



Grievance List Update December-2017			
Only cases reported from suppliers that are reported as direct or indirect suppliers in the previous 12 months and have not actively been delisted or from own operations			
Date logged	Subject	Issue	Actions taken by IOI
Jul-16	Korindo Group, indirect via trading partners: <ul style="list-style-type: none"> • Wilmar • Musim Mas 	Land clearing as reported by Mighty Earth in “Burning Paradise” Report can be found: here	Jun-16: Wilmar and Musim Mas have informed IOI that they have stopped sourcing from Korindo. Details can be found at their grievance lists.
Sep-16	Indofood, indirect via trading partners: <ul style="list-style-type: none"> • Wilmar • Musim Mas • GAR 	Land clearing and labor violations as reported by Greenpeace in “A Deadly Trade Off” Greenpeace report can be found here	Dec-17: Position remains unchanged Aug-17: position remains unchanged. Apr-17: based on our assessment we found Indofood to be non-compliant with the IOI’s policy. We informed our trading partners accordingly. Feb-17: We have informed our trading partners about specific requirements for Indofood to ensure they are compliant with IOI’s policy. We expect our trading partners to report progress on these requirements via their grievance lists or during meetings with IOI representatives. Follow up meetings are scheduled Mid-March 2017.
Sep-16	Eagle High Plantations, indirect via trading partners: <ul style="list-style-type: none"> • Wilmar • Musim Mas • GAR 	Land clearing and no proper FPIC conducted as reported by Greenpeace in “A Deadly Trade Off” Greenpeace report can be found here	Dec-17: Followed up with Eagle High plantation sustainability team on way forward. Management team is now conducting internal FPIC training for its sustainability team in order to restart FPIC process for the community surrounding this concession Oct-17: IOI LC conducted a site visit to Eagle High’s PT VMA concession upon invitation to understand the situation on the ground.



			<p>Jun-17: continue to follow progress of Eagle High via trading partners.</p> <p>Apr-17: based on our assessment we have seen significant progress on our requirements set in February.</p> <p>Feb-17: We have informed our trading partners about specific requirements for Eagle High Plantations to ensure they are compliant with IOI’s policy. We expect our trading partners to report progress on these requirements via their grievance lists or during meetings with IOI representatives. Follow up meetings are scheduled Mid-March 2017.</p>
Sep-16	<p>TH Plantations, indirect via trading partners:</p> <ul style="list-style-type: none"> • Wilmar 	<p>Land clearing as reported by Greenpeace in “A Deadly Trade Off”</p> <p>Greenpeace report can be found here</p>	<p>Aug-17: See Grievance List Wilmar, next step depend on the Action Plan as Reported by Wilmar.</p> <p>Jun-17: Grievance list Wilmar reports that TH has stopped new developments.</p> <p>Apr-17: Based on our assessment we found TH plantations to be non-compliant to our policy. We will inform our trading partners accordingly.</p> <p>Feb-17: We have informed our trading partners about specific requirements for TH Plantations to ensure they are compliant with IOI’s policy. We expect our trading partners to report progress on these requirements via their grievance lists or during meetings with IOI representatives. Follow up meetings are scheduled Mid-March 2017.</p>
Sep-16	<ul style="list-style-type: none"> • TH Plantations, direct 	<p>Land clearing as reported by Greenpeace in “A Deadly</p>	<p>Dec-17: IOI will re-engage with TH in January for progress update</p>



