

## PALM OIL GRIEVANCE LIST

(Last Updated: June 2022)

*This Grievance List will be updated regularly and published in website quarterly.*

<b>Case Number</b>	1-2020	
<b>Stakeholder</b>	The Chain	
<b>Grievance Logged Month</b>	April 2020	
<b>Parent Company/ Group</b>	Tabung Haji Plantations Berhad (THP)	
<b>Company/ Mill</b>	Deru Semangat Sdn Bhd (DSSB)	
<b>Sourcing Connection to Company/ Mill</b>	Direct Connection	
<b>Grievance Status</b>	<input type="checkbox"/> Investigating	<input checked="" type="checkbox"/> Suspended
	<input checked="" type="checkbox"/> Monitoring	<input type="checkbox"/> Closed
<b>Subject Matter</b>	Alleged deforestation	
<b>Grievance Details</b>	<p>The Chain <a href="#">report</a> dated 9 April 2020 stated that DSSB (55% owned by Tabung Haji) has submitted an environmental impact assessment (EIA) for the development of 8,094 hectares of an oil palm plantation in Mukim Tembeling, Pahang, Malaysia.</p> <p>The proposed development is the third phase of a project which began in year 2017, covers almost 12,100 ha and located inside the Yong Forest Reserve. A High Carbon Stock (HCS) assessment has not been conducted for these developments.</p>	
<b>Progress Update</b>	<p><b>April 2020</b> – Goodhope engaged THP’s representative in the effort to seek clarification on the above allegation. THP reiterated its commitments with regards to the NDPE Policy. Regarding the allegation, THP clarified that they had entered into a Management Agreement with DSSB in year 2015 and THP merely acts as a management agent and is not the owner of the land.</p> <p>In year 2019, the new top management of THP which took over the realm of the THP Group became aware of this project and conveyed its intention to terminate the Management Agreement to DSSB. The parties are in the process of finalising the termination of their Management Agreement with DSSB.</p> <p><b>November 2020</b> – THP has committed to a <a href="#">NDPE policy</a> which has been uploaded in their website.</p> <p><b>January 2021</b> – THP has terminated the Management Agreement with DSSB, effective from 15<sup>th</sup> January 2021.</p> <p><b>August 2021</b> – THP informed that they have signed a Memorandum of Understanding (MOU) with Global Environment Centre (GEC) to undertake a 7 years Recovery Plan Project (RPP).</p> <p><b>April 2022</b> – Pending for update on the progress of the RPP.</p>	

Case Number	1-2021	
Stakeholder	Liberty Shared	
Grievance Logged Month	January 2021	
Parent Company/ Group	Sime Darby Plantation Berhad (SDP)	
Company/ Mill	Sime Darby Plantation Berhad	
Sourcing Connection to Company/ Mill	Direct Connection	
Grievance Status	<input type="checkbox"/> Investigating	<input type="checkbox"/> Suspended
	<input checked="" type="checkbox"/> Monitoring	<input type="checkbox"/> Closed
Subject Matter	Alleged forced labour	
Grievance Details	<p>In April 2020, Liberty Shared (LS) submitted a <a href="#">petition</a> to U.S. Customs and Border Protection alleging forced labour in Sime Darby Plantation. SDP responded to the LS Petition’s allegations in July 2020 by expressing their review of the matters raised, as well as their existing practices and challenges.</p> <p>Subsequently, U.S. Customs and Border Protection (US CBP) issued a <a href="#">Withhold Release Order</a> (WRO) against SDP on 30<sup>th</sup> December 2020, based on information that reasonably indicates the presence of all 11 of the International Labour Organization’s forced labour indicators in SDP’s production process. It was noted that RSPO have launched an <a href="#">immediate investigation</a> pertaining to this matter as well.</p>	
Progress Update	<p><b>February 2021</b> – SDP highlighted their commitments in addressing the WRO issued by conducting internal assessments of their entire Malaysian operations. This internal assessment has revealed no systematic labour issues in their operations. Nonetheless, they will engage independent assessors to conduct third party expert checks to ensure a safe and nurturing environment for their workers. <a href="#">Link</a></p> <p><b>March 2021</b> – SDP established Expert Stakeholder Human Rights Assessment Commission (the Commission) and appointed Impactt Ltd, an ethical trade consultancy as a third-party assessor to conduct a detailed evaluation of SDP’s labour practices across their Malaysian operations. <a href="#">Link</a></p> <p><b>June 2021</b> – SDP appointed Professor Justine Nolan, a Human Rights lawyer with over 20 years of experience to the Commission, in the effort to provide additional views on the Impactt’s assessment methodology and any proposed recommendations. <a href="#">Link</a></p> <p><b>July 2021</b> – SDP released a press statement indicating that they have dissolved the Commission while the independent assessment still on going. Due to the Covid-19 travel restriction imposed by the Malaysian government, the Impactt’s assessment was unable to be completed within the targeted timeline. <a href="#">Link</a></p> <p><b>January 2022</b> – US CBP determined that certain SDP palm oil products are produced using forced labour in SDP’s Malaysian operations on <a href="#">28<sup>th</sup> January 2022</a> through its investigation. In</p>	

