
Certified



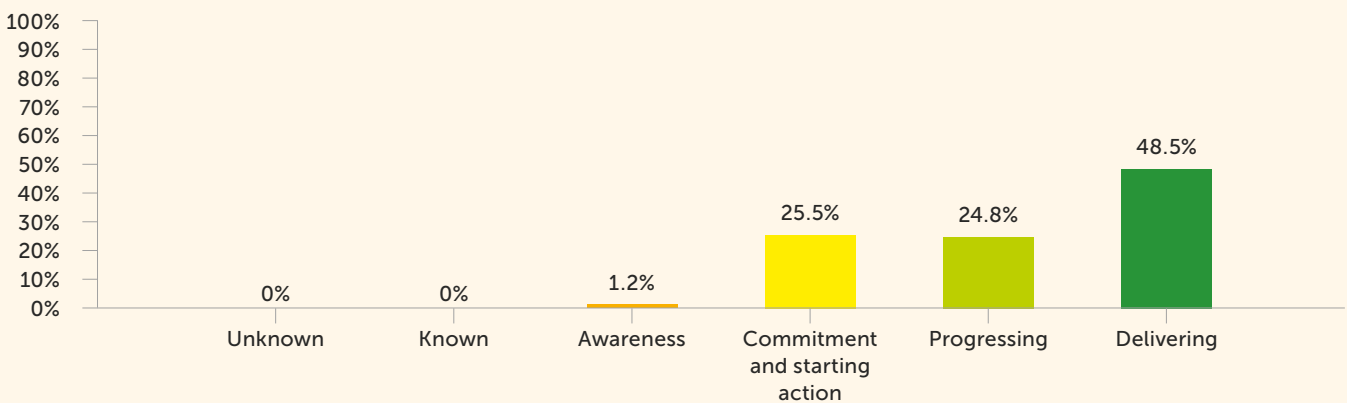
>7%
ISCC
Certified

NDPE IRF PROFILE

IRF - Deforestation progress at production level (% of total volume)



IRF - Peat progress at mill level (% of total volume)



MEWAH'S COVID-19 RESPONSE

The COVID-19 outbreak in 2020-21 is an unprecedented event that will in some way touch everybody on the planet. It has a serious impact on people's health and livelihoods around the world. It has brought a wave of grief, uncertainty, and fear to the world. Sadly, it led to the deaths of six Mewah's colleagues who lost their lives after they caught the virus during the course of their work for Mewah.

At Mewah, we are people first. Wherever and whenever we can, we are actively supporting those who continue to have their lives changed or impacted by COVID-19. As an agribusiness and being recognised as an essential service in the countries that we operate, we have an important role to play in this crisis. Our highest priorities are the safety of our employees, customers, partners and products health and safety. Since the start of the pandemic outbreak, we have implemented best practice precautionary and hygiene measures at all our operating sites. At the same time, we rolled out stricter sanitation protocols, social distancing, travel restrictions and making the arrangement of remote meetings and work-from-home (WFH) arrangements for our employees.

With these precautionary measures and necessary government approvals in place, our production continues as normal. Our on-site employees continue to work closely with our customers to ensure fulfilment of our sales obligation and support our local communities in such demanding circumstances.

COVID-19 MANAGEMENT AND ENFORCEMENT

Since the start of the pandemic, our Business Continuity Committee (BCC) has been continuously assessing and appropriately responding to the crisis as it develops. Safe management briefings among employees and local communities have been conducted regularly to support the government's direction to control this spread of disease.

Free face masks and sanitisers are made accessible at all manufacturing sites. At the same time, regular cleaning and disinfection, temperature checks, and social distancing procedures are adopted across all business operation. We have reinforced hygiene and exposure guidelines with our employees. If we become aware that an employee is ill or had direct or indirect contact with someone with COVID-19, we will immediately implement our isolation and sanitisation protocols and will begin any

necessary quarantines, in line with guidance from local health officials.

PROTECTING OUR EMPLOYEES

To keep our workforce safe, our employees are taking turn to work remotely to minimise workplace exposure. The use of various digital communication channels, including emails, conference calls, automation, and process improvements have helped us to overcome the demanding situations. To ensure a safe and smooth transition to the workplace, we introduced team split, staggered working, and break hours plan. Our employees are permitted to return to office in accordance with the designated workweek. It has been proven that our employees' productivity is remarkably resilient despite the reduction of on-site headcounts.

The welfare of our employees is our top priority. We will always respect our people's rights and ensure that everybody is able to work safely on-site and return home safely, regardless of the circumstances. We have increased the significance of sanitation in the workplace. Hand sanitisers are available throughout the workplace, cleaners were asked to perform routine disinfection at high contact points frequently, and hand-washing posters with catchy messages placed in all common areas to promote better health and hygiene at work.



Safe distancing is also heavily emphasised, the mandatory one-metre social distance is marked with tape and notices at various locations such as meeting room, lift, and pantry. The BCC is assigned to take accountability to conduct inspections and checks to ensure compliance, remedy non-compliance, and keep records of inspections and checks. In addition, we launched the COVID-19 Hardship Grant to provide one-off cash assistance for our employees in Malaysia and Indonesia, as a token of appreciation for all employees for their dedication and hard work during these challenging periods.

PRIORITISING MENTAL HEALTH

In the meantime, we also strengthened our approach to mental health. We provided resources to address the challenges of remote working and to support our employees. We set up a range of training programmes to encourage our employees to pay attention to their physical and mental well-being, and to support them as they did so.

HELPING OUR COMMUNITIES

“Every penny helps.” Mewah supported efforts by communities to halt the spread of the virus and to help people recover. This included a number of in-kind and monetary donations to help vulnerable groups and frontline workers. For example,

1. Donation of \$50,000.00 in cash contribution to Malaysia’s Ministry of Plantation Industries and Commodities (MPIC) COVID-19 Fund. This donation was used for those in need as well as the frontliners who were affected by the pandemic.



2. Donation of free OKI’s cooking oil as relief for lower to middle-income families in Singapore.
3. Donation of \$20,000.00 to set up common hospital room facilities at the Rajkiy Satellite Board Hospital, Rajasthan, India.
4. Donation of two units of Life-Support Ventilators worth more than RM100,000 to Tawau General Hospital, Sabah, Malaysia, in response to the acute shortage of medical supplies faced by the hospital.
5. Contribution to thousands of free face masks for the villagers and communities in Tanjung Pauh Village, Jambi, Indonesia.

In all this, Mewah people working on COVID-19 relief initiatives carried out donations in accordance with Mewah’s Business Code of Conduct as well as the national regulations compliance standards.



(Photo source: The Borneo Post)

MEWAH'S COVID-19 RESPONSE



“The One Word to Describe the Year 2021 - Unforgettable.

It is a year where an unprecedented pandemic caused economic collapse. A year where many ‘firsts’ were experienced and a year where humanity was put to the test.

While waves of layoffs began to engulf various industries due to the pandemic, we hold our fort tight and ensure our employees are safe at bay. Apart from swift responses on COVID-19 safety measures, we adopted **job relocation** for our employees to ensure job security. Instead of hiring new staff, our existing employees were transferred to divisions that have larger workloads or new division formed after a change in strategy. Sheltered from lay-offs, employees can then continue to contribute and brace through the time of crisis with the company.

The COVID-19 pandemic and other challenges have made people feel dismay, confused, frustration, restless, depressed, concerned about the new-shaping situation and want things back to normal. Maybe we can't reduce the fear caused by pandemic conditions and uncertain government regulations. But we can give at least certainty to their professional lives.

We offer our employees **Culture ONE-ON-ONE** through **hotline services**, where we encourage employees to reach out to us through various communication channels at any time. We answered their calls and listened to their outpouring on various topics, responding with empathy so they know we care and are always ready to help. Even sometimes, being a good listener is what our employees needed the most.

Through company facilitation, we promote conversation among colleagues so that they can freely express their worries and emotions without the intervention of upper management. This allows for stronger and genuine connection, where they can freely share their challenges and troubling emotions while enduring the pandemic life.

Lastly, we thank you all, management, and employees for your great contribution to surviving this pandemic. Together, we can, and we are set to reconnect with all our employee in a post-pandemic workplace.”

LUSIANA,
HEAD OF HUMAN RESOURCES

**Focus Area 1:
Environmental Protection
and Stewardship**

**Reconnect with
Nature**

**Mitigating the
Impacts of Climate
Change**

Focus Area 1: Environmental Protection and Stewardship

OUR COMMITMENT AND PROGRESS**Our Key Sustainability Efforts:**

We make investment in providing infrastructure development and amenities such as bore well and providing clean drinking water for our employees and locals. We work to ensure everyone within and in the surrounding of our business operation has access to clean water and safely managed sanitation services.

**Our Key Sustainability Efforts:**

We have put in place renewable energy resources in our major refineries as clean energy initiative to improve the use of renewable energy sources and reduce greenhouse gas emissions.

**Our Key Sustainability Efforts:**

During the pandemic, population living in rural areas face higher risk of exposure to COVID-19 mainly due to poor sanitation conditions. We recognise the important role that we are playing, and we have invested in building public infrastructure to ensure communities in our surrounding are inclusive, safe, and resilient.

**Our Key Sustainability Efforts:**

Urgent actions are needed to combat climate change and its impacts. We have a strict monitoring against every aspect of our operations, which include GHG emission, efficient use of water, waste generation, fire and peat management as to minimise environmental impacts that are detrimental to the planet and people's health.

The quality and subsistence of our life rely on the health of the environment. At Mewah, Environmental Management has been a key focus for us for many decades as we strive to optimise productivity and long-term sustainability in our business in accordance with our planetary boundaries. We focus our efforts on key areas where our portfolio and business scale allow us to have the biggest impact that offer the biggest opportunities for our business. Over the years, we have initiated several sustainability initiatives aimed at minimising our manufacturing footprint. At our upstream operations, we are also implementing a number of programmes aimed at forest conservation, protecting biodiversity and minimising adverse impact on the environment.

Our efforts in this area help contribute to UN SDG 6, 7, 11 and 13 which aim to promote sustainable use of energy and combat climate change & its impacts. We drive collaboration throughout our supply chain to reduce

our climate impact associated with our raw materials processing until delivering our products to the hands of our buyers.

This focus area covers our impact on various environmental footprints in terms of:

- 1) Carbon management
- 2) Water management
- 3) Waste management
- 4) Biodiversity management
- 5) Fire management
- 6) Pest management

The processing of edible oils is complex and energy intensive. Mewah's processing plants differ in capacity, capability, and range of products. This brings about different environmental footprint in different facilities. Therefore, each plant has different greenhouse gas (GHG), water and waste emissions.

Focus Area 1: Environmental Protection and Stewardship
CORE AREA 1: CARBON MANAGEMENT

Carbon emissions management is critical in meeting the 26th United Nations Climate Change conference (COP 26) ambitions on maintaining our global temperature below 2 degrees. Carbon footprint is defined as the total amount of greenhouse gases (GHG) that is produced directly and indirectly with our manufacturing activities. The standard unit of measurement for carbon footprint is carbon dioxide equivalents (CO₂e). GHG Emissions is an all-encompassing measurement for the carbon footprint and energy efficiency in our production.

Climate Commitments

With the various climate commitments by nations, the current generation is driven by low-carbon economy. At Mewah, we are mindful that increasing carbon footprint has profound effects on the environment and its impact on food security. We are committed to progressively reduce GHG emissions by identifying significant pollutants and emissions and implementing plans to mitigate or minimise them. We are determined to do our part to curb climate change by reducing GHG emissions across our value chain.

The primary contributing factors of GHG emissions in our production sites are:

- i. Electricity consumption,
- ii. Chemical consumption,
- iii. Fuel consumption.

Our GHG emissions from our production activity are calculated using the ISCC methodology and RSPO PALM GHG Calculator. It includes data from all processing facilities under Mewah Group, namely refineries, biodiesel plant, consumer pack plants, palm oil mills and plantation. These numbers are compiled monthly, evaluated and projects are in place to further improve these consumption figures.

1.1.1 GHG EMISSIONS IN OUR PRODUCTION SITES (GR305-5)

Our GHG emissions index depicts the results of quantity of GHGs emitted per metric-ton of product processed or packed in our manufacturing premises. The measurement is in kilograms of carbon dioxide-equivalent per metric ton of product (kgCO₂e/MT).

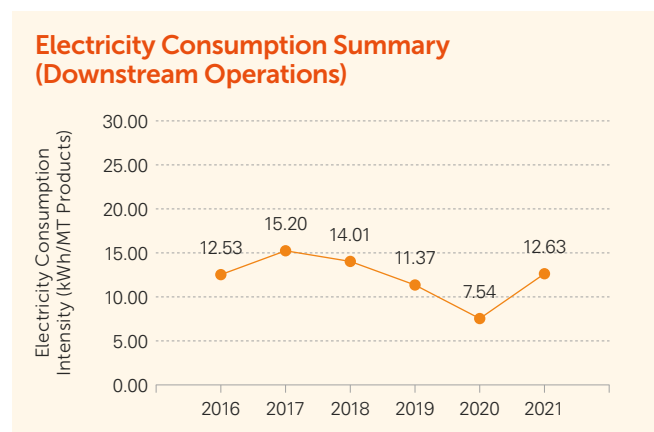
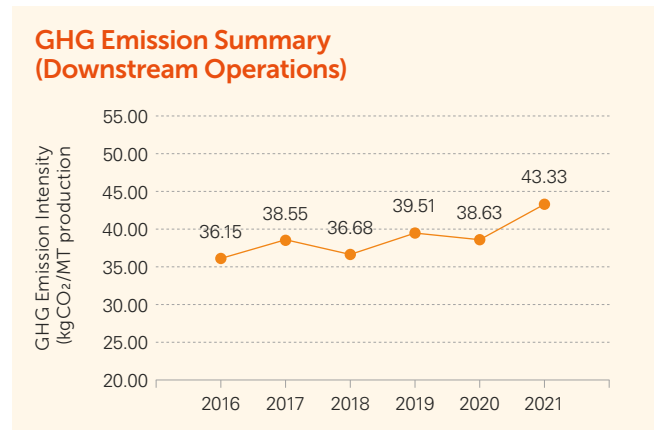
In 2021, the GHG emission intensity achieved in our downstream operation is 43.33 kgCO₂/MT production. On the other hand, the intensity of electricity consumption has

increased by 11.08%, up from 11.37 kWh/MT production to 12.63 kWh/MT production.

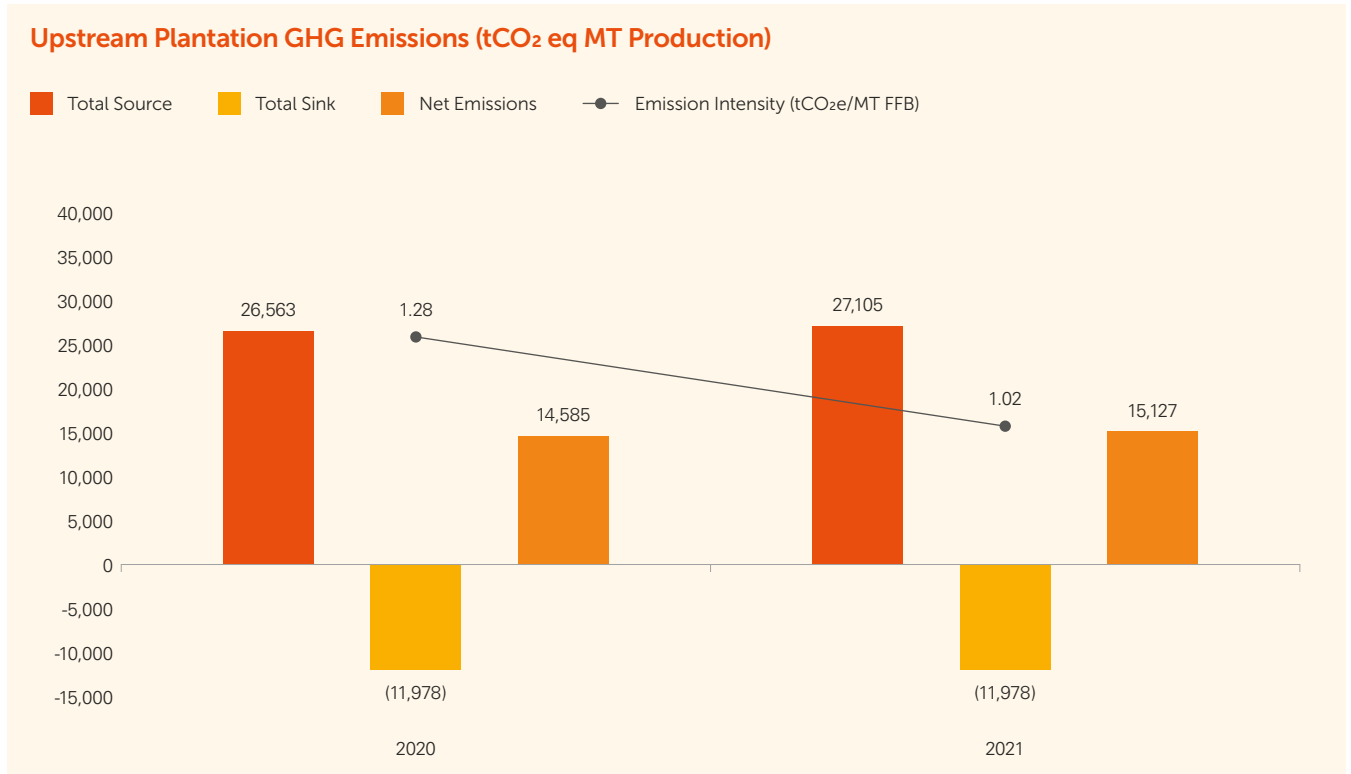
In our palm oil mill operation, the average annual GHG emission intensity is measured at 741.0 kgCO₂/MT CPO produced in the year of 2021.

In our upstream, net emissions in 2021 is slightly higher than the year of 2020 at 15,126.52 tCO₂e. The main contributors for such trend are from higher plantation operational activities. However, the emission intensity dropped from 1.28 MTCO₂e/MT FFB in 2020 to 1.02 MTCO₂e/MT FFB, due to 24% increase in FFB production in 2021.

As we keep expanding our business and investments, we are mindful that minimising GHG emissions in our operations is the top priority within our sustainability framework. As such, in managing our day-to-day business, we remain committed to low carbon operations and evident from our target for GHG emissions. We seek to reduce our GHG emissions by being more efficient in our production abilities as well as seeking more environmentally friendly sources of energy.



Focus Area 1: Environmental Protection and Stewardship
CORE AREA 1: CARBON MANAGEMENT



1.1.2 ENERGY EFFICIENCY IN OUR PRODUCTION SITES

Under our aspiration of sustainable future, energy efficiency has been one of the top priorities of Mewah Group in the way we develop and manage our business. For the past two decades, we have continuously innovated, invested in green technology and improved our operating efficiencies. Since 2018, driven by our commitment to play integral part in mitigating the effects of climate change, one of our refineries introduced high efficiency air-cooled compressor and high efficiency natural circulation high pressure boiler to our palm oil refinery plant. These projects are part of our low carbon strategies with the aim to achieve higher energy and resource efficiency.

The Group made a bold move in 2019 to invest in cogeneration plant replacing packaged boiler in our major refineries. Cogeneration technology is an energy-efficient solution for facilities that require both thermal



energy and electricity. The operational efficiencies realised by cogeneration plants provide great benefits to both industries and consumers. It uses less fuel and emits lower amounts of pollution when producing electrical and thermal energy than stand-alone electrical and thermal energy facilities. The new cogeneration plant investment is an example of our action in using energy more efficiently.

Focus Area 1: Environmental Protection and Stewardship

CORE AREA 2: WATER AND SUSTAINABLE MANAGEMENT

1.2.1 OUR FOCUS & ACTION PLAN

Water is a key natural resource for human survival, and our life relies in the accessibility and availability of water. In Mewah, we are focused on improving operational and agricultural water-use efficiency. Our goal is to continuously drive water security to assure business continuity while positively contributing to the communities we operate in.