		<p>Trade Off” (Group level risk, IOI is not sourcing for the reported areas)</p> <p>Greenpeace report can be found here</p> <p>IOI’s spatial risk analysis classified the supplying mill of TH Plantations as a high priority mill</p>	<p>Aug-17: situation remains unchanged.</p> <p>May-17: IOI had a constructive meeting with senior management from TH Plantations. The results of the field verification of Kota Bahagia mill and estates were discussed as well as the ongoing clearing of peat in TH’s Indonesian concessions. We appreciate the feedback and clarification given by TH including TH’s intention to continue clearing of peat areas. The latter is in conflict with IOI’s policy and therefore we continue the suspension of TH plantation from our supply chain</p> <p>Nov-16: TH Plantations invited IOI for mill verification. TH and IOI have scheduled the mill verification for Mar-2017. IOI will contact senior management of TH once the report of the mill verification is available. In this meeting IOI will also address the other issues reported listed in our grievance list as well as milestones for re-engagement.</p> <p>2016: On several occasions, IOI approached TH Plantations for an on-site mill and supply base verification. Since TH Plantations refused to collaborate, IOI decided to phase out TH Plantations from its supply chain.</p>
2015	IOI concessions in Ketapang, West Kalimantan, Indonesia (SNA group: PT BNS, BSS & SKS)	<p>RSPO complaint related to land clearing and illegal planting</p> <p>RSPO case tracker: here</p>	<p>Dec-17: Quarterly report on the progress action plan as recommended by RSPO CP has been sent to RSPO in October 2017. Final verification by RSPO CP is expected to be conducted January 2018.</p> <p>Oct-17: IOI continues to implement its action plan (see also the Sustainability Implementation Plan or SIP)</p>



			<p>update) and is ready for another field verification by RSPO. RSPO has yet to confirm the dates.</p> <p>Aug-17: IOI’s action plan following the field verification report of the second RSPO field visit in February, was submitted to the RSPO CP on June 20th. See case tracker RSPO.</p> <p>2017: IOI continues its near real time monitoring program on the Ketapang concessions.</p> <p>Feb-17: RSPO conducted field verification PT BNS and PT SKS, IOI is waiting for the report (including the report on BSS). IOI will continue to implement actions listed in the Sustainable Implementation Plan (SIP) and provide quarterly updates via its website.</p> <p>Dec-16: IOI Group and AE issued a joint statement in which parties jointly declared to have achieved agreement in closing the Ketapang complaint case. Aidenvironment has raised all other matters with IOI for perusal and declared that it has no further standing issues with IOI related to the Ketapang case. The above declaration has been achieved with IOI Group, independent of RSPO’s decisions. The full Statement can be found on the IOI Group website.</p> <p>Sep-16: RSPO conducted field verification PT BSS. Report not yet published.</p>
Nov-16	IOI Group estate Pamol Kluang	Labor violations and recommendations as reported by Finnwatch	<p>Dec-17: updated social and labor policies IOI Group can be found: here</p> <p>Oct-17: The BSR report is available at the IOI website (BSR Assessment Report) Discussions with RAN and</p>



		<p>Finnwatch reports can be found: here</p>	<p>Finnwatch resulted in an updated minimum wage policy and no recruitment fee guideline which will be published end of October. IOI senior estate management, HR and sustainability staff (including Lodgers representatives) was trained on both the BSR recommendations and the new policy and guideline.</p> <p>Aug-17: BSR conducted field visits to Lahad Datu and Sandakan in Sabah in June. BSR Report will be available via IOI's website first week September.</p> <p>June-17: Final assessment reports Proforest and BSR expected in July.</p> <p>Apr-17: Based on this initial assessment Proforest and BSR conducted field assessments in IOI Estates. The final assessment reports from BSR and Proforest are expected mid-May. Following the outcome of these assessment reports IOI will develop an action plan to address any gaps highlighted in the reports by the end of June. Progress on this action plan will be communicated via our grievance list every quarter starting, September 2017.</p> <p>Mar-17: BSR started initial desktop verification of corrective measures taken by IOI following the Finnwatch report.</p> <p>Jan-17: IOI has tasked BSR to verify the corrective measures taken by IOI following the Finnwatch recommendations (target date April-17). Based on BSR's findings, IOI may request for an additional verification of its estates. Furthermore BSR will extend the Finnwatch investigations to Sabah in order to help</p>
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			<p>IOI address specific issues in relation to foreign labor in the Sabah region. Work expected to start in April and finish, including recommendations and workshops, in June 2017.</p> <p>Jan-17: IOI will implement the recommendations as provided by Finnwatch in their report published Nov-16.</p>
2015	<p>Grupo Dinant, indirect via trading partners</p> <ul style="list-style-type: none"> • Wilmar <p>Cargill</p>	<p>Human rights violations as reported by coalition of NGOs</p> <p>Report can be found here: link to report</p>	<p>2016: IOI has contacted its trading partners to ensure that Dinant becomes compliant with our policy. We expect our trading partners to set specific requirements for Dinant to meet and communicate these requirements via their grievance list. We also expect our trading partners to report progress via their grievance lists or during meetings with IOI representatives. The trading partners informed us that TFT conducts another verification visit in 2017.</p>
Nov-15	<p>REPSA, indirect via trading partners</p> <ul style="list-style-type: none"> • Wilmar • Cargill 	<p>Human rights violations as reported by coalition of NGOs</p> <p>Report from a coalition of NGO's can be found here: link to report</p>	<p>Aug-Dec-17: position remains unchanged</p> <p>May-17: based our assessment we found Repsa to be non-compliant with the IOI's policy. We informed our trading partners accordingly.</p> <p>2016: IOI has contacted its trading partners to ensure that REPSA becomes compliant with our policy. We expect our trading partners to set specific requirements for REPSA to meet and communicate these requirements via their grievance list. We also expect our trading partners to report progress via their grievance lists or during meetings with IOI representatives.</p>
2010	<ul style="list-style-type: none"> • IOI Pelita located in Sarawak, Malaysia 	<p>RSPO complaint related to the NCR of communities in Sarawak</p>	<p>Dec-17: The finalized action plan has been sent to RSPO. Some of the activities has been started and conducted on the ground, such as Corporate Social</p>



