

FGV IFFCO's Grievance Report

No	Group Company	Issues	Relationship	Action taken by FGV IFFCO and Agreed Action Plan	Reported By	Status
1.	FGV Holdings Berhad	Re-suspension of RSPO certificate of Kilang Sawit Seriting by the RSPO Complaint Panel, and Withhold Release Order (WRO) issued by the US Customs and Border Protection (CBP) on alleged human rights and forced labour	Direct supplier to the Company	<ul style="list-style-type: none"> • June 2024: FGV submits petition to US CBP to modify WRO. Over the years, as part of the steps to address the WRO, FGV implemented a comprehensive remediation plan to close identified gaps in its labour practices and to align its operations with internationally recognised ethical labour standards. FGV submits petition to US CBP to modify WRO • Mar 2024: FGV fully commits to lifting WRO with solid remedial measures in place as reported in The Star newspaper. FGV fully commits to lifting WRO with solid remedial measures in place • Nov 2021: FGV appoints Elevate as independent auditor to assess group's alleged forced labour. • Aug 2021: Agreement was reached with US CBP for FGV to appoint independent auditing firm to conduct assessment of its operations against the 11 ILO indicators of Forced Labour. FGV is currently finalising the appointment of an auditor and aiming for the audit work to take place soon: FGV Updates its Steps to Address the U.S. Customs and Border Protection (CBP)'s Withhold Release Order (WRO) - FGV Holdings Berhad • July 2021: FGV continues to address and implement the directives of the RSPO Complaint Panel. A verification audit was conducted in six of FGV's complexes in Peninsular Malaysia and Sabah, by an independent auditor appointed by the RSPO. The audit took place between November 2020 and April 2021. The outcome of the audit is now being deliberated by the RSPO Complaint Panel: FGV-Sustainability-Updates-1-July-2021.pdf (fgvholdings.com) • Mar 2021: Following FGV's affiliation with the Fair Labor Association (FLA), a second Progress Finding Report was issued by FLA on 31 March 2021 that highlights FGV's advancements in strengthening its internal management systems to uphold labor standards. • Sep 2020: Issuance of Withhold Release Order (WRO) by US CBP on palm oil products containing palm oil produced by FGV Holdings Berhad and its subsidiaries and joint ventures. 	RSPO Statement (Jan 2020), Associated Press (AP) News (Sep 2020), US Customs & Border Protection (Sep 2020)	Monitoring

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				<ul style="list-style-type: none"> • Aug 2019: Based on progress demonstrated, RSPO lifted the suspension on RSPO certificate of Kilang Sawit Serting and its supply base plantations • Mar 2019: Action plan and 1st progress report submitted and approved by the RSPO • Nov 2018: RSPO suspends the RSPO certificate of FGV's Kilang Sawit Serting following indication of forced labour and poor working condition 		
2.	FGV Holdings Berhad	HCV clearance in PT. Temila Agro Abadi (TAA) in West Kalimantan. TAA is subsidiary of FGV Holdings Berhad	Direct supplier to the Company	<ul style="list-style-type: none"> • Jan 2020: FGV Holdings Bhd has ceased all land development in PT. Temila Agro Abadi/PT. TAA since 25th April 2017. With the enhancement of the Group Sustainability Policy, FGV Holdings Bhd has communicated that the development in PT. TAA is permanently discontinued. FGV Holdings Bhd has also clarified that the clearance location given in Mighty Earth report belongs to the local community. The clearing of the land was carried out by the land owner for paddy planting. <p>FGV IFFCO has since considered the case resolved and closed.</p> <ul style="list-style-type: none"> • Dec 2019: Request for explanation from FGV Holdings Bhd on the status of the case, and if there is compensation/remediation plan in place 	Mighty Earth Report 9	Closed
3.	TH Plantation Bhd	PT. Persada Kencana Prima (PKP) in North Kalimantan is alleged of deep peat (> 3m) clearance to make for oil palm development and it still continues. PKP is owned by TH Plantations Bhd. Recently Forest clearing was also detected by Aidenvironment in TH Plantations concession in Pahang, Malaysia	Direct supplier to FGV IFFCO Oil Products (FIOP), a subsidiary of FGV IFFCO Sdn Bhd.	<ul style="list-style-type: none"> • Oct 2022: FGV IFFCO has divested its share in FIOP to Grand Oils & Foods (Singapore) Pte Ltd. • Oct 2019: FIOP is supplier of palm oil to IFFCO Group. FIOP was alerted by IFFCO about this continually unresolved case by its customer. Since Oct 2019, FIOP has put on hold sourcing from TH Plantation Bhd. 	Mighty Earth Report 15	Closed