The water footprint maps and measures how, when and where we use freshwater resources. We have put in place **integrated water footprint assessment** as part of the group sustainability initiative and business strategy through:

- I. Setting quantitative water footprint reduction targets in all manufacturing sites
- II. Apply standard terminology & calculation methods
- III. Monthly assessment on quality & quantity of wastewater discharge

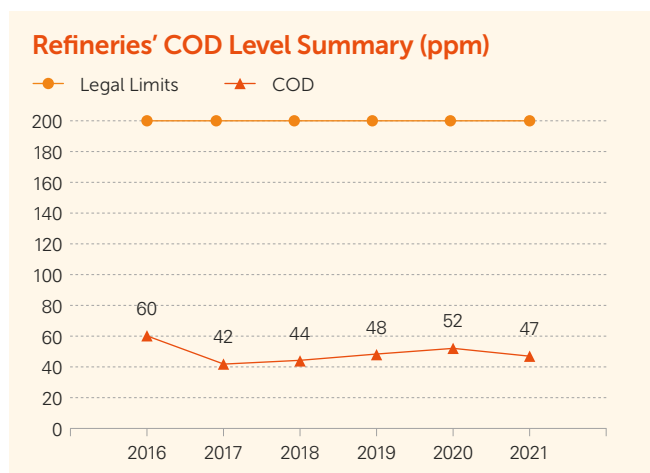
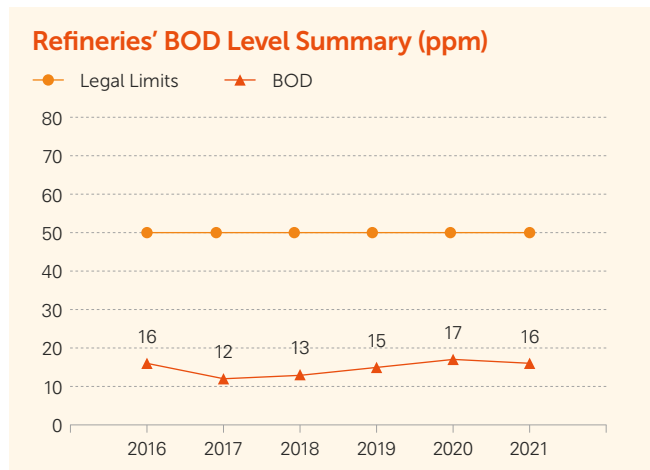
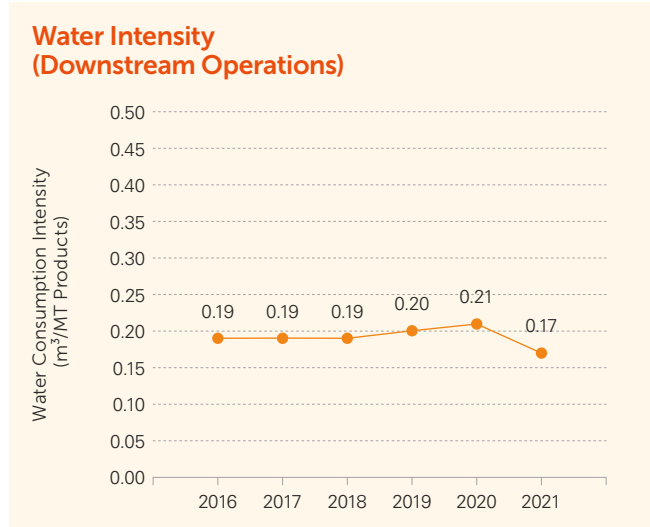
Our action plan in reducing our water consumption includes:

- I. Consistently assessing water-related impacts and risks across our supply chain.
- II. Identify uses of water in our factories and set targets to reduce freshwater use.
- III. Continue to improve conservation efforts (water-saving efforts) at our factories.

In 2017, we set a long-term goal and formulate strategy to improve water intensity from 0.19 m³/MT product to 0.15 m³/MT product by year 2025. Since then, we have been implementing various water saving initiatives to improve our water footprint across our factories. In the year 2021, the reported water intensity of our refinery plant is 0.17m³/MT product. The decrease in water intensity is due to lower plant capacity utilisation (%) in 2021 as compared to year 2020.

Protecting Our Water Source

Water is a vital resource for our operations and the communities in our supply chain. We strive to continue to improve our water efficiency by recycling and reusing where appropriate in the palm oil production process. The quality of water discharged from our refineries and palm oil mill are constantly monitored to make sure the discharge quality is within compliance of national environmental limit.



Remarks:
 1. In Malaysia, the permissible limits of BOD and COD for refinery for river discharge are at 50ppm and 200ppm respectively.

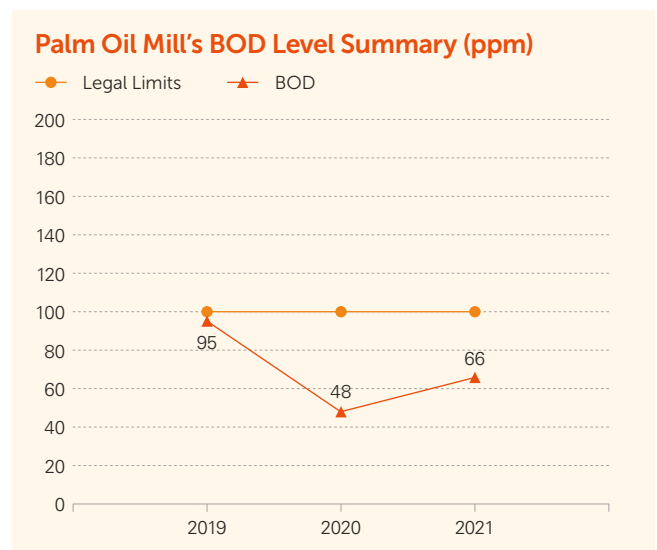
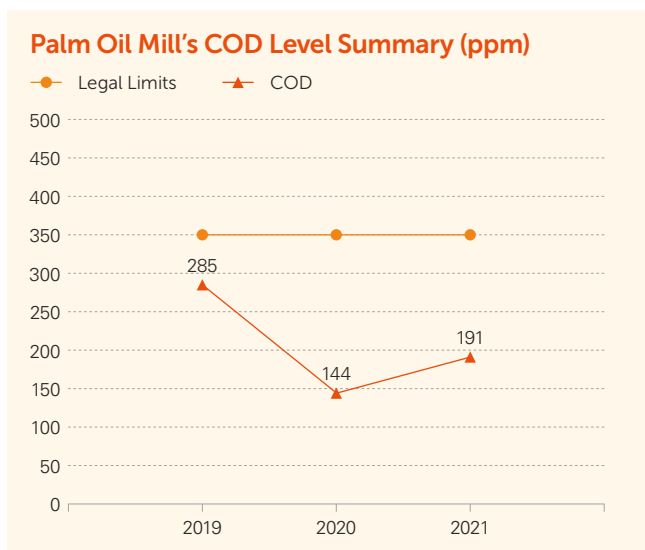
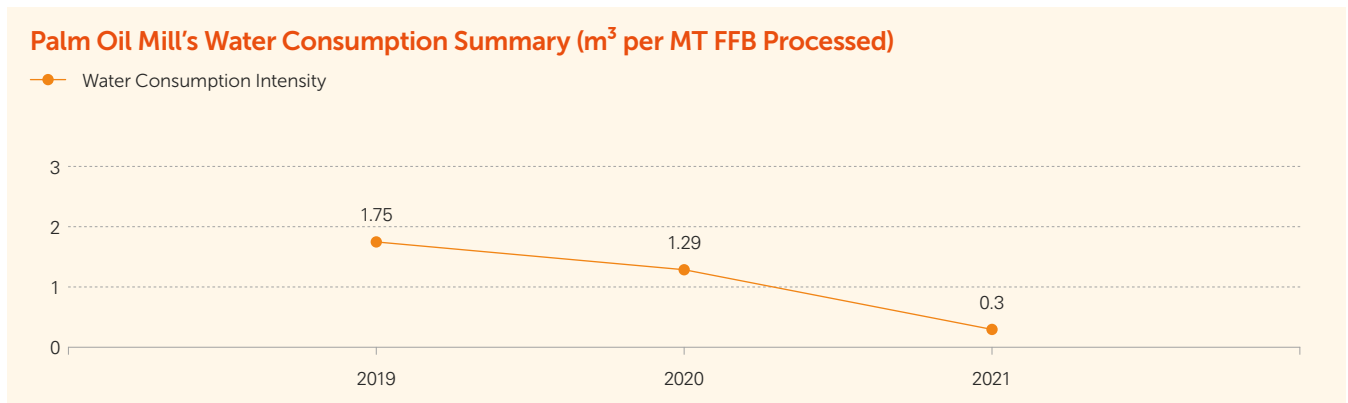
Focus Area 1: Environmental Protection and Stewardship
CORE AREA 2: WATER AND SUSTAINABLE MANAGEMENT

Palm Oil Mill Operations

The palm oil milling operation accounts for most of the water consumption in palm oil processing life cycle. A palm oil mill usually draws water supplies from local waterways and wells for FFB processing and household use.

The water consumption intensity at our palm oil mill is reported at 0.30 m³ per MT FFB processed in the year of 2021. This is greatly improved from 1.29 m³ per MT FFB processed in year 2020. This is owing to multiple water conservation initiatives introduced at the palm oil mill and higher efficiency in the year of 2021 compared to the year of 2020.

The wastewater also known as palm oil mill effluent (POME) is released into local waterways after treated. The discharged water quality is strictly in compliance with the local environmental limits that has been regulated with purpose to minimise the risk of disturbance to the aquatic environment as well as the pollution of ground water. The annual average BOD and COD level in our palm oil mill operation are reported at 66ppm and 191ppm respectively, that follows all relevant local thresholds in 2020.



Remarks:

1. In Indonesia, the permissible limits of BOD and COD for palm oil mill for river discharge are 100ppm and 350ppm respectively.

Freshwater Quality Sampling at Plantation Operations

Riparian buffer zones play several significant roles in safeguarding our environment. The water filtration, soil erosion prevention and wildlife corridor capability of the riparian indicating the importance of maintaining these areas. Therefore, we are committed to protect natural waterways through protecting our buffer zones.

Annually through the voluntary Monitoring and Measurement Programme (MMP), our subsidiary, PT Jambi Batanghari Plantations carried out freshwater biota survey namely Plankton Survey and Benthos Survey. The survey is carried out at upstream, midstream, and downstream of Sungai Batanghari, Sungai Jebus, and Sungai Paluh. Based on the presence of biological indicators namely the plankton and microorganisms collected from various sampling points, we can assess the pollution status of these rivers.



Focus Area 1: Environmental Protection and Stewardship

CORE AREA 3: WASTE MANAGEMENT

Waste is one of the major elements in sustainability. Sustainable waste management planning is a massive task that involves scientific knowledge, logistical planning, and understanding in order to balance the impact on our environment and the cost effectiveness of the process. In recent years, waste problem in ASEAN particularly plastic waste gained global attention. Annually hundreds of million tonnes of indecomposable plastic waste ended up in landfill, worldwide. The uptrend in irresponsible disposal of waste leads to rising environmental pollution, as well as ill health effects. We are taking waste management seriously in our estate.

The “Circular-Economy Thinking” in Our Manufacturing

At Mewah Group, we have developed a comprehensive waste management blueprint that outlines our action plan to guide employees in understanding our waste streams, measure baseline/current waste generation and complete a facility-wide waste operations assessment on bi-annual

basis. The Project Team must ensure water pollution and waste management risks are identified and assessed and appropriate mitigation measures are implemented to achieve compliance with the respective national law, the Health, Safety and Environmental (HSE) policy commitments, objectives and targets. All our operating sites have established a waste management plan to define responsibilities and mitigation measures.

The objective of our water management plan is to assure a sustainable waste material management in our production sites by putting in place effective measures. We believe solid waste is probably our greatest environmental challenge (particularly in palm oil refineries that generate high volume of spent bleaching earth) and also an area of opportunity. We need to adopt an eco-mindset in waste handling to think of waste as a resource and find ways to work up the supply chain to reduce it and look for chances to close material loops in line with circular-economy thinking.



Our Approach

1) Our waste is divided into 4 main categories:

Category	Type of Waste
A	General Waste
B	Scrap Waste
C	Production Waste
D	Scheduled Waste

2) The amount of waste generated by each category is monitored and attention is brought to the amount generated.

3) Identify the **5 Rs**’ components in managing waste: Refuse, Reduce, Reuse, Recover and Recycle.

- i. **Refuse** – Refuse to receive unnecessary materials will help to eliminate waste from the very beginning. It is simply about saying no and looking into reusable alternatives.
- ii. **Reduce**: Focus to improve efficiency. To establish practices that are capable to reduce the amount of waste we generate to help the environment.

- iii. **Reuse**: Practice to reuse materials without change whether for the original or a different application instead of throwing them away or pass those unused materials on to others who could use them.
- iv. **Recover**: To set up ways to recover the energy values contained within the waste material.
- v. **Recycle**: Many of the things we use every day can be recycled. Recycled items are put through a process that makes it possible to create new products out of the materials from the old ones.

1.3.1 REFUSING PLASTIC WASTE

Plastic pollution has gained major headlines over the years, imprinting the world with the excruciating effects of plastic deforming our marine life. Today, the amount of plastic waste in the ocean is estimated to be around 14 million tonnes and littered across all columns of the oceans. The colossal number of marine debris causes severe injuries and death of valuable marine existences, also affecting the health of human. In Malaysia, a “Roadmap towards Zero-Single Use Plastics 2018 -2030” was launched by Ministry of Energy, Science, Technology, Environment and Climate Change. The roadmap spells out Malaysian government’s plans to phase off single-use plastics in the nation by 2030.

Under the aspiration, Mewah introduced “plastic-free campaign” in all our operating sites with the purpose to bar the use of plastic bags and polystyrene foodware, since 2019. A practical guide was set up and awareness campaign was built to educate our employees on the presence of plastic and its harmful effects on the environment.

Sustainable Packaging

Since the invention in 1907, plastic provides tremendous convenience and is a safe packaging solution to us. The lightweight, versatile and amazing contamination prevention capability of plastic packaging has allowed it to preserve and maintain the safety and quality of our food.

In Mewah, we are constantly looking into pragmatic solutions and initiatives on sustainable packaging through research and development. While doing so, we prioritise food safety and quality. In the year of 2021, strategic planning and research with production line and various department are underway. Through the new initiative, we are positive about practising circular economy and improving our plastic footprint.



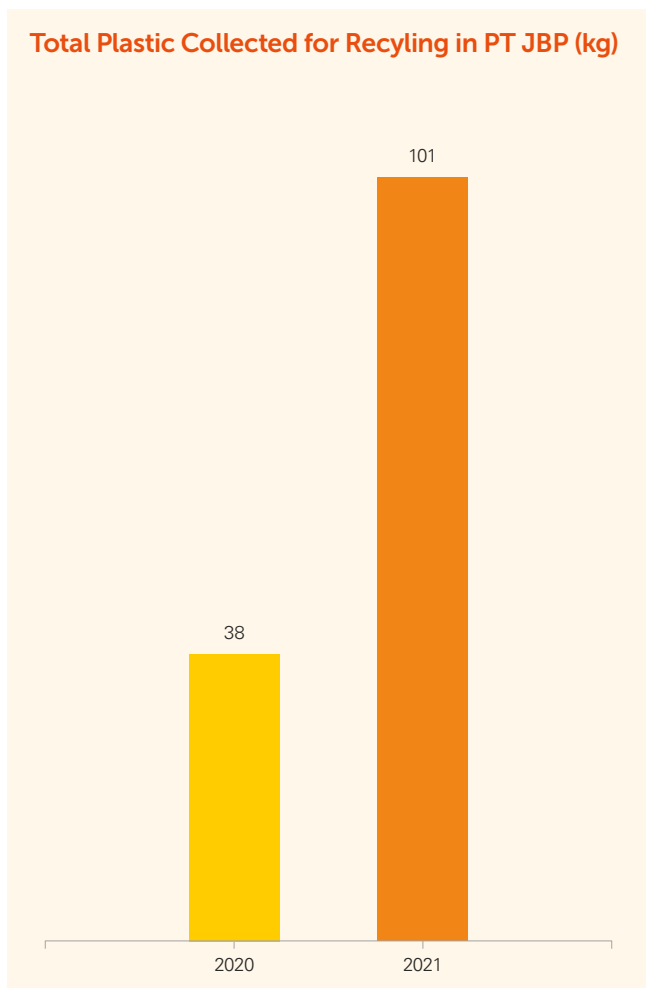
Focus Area 1: Environmental Protection and Stewardship
CORE AREA 3: WASTE MANAGEMENT

Reuse of Plastic

Fertiliser bags are one of the main contributors of plastic waste in the plantation. As an effort to extend the lifespan of these plastic bags, PT JBP diligently washes the bags in a designated and well-ventilated area with proper PPE before sun drying them and storing them in a proper storeroom before sending to the palm oil mill for reuse as EFB fertiliser containers.

The amount of plastic waste collected for recycling purposes has increased approximately 3 times in 2021 compared to 2020.

The plastic waste collected were cleaned and segregated according to respective classifications before collection by an authorised third-party. This effort is critical in ensuring the environment we are in is free from non-degradable plastic waste, reducing the climate impacts.

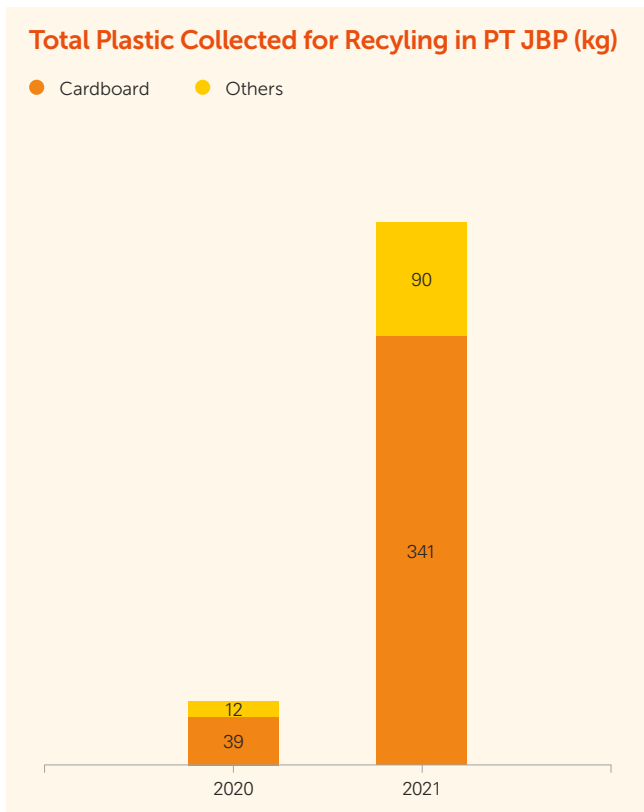


1.3.2 REDUCING GENERAL WASTE

The concept of waste minimisation is fundamental in our waste management. We encourage our employees to use recyclable and bio-degradable bags and containers, e.g., reusable cloth bag.

Reduce, Reuse and Recycle (3R Programme) of domestic waste is currently implemented in PT JBP. Waste segregation, trainings, signage, collection points and workshops are incorporated into our operations. Recyclable domestic waste collected such as plastic and cardboard will then undergo careful segregation and measurement before being sent to authorised waste collector.

Since the implementation in 2020, the recycling programme shown great effort of our people in reducing waste disposal into the landfill. In the year of 2021, a total of 431 kg of recyclables made up of cardboard and other recyclables are saved from landfill, which is 4 times more than the previous year. Through this recycling effort would extend the materials lifespan and reduce the need to extract of virgin resources for manufacturing and minimising the waste footprint from our plantation.



In 2021, a total of **431 kg** of recyclable are saved from landfill.

Focus Area 1: Environmental Protection and Stewardship

CORE AREA 3: WASTE MANAGEMENT

1.3.3 REDUCING AND RECYCLING OFFICE WASTE

For general (non-production) waste, our goal is to achieve “zero-waste office” and advocate sustainable waste management in our global offices.

Some of our key actions:

1. Stopped providing paper cups in our head office and switched to reusable tableware;
2. Banned plastic bag for all employee and visitors entered to our offices;
3. Recycled food scrap for nutrient-rich fertiliser.
4. Upgraded our meeting room infrastructure to make it easier to hold paperless meeting.

1.3.4 REUSING SCRAP WASTE

Generated from maintenance of our facilities, scrap waste is found in operation. These materials lifespan is extended through our programme, where all scrap waste produced are first reused, including mild steel, tin, zinc, etc., before being sold for recycling. This cost-effective practice ensures that these natural resources are fully utilised before being disposed.

1.3.5 RECYCLING PRODUCTION WASTE

At refineries, Spent Bleaching Earth (SBE) is the major source of waste generated from production. It contains 20-25% of residual oil. Due to the high oil content in the Spent Bleaching Earth, its disposal can be considered an environmental hazard, as it is highly flammable. 100% of SBE generated from our refineries are recycled either as raw material for another manufacturer or used as biomass.

(Note: Bleaching earth is an adsorptive cleansing agent used in bleaching process to remove impurities and colour pigments in the CPO.)



At our palm oil mill operations, the common waste generated from FFB milling process are solid biomass waste and liquid waste. Solid waste comprises empty fruit bunches (EFB) of oil palm, fibre, and shells. Palm Oil Mill Effluent (POME) is the liquid waste generated from mill. Both solid and liquid waste is either being recycled or reused as organic fertiliser or fuel. We aim to achieve zero waste by 2023 – that is to have 100% of solid and liquid waste from FFB milling process reused and recycled.