		<p>Dispute Settlement Facility of the RSPO: RSPO case-tracker.</p>	<p>Responsibility (CSR) in several areas namely Long Tuyut, Long Teran Batu, and Long Tabing. The translation of this document is in the final stage and will be shared with the local communities and stakeholders in second week of December 2017. IOI will not divest its share in IOI-Pelita as per statement IOI (here)</p> <p>Oct -17: IOI and Grassroots have worked on a joint action plan which is now being reviewed by Pelita. We expect to present the mutually agreed action plan to RSPO in November</p> <p>Aug-17: A joint verification visit, IOI-Grassroots-RSPO (observer) to the local community at IOI-Pelita Plantation in Sarawak was conducted from 3-7 July 2017. IOI, Grassroots and RSPO discussed action plans as a way forward to address the land disputes with communities. Joint Action Plan is submitted to RSPO for review by Complaints Panel.</p> <p>June-17: RSPO CP acknowledged the letter sent by IOI and Grassroots (both available via RSPO case tracker). RSPO is agreeable to the recommendations made on the mediation process. IOI and Grassroots will continue to work on the jointly agreed actions to fast-forward the process.</p> <p>Apr-2017: Grassroots and IOI sent a joint letter to RSPO outlining jointly agreed actions that should result in resolution of the complaint while ensuring that the RSPO principles are upheld and fair process is observed by all parties involved</p>
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			<p>8th March 2017: IOI received letter from coalition of NGOs titled: recommendations to resolve the LTK complaint in compliance with the RSPO P&C including 4 specific short actions IOI should now undertake to resolve this dispute. IOI responded to this letter. The response can be found here.</p> <p>6th January 2017: All Ketua Kampung have submitted additional requests communities to Residen. IOI has received copies.</p> <p>December 20th 2016: Meeting between IOI-Pelia and community representatives (7 Ketua Kampung). RSPO and independent observer appointed by RSPO present. It was agreed that the communities would submit their additional requirements in writing to the Resident of Miri before December 31st 2016.</p> <p>December 1st 2016: IOI-LTK settlement agreement briefing. RSPO and independent observer appointed by RSPO present.</p> <p>August 2016: Meeting with LTK community to discuss on the land issue and potential settlement agreement. In collaboration with the Land Custody and Development Authority (LCDA) of Sarawak an improved proposal has been put forward to the involved community representatives for reviewing by the communities. A follow up meeting is scheduled.</p> <p>2015: An effort by the state government of Sarawak to resolve the issues; all parties agreed to this government initiative. In November 2015 a meeting held between the state government, IOI and the</p>
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			<p>community in which an offer was made for compensation. The community did not accept the offer. A second mediation meeting was held in December. An independent observer from RSPO attended this second mediation meeting and submitted a report to the RSPO secretariat. Meetings were held in collaboration and support of RSPO with various NGOs, the most significant being the Meditation by Mr. Tim Offor from Pax Populus Australia in December 2011. Other reports on this matter includes Marcus Colchester Report of July 2013 and Ramy Bulan Report 2012/2015.</p> <p>Despite the Appeals Proceeding and the subsequent decision of the Courts of Appeal and Federal Court, IOI and the LTK community continue to engage in dialogue to seek solutions beyond the jurisdiction of the legal system.</p> <p>On the April 2013, the Court of Appeal reversed the High Court decision stating that there was no evidence to support the claim for NCR over the 2 land parcels within IOI Pelita Provisional Lease. In July 2013, the Federal Court had further dismissed the LTK Community’s application to appeal against the Court of Appeal’s findings.</p> <p>2010: RSPO complaint against IOI Group, lodged by 11 International and grassroots NGO’s and the local Long Teran Kanan community in Sarawak. The timeline of the complaint can be found via the RSPO case tracker. Dispute is referred for mediation through the Dispute Settlement Facility of the RSPO: RSPO case-tracker. Several attempts took place for settlement through</p>
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			<p>mediation, meetings between IOI, representatives of communities and the RSPO DSF.</p> <p>In March 2010, the High Court of Sarawak found in favour of the plaintiff's claim for NCR. However, the high court did not grant an injunction against IOI Pelita nor did they declare the alienation of the Provisional Lease to be Null and Void. Instead the Court ordered the assessment of damages for compensation to the plaintiff.</p> <p>IOI, in Sept 2006 acquired shares in Rinwood Pelita Sdn Bhd and inherited the legal dispute. Upon acquisition of the shares, IOI Pelita managed to negotiate settlement with some of the LTK Community at approximately RM1,600 per hectare. It is also noted that Rinwood had also conducted some negotiations and provided compensation to segments of the LTK Community prior to IOI's share acquisition.</p>
Nov-16	<p>Wilmar</p> <ul style="list-style-type: none"> PT Daya Labuhan Indah PT Perkebunan Milano 	<p>Human and labor rights violations as reported by Amnesty International</p> <p>The report from Amnesty International can be found: here</p>	<p>Apr-17: Based on the BSR assessment provided by Wilmar, IOI is satisfied with the progress made so far. IOI continues to monitor progress via Wilmar's grievance list.</p> <p>Mar-17: Wilmar to update IOI on BSR assessment</p> <p>BSR conducted assessment, report due Feb-17. Due diligence audits performed on RSPO & ISCC requirements by independent auditors. IOI will monitor progress via Wilmar's grievance list</p>
Nov-16	<p>PT Sarana Prima Multi Niaga, PT Abdi Budi Mulia and PT Hampanan Masawit Bangun</p>	<p>Human and labor rights violations as reported by Amnesty International</p>	<p>2017: we continue to follow the progress made via Wilmar's Grievance list.</p>