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4.	BEST Group	Allegation on deforestation in PT. Wanasawit Subur Lestari and peat clearance in PT. Karya Luhur Sejati, both in Central Kalimantan	Direct supplier to FGV IFFCO Trading Sdn Bhd (FIT), a subsidiary of FGV IFFCO Sdn Bhd	<ul style="list-style-type: none"> • Apr 2020: Since 6th April 2020, BEST Industry Group has put moratorium on new clearance for the whole group plantations. We have since changed the grievance status to Monitoring. • Dec 2019: Request for explanation and clarification from BEST Group on the allegation and to hold sourcing from the company if the deforestation and peat clearance confirms. To engage BEST group on agreed action plan as part of the re-entry protocol 	Mighty Earth Report 19	Monitoring
5.	Sungai Budi/Tunas Baru Lampung	Allegation on deforestation in PT. Samora Usaha Jaya, Lampung	Direct supplier to FGV IFFCO Trading Sdn Bhd (FIT), a subsidiary of FGV IFFCO Sdn Bhd	<ul style="list-style-type: none"> • Jun 2020: Due to various reports on deforestation and peat clearance, FIT put on hold purchase from Tunas Baru Lampung while continue the close engagement and dialogue with the company. One of topics in the dialogue was regarding introduction to our Re-entry Protocol • Apr 2020: Tunas Baru Lampung explained that they have engaged Global Environment Center to conduct 3rd party verification audit, of which it confirmed that the cleared areas were not peat. The report and findings from the verification audit is published on its website: https://www.tunasbarulampung.com/summary-of-third-party-verification-of-pt-samora-usaha-jaya-suj-case/ • Dec 2019: Request for explanation and clarification from Tunas Baru Lampung on the allegation and to hold sourcing from the company if the deforestation and peat clearance confirms. To engage Tunas Baru Lampung on agreed action plan as part of the re-entry protocol. 	Mighty Earth Report 19, Chain Reaction Research (Apr 2018), Chain Reaction Research (Apr 2020)	Suspended
6.	Sime Darby Plantation Berhad	Allegation on deforestation in Sime Darby Plantation's concession at Derawan Estate in Bintulu, Sarawak, Malaysia	Direct supplier to the Company	<ul style="list-style-type: none"> • Sep 2019: Sime Darby has provided clarification that the forest clearance happened <u>outside</u> of their boundaries. The clarification is made available on their website: http://www.simedarbyplantation.com/media/press-releases/statement-response-rapid-response-palm-oil-report-19-mighty-earth 	Mighty Earth Report 19	Closed

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7.	Sime Darby Plantation Berhad	Withhold Release Order (WRO) issued by the US Customs and Border Protection (CBP) on alleged forced labour and abuses on workers on plantations in Malaysia	Direct supplier to the Company	<ul style="list-style-type: none"> • Mar 2023: CBP Modifies Finding on Sime Darby Plantation Berhad in Malaysia. The clarification is made available on CBP Website: https://www.cbp.gov/newsroom/national-media-release/cbp-modifies-finding-sime-darby-plantation-berhad-malaysia • Mar 2021: Sime Darby appoints Impactt to conduct third party labour assessment across its Malaysia operations. It also establishes the Commission, comprised Impactt – the ethical trade consultancy organization, and a Stakeholder Consultation Panel, to undertake an evaluation of SDP’s operations after the United States Customs and Border Protection (USCBP) imposed a Withhold Release Order (WRO) on oil produced from its Malaysian plantations. Sime Darby is committed to implementing any required improvements recommended pursuant to Impactt’s findings. Details on their website: https://www.simedarbyplantation.com/media/press-releases/sime-darby-plantation-dissolves-its-expert-stakeholder-human-rights-assessment 	Liberty Shared petition to US Customs and Border Protection (April 2020), Associated Press (AP) News (Dec 2020), US Customs and Border Protection (Dec 2020)	Closed
8.	LKPP Corporation Sdn Bhd	Allegation on deforestation in PKPP Plantations Sdn Bhd (Cherating) concession	Indirect supplier to the Company	<ul style="list-style-type: none"> • Dec 2020: FISB does not have direct business relationship with LKPP Corporation Sdn Bhd mills. It communicated about the allegation to its direct suppliers and to understand if any of them source from the company. FISB received declaration from Tian Siang Oil Mill Sdn Bhd that the FFB sources are not originated from PKPP Plantations Sdn Bhd (Cherating) concession 	Mighty Earth Report 30, 31	Closed