1.3.6 RECOVERING SCHEDULED WASTE

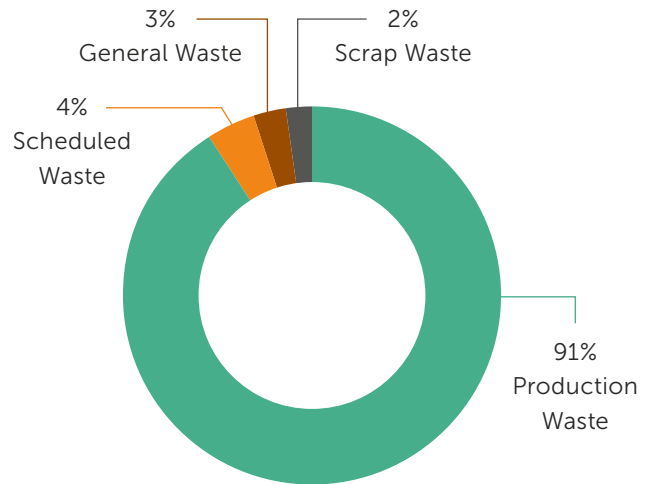
Spent nickel, hydraulic oil, lubricant oil, and waste solvent are some of the examples of waste which are generated from our production activities. These by-products are highly regulated, and they have to be disposed at recovery sites as designated by the Department of Environment (DOE). We have complied with these scheduled wastes, which are recovered and treated by licensed contractors. The recovery of such scheduled wastes involves the removal of harmful or/and contaminated substances, in certain instances, the recovery of valuable resources.



Our 2021 Waste Footprint

Production waste accounts for 80% of the overall waste generated in our operation. The spent bleaching earth (SBE) generated from our refinery business makes the largest contribution to our waste footprint. It accounts for more than 50% of the total waste footprint. 100% of SBE generated from our refineries are recycled either as raw material for another manufacturer or used as feedstock for biodiesel production.

General waste, scrap waste and scheduled waste are 3%, 2% and 4% respectively of total waste footprint.



Production Waste
<ul style="list-style-type: none"> Spent Bleaching Earth (SBE) Spent filter Empty can/carton/lid/tin plate skeleton Palm Oil Mill Effluent Empty fruit bunch Palm Kernel Shell

Scheduled Waste
<ul style="list-style-type: none"> Chemical glass bottle Solvent waste Spent special fluid-Hydraulic oil/gear oil/lubricant Spent nickel Lab trash

General Waste
<ul style="list-style-type: none"> Contaminated packaging Wood Food waste

Scrap Waste
<ul style="list-style-type: none"> Jerry can Used flexi bag Metal waste/drum Damaged tin & old zinc



“In Our Refinery, We Embrace Zero Waste Production. 100% of Our Production Waste is Recycled.”

The processing of CPO will generate both solid and liquid waste. The major solid waste generated from refining process is spent bleaching earth (SBE). This solid waste contains oil residue. Therefore, only authorised and competent company can handle the disposal/recovery of SBE. Since year 2015, we engaged with EcoOils Sdn Bhd to recycle SBE produced from the refinery. Thanks to their post extraction technology, they are capable of extracting the oil residue in the SBE, and transformed the oil residue into industrial products, such as biodegradable lubricants and soap. In addition, the oil residue from SBE is also suitable to use as feedstock for biodiesel and biofuel production. The residue from extracted SBE will then be disposed in accordance with the guideline of Department of Environmental (DOE).

For liquid waste generated in the deodorisation process “Vacuum section”, we will channel the wastewater into the Industrial Effluent Treatment System (IETS). The wastewater treatment is what we called as the Chemical Treatment Process (CTP) that is followed by the Biological Process (BP). The treated wastewater will later discharge into drainage, in full compliance of Malaysia Wastewater Effluent Discharge Standards A. The whole treatment process is fully supervised by the Competent Person (CePIETSO-BP or CePIETSO-PCP) in our refinery and the plant is operated by experienced operators. The Competent Person in our refinery is responsible for operating and maintaining the IETS in safe conditions that are within the acceptable ranges/characteristics as specified in the Guidance Document on Performance Monitoring.”

**LIEW CHEE SUM,
PRODUCTION MANAGER, NGO CHEW HONG OILS & FATS (M) SDN BHD**

Focus Area 1: Environmental Protection and Stewardship

CORE AREA 4: BIODIVERSITY MANAGEMENT

Biodiversity is the foundation of all life and constantly providing the inhabitants the essentials by keeping ecosystem functioning and capital for economy. The outbreak of the global pandemic reminds us of the significance of environmental health and risk of emerging zoonotic diseases. Across the world, biodiversity has been significantly altered by human pressure, including land- and sea-use change, direct exploitation of organisms, climate change, and pollution. According to World Economic Forum's 2020 Global Risk Report, "biodiversity loss" has been rated as the second most impactful and third most likely risk for the next decade. The current rate of extinction is tens to hundreds of times higher than any other time in human history. Biodiversity loss has serious implications for humanity, from the collapse of food and health systems to the disruption of entire food supply chains.



Biodiversity conservation and forest protection have been a major focus of our environmental efforts in our estate. Under our High Carbon Stock (HCS) and High Conservation Value (HCV) commitments, we focus on maintaining and restoring riparian buffer zones throughout all our operations in recognition of its importance in our ecosystem. We have identified and conserved lands made up of HCV and HCS areas. We have taken a landscape approach to conservation (beyond the boundaries of our concession) through community conservation partnership with external partner.

High Conservation Areas

Studies shown that wildlife utilise riparian buffer areas of a sustainable managed plantation for various purposes. A total of 79.63 ha of HCS areas and 35.82 ha of riparian buffer is set aside in our estate. These areas are made up of riparian areas along the major rivers and pocket jungles and are forbidden from further development and hunting. The pocket jungles can regenerate and gradually encourage the utilisation of its natural inhabitants. Signage are being placed in the surrounding areas and awareness trainings are conducted for our employees and the local community to further imprint the importance and management of this area.

Species Identification

We believe human and wildlife can live in harmony and respect each other's boundaries, through sustainable management of our operations by adhering to Best Management Practices and other sustainability guidelines. Since the flora and fauna assessment in 2020, we have gained better insights of the composition of nature inhabitants within our vicinity.

A list of species was examined against International Conservation Union's Red List (IUCN). A total of 282 species of plants and 11 species of mammals were discovered within the vicinity of our estate. We are committed to control any illegal or inappropriate hunting of all the species with internationally and locally conservation concerns. Wildlife monitoring is also conducted in our estate to enhance our understanding on the distribution of the precious wildlife.



Water Table Monitoring on Peatland

Peatlands are important natural carbon storage and play significant roles in the ecosystem. To ensure efficient land use on existing plantation on peatland and safeguard the long-term productivity of land, we adopt Best Management Practices (BMPs) in the oil palm cultivation. For instance, systemic ditches and dam are carefully constructed in the plantation to facilitate the management of hydrological regime in the plantation to reduce drying of organic matters and fire potential. Water table in our estate is currently managed in accordance with local regulations, at 40-60cm below soil surface to prevent rapid decomposition of peat. Peat subsidence is also constantly monitored in blocks that are planting on peat.



Focus Area 1: Environmental Protection and Stewardship

CORE AREA 5: FIRE MANAGEMENT



Zero Burning

Transboundary haze in the past affected number of Southeast Asia countries, caused poor visibility, schools closure, business stunted and health complications. We are committed to ensure peat fire and its environmental impacts are taken seriously in our estate.

At PT JBP, we have put in place effective fire prevention plans and control measures at our operations and the surrounding landscapes. We commit to conduct replanting using environment conscious method and adhering to the ASEAN's Zero Burning Policy at the same time. The traditional method of slash-and-burn is strictly prohibited and is replaced with chipping, which promotes nutrient recycling.

We actively socialise the importance of zero burning practices with adjacent local communities while ensuring safeguards are in place to address risk of fires at our oil palm plantation. Through our empowerment programme and trainings, our staffs form a team of in-house fire fighters (with 15 personnel per 1,000 ha of land) namely Team Elite Damkar. This will enable immediate and quick response during fire occurrences.

Firefighting: Everybody's Responsibility

Multi-stakeholder Collaboration

Smouldering peat fire is a challenge to be put off, the combustion might spread unknowingly to the neighbouring peatland without realisation. We recognise that it is a collective effort by all stakeholders in prevention of peat fire (Karhutla). PT JBP collaborates with our neighbouring communities – Kades Jebus, Sungai Aur and Gedong Jaya, to form a fire prevention team (Masyarakat Peduli Api). The purpose of collaboration between local authorities namely



Polsek and Danramil is to instil education and training for the local community in fire emergency response. During fire occurrence, quick response is critical to save life and the environment. Therefore, a communication channel is created among the firefighters and local authorities to streamline fire reporting and immediate flow of information on fire incidence.

Fire Prevention and Monitoring

Driven to ensure effective fire prevention measures, PT JBP is vigilant in implementing systems and intensifying efforts at fire prone areas. Fire hotspots and occurrences are being monitored in PT JBP. Physical precautionary measures include fire watch towers, portable fire pumps, water conservations, and fire patrols during dry season.

The hotspot forecast, weekly weather forecasts and warnings, are received to enable early detection of any fire risks and occurrence and suppression to avoid disastrous fire occurrence. In addition, fire alert system with technology, such as LIVE CCTV by Regional Police of the Republic of Indonesia (Polda) and satellite image from Indonesian National Institute of Aeronautics and Space ("LAPAN"), also help with fire management.



Focus Area 1: Environmental Protection and Stewardship

CORE AREA 6: PEST MANAGEMENT**Integrated Pest Management**

Agrochemicals such as pesticides have been ensuring our crops are protected from pest and diseases and allow optimum yield. Chemical usage in our plantation abide with proper SOPs and management plan. The effective implementations of the SOPs and management plan eliminate exposure to hazardous chemicals to our workers. Within PT JBP, the use of World Health Organisation (WHO) Class 1A and/or 1B and Stockholm or Rotterdam Conventions pesticides are prohibited, except for specific instances and in accordance to WHO recommendations and guidelines.

Since 2020, PT JBP has been practising Integrated Pest Management (IPM) as a form of pest control. Implementation of IPM through combinations of cultural, biological, mechanical, and physical controls, improve the pest management within PT JBP. Implementation of IPM allows us to safeguard the safety of our workforce, local communities, and the environment where we operate.

A. Legume Cover Crop

Other than increasing soil moisture and preventing soil erosion, legume ground cover namely *Mucuna bracteata* is well known for its various benefits in oil palm plantation. The nitrogen fixing capability of *Mucuna* transforms nitrogen in the air into crucial nitrates that serve as natural fertiliser for our crops. Other than that, studies showed that *Mucuna* demonstrates the capability to significantly reduce the damage of Rhinoceros beetle by obstructing its movement.

B. Barn Owl Nest

Rat infection can cause severe damage to the fresh fruit bunches production. The mass population of rats eat away leaves of young palms, killing the tree; on mature palm, the rats feed on the ripening fruits, costing financial loss to the operation. Conventional rat control is time consuming with high intensity prior to the outbreak. The introduction of barn owl (*Tyto alba*) in PT JBP offers economical and easy rat control, as the owls are natural predators of the rats. The deployment of barn owl also reduced the exposure to rat poisons.

C. Routine Mechanical Weed Control

Overgrown weeds in the plantation can serve as habitat to snakes and obstruct harvesting and fertiliser application. In addition, weeds affect crop production. Therefore traditionally, plantations used high quantities and cocktails of herbicides as control measures, which had demonstrated various environmental and safety concerns. Hence, to ensure effective upkeep of the plantation, PT JBP implemented routine mechanical weed control along the harvesting paths and basin area of oil palm, to ensure the optimum growth of palm trees.



Focus Area 2:
Responsible Supply Chain

*Reconnect with
Stakeholders*

**Embracing
Supply Chain
Resilience**

Focus Area 2: Responsible Supply Chain

OUR COMMITMENT AND PROGRESS



Our Key Sustainability Efforts:

The fight against poverty is not a task of charity; it is an act of uprightness and the key to unlocking human potential. Palm oil has played a huge role in reducing rural poverty in top producing countries, Malaysia and Indonesia. It has helped to lift millions of people out of poverty and contribute to the attainment of SDGs.



Our Key Sustainability Efforts:

To conserve and safeguard the marine ecosystem, we implement and enforce the main conventions and regulations adopted by International Maritime Organization (IMO) in our shipping operation, which covers all aspects including ship design, equipment, construction, manning, ship operation and waste disposal.



Our Key Sustainability Efforts:

We pledge to conserve biodiversity by identifying, protecting, maintaining areas of high conservation value (HCV). This would include critical areas that contain significant concentration of biological value, ecological, social, and cultural values.



Our Key Sustainability Efforts:

At Mewah, we have set up a public grievance platform as well as a grievance mechanism for all stakeholders in our supply chain to raise their concern or report any breaches of our policies. It serves as a transparent communication channel for us to promote peaceful and inclusive sustainability development.



Focus Area 2: Responsible Supply Chain

CORE AREA 1: SUSTAINABILITY POLICIES

Policies are integral component of an organisation, forming strategic roadmap for ensuring compliance with laws and industry requirements, streamlining internal processes, and providing guidance for decision making. Since the year of 2014, Mewah has committed to responsible and sustainable palm oil and sustainable coconut oil supply chain. We established a Sustainable Palm Oil Policy and Sustainable Coconut Oil Policy with sustainability commitments entailing the company's entire palm oil and coconut oil supply chain. These Policies establish mechanisms to ensure that palm oil and coconut oil in Mewah's supply chain will be free from links to deforestation, peat planting, and exploitation of human rights.

The provisions in these policies apply to all Mewah's operations worldwide, including our subsidiary companies. We expect all our third-party suppliers of raw materials to adhere to our sustainability policy commitments for their operations.

**Our Sustainable Palm Oil Supply Chain Commitments**

To build a traceable and transparent supply chain



To continue the journey of no deforestation and to commit no burning, protection of high conservation value (HCV) areas and high carbon stock (HCS) areas since 31st December 2015



To reject new oil palm development in forested peatland plantation after 31st December 2015



To respect human rights and to ensure protection of the rights of all workers



To respect the rights of indigenous people and local communities to give or withhold Free, Prior and Informed Consent (FPIC) where oil palm plantation development takes place

The Mewah's Sustainable Palm Oil policy can be located on our website or at http://mewahgroup.com/Sustainability_PalmOilPolicy.html.

Our Sustainable Coconut Oil's Commitments



Improving smallholder livelihoods and incomes



Improving productivity



Enhancing supply chain traceability



Reducing deforestation and encroachment



Respect the rights of indigenous people and local communities to give or withhold Free, Prior and Informed Consent (FPIC) where coconut plantation development takes place



Respect human rights and to ensure the protection of the rights of all workers

The Mewah's Sustainable Coconut Oil policy can be located on our website or at <https://mewahgroup.com/upload/Sustainability/Mewah%20Sustainable%20Coconut%20Oil%20Policy.pdf>

Transparency and Accountability of Sustainable Palm Oil Policy and Sustainable Coconut Oil Policy

We are committed to transparency and accountability in our sustainability programme. We note that both internal and external stakeholder groups are interested and involved in our engagement efforts.

Our efforts to improve transparency and accountability have been done through multiple channels such as:

- 1) Annual Sustainability Performance Reporting in accordance with GRI standard
- 2) Open Sustainability Dashboard & half-yearly palm traceability score update
- 3) RSPO Annual Communication on Progress (ACOP) Submission
- 4) Continual stakeholders' engagement
- 5) Grievance-handling procedures
- 6) NDPE Implementation Reporting Framework (IRF)



Focus Area 2: Responsible Supply Chain

CORE AREA 2: TOWARDS FULL TRACEABILITY

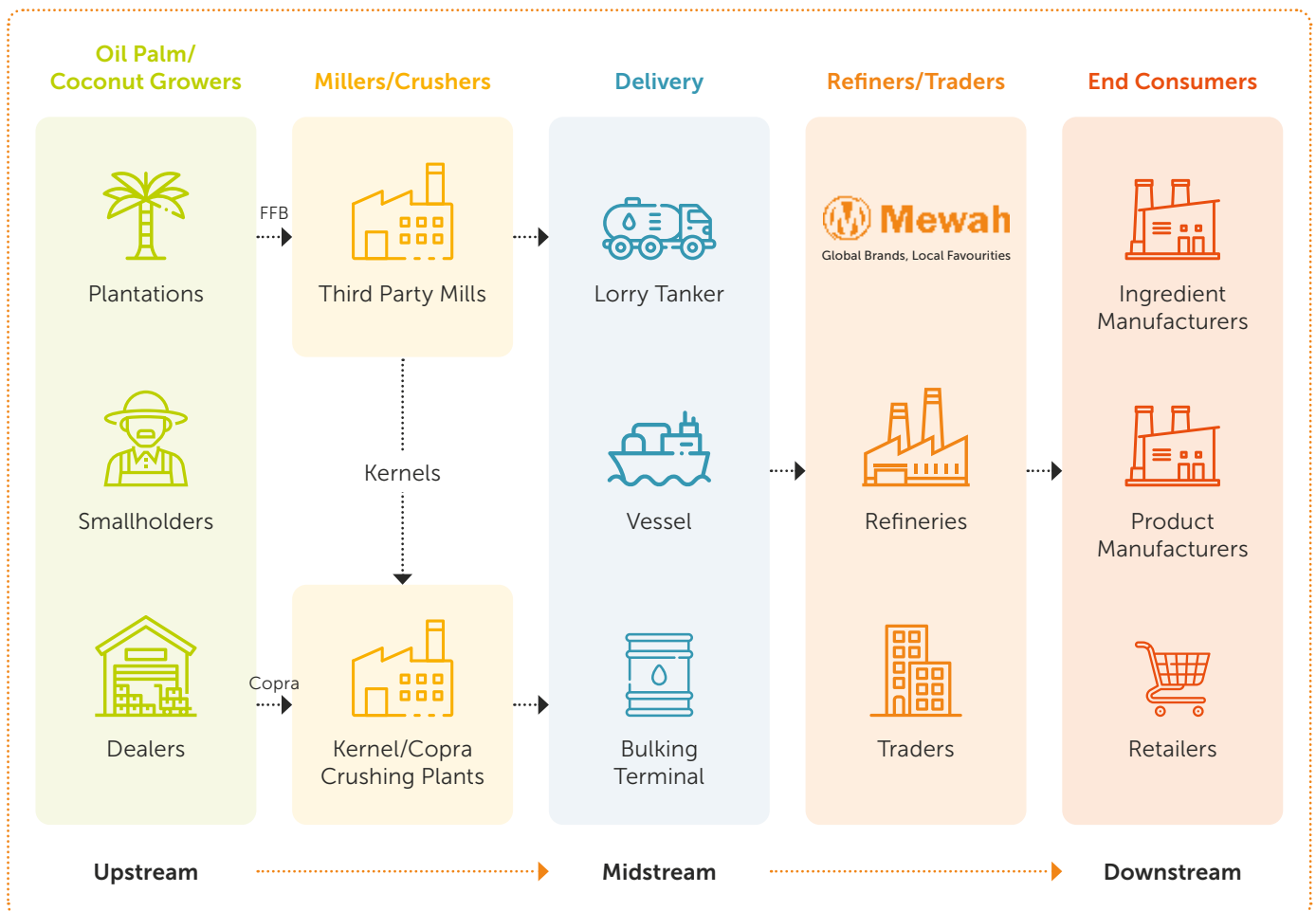
Commodities supply chain involves series of links connecting the origin of production, distribution and eventually resulting exchange on the world market. Similarly, both palm oil and coconut supply chains are complex and fragmented. Every tier in the supply chain plays its essential role in forging a path to full traceability. Transparency in the supply chain is a critical aspect of sustainability since it increases the visibility of suppliers and it allows us to trace and identify the origin of our raw materials.

A traceable supply chain reduces our sustainability risk by eliminating guesswork. With the growing demand for more transparency about product origins, our ability to demonstrate high traceability facilitates trust building,

keeps our brand promise and ensures our customers' satisfaction.

For every ton of palm oil and coconut oil received at our factory, we trace the exact location of the palm oil mills/crushers and the particulars of raw material suppliers to the palm oil mills/crushers who supply to us. Traceability data is necessary as it allows us to evaluate our suppliers' performance against our Sustainable Palm Oil Policy and Sustainable Coconut Oil Policy. At the same time, we are establishing engagement with our suppliers with the objective to improve the sustainability standards in our supply chain. This is done through traceability data collection, suppliers' assessment, and educational workshops.

2.2.1 OVERVIEW OF MEWAH'S PALM OIL AND COCONUT OIL SUPPLY CHAIN



2.2.2 MEWAH'S TRACEABILITY APPROACH






Transpired from our commitments in both Sustainable Palm Oil Policy and Sustainable Coconut Policy, we have been actively monitoring and engaging with our stakeholders predominantly our suppliers. Since the year of 2014, various engagement initiatives have been conducted to enhance sustainability awareness among our suppliers to make certain that everyone improves. As an independent palm oil refiner, we are fully aware that a large part of our footprint is contributed by activities beyond our own operations. Therefore, our suppliers are playing an important role in forging a path towards in sustainable palm oil production.

How we do it?

Part A: Palm Oil Supply Chain

We actively trace raw materials supply flows from refineries back to palm oil sources to map our supply base, evaluate suppliers' performance against our Sustainable Palm Oil Policy and initiate engagement with our suppliers to make improvements whenever needed.

Today, we are proud to announce that 100% of our CPO and CPKO are Traceable to Mill (TTM). The definition of "traceable to mill" refers to the fulfilment of 5 key traceability criteria i.e., Parent Company Name of Mill Party, Mill Name, Mill Address, GPS coordinates of Mill Party and Volume of CPO received at our refinery. We are determined to make sure that all our suppliers fulfil the same condition as the fundamental entry requirement to our supply chain.