	<p>response, SDP released a press statement indicating their commitments to cooperate with US CBP to demonstrate full compliance with US import regulations. <a href="#">Link</a></p> <p><b>February 2022</b> – SDP announced their commitments to improve its governance structures, policies and procedures, which include reimbursement of recruitment fees to present and past migrant workers (allocation of RM82.02 million); revised Responsible Recruitment Procedure in which routine due diligence will be conducted on appointed recruitment agents and those agents in breach of SDP’s ethical recruitment standards will be terminated; introduction of a new two-way communication platform which allows workers to raise any issue to the management for resolution, as well as allows management to share information with workers more effectively.</p> <p>Besides, in the efforts to ensure all the improvements are implemented accordingly, some of the key structural changes highlighted in the press release include establishment of Social Welfare &amp; Services (SWS) department, implementation of an ESG scorecard with clear indicators and appointment of 40 Site Safety &amp; Sustainability Officers (SSSO). <a href="#">Link</a></p> <p><b>April 2022</b> – It is reported that SDP has submitted their Impactt report to US CBP. Goodhope will continue monitor SDP’s progress in addressing the allegations for the lifting of the WRO.</p>
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<b>Case Number</b>	1-2022	
<b>Stakeholder</b>	Earthqualizer	
<b>Grievance Logged Month</b>	January 2022	
<b>Parent Company/ Group</b>	PT Permata Sawit Mandiri	
<b>Company/ Mill</b>	PT Permata Sawit Mandiri (PT PSM)	
<b>Sourcing Connection to Company/ Mill</b>	Direct Connection	
<b>Grievance Status</b>	<input type="checkbox"/> Investigating	<input checked="" type="checkbox"/> Suspended
	<input type="checkbox"/> Monitoring	<input type="checkbox"/> Closed
<b>Subject Matter</b>	Alleged deforestation	
<b>Grievance Details</b>	PT PSM allegedly cleared over 4,500 hectares of forest between year 2016 and 2020, as well as another 350 hectares in year 2021.	
<b>Progress Update</b>	<p><b>January 2022</b> – Goodhope attempted to reach out and engage representative from PT PSM, but to no avail. Taking into consideration on the severity of the above allegation, outcome of the discussion with Earthqualizer team, and in line with Goodhope’s NDPE commitments- that is no development on HCS forest, Goodhope sent a letter to PT PSM informing that PT Batu Mas Sejahtera Mill (PT BMS) will not further accept their crops (FFBs) directly or via other aggregators. Additional step has been taken by PT BMS’s team to ensure that no vehicles from PT PSM to enter the mill gates.</p>	

<b>Case Number</b>	2-2022	
<b>Stakeholder</b>	Mighty Earth, Rapid Response (RR) 38	
<b>Grievance Logged Month</b>	February 2022	
<b>Parent Company/ Group</b>	Mr Chow Chuin Hai (group held companies)	
<b>Company/ Mill</b>	Jernih Kemboja Palm Oil Mill (JK)	
<b>Sourcing Connection to Company/ Mill</b>	Direct Connection	
<b>Grievance Status</b>	<input checked="" type="checkbox"/> Investigating	<input checked="" type="checkbox"/> Suspended
	<input type="checkbox"/> Monitoring	<input type="checkbox"/> Closed
<b>Subject Matter</b>	Alleged deforestation	
<b>Grievance Details</b>	<p>Based on <a href="#">RR Report 38</a>, a total of ~25 hectares of forest was cleared in the PTD 1815 concession between February 2021 and January 2022. Project Proponent for PTD 1815 concession is AA Sawit Sdn Bhd (AA Sawit) which is 49% owned by Mr Chow Chuin Hai. Mr Chow Chuin Hai owns 54% of SH Trading Co Kluang Sdn Bhd (FFB trader) and 100% Jernih Kemboja POM.</p> <p>Besides, AA Sawit and SH Trading Co Kluang Sdn Bhd are named as two major FFB suppliers (~95%) to the Jernih Kemboja POM according to trade data for 2020 and 2021.</p>	
<b>Progress Update</b>	<p><b>March 2022</b> – Goodhope engaged JK’s representative in the effort to seek clarification on the above allegation. Goodhope takes our NDPE commitments seriously and we have communicated our expectations to JK that an integrated HCV-HCSA assessment is required prior to any new oil palm development.</p> <p>JK responded that neither JK nor AA Sawit are the landowner of PTD 1815 and AA Sawit has not carried out any land clearing work since June 2021. Trading activity with JK has currently been put on hold pending further investigations.</p>	