	<p>Persada, indirect via trading partner</p> <ul style="list-style-type: none"> • Wilmar 	<p>The report from Amnesty International can be found: here</p>	<p>2016: IOI has contacted its trading partners to ensure these suppliers become compliant with our policy. We expect our trading partners to set specific requirements for these suppliers to meet and communicate these requirements via their grievance list. We also expect our trading partners to report progress via their grievance lists or during meetings with IOI representatives. Wilmar requested TFT to conduct the assessments.</p>
<p>Mar-16</p>	<ul style="list-style-type: none"> • IOI concession PT KPAM in West Kalimantan, Indonesia 	<p>Illegal road construction</p>	<p>Dec-17: IOI submitted HCS assessment for peer review to high carbon stock approach group (see http://highcarbonstock.org/registered-hcs-assessments/)</p> <p>2017: IOI continues its near real time monitoring program on the Ketapang concessions.</p> <p>Nov-16: land clearing spotted outside top-end PT KPAM (outside IOI concession boundary). This development is not an IOI development.</p> <p>October 2016: Despite IOI Group’s efforts to halt the activities and reports to the local authorities, activities and entries nonetheless have persisted. Therefore IOI Group highlighted the issue in the NPP procedure to the RSPO secretariat. The locals diverted the road to an area outside the IOI concession boundaries.</p> <p>April 2016: IOI Group discovered trespassers and unauthorized activities by 3rd Parties in PT KPAM via satellite images provided by Satelligence (near real time monitoring program). On-site verification confirmed illegal activities in form of road construction by locals.</p>