-  Parent Company Name of Mill Party
-  Mill Name
-  Mill Address
-  GPS Coordinates of Mill
-  Volume of CPO received at refinery

Part B: Coconut Oil Supply Chain

We actively trace raw materials supply flows from refineries back to coconut copra mills to map our coconut oil supply base. We are measuring suppliers' performance against our Sustainable Coconut Oil Policy. The coconut oil sustainability is rather immature at this stage; hence, we

are gearing up our resources to proactively engage with our suppliers to make improvements wherever needed.

Today, we are proud to announce that 100% of our crude coconut oil (CCNO) are Traceable to Copra Mill (TTM). The definition of "traceable to copra mill" refers to the fulfilment of 5 key traceability criteria i.e., Parent Company Name of Copra Mill Party, Copra Mill Name, Copra Mill Address, GPS coordinates of Copra Mill Party and Volume of CCNO received at our refinery. We are actively socialising the traceability requirement with our suppliers and to set the traceability requirement as the fundamental entry requirement to our supply chain.

-  Parent Company Name of Copra Mill Party
-  Copra Mill Name
-  Copra Mill Address
-  GPS Coordinates of Copra Mill Party
-  Volume of CCNO received into refinery

Evaluation of suppliers' sustainability performance

With the purpose of evaluating and validating sustainability progress of our suppliers, we kick-started supplier verification programme as early as November 2014. Over the years, we completed assessment to more than 130 CPO suppliers across different states in Malaysia and the reports are published on Mewah Sustainability Dashboard. In Mewah's Traceability to Plantation (TTP) approach, a comprehensive field assessment will be carried out at every supplier's mills to assess its Fresh Fruit Bunch (FFB) supply base and to evaluate its compliance to Mewah's Sustainable Palm Oil Policy using our pre-defined Supplier Assessment Guidelines. In general, a palm oil mill's fresh fruit bunch (FFB) may be supplied by hundreds of estates, growers, smallholders and dealers. TTP assessment is an educational tool as well as a "bridge" for Mewah to support the transformation of our suppliers. The primary objective of our TTP initiative is to lift up the sustainability standards of all our suppliers to a higher level. So far, there is no common definition of TTP in the palm oil industry. Our current approach on traceability to plantations establish on ensuring the availability and validity of Malaysia Palm Oil Board (MPOB) operating license from FFB suppliers. The rationale behind our requirement is to make sure that all FFB supplied to the palm oil mills are sourced legally.

Focus Area 2: Responsible Supply Chain
CORE AREA 2: TOWARDS FULL TRACEABILITY

Traceability to Plantation Approach (For Malaysian Palm Oil Mills)

Traceability to Plantation	Volume FFB Supplied	Availability of MPOB License	Validity of MPOB License
Estate/Plantation	✓	✓	✓
Smallholders	✓	✓	✓
Dealers	✓	✓	✓

Remarks:
 • Estate/ Plantation - > 40.46 ha
 • Smallholder - < 40.46 ha

Traceability to Plantation Approach (For Indonesian Palm Oil Mills)

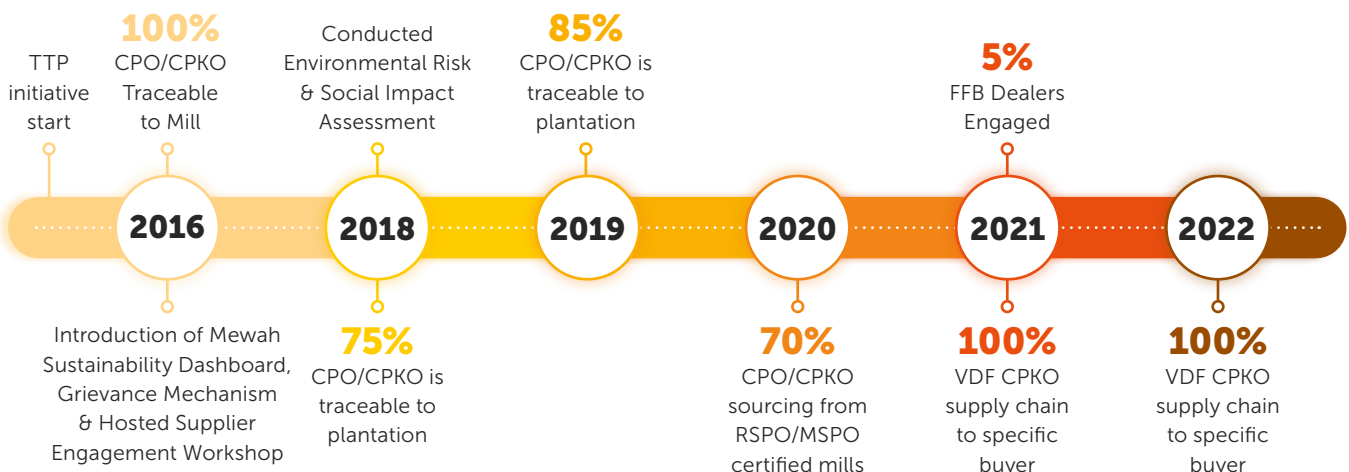
Supply*	Volume FFB supplied to mill (MT)	Parent Company Name	Registered Business Name	Location and Address	GPS Coordinate	Contact Person & Contact Number	Availability & Validity of HGU/IUP	Certification Status (ISPO/RSPO)
Plantation	✓	✓	✓	✓	✓	✓	✓	(if any)
FFB Agent/Broker/ Dealer	✓	-	✓	✓	✓	✓	-	-
Smallgrowers	✓	-	(if any)	✓	✓	✓	(if any)	(if any)
Independent smallholder Zones	✓	-	(if any)	✓	✓	✓	(if any)	(if any)

Remarks:
 • Plantation - > 500 ha
 • Smallholder - < 25 ha
 • Smallgrower - 25 ha – 500 ha

2.2.3 COMMITMENT TOWARDS 100% TRACEABILITY

A 100% traceable supply chain is the ultimate objective that galvanises us to focus our efforts towards improving the sustainability programme in our supply chain. Our traceability approach helps us in identifying the potential risks in our full supply chain while increasing our abilities in establishing constructive engagement with our suppliers.

We set out the CPO/CPKO traceability milestone alongside our Sustainable Palm Oil Policy in 2014. The milestones mark specific points along our journey to fully sustainable supply chain. These points signal anchors in every period of our traceability targets that we strive to commit to our palm oil Buyers. In year 2020, we are able to provide 100% TTP products to selective customers.



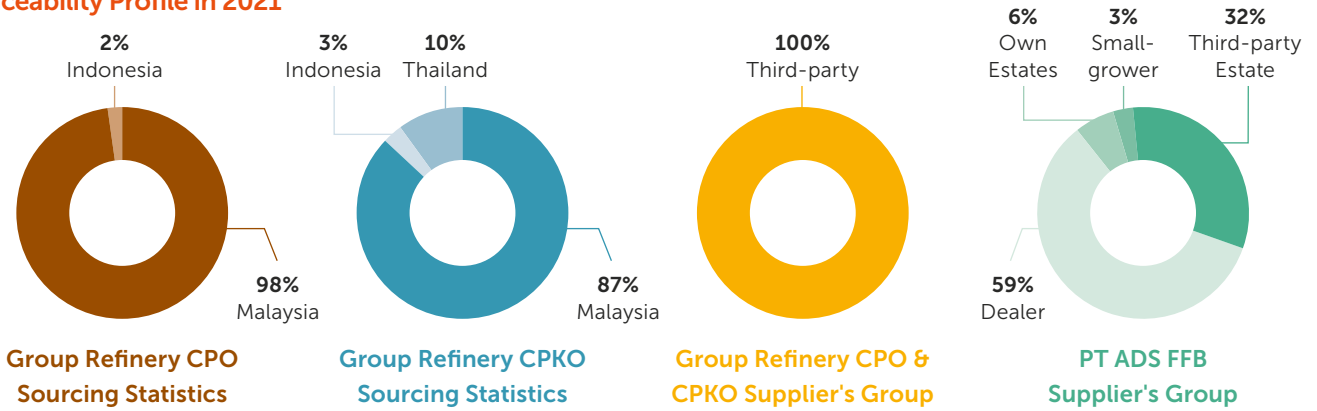
2.2.4 YEAR 2021 CPO/CPKO TRACEABILITY SCORE

The launch of our Traceability to Mill (TTM) exercise in 2014 and Traceability to Plantation (TTP) exercise in 2016 enabled us to reach out to a greater number of suppliers including millers, estates' owners, dealers, and smallholders. The traceability data collected from TTM and TTP exercise allowed us to map all the palm oil mills that supply CPO and

CPKO to our four refineries and the estates, dealers and smallholders that supply FFB to the mills.

In 2021, we maintain 100% TTM in our CPO and CPKO supply chain. Moving forward, we aim to continue working closely with all our esteemed suppliers for improvement in TTP score.

Traceability Profile in 2021



Group Traceability Statistics (%)				
FFB (Palm Oil Mill)	PT ADS		Traceability to Plantation	100%
CPO (Refineries)	MOSB MOIPG NCHM MDSB		Traceability to Mill	100%
			Traceability to Plantation	89.7%
CPKO (Refineries)			Traceability to Krusher	100%
	MOSB MOIPG		Traceability to Mill	100%
			Traceability to Plantation	82.8%

Remarks:

1. PT ADS – PT Angso Duo Sawit
2. MOSB – Mewah-Oils Sdn Bhd
3. MOIPG – Mewaholeo Industries Sdn Bhd
4. NCHM – Ngo Chew Hong Oils & Fats (M) Sdn Bhd
5. MDSB – Mewah Datu Sdn Bhd

Focus Area 2: Responsible Supply Chain

CORE AREA 3: STAKEHOLDER ENGAGEMENT

2.3.1 ASSESSMENT TO HIGH-RISK SUPPLIERS' MILL

On a yearly basis, we will identify several high-risk suppliers and carry out assessment base on guidelines define in Mewah's High Importance Mill Engagement Programme (HIMEP). The major audit areas during our assessment to the high-risk supplier's mill are:

- A. Chemical stores – Storage, herbicide mixing areas, personal protective equipment (PPE), ventilation and security.
- B. Field inspections – Herbicide application, harvesting sites, fertilising operations, first aiders and boxes, and field observation of all operations are following the SOP.
- C. Workshop – Safe working environment, environmental waste management.
- D. Worker interviews – Safety and Health, religious, wages/ pay and contracts, forced and child labour, first aid.
- E. Line sites – Wastewater quality monitoring & improvement plan, align with BOD requirement BOD <100 ppm, inspection of water discharge points.
- F. Social impact audits – through contributions made, employment opportunities and grievance procedure.
- G. FFB Traceability Data – to verify and validate FFB supplier's information i.e. smallholders, dealers, estates

Environmental Risk Analysis

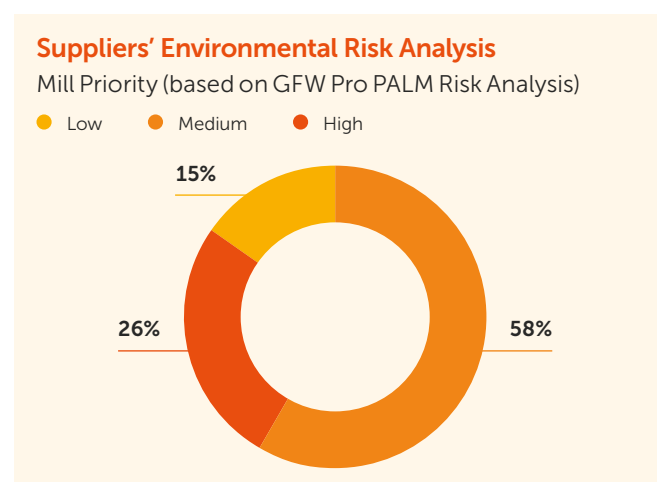
We initiated environmental risk assessment to our suppliers since 2017. Today, we completed assessment on more than 250 CPO suppliers present in our supply chain. We adopt online forest monitoring and alert system – Global Forest Watch (GFW) and Global Forest Watch Pro (GFW Pro) in the environmental risk assessment.

The GFW platform enables us to identify potential deforestation risks in our own plantation operations as well as our supply chain. The desktop assessment is done through overlapping the TTP data of each supplier (collected during our TTP assessment) and other sources of information such as peatland map, intact forest landscapes, tree cover loss, etc.

Deforestation Monitoring

Since monitoring began in 2019, we have recorded zero illegal deforestation in our own plantation operation. We commit to restoration and reforestation activities in areas where there has been historical degradation on HCV or any non-compliant land clearing as well as to restore riparian areas and peatland within our concession following our commitment to the Sustainable Palm Oil Policy.

At the same time, we are working with multiple stakeholders including the NGOs in assessing our supply chain compliance to no deforestation commitment. All grievances raised are being handled in accordance with the grievance procedure. Suppliers that were found non-compliant in deforestation commitment are required to execute an acceptable recovery plan(s) to address non-compliance(s).



We began mill assessment exercise to high-risk suppliers' palm oil mills since 2015. Through sustainability assessment programme, we have achieved numerous success stories in our supply chain. Our capacity building programmes were conducted on multiple channels such as field visitation, face-to-face meeting with Senior Management of suppliers' group, sustainability workshop and collaboration programme with Malaysia Palm Oil Board (MPOB).

As of December 2021, we have assessed around 190 palm oil mills in our supply chain. Out of 190 palm oil mills, there are around 30% high-risk suppliers which is around 57 palm oil mills. Our aim is to achieve 100% on-site field sustainability assessment for all palm oil mills located in high-risk areas by year 2022.

Social Impact Assessment

In relation to respecting human rights and labour rights, Malaysia has ratified a total of 18 International Labour Organisation's (ILO) Conventions. On top of the ratification, these conventions have been domesticated into national laws and regulations, including Employment Act 1955, Child and Young Persons Act 1966, Housing and Amnesties Act 1990, Trade Union Act 1959, Sabah Labour Ordinance 1950, etc.

The Mewah’s Sustainable Palm Oil Policy conveys our strong commitment to protect the rights of workers. Our workers form the core of our business. Hence, to further strengthen our position, we have developed and put in place policies, guided by international standards set out in the United Nations (UN) Guiding Principles on Business and Human Rights, ILO conventions, UN Global Compact (UNGC) and the Universal Declaration of Human Rights and its covenants.

We understand that our workers are the backbone of our company, to which we have the responsibility of providing them with a decent and safe place to live and work. We have invested into systems and facilities to promote more harmonious work and social relations in our operations. Apart from that, we are devoted to improving the infrastructure in our neighbourhood and communities such as housing, power supplies, water, roads, mosques, and schools. The purpose is to create a motivated workforce in our companies.

In order to make sure our suppliers’ mills are legally responsible and accountable to advocate human and labour rights in Malaysia, we have also developed our own set of assessment checklist to address social challenges and identify gaps in our suppliers’ site and supply chain.

At the same time, we also make it mandatory for our suppliers to consider food security as part of FPIC and SIA processes. All our suppliers must commit to mitigate impact on food security and demonstrate individual initiatives taken to improve livelihood for neighbouring communities.



2.3.2 SUPPLIER GROUP LEVEL SUSTAINABILITY ENGAGEMENT PROGRAMME

As part of our NDPE Implementation Programme, we introduced Supplier Group Level Engagement Programme since 2019. We selected 10 critical supplier groups in our supply chain that are responsible for the supply of 20% of palm oil production volume in our supply base. The programme serves as a platform for us to communicate mill assessment findings with our supplier. The target audiences for this programme are owners or senior management, group sustainability department and other relevant leaders in the organisation. It allows us to prompt the mill to take ownership of its own supply chain’s transformation, as well as lead transformation within its supply base.

2.3.3 MEWAH’S SUSTAINABILITY DASHBOARD

We have been maintaining an online sustainability dashboard on our company website since 2016. The main purpose is to ensure we are responsive to our stakeholders’ sustainability concerns in our supply chain. The dashboard provides updates on traceability declaration data, grievance log and policy’s commitments, as well as the certification status of our factories.

Supplier Engagement Programme



Focus Area 2: Responsible Supply Chain

CORE AREA 3: STAKEHOLDER ENGAGEMENT

2.3.4 MEWAH'S SUPPLIER ENGAGEMENT PROGRAMME

Effective engagement enhances our communication with our stakeholders to further our sustainability journey. Our suppliers are the major stakeholders in our business, and we believe supplier engagement is beyond the traceability exercise. The main objectives of supplier engagement are to create awareness among our upstream suppliers, increase interaction between our suppliers & buyers, spread responsible palm oil practices and build up supplier capacity to adapt sustainability practices.

Our focus is to continuously raise the standard of the palm oil industry by sharing our experience, technical expertise, and knowledge by providing training and technical assistance to ensure that our suppliers have the right skills and motivation to achieve our goals.

We see three crucial benefits from Supplier Engagement Programme:

- i. Multi-stakeholders approach – The opportunity to socialise our Sustainable Palm Oil Policy with our direct suppliers.
- ii. A platform to discuss the implications and requirements for adopting similar policies.
- iii. A platform to create awareness of the market demands for the need to delink our palm oil supply chain from deforestation, oil palm development of peatland and human rights abuses.

FFB Dealers Programme on NDPE

Since the early of 2021, we have been actively participating in a pilot programme with Proforest and stakeholders, through support from our buyer – AAK. The programme focuses on Fresh Fruit Bunches (FFB) dealer engagement on No Deforestation, No Peat and No Exploitation (NDPE) commitment. The programme comprises online and physical awareness workshops, site visits and formation of long-term strategy plans.

In the Malaysian palm oil supply chain, dealers play vital role as middlemen in providing various farm services for a vast number of independent smallholders and estates. Their services vary and mainly comprises harvesting of FFB, agrochemicals application, transporting and trading. They also play a crucial role in providing economy support to their surrounding communities. However, they often are not included in any of the existing sustainable palm oil certifications and overlooked in various sustainability journeys.

Despite delayed by travel restrictions from the pandemic, we have successfully engaged a total of four palm oil mills and seven FFB dealers, located in Selangor, Negeri Sembilan and Johor in 2021.



"The project provided us a lot of information and the current sustainability requirements of the industry. We appreciate the efforts and assistance provided by the team."

MS SHIRVY,
MEWAH MEGA ENTERPRISE, SEGAMAT
SUSTAINABILITY REPRESENTATIVE



2.3.5 SMALLHOLDERS – BIG IMPACT

Smallholders contribute approximately 40% of palm oil production, making them our key stakeholder in our sustainability journey. Their livelihoods are closely related to the longevity of the industry, and they are often most vulnerable to the changes in the market. Improving smallholder inclusiveness in our supply chain is one of the top priorities in our sourcing strategy. Our strategy focuses on empowering smallholders as an essential prerequisite for increased inclusiveness. This is achieved through cooperatives, training, and financial support.

Participatory mapping is crucial in providing us an overview of the surrounding where we operate. Incorporating local knowledge allows us to gain insights into better resource management.

We assist more than 500 independent smallholders surrounding us in improving their livelihoods, providing them with knowledge and resources in improving productivity while mitigating the negative environmental and social impacts.

Mewah has made substantial investment in infrastructure improvement, such as road, bridge, drainage, and more, to improve the market access from smallholders’ estates. In addition, we provide free supply of seedling and organic fertilisers to encourage more sustainable cultivation of oil palm surrounding the palm oil mill.

2.3.6 MULTI-STAKEHOLDERS ENGAGEMENT APPROACH



SASPO (Support Asia for Sustainable Palm Oil) Green Member

Since 2018, one of our subsidiaries, Ngo Chew Hong Edible Oils Pte Ltd collaborated with SASPO to promote demand for sustainable palm oil.

SASPO (Support Asia For Sustainable Palm Oil) was founded in 2016 by seven founding members: ASEAN CSR Network, Ayam Brand, Danone, IKEA, Unilever, Wildlife Reserves Singapore and WWF-Singapore. The alliance is the first business initiative in ASEAN focusing on sustainable palm oil. Through capacity building, workshops and educational resources, SASPO aims to lower the barriers for businesses to adopt sustainable sourcing policies.







Focus Area 2: Responsible Supply Chain

CORE AREA 4: GRIEVANCE MECHANISM

We initiated the supply chain Grievance Procedure on our Sustainability Dashboard since Jun 2016. The Grievance Procedure serves as a platform for stakeholders in our supply chain to address concerns or to report a complaint with regards to violation of our Sustainable Palm Oil Policy implementation. It defines the process of handling grievances made against Mewah’s palm business, including all direct & indirect suppliers.

