

# MEWAH GROUP SUSTAINABLE COCOA POLICY

#### 1.0 INTRODUCTION

The dried, fully fermented seed of Theobroma cacao is commonly known as cocoa beans. It is from this seed that cocoa solids and cocoa butter are derived. Cocoa solids and cocoa butter are the key ingredients used in the production of chocolate, a widely consumed food item throughout the world. Common favourites take the form of chocolate bars, chocolate beverages, baked goods, dessert, candy and more. Cocoa beans are rich in polyphenolic – flavanols, which are naturally occurring antioxidants. All this makes Cocoa, in its unprocessed form, a particularly important cash crop for farmers, producers and traders.

In equatorial locations, the cocoa tree provides millions of farming households with a significant source of income. Currently, over 70 percent of the world's cocoa cultivation is in West Africa, making it the key supplier. In the cocoa industry, a sizable amount of production occurs under unfavourable conditions. The three issues most highlighted being low income for the farmers, lack of access to education and poor labour practices leading to child labour, and deforestation. Numerous other issues that are equally serious but rarely discussed include the labor-intensive nature of cocoa production and harvesting, inadequate health and safety protocols, poor labour practices, gender discrimination, poor access to financial services, ambiguous property rights, lack of training in agriculture best practices. The consequences of these practices have a negative impact on the environment, public health, and the community.

#### 2.0 SCOPE OF THIS POLICY

As a global company, Mewah Group believes that we have a role to play towards combatting the issues faced by the cocoa industry. Sustainability is not a distinct objective; it is part of our operations and business activities that guide our decision-making processes. Our common goal is for the world's food and agriculture systems to improve and be more equitable. Mewah Group stands together with our Peers and other stakeholders to foster a sustainable cocoa supply chain, add value and drive positive change for the stakeholders in the cocoa community and the environment.

This policy will apply to all our operations, covering cocoa and its derivatives within our supply chain. We expect all direct and indirect suppliers to adhere to this policy. Our committed employees throughout our organization are ready to assist and support our suppliers and other stakeholders to adopt sustainable practices, deliver results, and provide information and updates to stakeholder.

We will seek advice and support from expert groups, at regular intervals, to continuously enhance this policy, improve our methods, and/or collaborate on joint solutions in building a traceable, environmentally and people positive, and prosperous cocoa supply chain.



## 3.0 OUR FOCUS AS A RESPONSIBLE TRADER

Cocoa is traded on a local and international scale, and it is marketed as a range of products at various points of the supply chain, such as cocoa powder, cocoa butter, cocoa nibs, cocoa mass, or chocolate / couverture, and processed products, such as candies and confectioneries.

Sustainable cocoa production is not just the responsibility of one actor. To make it a reality, everyone in the chocolate industry must contribute. Mewah strives to put our resources and focus on the following five key areas:

#### A. Farmers in focus

- Improving income for Farmers: Mewah aims to provide better terms of trade to empower producers, including small-scale farmers, to eradicate poverty to better the lives of farmers, their families, and the communities.
- Non-discrimination and No Disparity between Women and Men Farmers: We are committed to respecting women's right to fair wages and practices. There should not be discrimination based on age, gender, race, marital status, religion, disability, nationality, and associations, in the cocoa supply chain.

## B. Education and Empowerment

Child Labor and Forced Labor: Child and Forced Labor are abhorrent practices and cannot be tolerated. Children have a right to education and to live and grow in a safe and healthy environment. At Mewah, we expect children to attend school, and our suppliers must ensure that their employment practices are at minimum in compliance with all applicable laws and are committed to a phased approach to achieving international standards.

## C. Nature Protection and Conservation

No Deforestation and to adopt sustainable agriculture best practices: We are committed to safeguarding and conserving nature and biodiversity while reducing the environmental impact across our operations. Mewah is deepening our activities on the ground to raise awareness on sustainability and to counter deforestation and biodiversity loss. Mewah expects all suppliers to adopt sustainable agricultural practices and to similarly minimize their negative impact on the environment on land use management and cocoa production.



# D. Traceable Supply Chain

■ Ensure Traceability Cocoa Source: Mewah is working towards full traceability from farmers to buyers to track the flow of goods. This is to give customers complete confidence regarding the quality and source. This will provide transparency and create a fully traceable supply chain with exact information about source of product and suppliers' practices.

# E. Compliance – Legal requirements and Voluntary standards

- Adherence to Applicable Laws, Regulations & Business Code: Suppliers must ensure full compliance to all applicable laws, rules, regulations, industry standards, and local ethical guidelines; And to observe Mewah's business code of conduct to upholds ethics and responsible practices in every aspect of our operations.
- Fostering a Respectful Workplace: We take a firm stand on respect for people. All forms of harassment, particularly sexual harassment, are not tolerated and we will proactively engage with our supply chain actors to raise awareness to prevent such disrespectful and harmful behavior and conduct.
- Prioritize Workplace Safety and Health: A safe and healthy work environment is fundamental in all Mewah's business and operations. All supply chain actors must operate responsibly, ensuring a hazard-free environment, and ensuring the safety and health of employees, customers, vendors, and neighboring communities.
- Voluntary Sustainability Certification: To raise standards and enhance value for all stakeholders, we are committed to promoting the adoption of globally recognized sustainability standards in the production of cocoa.

### 4.0 STAKEHOLDER ENGAGEMENT AND TRANSPARENCY

We place a high value on engagements and dialogues with stakeholders, and we recognize that the successful implementation of this policy is dependent on the support and close collaboration of all essential stakeholders. We are committed to working constructively with and engaging all relevant stakeholders towards achieving the global objectives and goals to produce sustainable cocoa.

A. **Mewah Business Code of Conduct:** Mewah conducts our business activities in a professional manner with the highest standard of ethics and with integrity. It is essential for all our partners, particularly suppliers to acknowledge and comply with this Policy and our <u>Business Code of Conduct</u> - Please refer to our Dashboard for further details.



We have zero tolerance for bribery and corruption and expect no less from all the actors in our supply chain. Concerned stakeholders are requested to raise concerns via our whistleblowing channel via this <u>link</u>.

- B. **Grievance Platform:** Mewah has put in place an easily accessible grievance mechanism that allows stakeholders to file a complaint, or provide feedback, to report a concern. We are committed to transparency and all grievances received are managed according to this mechanism to ensure accountability, fairness, and adherence to ethical sourcing norms. The grievance mechanism is accessible via this *link*.
- C. Corporate Governance and Oversight: Mewah Senior Management Team maintains a strong oversight on execution/implementation of this policy, monitors progress and provides strategic directions at regular intervals.

This policy will be reviewed and revised every 2 years or as and when required to ensure alignment with Stakeholders' expectations.