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9.	Yayasan Pahang Plantations Sdn Bhd (YPPH)	Allegation on peat development in the concession of Yayasan Pahang Plantations Sdn Bhd's Pekan Barat and Pekan Timur Estates	Indirect supplier to the Company	<ul style="list-style-type: none"> • Nov 2021: Prosper Group informed that YPPH has collaborated with the Global Environment Centre (GEC) – a Non-Governmental Organization with expertise on peatland recovery projects, to develop and implement a Recovery Plan Project with an area of up to 4,800 hectares for rehabilitation, fire prevention and conservation of peat swamp forest. For more information on the project and its progress, please visit: https://ypph.com.my/v4/category/sustainability/. • Dec 2020: FISB does not have direct business relationship with Yayasan Pahang or YP Plantations Sdn Bhd (YPPH). It communicated about the allegation to its direct suppliers and recognizes that its direct supplier, Prosper Group, sources from the company. A discussion between FISB and Prosper Group management took place in December 2020 and Prosper informed FISB that it has started to engage YPPH since June 2020 and has since received positive response. YPPH put immediate moratorium in mid-2020 on all new planting, including the remaining 790 Ha which had been partly cleared, and committed to NDPE Policy. In August 2020, YPPH integrated NDPE Policy into its revised Sustainable Palm Oil Policy. Currently they are exploring options for recovery plan project. FISB is monitoring the progress closely with Prosper Group 	Mighty Earth Report 30	Suspended
10.	Amanah Saham Pahang Berhad (ASPA)	Allegation on deforestation in Mentiga Corporation Bhd (area A and B) and Berabong Estate concessions	Indirect supplier the Company	<ul style="list-style-type: none"> • Sep 2021: ASPA is still in the midst of finalizing the recovery plan project. • Dec 2020: FISB does not have direct business relationship with Amanah Saham Pahang Berhad (ASPA). It communicated about the allegation to its direct suppliers and recognizes that its direct supplier, Prosper Group, sources from the company. A discussion between FISB and Prosper Group management took place in December 2020 and Prosper informed FISB that it has started to engage ASPA since June 2020 and has since received positive response. ASPA put immediate moratorium in mid-2020 on all new planting and committed to NDPE Policy. In August 2020, ASPA integrated NDPE Policy into its revised Sustainable Palm Oil Policy. In September 2020, Prosper introduced the concept of recovery plan. Currently they are exploring options for recovery plan project. FISB is monitoring the progress closely with Prosper Group. 	Mighty Earth Report 30	Suspended

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11.	PT. Sawit Sumbermas Sarana (SSMS)	Multiple issues: Alleged clearance of forested peatland and orangutan habitat in PT. Kalimantan Sawit Abadi and PT. Sawit Multi Utama, lack of community consultation, HCV assessment and forest and orangutan habitat clearance in PT. Sawit Mandiri Lestari (SML), peat clearance by PT. Borneo Sawit Gemilang	Direct supplier to PT. Synergy Oil Nusantara (PT.SON), a subsidiary of FGV IFFCO Sdn Bhd.	<ul style="list-style-type: none"> • Feb 2018: FELDA IFFCO has divested its share in PT.SON to IFFCO and had remove information of PT.SON from the website. • May 2016: RSPO closed the case of SML following announcement that SSMS has sold PT. SML: Case: GR-000893 (force.com) • May 2015: EIA and JPIK Kalteng submitted complaint to the RSPO against SSMS over its subsidiary, PT. Sawit Mandiri Lestari (SML). Alleged violations include lack of consultation with communities, flawed HCV assessment, no FPIC process and lack of permits (Case: GR-000893 (force.com)) 	Greenomics (June 2015), EIA and JPIK Complaint to the RSPO (May 2015), Chain Reaction Research (Feb 2017)	Closed

Notes: Grievances with the status of Monitoring and Investigation are allowed to enter into FGV IFFCO Supply Chain. Suppliers have to show progress against the agreed action plan during the Monitoring status. Please refer to the FGV IFFCO Grievance Procedure.