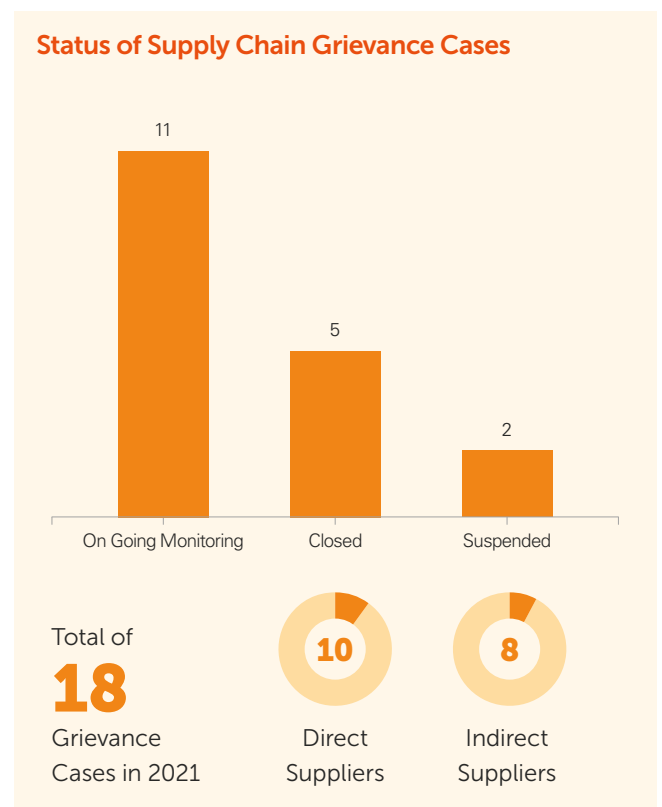
Our intention is to provide a positive, clear-cut, and comprehensive response to any reported sustainability grievances that are relevant to our Sustainable Palm Oil Policy implementation to ensure a transparent and open investigation process. We value the input of stakeholders in helping to achieve the objectives of the policy and in enhancing transparency throughout our supply chain.

New sustainability grievances with verified proof of deforestation and/or peat development will result in suspension of the supplier at a Group level. The Group Sustainability Department will support suspended supplier to comply with four (4) minimum supply chain re-entry requirements for Mewah to consider resuming sourcing activity. The four minimum supply chain re-entry requirements are:

-  Immediately halt all planting activities and/ or implement an immediate management directive Stop Work Order on non-compliant development areas.
-  Acknowledge liability and implement an immediate group-wide moratorium to rectify the subject allegation e.g., land clearing, peatland planting, labour exploitation.
-  Publish a group wide NDPE (‘no deforestation, no peat, no exploitation’) policy to reassure commitment towards NDPE’s pledge.
-  Formalise engagement with a reputable & reliable third-party consultant, produce time-bound action plan towards recovery (“recovery plan”) to ensure appropriateness, & effectiveness as well as compliance.

As of December 2021, we have registered a total number of 18 verified & unverified grievance cases in our supply chain. Out of 18 cases, five cases were closed with resolution. We announced “suspension” or “termination in sourcing” from two supplier groups due to verified non-compliance to our policy.

The following summary chart provides the latest statistics on status of grievance cases logged in our sustainability dashboard:



OUR APPROACH TOWARDS RESPONSIBLE SUPPLY CHAIN

We have defined 5 key elements into Mewah Sustainable Sourcing Guide:

- I. Sustainable Palm Oil Policy: Our commitment. Action plan
- II. Traceability Milestones
- III. Quality Certification: e.g., ISO, HACCP, Codex
- IV. Sustainability Certification e.g., RSPO, ISCC, MSPO, ISPO
- V. Grievance Procedure: In-place grievance platform for all stakeholders

OUR SUSTAINABLE SHIPPING INITIATIVES

One of the greatest lessons learnt from 2021 Maritime Industry is that shipping has stepped up to the UN's COP26 stage to undertake an active role in tackling the impact of climate change. Pressure is growing from cargo owners and financial stakeholders on decarbonisation as well as on seafarer's rights, as a result of crew change crisis. At the same time, supply disruptions mean we are seeing more retailers charter their own space/ vessel, shifting the landscape and increasing public awareness for a sustainable maritime industry. Shipping is part of a broader landscape and cannot stay in isolation. The momentum on Sustainable Shipping that has been built throughout 2021 has to continue.

Since the year 2019, we announced compliance to a Sustainable Shipping Policy. In this policy, we reinstate our commitment to relevant laws and regulations, security, occupational safety and health, human and labour rights, ethical business conduct as well as confronting climate change. A Labour Compliance Checklist has been put in place in our ships to ensure compliance with Maritime Labour Convention 2006.

Our initiatives in driving sustainable development in shipping operation includes:

1. Reducing GHG emissions and other air pollutants, notably (SO_x and SO_2), nitrogen (NO_x) and particulate matter (PM) emissions;
2. Providing safe, healthy working environments on ships
3. Promoting human and labour rights

We support the measure taken by International Maritime Organization (IMO) to reduce permissible SO_x from 3.5% m/m (mass per mass) to 0.5% m/m beginning in January 2020. Starting from August 2019, all our ships have converted to only consume low-sulphur fuel oil.

Moving forward, we will continue to work on ensuring sustainable decarbonisation in operating our vessel – both through the continuation of our work on low carbon fuels ("reducing emissions") and instil the idea of "circularity" into our vessel operations. For future expansion, we will consider sustainability at all stages of a ship's lifecycle, and we are ready to work with the industry's stakeholders to achieve life cycle sustainability across environmental, social, and socio-economic aspects.



Focus Area 3:
Product Quality and Safety

**Reconnect the
Emerging Trends**

**Working to
Improve Customer
Satisfaction**

Focus Area 3: Product Quality and Safety

OUR COMMITMENT AND PROGRESS



Our Key Sustainability Efforts:

In Mewah's Research & Development (R&D), we are continuously looking for new ideas and creative ways to increase the sustainability of our products. We apply sustainability lens and strict guidelines as we work with our customers to develop sustainable solutions as well as improving the formulation to achieve cost efficiency. This way, we are not only mitigating the environmental and health impacts but also enhancing the performance of our products.



Our Key Sustainability Efforts:

We are acutely aware of the importance of sustainable sourcing as well as responsible production of our products. One of the key efforts is our intensifying efforts to promote consumption of certified sustainable palm oil i.e., RSPO/ISCC/MSPO-certified palm oil for our customers. Our people are dedicated to applying an eco-minded approach to our products' life cycle – from manufacture to end-of-life. Our factories are certified with internationally recognised quality and sustainability certifications to give assurance to our buyers that our products are produced responsibly with a high level of transparency.



Focus Area 3: Product Quality and Safety

CORE AREA 1: OUR COMMITMENT TO CUSTOMERS

Mewah's reputation is founded on satisfying our consumers and customers with consistently high product quality that meet their needs and expectations. Our aim is to be the top trusted brand in the food industry.

Building upon our focus on embracing sustainability, we constantly aim to develop, produce, and market a consistently high product quality that meets the expectations of our customers and complies with the relevant food safety regulatory requirement. Mewah's broad product portfolio includes an expanded range of products that are better for people and better for our planet. Our goal is to be the top trusted brand in the food industry and thus, placing the "Product Quality and Safety" for our consumers as the top priorities.

QUALITY ASSURANCE GOALS



To create value for our stakeholders by delivering quality products and services through continuous improvement, innovation and sustainable business practices.

To provide quality and value – added products to customers worldwide.

We have adopted several good initiatives in ensuring our product quality and food safety through:

- Offering products and services that meet or exceed consumer expectations.
- Complying with all internal and external food safety, regulatory, and quality requirements
- Adopting a zero-defect, no-waste attitude by everyone in our company
- Making quality assurance a group-wide objective.

RESPONSIBLE MARKETING AND ADVERTISING – FOR A BALANCED GLOBAL MARKETING STRATEGY

Mewah is fully committed to contributing to good nutrition and healthy lifestyle for our consumers. While we ensure ethical practices are adopted across our business operation, we support the responsible marketing and advertising of our products and service. We are fully aware that marketing professionals have an impact on our consumers' quality of life by shaping either positive or negative eating habits. If we do not take our product marketing strategy positively, it could jeopardise long-term credibility of our brands and discourage consumer trust. In line with our commitments, we make sure that our marketing and advertisement are strictly in compliance with applicable laws and regulations nationally and internationally. We have set up a task force to govern marketing communication as well as implement practices as recommended by WHO Recommendations on Marketing of Foods and Beverages to Children for a balanced global marketing strategy.



Focus Area 3: Product Quality and Safety

CORE AREA 2: QUALITY MANAGEMENT SYSTEM

Our customers rely on Mewah’s brands for safe and high-quality products that they can trust entirely. In all our manufacturing sites, we have put in place a robust Quality Management System for continuous improvement in the areas of:

1. Operation and processes
2. Competent workforce that fosters innovation in workplace
3. Stringent raw material sourcing
4. Clean, hygienic & excellent processing
5. Efficient transportation and delivery
6. Prompt and responsive customer service
7. Compliance to applicable laws and regulations
8. Safe working climate with minimum impact on environment

QUALITY MANAGEMENT SYSTEM FRAMEWORK

The Mewah’s Quality Management System Framework is established as the guiding principle that benchmarks best practices across different manufacturing sites and supports the capacity building of our people who are responsible for product development and innovation strategies.

The eight key focus criteria in our Quality Management System Framework:

- A. Mutually Beneficial Supplier Relations
- B. Customer Focus
- C. Leadership
- D. People Involvement
- E. Process Approach
- F. Systematic Approach to Management
- G. Factual Approach to Decision Making
- H. Continual Improvement



Focus Area 3: Product Quality and Safety

CORE AREA 2: QUALITY MANAGEMENT SYSTEM

QA MANAGEMENT APPROACH STRATEGY

Product quality and safety testing cover the whole process of raw materials sourcing, production & processing, and transportation of our product. We are determined to build a company culture that empahsises quality improvement and put in place a QA Management Approach Strategy to improve our quality capabilities and customer satisfaction.

We understand that a strategic QA management approach will give our people a clear sense of direction. Firstly, we set the standards of process measurements, define matrices, and identify individuals' responsibilities in the QA department. Secondly, SMART benchmarks are used to provide a structured approach to benchmark departmental performance.

Next, we see the need to make sure our managers are capable of assigning responsibility effectively to their direct reports. This is one of the key elements in our succession planning strategy. We need our people to constantly find ways to improve cost-effectiveness and seek reviews for improvement in our quality management system. A Total Quality Management (TQM) has been developed and standardised across our manufacturing sites in improving SOP, processes, products & services, and the workplace culture. Building upon this commitment, we are setting priorities and goals to enable continuous development in our QA departmental functions for the forthcoming years.



Focus Area 3: Product Quality and Safety

CORE AREA 3: CONSUMER HEALTH AND WELL-BEING

HEALTHIER CHOICES

In recent years, there is an increasing demand for healthier food from consumers, with most expecting the food to meet increasingly nuanced attributes of health and wellness, to suit their lifestyle needs. As Mewah continues to evolve, we respond to consumers’ desires and are constantly working on producing healthier products.

Collaboration with Singapore’s Health Promotion Board (HPB)

Since 2017, we collaborated with Health Promotion Board to create healthier cooking oil that contains lower saturated fats. Today, the Mewah’s cooking oil is tagged with a healthier choice symbol approved by HPB and can be found in all major supermarkets. The healthier choice symbol is an easy way for consumers to identify healthier products that is better for their health. Our long-term goal is to continue promoting healthier cooking oils for our consumers and setting R&D priorities and investment.

PRODUCTION OF LOW 3-MCPD AND LOW GE PALM OIL

3-monochloropropanediol (3-MCPD) is becoming a major concern in the palm oil industry as it is classified as food processing contaminant and probably carcinogenic to human. In year 2018, the European Food Standards Authority (EFSA) revised the safe intake of contaminant 3-MCPD and Glycidyl Esters (GE) levels.

Mewah is aware of consumer concerns about the food safety and health aspects of our palm oil products. We have been actively addressing the issue through our efforts in minimising the occurrence of 3-MCPD precursors and glycidyl fatty acid esters (GE) levels through optimisation of our refinery facilities and adopting good practices in agriculture.

The group efforts in 2021 included:

1. Commissioned a CPO washing plant in one of our refineries to better equip our group with the ability to produce low 3-MCPD palm oil.
2. Equipped our facilities with the necessary equipment to carry out sample analysis for 3-MCPD and GE, ensuring our products are within safe limits before presenting to our consumers and customers.
3. Engaged our suppliers through capability building workshops.



Lower in Saturated Fat

MINERAL OIL HYDROCARBON (MOH) IN PALM OIL

The levels of mineral oil hydrocarbon (MOH) namely, mineral oil saturated hydrocarbons (MOSH) and mineral oil aromatic hydrocarbons (MOAH) are a concern in agricultural raw materials. Such contaminants are found across several food products, including vegetable oils, such as soy and sunflower, and it can enter food through packaging materials, additives or during storage.

Since 2018, European Governments have been considering regulating the levels of MOSH and MOAH in palm oil. At the same time, some food companies have established safe limits on their products starting from 2020. Our objective is to ensure levels of MOSH and MOAH are as low as feasibly possible in the raw materials we source. The MOSH and MOAH contaminants are not removable through physical refining process. Therefore, the only way we can limit its presence is to enforce control at source.

Code of Practice (CoP)

The Mewah’s Code of Practice (CoP) details the key principles and processes by which we assure the standards and quality of our products. It is the key reference document through which we develop and implement an effective QMS framework, assuring ourselves of the standards and quality of our provision. It also serves as an internal channel of communication by which good practice is encouraged and disseminated.

Focus Area 3: Product Quality and Safety

CORE AREA 3: CONSUMER HEALTH AND WELL-BEING

The COP has also incorporated some key action plans in our manufacturing process that drives positive changes in the production of low MOSH & MOAH palm oil products.:

- To embark on process optimisation review of our value chain, from upstream to downstream – to put in place good manufacturing practices and ensure timely preventive maintenance in the machinery and equipment, logistic, and storage facility.
- To identify all potential known contaminant sources across all stages of manufacturing processes.
- To manage and mitigate all identified sources of contaminants.

Mineral Oil Hydrocarbon (MOH) Engagement Workshop & Compliance Survey

Mewah is stepping up our efforts to nurture opportunities for knowledge sharing related to MOH contaminants in our sector. In 2021, we hosted virtual MOSH & MOAH supplier engagement workshops to share the latest knowledge on MOSH & MOAH, industry's regulations

and develop an action plan together with our suppliers to mitigate potential sources of MOH in our crude raw materials.

At the same time, we rolled out a MOSH & MOAH compliance survey that targeted our major suppliers' group. The objective survey is to allow us to better understand our suppliers' manufacturing practices and to encourage adoption of good milling practices. Building upon the responses, we mapped out our suppliers' processes that enable us to carry out effective engagement with our suppliers to tackle specific non-conformances or limitations in processing plant. One of the key achievements of our engagement is that we manage to persuade most of the major suppliers' group to convert the use of non-food grade lubricant/special fluid to food grade lubricants that fall under H1 category in all critical control points at the production plant where lubricant may come into contact with the processing oils.



“We experienced many challenges during the pandemic and learnt that our consumers are increasingly open to adopting healthier and more sustainable diets.

In Mewah's specialty fats business division, food safety control is our ultimate baseline on top of our products' functional performance. Food safety assurance is a long-term commitment to our customers. The safety standard is evolving with the advancement in food safety otology, on top of plant processes and controls. In order to achieve this, our teams are actively engaged with suppliers, to bridge updated food safety knowledge and requirements, and co-explore ways to cope with new expectations.

In 2021, when the global supply chain is severely disturbed by macro factors, I am personally deeply appreciative and grateful for all the groundwork and contribution by my colleagues, particularly in meeting customers' expectations in product quality and sustainability.

We have now 3-MCPD and GE quality compliance in front of us, and upcoming challenge will be MOSH and MOAH assurance. Building upon this foundation, Mewah is committed to delivering quality and sustainable products to our customers while continuing to proactively address these challenges. I am confident we are on the right track. With a tested and proven approach in place, we are going to deliver more value to our stakeholders.”

**CHUAH NYA SIONG,
MARKETING MANAGER, MEWAH OILS & FATS PTE LTD, SPECIALITY FATS DIVISION**

Focus Area 3: Product Quality and Safety

CORE AREA 4: QUALITY AND SUSTAINABILITY CERTIFICATIONS

Certification marks the evidence that a product conforms to applicable standards, and that there is a programme of ongoing factory inspections. These provides our consumers and customers the assurance in our product that they are high quality, safe and sustainable.

All Mewah’s palm oil refineries in Malaysia are accredited with Food Safety System Certification Scheme FSSC 22000, a Global Food Safety Initiative (GFSI) benchmark standard and Good Manufacturing Practices GMP+, an internationally recognised certification scheme that defines conditions relating to production facilities as well as storage, transport, trade, and monitoring activities.

Besides, our people are committed to implementing Hazards Analysis and Critical Control Point (HACCP) across our factories to define the requirement for effective control of food safety.

In addition, our refineries are certified with multiple sustainability certifications such as RSPO Supply Chain Certification, Malaysian Sustainable Palm Oil Certification, ISCC Certification and a member of Sedex having passed the ethical audit SMETA.



Focus Area 3: Product Quality and Safety

CORE AREA 4: QUALITY AND SUSTAINABILITY CERTIFICATIONS

3.4.1 SUSTAINABILITY CERTIFICATION



Roundtable on Sustainable Palm Oil (RSPO)

RSPO, founded in year 2004, is a multi-stakeholder organisation that unites stakeholders from seven sectors of the palm oil industry (oil palm producers, processors or traders, consumer goods manufacturers, retailers, bank/investors, environmental and social non-governmental organisations) to develop and implement global standards for sustainable palm oil. RSPO has been a major driving force behind the development of better management practices and a more precise focus on sustainability.

Mewah has been an active member of RSPO since year 2008 and was one of the first refineries certified for RSPO Supply Chain Certification (SCC). Today, all our refineries are certified under RSPO SCC. Our palm products are delivered under Segregation (SG) and Mass Balance (MB) supply chain models.



Malaysian Sustainable Palm Oil (MSPO)

The Malaysian Sustainable Palm Oil (MSPO) Certification Scheme is the national scheme in Malaysia for oil palm plantations, independent and organised smallholdings, and palm oil processing facilities to be certified against the requirements of the MSPO Standards.

Today, all Mewah's refineries and biodiesel plant are certified under MSPO Supply Chain Certification Standard (SCCS). There are two supply chain models under MSPO SCCS i.e. Segregation (SG) and Mass Balance (MB). The MSPO SCCS is designed to deliver confidence and credibility to the customers and consumers that Malaysia originated palm oils are produced sustainably.

In the year 2019, our refinery Mewaholeo Industries Sdn Bhd became the first Malaysia's refinery to export MSPO-certified palm oil to a Japanese food company.



International Sustainability & Carbon Certification (ISCC)

The International Sustainability & Carbon Certification (ISCC) is an international certification system covering all kinds of bio-based feedstocks and renewables to cater to various markets such as the bio-energy, food, feed, and chemicals sectors. It incorporates sustainability criteria such as reduction of greenhouse gas emissions, sustainable use of land, protection of natural biospheres and social sustainability.

Our main refineries and biodiesel plant are ISCC-certified with compliance to the requirements of European Union's Renewable Energy Directive (RED).

In the year 2020, our refinery Mewah Datu Sdn Bhd, became the first Malaysia's refinery to export ISCC-certified waste/residue palm oil products to a global biofuel company.



Sedex SMETA Compliance

Sedex (Supplier Ethical Data Exchange) is a not-for-profit, membership organisation that works with buyers and suppliers to deliver improvements in responsible and ethical business practices in global supply chains. It is a global certification benchmark for human rights to help business operate responsibly and sustainably, protect workers and source ethically.

SMETA (Sedex Members Ethical Trade Audit) is Sedex's social auditing methodology, which assesses a site based on their organisation's standards of labour, health and safety, environment, and business ethics. It uses the Ethical Trading Initiative (ETI) Base Code and the local law as its monitoring standards. The four Pillars of SMETA are:

- i. Labour Standards,
- ii. Health & Safety,
- iii. Environmental Sustainability,
- iv. Business Ethics.

The major refineries of Mewah are Sedex-certified since 2014. We are determined to continue upholding responsible business practices and meeting social compliance as defined under Sedex SMETA Certification standard.

3.4.2 PRODUCT QUALITY & SAFETY CERTIFICATION



Hazard Analysis and Critical Control Points (HACCP)

At Mewah, we seek to ensure our product quality and food safety standards. All our manufacturing sites are complying with HACCP certification standard. The HACCP certification standard addresses chemical, physical and biological hazards as a preventative measure from raw material production, procurement and handling, to manufacturing and distribution of the finished product. Seven basic principles are introduced in HACCP plans in order to prevent hazards, including hazard analysis, Critical Control Point (CCP) identification, establishing critical limits, monitoring procedures, corrective actions, verification procedures, and record-keeping and documentation.



ISO 9001:2015

ISO 9001 is an internationally recognised Quality Management System (QMS) to assure our customers that our quality management systems are constantly assessed and approved by the accredited certification body. By implementing an effective ISO 9001 as a sound foundation in our business, we are constantly striving to improve the efficiency and productivity in our manufacturing processes.



FSSC 22000

FSSC 22000 is an ISO-based food safety management system that is recognised by Global Food Safety Initiative (GFSI). It provides a framework for effectively managing our food safety responsibilities.

