



## MEWAH GROUP

# SUSTAINABLE PALM OIL POLICY

### **1.0 Introduction and Purpose**

Palm oil is a nutritious and versatile food product that is essential to the livelihood of millions of people in communities across Malaysia and Indonesia and is also growing in importance in the tropical belts of Africa, Latin America and other parts of the world. Today, it remains the highest yielding oil crop per hectare and if managed sustainably, it could play an increasingly significant role in the alleviation of global poverty.

Mewah is one of the largest palm oil processors in Malaysia by capacity and produces a wide range of refined and fractionated vegetable oils and fats, principally from palm and lauric oil, alongside soft oils, such as soybean oil, canola oil, sunflower seed oil and corn oil. Our operations are integrated throughout the edible oils and fats value chain, from the sourcing and processing of raw materials, to the packing, merchandising, shipping and distribution of our products. Today, we have grown to be one of the largest edible oils and fats businesses in Malaysia.

Mewah recognizes the importance of sustainable sourcing of its palm oil and wants this to form the backbone of our sourcing strategy. Raw material sourcing is an area where we seek to make a clear difference to the environment and to the local communities where the raw materials are grown and harvested. We believe that environmental sustainability can only come about by working closely with all key players in our supply chain; through close cooperation and collaboration with a broad range of multi-stakeholders including plantation groups, independent millers, smallholders, traders, processors, end-users, governments, non-governmental organisations (NGOs), financial institutions and other major industry stakeholders.

### **2.0 The Objectives of the Sustainable Palm Oil Policy**

This policy applies to all palm oil and palm products, that Mewah consumes, processes and trades.

Mewah will enhance our existing commitments with five specific objectives:

- 1) To build a traceable and transparent supply chain.
- 2) 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 31<sup>st</sup> December 2015.
- 3) To reject new oil palm development in forested peatland plantation after 31<sup>st</sup> December 2015.
- 4) To respect human rights and to ensure protection of the rights of all workers.
- 5) 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.

In line with this commitment, we invite all plantation groups, smallholders, traders, processors, governments, non-governmental organisations, end-users, financial institutions and other industry stakeholders to be a part of this drive to achieve the stated objectives.

### **3.0 Our Commitment**

At Mewah, we believe that a profitable and sustainable palm oil sector must achieve the right balance of social, environmental and economic objectives. We are determined to work with the palm oil industry to realize every commitment stated in this policy.

This commitment will apply along the entire supply chain from consumption, processing and trading, and to all counterparty including third parties.

### **3.1 As Mewah Group**

We are fully committed to ensuring that the palm oil we consume, process and trade is in line with the following principles:

#### **A. Traceable Palm Oil**

- ❖ We have a comprehensive plot and framework in developing traceable supply chain in order to trace supply flows from our refineries to all oil palm mills and over time to plantations.

#### **B. Quality & Sustainability Policy**

- ❖ We are complying with Quality Management System, Food Safety Management System, and Feed Safety System. We are consistently focusing on improvement of these management systems to make sure they are in line with industry best practices.
- ❖ We will continually provide quality, safe and sustainable products that meet mutually agreed customers' requirements that will lead to their satisfaction.

#### **C. Drive Positive Socio-economic Impact for People and Communities**

- ❖ We will respect and support the Universal Declaration of Human Rights.
- ❖ We will recognise the rights of all workers, including contract, temporary and migrant workers.

#### **D. Fully Comply with all relevant Laws and Regulations**

- ❖ We are complying with all relevant local and national laws & regulations as well as the recognized international certification standards.

### **3.2 As an Industry Stakeholder**

As a stakeholder in the palm oil industry, we are committed to building a traceable and transparent supply chain, to increase the sourcing of raw materials that adhere to RSPO Principles and Criteria (P&C) so as to continue the journey to no deforestation, to protect peat areas, and to ensure positive socio-economic impact on communities.

We recognize the importance of continuous stakeholder engagement and we acknowledge that we would require the support and cooperation from all stakeholders for the implementation of this policy. To this, we are committed to work and engage with all relevant stakeholders to meet the objectives of the listed commitments.

### **3.3 As Responsible Refiners and Traders**

We recognize that sustainability within our supply chain is a shared commitment that our suppliers support us to achieve our sustainability goals, and we support them by driving sustainability into their processes and practices.

We are committed to source our supply through networks that are transparent and traceable back to known origin.

We will require all our direct suppliers to comply with Mewah Group's Sustainable Palm Oil Policy and shall undertake to investigate, and if necessary, take immediate remedial action to correct any violations when made known to the Group.