All our refineries are FSSC 22000 certified demonstrating that all our manufacturing sites have a robust Food Safety Management System in place that meets the requirements of our customers.



Kosher

Kosher Certification is the stamp of kosher approval by a rabbinic Agency verifying they have checked the products' ingredients, production facility, and actual production to ensure all ingredients, derivatives, tools and machinery have no trace of non-kosher substances as well as fulfil the biblical precepts of the Jewish religion. The Kosher Certified symbol assures consumers that both the actual product and its production adhere to all Kosher Law requirements.

Today, all Mewah's factories are accredited with Kosher and our products have been certified for safe consumption during Pareve and Passover seasons.



Halal

Halal certification is a certification that ensures the features and quality of the products are manufactured in accordance with the rules established by the Islamic Council. It mainly applies to meat products and other food products such as milk, canned food, and additives. Specifically, for meat products Halal certifies that the animals were slaughtered in a single cut, thoroughly bled, and their meat has not been in contact with animals slaughtered otherwise and, especially, with pork.

Today, all Mewah's factories are accredited with Halal certification and our products have been certified to carry Halal food label.

Biodiesel Quality Standards

Biodiesel has emerged as an alternative, biodegradable, and renewable fuel which can be used in transportation sector without any modifications of internal combustion engines. Our biodiesel is fully complying with the Malaysia's biodiesel standard (MS 2008) and the European standard (EN 14214). Besides, our facility produces food and pharmaceutical grade Refined Glycerin that complies with USP, EP and BP standards.

To further support the adoption of waste-based biodiesel, we have expanded our sourcing and manufacturing capabilities to include Used Cooking Oil (UCO) and Palm Oil Mill Effluent (POME) into our feedstock list, and thus the ability to offer waste-based biodiesel which offers a higher greenhouse gas (GHG) savings compared to conventional crop-based biodiesel.

**Focus Area 4:
Valuing Our People**

**Reconnect with
Our People**

**Adopting a
Positive Workplace
Culture**

Focus Area 4: Valuing Our People

OUR COMMITMENT AND PROGRESS



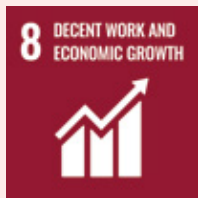
Our Key Sustainability Efforts:

We offer a suite of health initiatives to help our people maintain a healthy lifestyle such as health awareness programmes and sport activities. Every year, we provide free medical and dental services for all our employees.



Our Key Sustainability Efforts:

No incidents of discrimination or abuse were reported in the year. For Mewah, gender equality and women’s empowerment deliver tangible business benefits by widening the pool of experience and expertise across our supply chain and in our workforce.



Our Key Sustainability Efforts:

Mewah employs thousands of people across our operating sites in Indonesia, Malaysia and Singapore. Human capital is the fundamental success of our group. We promote sustained, inclusive and productive employment for our employees with fair compensation, safe environment and social protection.



Our Key Sustainability Efforts:

Reducing inequality is our long-term sustainability goal. We commit to a Labour Policy to empower and promote the social and economic inclusion of all our employees, irrespective of age, sex, race, ethnicity, religion or other status. We aim to use our influence over our own supply chains, which connect us to millions of people, to advance and promote equalities and human rights wherever we operate.



Focus Area 4: Valuing Our People
OUR COMMITMENT AND PROGRESS

Mewah recognises that our employees are the company’s greatest asset to grow the business and achieve company goals. This drives our approach to attract, develop, and retain the best people, providing them with encouragement, stimulus and making them feel that they are an integral part of the company’s mission. We aim to provide the best for our employees and guide them through to develop

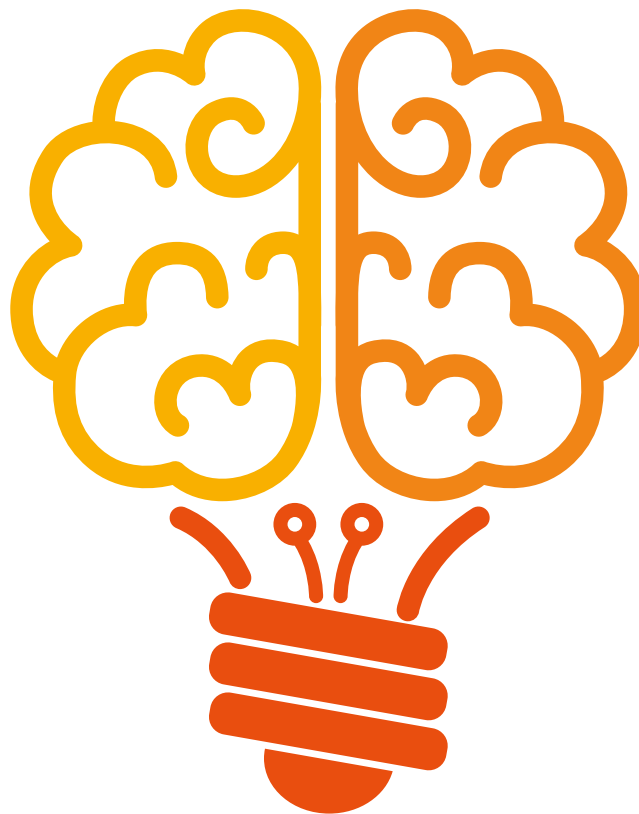
their careers. While in the midst of the pandemic, we never neglect the importance of taking care of our employee’s safety, physical and emotional well-being during these difficult times.

We divide this focus area into 3 sub-sections: Social, Training & Development, and Health & Safety.



LABOUR POLICY & CODE OF ETHICS

Provide guidelines to our employees to help them conduct their actions in accordance with the company primary values and ethical standards.



TRAINING & DEVELOPMENT

Improve employees’ competencies and maximise their potential for career development.



SAFETY, HEALTH & WELL-BEING

Improve health and safety of employees and contractors.

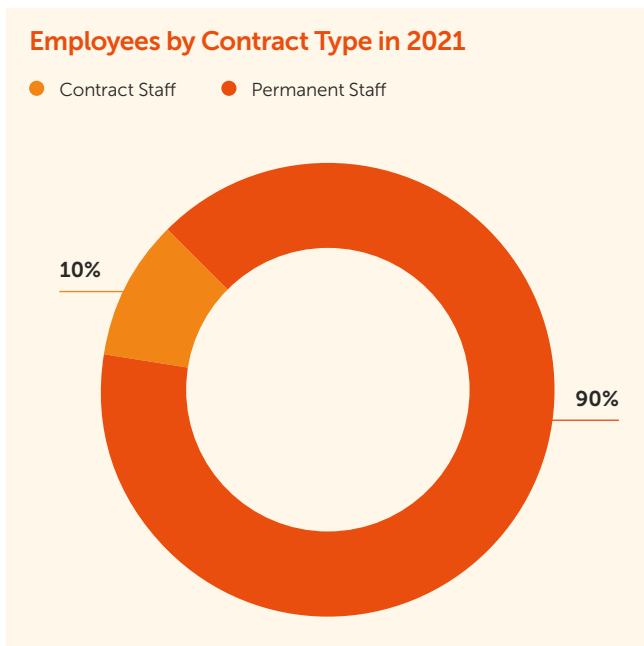
Focus Area 4: Valuing Our People

CORE AREA 1: LABOUR POLICY & CODE OF ETHICS

At Mewah, we are committed to providing fair and equitable opportunities to all levels of employees with no discrimination to gender, race, nationality, religion, age, marital status, ethnicity, union membership and caste. We adopt a people-centric approach that ensures all employees are kept healthy and safe, and that their capabilities are continually enhanced.

A. HUMAN RIGHTS AND LABOUR POLICY

Mewah’s Human Rights and Labour Policy and Code of Ethics are the reference documents that define our employment policies, guide our action and align the Group’s ethical principles to the daily professional life of our employees and contractors.



Please find detailed information in Mewah’s Human Rights and Labour Policy at: <https://mewahgroup.com/upload/Sustainability/MEWAH%20GROUP%20HUMAN%20RIGHTS%20AND%20LABOR%20POLICY%202021.pdf>

- 1. No Forced Labour and Free Choice of Employment**
 - No forced, bonded (including debt bondage) or indentured labour and slave labour, or human trafficking.
 - Ethical recruitment.
- 2. Non-Discrimination in Employment**
 - No discrimination against our employees based on race, colour, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status.
 - Any employment-related decisions must be based solely on lawful and non-discriminatory criteria.
- 3. Non-Exploitation of Child Labour and Protection of Children Rights**
 - No hiring of child labour under any circumstances.
 - Protection of children’s right and their welfare.
 - No working at night or exposure to hazards for young employee between age of 16-18.
- 4. Freedom of Association and Collective Bargaining**
 - Respect our employees’ rights to form, join or not to join a trade/ labour union.
- 5. Compliance of Laws & Regulations in Working Hours, Benefits and Wages**
 - We commit to adhere to the stricter of applicable laws & regulations, industry standards, relating minimum wages, working hours, overtime, and employee benefits.
 - Provide a safe and healthy workplace.
 - Continuously developing employee skills and capabilities and providing opportunities for career advancement.
- 6. Human Treatment and Uphold Gender Equality**
 - Protect our employees from any acts of physical, verbal, sexual or psychological harassment, bullying, abuse or threats in the workplace.
 - Do not use nor will tolerate any form of threat and inhuman treatment including discrimination, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of our employee.

Focus Area 4: Valuing Our People

CORE AREA 1: LABOUR POLICY & CODE OF ETHICS

Self-Social Risk Assessment

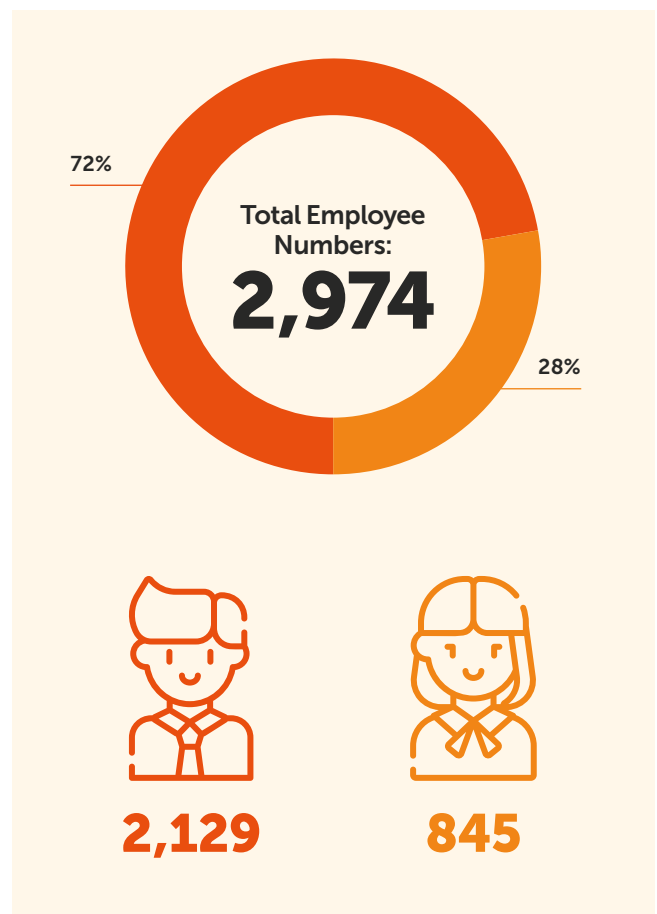
To monitor our progress in the implementation and adoption of human rights and labour rights related policies, we developed our own set of human rights due diligence tool to address social challenges in the industry and identify gaps in our operations. The assessment was conducted by Sustainability Team together with our HR personnel, through documentation review, workers interview, and site audits.

The self-assessment enables us to assess the human rights/social performance against national/international standards, conventions, and agreements, and provide inspiration for continuous improvement. This assessment evaluates our operations based on the principles on internationally proclaimed human rights (i.e. UN Global Compact principles).

Social Risk	Social Aspects
Children	Child labour
Community Support	CSR
Fair Pricing	Supply & Pricing
Living conditions	Accommodation
Social Management system	<ul style="list-style-type: none"> • Legal Compliance • Grievances Mechanisms • Policies and SOPs
Work Conditions	<ul style="list-style-type: none"> • Recruitment Process • Minimum Wage • Freedom of Association • Equal Opportunity (No Discrimination) • Forced labour • Workplace safety and health

B. GENDER EQUALITY POLICY

In 2021, we implemented an advanced Gender Equality Policy, that aims to provide a conducive working environment that is characterised by equality and mutual respect. The policy lays out Mewah’s commitment to strive for workplace diversity and inclusion as we work towards an employment that is free from discrimination based on gender, and where all our employees can fulfil their potentials unhindered by discriminating laws, economic and social structures. Building upon this commitment, we are setting new basis of recruitment, hiring, placement, development, training, compensation and career advancement in Mewah that is strictly based on qualifications, performance, skills, and experience.

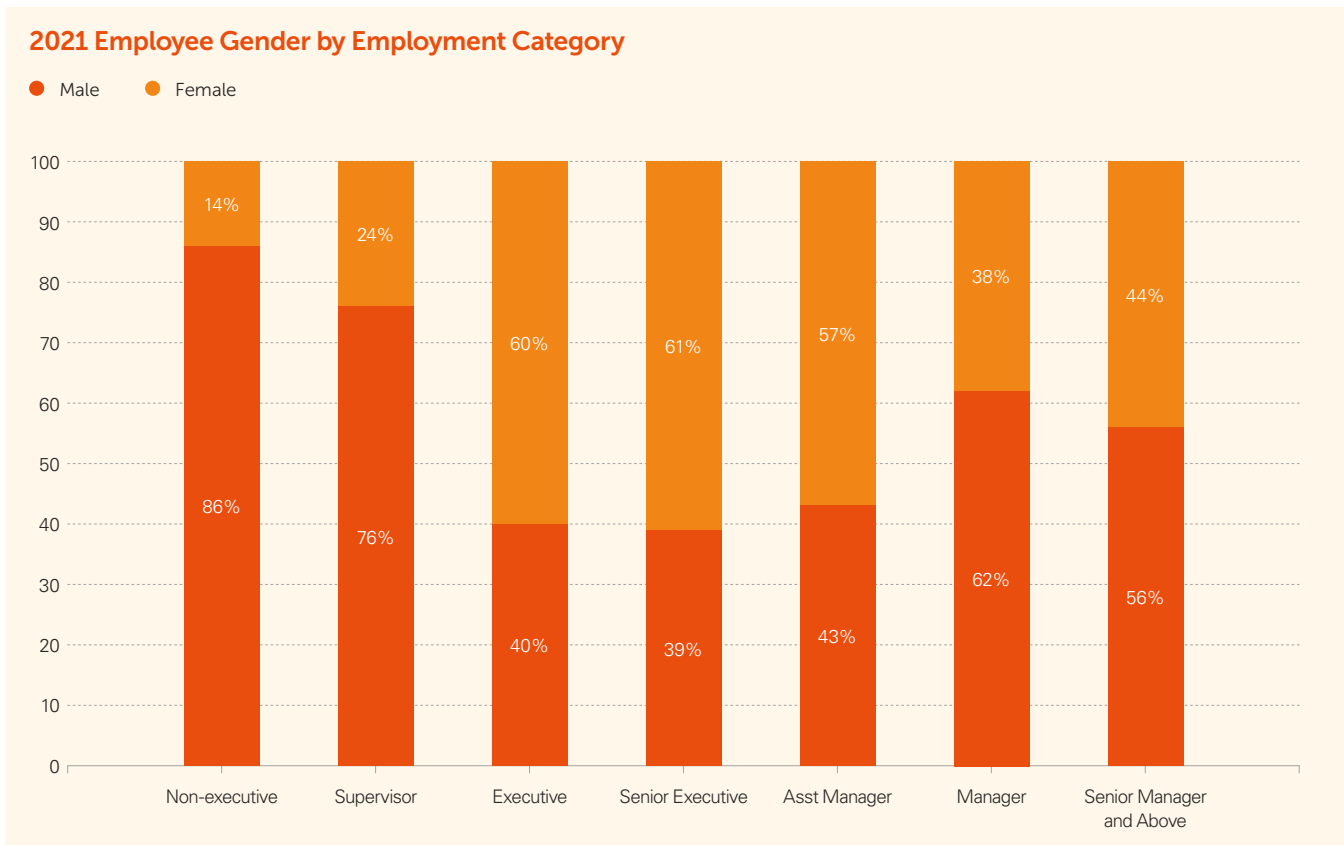


Amplifying the Female Voice at Workplace

Women are key significant contributors who play a significant role in contributing their effort and passion towards Mewah’s shared success. According to our employment data, women make up 28% in our workforce, and 44% of women are holding senior leadership position. Mewah strives to grow these numbers and promote gender equality at the workplace and balance female representation in each employment category.

The Women’s Empowerment Principles:

1. Establish high-level corporate leadership for gender equality.
2. Treat all women and men fairly at work – respect and support human rights and non-discrimination.
3. Pay equal wages for equal work and experience regardless of employee’s gender
4. Provide fair parental leave policy to enable mothers and fathers in finding a functional balance between their work and personal life;
5. Provide public speaking opportunities for female employees both internally and externally.
6. Ensure high achieving women at workplace are recognised equitably in succession planning.
7. Promote equality through community initiatives and advocacy.
8. Measure and publicly report on progress to achieve gender equality.



Please find detailed information in Mewah’s Gender Equality Policy at: <https://mewahgroup.com/upload/Sustainability/Mewah%20Group%20Gender%20Equality%20Policy.pdf>

Focus Area 4: Valuing Our People

CORE AREA 1: LABOUR POLICY & CODE OF ETHICS

International Women's Day

The International Women Day on 8th March celebrates the advancement of women and appreciation of the multi-faceted roles that women play in our families, workplaces, and communities. At Mewah, we show our appreciation to our female colleagues for their contribution through a variety of encouragement and empowerment initiatives. One way was gifting each and every female staff a beautiful specially crafted product from the talented artisans at the Down Syndrome's Association.

Leading by Example

In year 2021, our Group CEO, Ms Michelle Cheo has been awarded the Outstanding Chief Executive of the Year for the 36th Singapore Business Awards. Recognising her leadership in listing Mewah on the Singapore Exchange, expanding the company's footprints and product portfolio to consolidate its position among the global palm oil processors, and steering the firm commendably in this pandemic environment. This is a great achievement and motivation for all female employees in Mewah.



CODE OF ETHICS

We have in place Code of Ethics to help our employees to act in accordance with the company's primary values and ethical standards:

- i. Comply with laws, rules and regulations.
- ii. To maintain confidential, proprietary information



- iii. To have no conflict of interest
- iv. Fair dealing
- v. No insider trading
- vi. Cannot accept gifts, bribes, and kickbacks in dealings with stakeholders.

The Code of Conduct is codified in our employee handbook.

WHISTLE BLOWING POLICY

Mewah Group is committed to achieving highest standard of corporate compliances and ethical standards in its dealings. We encourage our employees to play their part in improving overall effectiveness and success of the organisation. By creating an atmosphere of openness and trust, we encourage the employees to use internal mechanism for reporting of any malpractice, illegal acts or omissions by any of our employees or ex-employees.

We have a whistle-blowing committee that is led by the Senior Management. All matters reported will be reviewed and if required, investigated by the committee. Meanwhile, the investigation and the identity of whistle-blower will be kept under the terms of strict confidentiality. We will not tolerate any harassment or victimisation of the whistle-blower.

Please find detailed information in Whistle Blowing Policy at: <https://mewahgroup.com/upload/Sustainability/Whistle%20Blowing%20Policy.pdf>

Focus Area 4: Valuing Our People

CORE AREA 2: TRAINING & DEVELOPMENT

Attract	Engage	Develop	Retain	Reward
<ul style="list-style-type: none"> • Branding • Recruiting • Selecting • Onboarding 	<ul style="list-style-type: none"> • Communication • Direct Engagement • Team Engagement • Recognition 	<ul style="list-style-type: none"> • Performance Management • Competencies • Leadership Development 	<ul style="list-style-type: none"> • Career Progression • Succession Planning • Talent Reviews 	<ul style="list-style-type: none"> • Intrinsic Reward System • Total Reward • Pay for Performance • Grading • Salary Structure

Training & Development

We continuously assess, develop, and strengthen our human capital in order to ensure that we have the right competencies, capabilities, and passion to drive our mission and to actualise our vision. Human talent is one of the most important resources that the company has. We believe that our people are our most powerful catalyst for growth. By developing and investing in our employees, we are creating important propellers and foundations for our future growth. The company will only succeed by having employees who are willing to invest their time and energy into the growth of the company.

Mewah is committed to grow with our people and make the company a vibrant workplace. We provide our employees with a work environment that supports professional and personal development, offers a variety of career opportunities, and builds a high-performance and collaborative team.

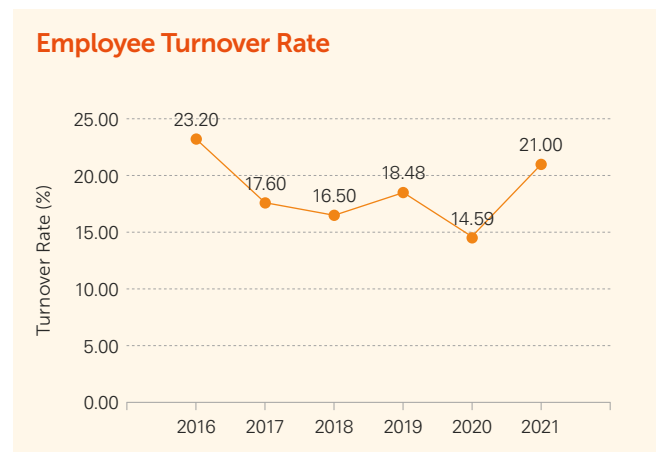
4.2.1 RECRUITMENT AND RETENTION

Hiring and retaining talented employees are crucial to the success and growth of any business. Today, with the competition for talents growing more intense, our recruitment focuses not only on job skills but also on positive personal attributes such as leadership.

In the year of 2021, the reported turnover rate has increased from 14.59% to 21%. We recognised that it is an ongoing global economic trend in which some of our employees

have voluntarily resigned from work due to long-lasting job dissatisfaction, and safety concerns of the COVID-19 pandemic. That’s the impact of Great Resignation where the COVID-19 pandemic has allowed employees to rethink their careers, work conditions, and long-term goals. Above and beyond, we also observe the trend where many workers desired the freedom of remote work, seeking to gain a better work-life balance as well as schedule flexibility.

The Mewah’s management is determined to improve employee retention in coming years. We have implemented various employee engagement measures to improve employee retention and create a stable healthy workforce. We understand the challenges to a sustainable workforce and we are ready to overcome all difficulties.



Focus Area 4: Valuing Our People

CORE AREA 2: TRAINING & DEVELOPMENT**4.2.2 RECOGNISING AND REWARDING PERFORMANCE**

In today's ultra-competitive work environment, employee recognition in the workplace has to be an innate part of any company's culture. We recognise every employee is vital to the growth and progress of the company. Our recognition and reward framework aims to retain and motivate the talent needed to grow and sustain our business. This can help to boost employee morale and have happier employees and allows our employees to know that their hard work is being recognised by the management.

We constantly seek to establish clear communication between managers and employees about what they are expected to accomplish. The performance-based system is a continuous process where managers and employees set goals through annual tasks & objectives (T&O) exercise. The T&O set is then translated into departmental T&O and individual employee T&O so that every employee is aligned to our overall objective of building a sustainable business.

**23%**

of our employees have been with us for more than

10 Years

Long Service Award 2021 as a form of recognition for our employees' service dedication.

4.2.3 TRAINING AND EDUCATION

Training and education are investments in human capital that deliver benefits to both employee and employer. We support our employees in their work and career goals by identifying training needs and development opportunities. The most important form of development is on the job training whereby the supervisor will identify key stretch goals and regular sit-downs with the employee to ensure consistent feedback on their key objectives. We have designed training and education programmes which aim to equip our employees with relevant skill sets and competencies for their roles and responsibilities. We aim to give opportunities to every employee to realise their potential in order to pursue their careers with Mewah.

i-Learning Platform – Let’s Learn Mewah

Trainings should be made available for everyone, and the learnings should be made easy to access and available anytime, anywhere. With this motion in mind, Mewah Group has launched its very first Online Learning Management System on 16th June 2021 as part of our journey to enhance our people development plan in Mewah Group. iLearning Mewah is a user-friendly cloud based and mobile learning platform that enables effective use of time to maximise the training outcome for all employees. More efforts are on the way to enrich the contents covering many aspects including soft skills, hard skills and compliance. This is one way that we make our staff feel invested.

Leadership Development Programme

The Management and Learning & Development Team saw the need for a consistent leadership development programme within the Mewah group and has eventually decided to partner with Franklin Covey in rolling out the All Access Pass learning solution after careful assessment.

The FranklinCovey All Access Pass is one of Mewah Group Leadership Development Programmes where the people managers who has participated in the programme can access high-quality, vast library of FranklinCovey content, including training courses, tools, live resources, live-online, and On-Demand. It provides learning flexibility that enables our people to achieve their maximum potential and create empathic leaders who are future-ready. There are many development solutions that the participants can apply across departments and disciplines.

Following are the two core programmes that all the participants need to go through:

- The 7 Habits of Highly Effective People®
- The 6 Critical Practices for Leading a Team™



Focus Area 4: Valuing Our People

CORE AREA 2: TRAINING & DEVELOPMENT

“In Mewah, our employees are our most valuable asset.

Through the uncertain time when the pandemic hit, people around the world are struggling and many lost their job. As an employer, Mewah had taken the initiative to assure employees that our career is secured. Immediately adapting to the changes, management, and our Business Continuity Plan (BCP) committee continue to stay alert on the updates, new policies, compliance to SOP and series of Movement Control Order enforced in Malaysia. This includes introducing the Hybrid Work From Home policy, offering flexibility and safety for employees to continue working comfortably while staying connected, providing face masks, sanitisers, implementing the **COVID-19 precautionary measures** at sites. In our effort to provide a secured working environment, we had collaborated with Malaysia Investment Development Authority (MIDA) to provide our employees with two doses of COVID-19 vaccination and subsequently initiated on-site Booster dosage in the factory to reduce risk of severe infection.

COVID-19 had limited people interaction and human engagement. Hence, recruitment activities were badly affected as we can no longer engage the candidates physically and meet the overseas candidate while borders are closed. Embracing this new norm, our recruiters adjusted with virtual interview utilising various technology and platforms to connect and reach out to the candidates. Aside from normal day-to-day interview, we **collaborated with Social Security Organisation (SOCSO)** in virtual career fair and open interview to build our talent pool and support the community to survive and financially sustain throughout the pandemic. Aside from looking for potential talent externally to support our expansion and business continuity, Mewah continue to engage our internal talent with the launch of **iLearning Management System (iLMS)**. This online learning platform provides continuous training, learning and upskilling of our employees so they may further develop their career to the next level.

Also, to show our sincere appreciation and recognising our long service employees, we continued our annual **Long Service Award** virtually. This virtual event allows us to extend the invitation to all Mewah employees in Malaysia to witness the honouring ceremony from anywhere virtually and be inspired. Continue being caring towards its people and the community, Mewah extended support through **various CSR activities** like Hospital Drive, Home Drive, ‘Keluarga Angkat Mewah’, ‘Bantuan Khas Keluarga Mewah’, Computer Aid Drive, Back to School Campaign and ‘Bantuan Bencana Alam’.

Moving onwards, Mewah will continue to engage and support its employees through challenges and difficult times as we work and grow together as a big family.”

ATSARI MAHARANI BINTI ZAITON,
ASSISTANT MANAGER RECRUITMENT, MEWAH-OILS SDN BHD



Focus Area 4: Valuing Our People

CORE AREA 3: SAFETY, HEALTH AND WELL-BEING



“Our employees are our most important tangible resources. Safety is not something that can happen on its own by accident. You need to work towards it with the right measures, tools and mindset”

Workplace safety is everybody’s concern. Any work-related injury or loss of life is unacceptable to us. Most importantly, at the end of the day we want all our employees to return home to their family as healthy as they were when they arrived at work and to be an attractive workplace for our employees by ensuring all employees are healthy and safe both physically and mentally. Health & safety of our employees will always be our top priority.

We have put in place a Group Health and Safety Policy and we expect all our own operating sites to adhere to all these policies.

1. Comply with the current legal and other related and applicable health & safety requirements, regulations, approved codes of practice, standards and guidelines in the countries we operate;
2. Establish an Occupational Safety and Health Management System at all operating units;
3. Formulate, establish, communicate, implement and maintain safety management systems at work;
4. Provide employees with adequate knowledge and training to ensure competency in performing their tasks to maintain safe and healthful working conditions;
5. Prevent and minimise any potential adverse safety & health impacts arising from our operations, product and services;
6. Ensure continuous improvements in the total safety & health management system.

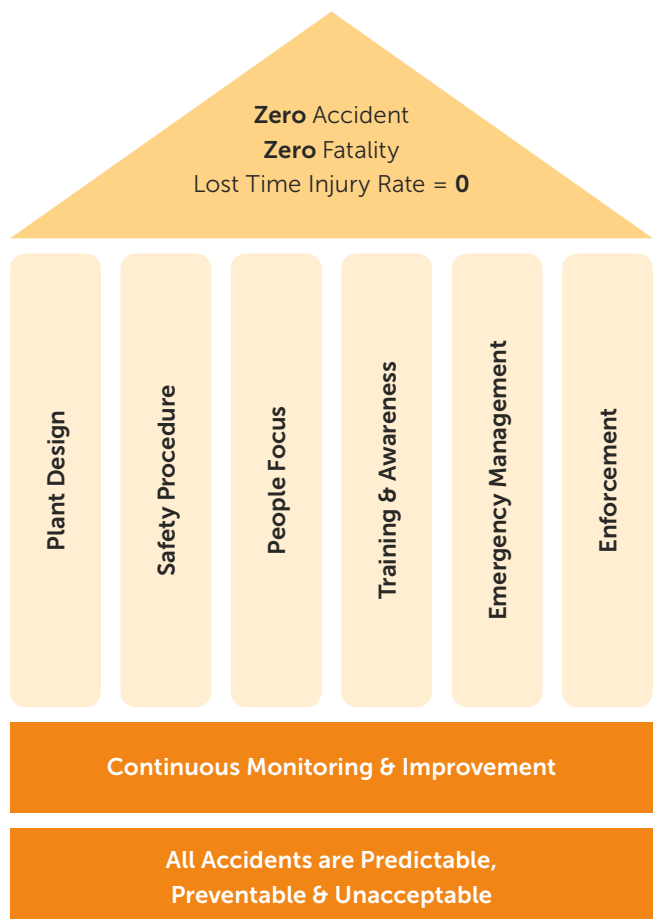
The factory managers in our manufacturing sites are focusing on efforts and initiatives to strengthen our safety culture. Key performance indicators that tie employees’ performance bonus and remuneration to their health and safety performance have been set to instil a behavioural-based safety culture, support increased safety awareness, and improve safety practices.

SAFETY FRAMEWORK

Mewah Group Safety Framework is established as the guiding safety principle that aims to improve safety performance in our factories. Our targets of zero accident and zero fatality have been emphasised in the Key Performance Indicators (KPIs) for all levels of employees.

The Mewah Group Safety Framework focuses on six core areas:

- A. Plant design
- B. Safety procedure
- C. People focus
- D. Training & awareness
- E. Emergency management
- F. Enforcement



Focus Area 4: Valuing Our People

CORE AREA 3: SAFETY, HEALTH AND WELL-BEING**GROUP SAFETY PORTAL**

In October 2020, the Group rolled out an automated and centralised Safety Portal. The Safety Portal serves as a one-stop portal to boost safety awareness among our employees. The purpose is to provide an easy-to-use, highly accessible and real-time statistic platform. The Portal encompasses a wide range of safety information that includes accidents & near misses' statistics, accident reports, training material and other important safety-related materials. To ensure successful implementation and making sure we gain maximum value from the Safety Portal, a Group Safety Committee was established to review effectiveness of the content and make necessary recommendation for improvement.

Today, the employees across the organisation can now access a full range of safety knowledge via the Group Safety Portal. The safety officers at respective operating sites are taking the opportunity to socialise safety news and announcement related to COVID-19 precautionary measures during the pandemic period.

MERIT AND DEMERIT POINT SYSTEM

Aside from Group Safety Portal, we have implemented "Merit and Demerit Point System" at all manufacturing sites since 2019. This system is to reward good behaviour while penalising safety non-conformances at the same time. The objective is to urge everybody that we are all accountable and responsible to oneself and as a collective unit to create a safe, healthy, and conducive working environment. At the same time, we discourage any forms of actions that may lead to workplace hazard.

Safety Portal Features/Functions**Statistical Data**

- Incident management
- Risk and locations management

**Training Material**

- Safety training curriculum
- Training hours

**SOPs Sharing**

- Process management
- Emergency response plan

**Announcement/Memo**

- From top management
- Latest news on current affairs

**Best Practices Sharing**

- Comments features

**Reports Sharing**

- Accident reports
- Audit reports

**Observation card/
Safety Suggestion**

- Findings in each department
- Unclosed findings
- Safety suggestions

**Forum/Interaction Groups**

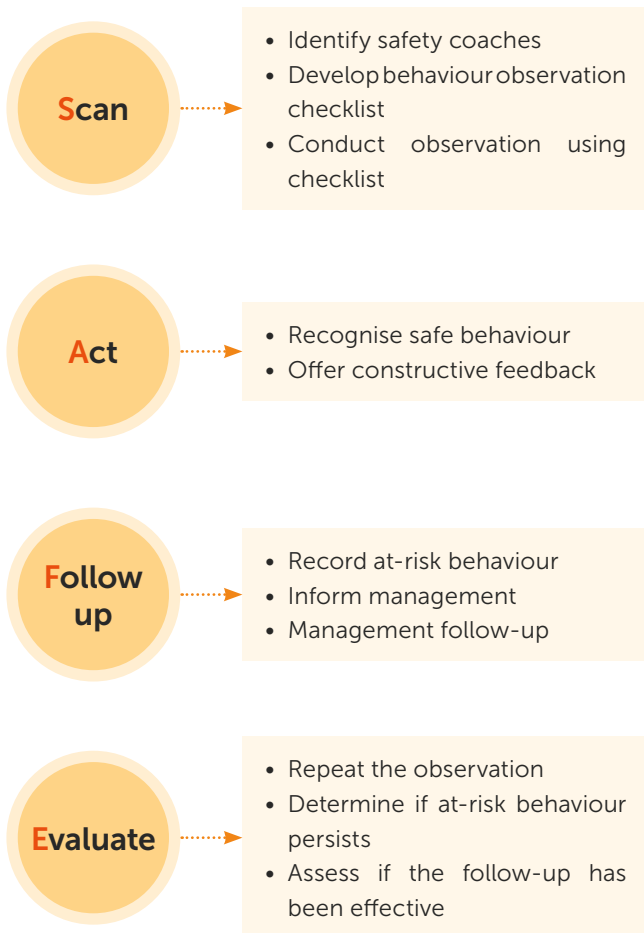
- Comments features

OBSERVATION CARD PROGRAMME

Another programme that we have embarked on is the Observation Card programme. Safety observations are counts of the number of safe and unsafe actions or conditions in a work area at a specific time. In this programme, we empower all employees to play a part in promoting safe and healthy working environment with routine safety behavioural observations. The primary goal is to identify the positive and negative behaviour of our employees and utilising the data to apply corrective action plan and improve safety at our workplace. Capturing near misses before accidents happen is very important.

Each observation card is logged into a centralised system, Safety Portal, for all employees’ notice. By utilising this data, our safety department can develop and implement correction action plans by addressing trends and areas that require improvement from the observation reports.

Observation Card Methodology

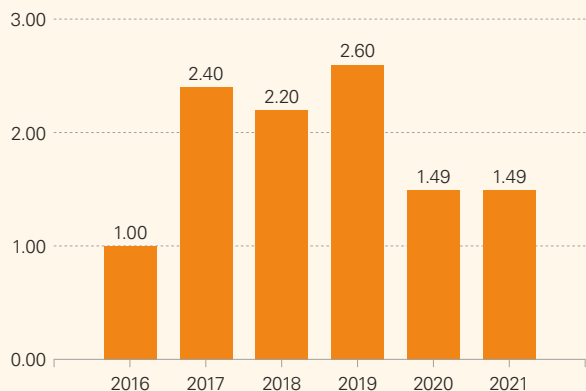


SAFETY COMMITTEE

Every accident case is followed by a root-cause analysis to review its cause and actions to prevent reoccurrence. The reviews are reinforced with continued efforts in training and PPE use to minimise, if not eliminate risks. Safety Committee is formed at every factory to oversee the factory’s production safety management and employee safety and health. The Safety Committee is responsible for ensuring that practices are in line with Mewah’s Group Safety Policy.

To support this safety framework, we are implementing numerous major workplace safety programmes to improve workplace safety. To measure the effectiveness of these programmes, we have adopted a measurement of both leading and lagging indicators. We choose to focus not only on lagging indicators (e.g. Lost time injury rate) that report on the outcomes of safety initiatives, but also give equal consideration to leading indicators (e.g. training, safety audits, safety suggestions) that measure our employee safety behaviour and mindset. By ingraining safety as a part of a culture and habit, we hope to minimise unsafe employee behaviour.

2016 - 2021 Lost Time Injury Rate (LTIR)
(per 200,000 working hours)



Focus Area 4: Valuing Our People

CORE AREA 3: SAFETY, HEALTH AND WELL-BEING

Leading Indicators:



1. Safety Training
2. Behavioural Audit
3. Drills & Safety Audit
4. Hazard & Near Miss Reporting
5. Employee Involvement in Safety Programmes
6. Periodical Equipment/Machinery Maintenance
7. Perception Surveys on Safety Suggestion and Safety Observation
8. Hazard Identification & Risk Assessments
9. Reward/Recognition

Lagging Indicators:



1. Accident Investigation
2. Lost Time Injury
3. Man-days Loss
4. Injury Frequency and Severity
5. Reported Incidents

MANAGING AND IMPROVING WORKPLACE SAFETY

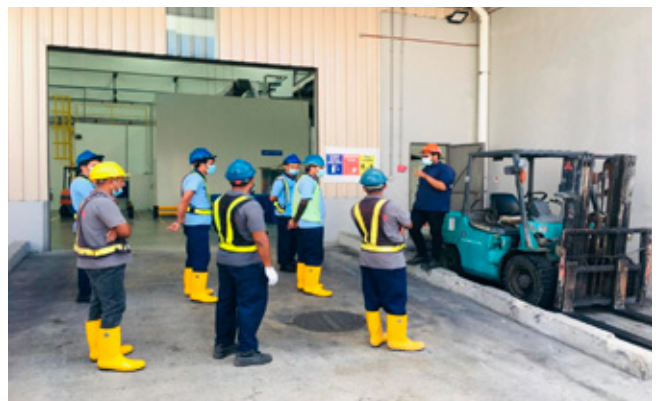
Improving health and safety at our workplace has always been our key performance plan. We have unveiled a number of new initiatives to further strengthen our safety culture. This includes implementation of a robust safety framework to identify, correct and control hazards on an ongoing basis, a more inclusive health, safety and environment (HSE) programme and evaluation of the effectiveness of overall factory safety management practices.

Toolbox Briefing

Toolbox talks are quick, simple, and easy to understand safety discussions conducted before our employees start their daily job at the job site. We implement toolbox talk that takes about 5-10 minutes, engaging our workers and contractors to discuss their awareness of health and safety risks associated with their tasks. An effective toolbox talk helps promote a culture of safety in the workplace and facilitates a sharing of knowledge and safety best practices among workers.

Safety Signages

The purpose of having safety signage in the workplace is to identify and warn workers who may be exposed to hazards in the workplace. In our plantation, PT Jambi Batanghari Plantation (PT JBP), the safety signages are placed in the site, as these safety signs can assist in the communication of important instructions, reinforce safety messages, and provide instruction for emergency situations to our workers.



4.3.1 ANNUAL HEALTH, SAFETY & ENVIRONMENT (HSE) CAMPAIGN WEEK

To keep abreast of the health & safety awareness in our employees, every site will hold a week-long HSE Campaign annually. However, due to the pandemic in year 2021, the annual HSE Campaign programmes were held virtually instead. The programmes consist of both in-house and external training.

In the year 2021, the annual HSE Campaign covers a wide range course of training such as:

- A. Training syllabus by external stakeholders:
 - a) Industrial Safety by JKPP
 - b) Facts and Myths of COVID-19 by Hospital Tengku Ampuan Rahimah
 - c) Sexual Crime by Green Hornet

- B. Training syllabus by internal safety officer:
 - a) Forklift Safety
 - b) Working at Height
 - c) Hot Work Safety
 - d) First Aid Guide
 - e) Confined Space Safety

4.3.2 HEALTHIER LIFESTYLE BEGINS FROM WORKPLACE

We commit to keeping our people safe and healthy as it is directly linked to their productivity and work satisfaction. We strongly encourage our staff to have a good work-life balance so as to keep fit physically and mentally. As restrictions are gradually lifted, employees are staggering between working from home and working from the office. The pursuit of workplace wellness is still very important. Mewah constantly ensures our staff is well protected from the pandemic.

Physical Activities: Football Session at PT JBP, Jambi

Mewah encourages our employees to have a good work-life balance, as we believe a better work-life balance can boost employee productivity. So that their mental and physical health are not compromised or suffer from a burn out. Our employees in PT.JBP frequently held and participate in football sessions as a form of recreation activity outside of their working hours, to be able to de-stress, exercise, and reconnect and bond together with their colleagues to foster a stronger relationship. These activities hope to be a source of motivation for our employees to continue maintaining good health and to have proper work life balance.



Focus Area 4: Valuing Our People

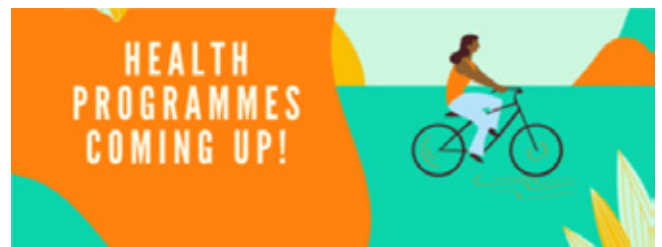
CORE AREA 3: SAFETY, HEALTH AND WELL-BEING**Vaccination Programmes: Free Vaccine Jabs & Ant Testing at Malaysia and Indonesia**

Ensuring our employees work in a safe environment is our top priorities. To keep our employees safe and protected from COVID-19, we are working with national health agencies in Malaysia and Indonesia to roll out vaccination programme for our workers. All permanent and contract workers are entitled to receive free vaccination jabs offered by the Company. Beyond that, we are putting in place other supporting initiatives such as health coverage under the company's insurance plan which defrays the cost of medical expenses for any sickness or disability resulting from the vaccination.

Virtual Health Programme: Ergonomic Intervention in Mewah Singapore

As we transit into a hybrid working lifestyle, working from office, or working from home both has its risks. With most of us sitting in front of our laptops working long hours, most of the time we might not be aware of our posture while working. That is where ergonomic risk factors can arise and cause wear and tear to our body resulting in body injury. This not only results in lower work productivity but it's also a form of workplace injury.

At Mewah, we actively engage with our employees to address ergonomic risk factors from the workplace and from home. We have taken multiple measures including mandatory occupational ergonomics training, training videos and programmes to support our employees from ergonomic risk. We invited a specialist from ProAge, to educate our employees on what are the good sitting postures to take note of while working, and to take breaks and do small exercise in between work.

**Introducing Ergonomics Intervention Sessions!**

As we embrace the new future, it's important that we continue to take care of our well-being to navigate through the infinite possibilities and life challenges.

Are you experiencing pains, aches or any discomfort from working from home or at the workplace? This could be due to awkward sitting position or long term standing and can result in lower work productivity.





No Elevator Day (a.k.a. Staircase Day) on Every Friday in Mewah-Oils, Port Klang

Mewah started a programme encouraging our employees to use the staircase instead of taking a lift in the building. Taking the stairs is an excellent way to prevent the health problems that come with inactivity including obesity, heart disease and stroke. It is a great way to get in shape and burn some calories, improve cardiovascular function, strengthen and tone the leg muscles. It could be a great stress reliever where the physical activity will help employees to relax, if employees find themselves having a tough day at work.



**Focus Area 5:
Community Support**

**Reconnect as a
Community**

**Holding Strong to
Our Community
Objectives**

Focus Area 5: Community Support

OUR COMMITMENT AND PROGRESS



Our Key Sustainability Efforts:

We commit to fight hunger and eliminate food waste in the communities surrounding our operation. When we stop food waste, we take a big step towards ending hunger. We have put in concerted efforts primarily through community support programmes to instil good habits to reduce food waste. One example, our refinery in Pasir Gudang is working with local authority to recycle food waste from our factory by way of compositing food waste scraps into organic soil nutrients.



Our Key Sustainability Efforts:

Education is an essential catalyst for positive change in society. We support local schools with educational materials as well as provide free tuition for children from underprivileged families. We endeavour to do our best to enable all children in our communities an opportunity to access mainstream education.



Our Key Sustainability Efforts:

The Global Goals can only be met if we work together. Over the years, we built effective partnership with a number of local non-profit organisations so as to enable us to reach out to more people in need and extend greater impact to the societies.



Focus Area 5: Community Support

In today's socially aware world, the success of a company is not solely measured by its financial performance that is the sales and profits but also by its purpose. At Mewah, we are taking on the responsibility to give back and create a positive impact on society. We passionately believe in being a good citizen and proactively engage with the community in which we operate. We are mindful of the expectations of our consumers, employees, and stakeholders who are constantly looking to us for real action against some of the community's pressing issues.

Reconnecting and Empowering our Community

For more than a decade, Mewah has worked to strengthen and empower communities – from the smallholders we source from to the neighbourhoods. We always strive to make a difference and continuously ingrain sustainability in our development, focusing on the long-term and ensuring that we grow the right way as a business through various programmes and initiatives that uplift our neighbouring communities and safeguard the environment. We are aware of the direct and indirect impact of our business activities on the livelihoods and quality of living of the individuals in our neighbouring communities. We want to maintain a positive relationship with our neighbourhoods and at the same time, contribute positively to the community in which we operate.

The recent pandemic, increasing extreme weather, and other systemic disruptions underscore the importance of **Reconnect as a Community** as well as **Holding strong to our Community Objectives**. In 2021, to better present our core value of care and commitment to our community, we supported community-based organisations that work to increase vaccine & medication access, encourage healthy living and nurture our neighbourhoods. We also work to cultivate resilience along our value chain through stronger partnerships with our suppliers.

OUR CSR APPROACH

CSR was the precursor to ESG. Without CSR, there would be no ESG. While ESG criteria aims to make a business' efforts measurable, CSR seeks to make a business accountable.

Our CSR approach is to **ensure that we bring lasting benefits to the communities and sustain an open, honest, and mutually beneficial relationship**. In line with this approach, our people are committed to address the needs of neighbouring communities by regular engagement to understand the concerns and priorities that our stakeholders have.

THE MEWAH COMMUNITY OBJECTIVES

In Mewah, we adopt a CSR framework that has been set up to measure the impacts and outcomes of our activities. It is a form of self-regulation, ensuring our actions yield positive impact on the environment, consumers, employees, communities, and the public sphere.

Our CSR framework comprises three community objectives:

- A. Active Volunteerism of Our Employee
- B. Supporting the Next Generation
- C. Disaster Relief

The objective of quantifying the impacts, outcomes and values of our programmes is to assure our stakeholders that our CSR activity continues to deliver our community objectives with desirable outcomes, for example, an increase in the number of beneficiaries, a greater percentage of the happiness index and a higher employee participation rate as well as improved livelihoods and food security for our communities.



CSR Achievements in 2021

Supporting Our Next Generation	Provide financial aid for more than 100 special children and orphans
	Support children education for more than 3,000 Beneficiaries
	Support university undergraduates for research need
Disaster Relief	Provide financial aid to more than 500 victims from fire and flood disaster
	Support COVID-19 relief in our global presence for more than 20,000 employees and community
Active Volunteerism	Improve livelihood of 7 neighbouring villages ¹
	Enhance agricultural knowledge sharing among smallholder through capacity building programmes
	Collaborate with 8 Non-Profit Organisations ²
	Conduct blood donation programme across our global operations

¹ Villages include Kampung Rinching Ulu in Semenyih; Pulau Indah & Kampung Perigi Nenas in Klang; Tanjung Pauh Village in Jambi, Desa Tanjung Sg Aur, Jebus & Gedong Karya Village in Jambi.
² Non-Profit Organisations include Pusat Penjagaan Kanak-kanak Cacat in Klang, Persatuan Kebajikan Yu Shan, Sherun Old Fold Home & Handicarp, Willing Heart@Soup Kitchen (Singapore), Xi Le Er Special Children Care Center, Pusat Jagaan Mahmudah, Pusat Jagaan Nur Hasanah, Sekolah Tahfiz Anak Yatim Alkitab.



“Service to others is the rent you pay for your room here on Earth.”
 – Muhammad Ali

A. ACTIVE VOLUNTEERISM OF OUR EMPLOYEES – TO CREATE POSITIVE IMPACT IN OUR COMMUNITIES

Community and people-centred in all that we do. At every place that we operate, we facilitate self-reliance through the provision and support of education, healthcare, and infrastructure. Our priority is to enrich

the lives of the people around the touchpoints that we have established.

We believe that everyone can contribute and make a difference to the community and lives of others. In this regard, we motivate our employees to volunteer in giving back to the community. We partner with the local communities, bring together numerous CSR programmes to support the needs of the communities. Our long-term goal is to create a spirit of “active volunteerism” in our employee that not only brings together our neighbouring communities but also contributes to the holistic development of our people in terms of compassion, character building, and improved morale within the organisation.

Focus Area 5: Community Support



"Education is the most powerful weapon which you can use to change the world."

– Nelson Mandela



"We learn from every natural disaster. Whether it's a fire or a flood, we learn something from it so we can respond to the next one better."

– Malcolm Turnbull

B. SUPPORTING OUR NEXT GENERATION

Starting from the year 2020, it has not been easy for today's young generation. The education has been disrupted in most of the places and children have been separated from their family and friends. After the COVID-19 pandemic, we know that we cannot simply hope that things will go back to the normal. In this regard, our CSR initiatives focus in supporting our next generation to realise their potential and to enable them an opportunity to help shape the future, and that their efforts and input are valued and supported.

The fundamental belief in our community objective is that every child deserves a chance at a life filled with love, laughter, friends, and family. We often hear the obstacles faced by the young people in reaching their full potential – due to a lack of access to resources, finance, education, information, and communication technologies. Our works primarily focus in improving access to inclusive and quality education for all, we strongly believe that education is a cornerstone for empowering individuals and communities to break out of poverty and build meaningful lives in the long term.

This year, several activities have been held internally e.g., fundraising activities and externally e.g., foods, groceries and stationeries distribution to the children's charitable organisation. Our employees also use their knowledge to support underprivileged students through free tuition classes. From time to time, we were heartened to see the passion and perseverance among the young generation at rural communities who are working at its best to change their life through education. We know that this is where we can support them by alleviating the disablement and at the same time, giving the less fortunate children hopes for a brighter future.

C. DISASTER RELIEF

Giving a helping hand to disaster victim is always one major part of the Mewah's CSR strategy. Although we never want to see disaster happen, we often get ourselves prepare for the unexpected. A disaster occurring can disrupt our neighbouring communities and where our employees work and live in. Looking back at the past events, our people have been always reacting compassionately in donations and activities to aid disaster relief and rehabilitation.

In our disaster relief strategy, we have proactively put together a fast aid "disaster relieve plan" that aim to alleviate the suffering of our neighbourhood at soonest in the event of unexpected disaster. At the same time, we are ready to go above and beyond to ensure resources will be available to keep our employees safe, protect their facilities and perform recoveries during a disaster response. On a side note, within the company itself, we are adopting to a Business Continuity Plan that intends to work diligently to ensure that all our operation units are aligned, leadership has signed off on the processes, and the right support is allocated should an unexpected event occur.

Restore Humanity in Crises

In the year of 2021, despite fronting the global pandemic, we were hit by flash floods and fires. These crises sometimes happened close to us, sometimes distant. Regardless, the empathic and generous staffs of Mewah are always there to offer aid at the disposal. These crises affect the daily life of communities, cost lives of loved ones and impact the economy of the regions. Amid such turmoil, we came together with local communities in overcoming the dreadful situations. We are not individuals; we are a community, and we strive together.

In March 2021, a cruel fire blazed through a local community house in Sg Aur Village, Kumpeh District, Muaro Jambi Regency. They lost their home and possessions. Upon receiving the news of the fire incident, Mewah Group immediately assembled a team to provide much needed disaster relief for the affected communities.

For those located across the sea and further from the incident, our unsparing staffs contributed a total of IDR 35.4 millions to fund the disaster relief for the purchase of much-needed food supplies and building materials for new houses, for the affected families. For those who were close to the incident, they selflessly offered their time and strength in support and rebuilding the homes.



“This activity (home rebuilding) proves, if we are all united, our life can jointly become more prosperous. It can be seen from the physical design of the house that was built; it is a decent home design for our people.”

**PAK SUHARYANTO,
HEAD OF KUMPEH SUB-DISTRICT, MUARO JAMBI**



Focus Area 5: Community Support



CSR Highlights: Mewah Mobilises Assistance for Flood Victims in Klang Valley

In December 2021, a 15-hour continuous heavy rain and horrendous flash floods hit many parts of Selangor, where most of our staff reside. Houses and cars were submerged, roads turned into streams, food was swept away and there was no access to clean water and electricity. This caught the whole Selangor community off guard, many faced devastating material losses and distress.

The Mewah CSR committee has swiftly assembled a team and activated “*Bantuan Bencana Alam Program*” to strategise aids for the impacted staff and communities. A total of RM 192,600.00 was collected to ease the burden of 188 flood-impacted staff. Besides, distribution of provisions, dry food, and diapers were given to 25 flood-affected staff.

As soon as the flood subsided, our people altruistically helped to clean 106 flood-impacted homes and provided food through collaboration with Majlis Perbandaran Klang (MPK) in the Pulau Indah neighbourhood. Regardless of positions, skin colours, ages and background, our CSR team came together and worked tirelessly in providing much-needed financial and disaster relief to the affected communities.

Under such ruthless disasters, our people have demonstrated immerse public-spirited attitude in supporting the affected communities, reconnecting them to humanities in dire situations. The assistance we offered allow the impacted communities to recover and ready their life for the future.



The storm did not stop at Selangor. Many areas in Johor braced the bad weather as well, at the end of 2021.

The passionate CSR team in Johor simultaneously collected funds and purchased necessities such as adult and infant diapers, sanitary pads, blankets, cleaning agents, and dry foods. The purchased items were then donated to the relocation centre and distributed to the affected communities.



Vaccination Programmes for All

Since 2020, the pandemic affected thousands of people, many lost their loved ones, and many live with the aftermath of COVID. With the swift and diligent development of the COVID-19 vaccine, the vaccines were made available worldwide at the end of December 2020. The vaccination offers a glimpse of hope, particularly to those who are severely impacted by the pandemic.

By June 2021, only 10% of the whole Indonesian population received the first dose of the vaccine, while the country was bracing for another wave of both daily new COVID-19 infections and daily deaths. And by the end of June 2021, Indonesia was at its highest peak since the outbreak of the pandemic, with 21,807 daily infection cases and 467 daily deaths. As to ensure community immunity against the ruthless COVID, public health authorities call for 80-90% of the population to be vaccinated with two doses of vaccine.

On 3 July 2021, PT Jambi Batanghari Plantation collaborated with Muspika and Kecamatan Kumpeh to host community vaccination drive programme. Approximately 400 people that comprise our employees from PT Jambi Batanghari and the local communities from adjacent villages took vaccination on that day. Through vaccination, life could be resumed, and communities could be reconnected with their loved ones, once again.



Focus Area 5: Community Support



Reconnecting Education

Many changes occurred since the global outbreak of COVID-19 in 2020, including education systems. Such changes affecting attendance, accessibility, and effectiveness of education. Students around the world shifted from classrooms to virtual classes or no classes, affecting vulnerable students who have limited connectivity and devices. According to UNESCO on February 2022, approximately 43,500 learners are affected by the pandemic, with six country-wide closures of schools. The phenomenon is alarming, because if it persists a generational catastrophe might be induced. Therefore, aids in the forms of technology, financial support and other available assistance are vital to ensure a sustainable recovery of the nations.

Throughout the year and across all entities, Mewah CSR team placed a strong emphasis on providing assistance to our precious younger generations in accessing education.

Not all children are born equal, but none should be excluded from access to education. Since the end of September 2021, CSR team of Mewah Datu Sdn Bhd have been organising, and in December 2021 the team contributed stationeries and teaching tools for a local school, namely Sekolah Agama Rakyat Madrasah Mahabbah. Where the school is home to 60 children who are either from less fortunate families or orphaned. The joy and sparks in the children's eyes upon welcoming the CSR team were more valuable than the items contributed.



According to "Global Monitoring of School Closures Caused by the COVID-19 Pandemic" from UNESCO, in 2021, Malaysia has endured more than 35 weeks of full closures, marking the longest school closure in the country history. In December 2021, Mewaholeo Industries Pasir Gudang contributed two new computers and five new LCD projectors to a Sekolah Menengah Kota Masai 2, to ease the learning of 3,300 students in the school. The devices set to bridge the teachers and students, restoring learning in the much-disrupted education during the pandemic.



Since 2020, the pandemic dimmed the inspirational and ambitious flames of our younger generation. School closures, disruptions of social and extracurricular activities, and families situations devastated the young generation. The uncertainties caused many of the youths to suffer from mental health issues, dropped out of schools, and even widen the gender inequality in job and education environment.

As a responsible corporate citizen, we strive to nurture our future leaders with a better understanding of their immense future potential. Since 2020, Mewah has been actively participating and contributing to academic growth for the students from Temasek Polytechnic. In Jan 2021, we contributed a total of SGD 1,000 as book prizes for five undergraduate students that attained significant improvement in academic performance and have demonstrated good conduct.



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GLOSSARY

BIOLOGICAL OXYGEN DEMAND (BOD)

The amount of oxygen used when organic matter undergoes decomposition by micro-organisms in a given water sample at certain temperature over a specific time period.

CARBON DIOXIDE EQUIVALENTS

Carbon dioxide equivalents (CO₂e) provide a universal standard of measurement against which the impacts of releasing different greenhouse gases can be evaluated.

EFFLUENTS

Water discharged from one source into a separate body of water, such as the refinery plant process water.

FRESH FRUIT BUNCH (FFB)

Fruit bunch that harvested from the oil palm tree. The weight of the fruit bunch ranges between 10 kg to 40 kg depends on the size and age.

GLOBAL REPORTING INITIATIVE (GRI)

A multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators.

GREENHOUSE GAS (GHG)

GHG refers to gases that have the ability to trap heat in the atmosphere and keep the planet warm. The primary greenhouse gases in our atmosphere are Carbon Dioxide, Methane, Water Vapor, etc.

GREENHOUSE GAS EMISSIONS

GHG Emissions is an all encompassing measurement for the carbon footprint and energy efficiency in our production.

HIGH CONSERVATION VALUES (HCV)

The concept of High Conservation Value Forests (HCVF) was first developed by the Forest Stewardship Council (FSC) in 1999 as their ninth principle. The FSC defined HCVF as forests of outstanding and critical importance due to their environmental, socioeconomic and cultural biodiversity and landscape value.

HIGH CARBON STOCK (HCS)

The high carbon stock (HCS) approach is a methodology to avoid deforestation in land development. The methodology was initially developed in a partnership between Greenpeace, TFT and Golden Agri Resources. The approach stratifies the vegetation on area of land into different classes using analyses of satellite images and

field plot measurements. Each vegetation class is validated through calibrating it with carbon stock estimates in the above-ground tree biomass.

INTERNATIONAL SUSTAINABILITY AND CARBON CERTIFICATION (ISCC)

ISCC is a sustainability certification system covering the entire supply chain and all kinds of bio-based feedstocks and renewables. It is officially recognised by the European Commission under the European Energy Directive ("RED").

MASS BALANCE (MB)

The mass balance system allows for mixing of RSPO certified and noncertified palm oil at any stage in the supply chain provided that overall company quantities are controlled. The mass balance model is designed in such way that volumes of RSPO certified product shipped will never exceed volume received by the enduser.

NON-GOVERNMENTAL ORGANISATION (NGO)

The term of NGO used in this report refer to grassroots and campaigning organisations focused on environmental or social issues.

PEAT

Peat is an accumulation of partially decayed vegetation matter. Peat forms in wetlands or peat lands, variously called bogs, moors, muskegs, pocosin and peat swamp forests.

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)

RSPO is a multi-stakeholder organisation that unites stakeholders from seven sectors of the palm oil industry including the oil palm producers, processors or traders, consumer goods manufacturers, retailers, bank, environmental NGO and social NGO to develop and implement global standards for sustainable palm oil.

SEGREGATION (SG)

The Segregation supply chain model assures that sustainable palm oil from different certified sources is kept separate from ordinary/conventional palm oil throughout supply chain.

STAKEHOLDERS

Stakeholders in this report refer to any group or individual who are affected by or can affect the company's operations.

SUSTAINABILITY

A term expressing a long-term balance between social, economic and environmental objectives.

ABOUT THIS REPORT

SCOPE OF THE REPORT

We adopted the Global Reporting Initiative (GRI) Standards at core level as our reporting framework since year 2018. It focuses on Mewah Group's sustainability strategies and practices, highlighting the economic, environmental, and social aspects of the Company's activities and developments.

The report covers all sustainability issues deemed material by Mewah. We have chosen to focus our reporting in our downstream operations as this is our core business in Malaysia. It provides an overview of our approach, priorities and targets, as well as a baseline performance review in several key areas. This Report supplements our 2021 annual report that can be found on <http://www.mewahgroup.com/upload/AnnualReports/>

The report brings together our sustainability initiatives, including current and future direction. It is intended to be useful for our stakeholders – our customers, employees, shareholders, communities as well as being a communication tool to various interested parties about our approach to the social and environmental development.

COMPLETENESS

This report provides a complete overview of our core businesses within the established scope. The data in this report covers 1 January – 31 December 2021. Where possible, we have sought to include historical data as a benchmark. We believe that the data presented are a fair representation of performance and have included detailed notes in relevant sections to ensure transparency.

ASSURANCE

This is the fifth Mewah Group's Sustainability report. We have carried out extensive review with both internal and external stakeholders to identify gaps since the production of our first Sustainability report in May 2018. Materiality assessment has been incorporated into our report. The outcome from materiality assessment enables us to recognise the economic, social and environmental issues that shape our business success. Moving forward, we will continue to use this report to engage our stakeholders and to understand what form of assurance they would like to see in our subsequent reports.

CONTACT AND FEEDBACK

We welcome any feedback or questions:

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