Jan-16	Kuala Lumpur Kepong, direct	Labor rights violations and risk of deforestation as reported by RAN	<p>KLK responded to the issues mentioned in the report via official statements on their website:</p> <ul style="list-style-type: none"> • progress report Mar-16 • update Jan-16 <p>KLK is committed to a NDPE policy that also applies</p>
Nov-16	PT Langkat Nusantara Kepong (LNK), indirect via trading partners KLK	Land rights issue emerged by re-planting as reported by Farmlandgrap	KLK explained connection via local JV and actions taken, including attempts The JV for mediation with local representatives, to resolve the matter with the local. KLK presented documentation to proof legal rights are with JV partner. KLK confirmed their commitment to NDPE policy. This policy also applies to their JV partners for which KLK manages the land.
Nov-16	PT Samudera Sawit Nabati, PT Bangun Sempura Lestari, PT Global Sawit Semesta, PT Nafasindo, PT Ensem Lestari, PT Delima Makmur, PT Perkebunan Lembah Bakti, PT Surya Panen Subur II, indirect via trading partners <ul style="list-style-type: none"> • Cargill • GAR • Musim Mas 	<p>Allegations of deforestation in Leuser Ecosystem in Indonesia. (Aceh and North Sumatra)</p> <p>The report from RAN can be found: here</p>	<p>August- 17: Based on conversations with our trade partners we expect more detailed communications on their grievance list the next months.</p> <p>2017: IOI Group only sourced from these mills via its trading partners, IOI Group does not source directly from these mills. IOI has contacted its trading partners to ensure these suppliers become compliant with our policy. We expect our trading partners to set specific requirements for these suppliers to meet and communicate these requirements via their grievance list. We also expect our trading partners to report progress via their grievance lists or during meetings with IOI representatives.</p>
Feb-17	Samling Group, indirect via trading partners <ul style="list-style-type: none"> • Wilmar • Cargill • Kirana 	Allegations of landgraps, indigenous rights violations and environmental problems as reported by Burmese civil society groups	2017: IOI has contacted its trading partners to ensure these suppliers become compliant with our policy. We expect our trading partners to set specific requirements for these suppliers to meet and communicate these requirements via their grievance list. We also expect our trading partners to report



			progress via their grievance lists or during meetings with IOI representatives.
Feb-17	<p>PT Agra Bumi Niaga and PT Koperasi Prima Jasa, indirect via trading partners</p> <ul style="list-style-type: none"> • Cargill 	<p>Allegations of elephant and tiger habitat destructed inside Leuser Ecosystem as reported by RAN</p>	<p>IOI has contacted its trading partners to ensure these suppliers become compliant with our policy. We expect our trading partners to set specific requirements for these suppliers to meet and communicate these requirements via their grievance list. We also expect our trading partners to report progress via their grievance lists or during meetings with IOI representatives.</p>
Apr-17	<ul style="list-style-type: none"> • PT Temila Agro Abadi (PT TAA), subsidiary of FGVFelda, direct/indirect via trading partners 	<p>Allegations of continues clearance of peat forest in its PT TAA plantation in West Kalimantan, Indonesia. Reported by Chain Reaction Research: Report</p> <p>Continues allegations of human right and labour abuses in Malaysian plantations FGV as first published by the Wall Street Journal in 2015: Report</p>	<p>Dec-17: IOI engaged with FGV. FGV is expected to issue a quarterly update regarding progress of peat rehabilitation in January 2018.</p> <p>Oct-17: FGV shared two progress updates in August and October, informing on the progress of actions pertaining the WSJ article and FGV's Social Compliance & Human Rights (SCHR) initiatives and the enhancement of the peat protection clause in FGV's Group Sustainability Policy. The IOI Loders Croklaan Sustainability team is in direct contact with FGV and we continue to monitor progress made by FGV on their commitments and the listed requirements.</p> <p>Aug-17: Intell confirmed FGV has stopped clearing. FGV published its revised commitments on 28th August 2017. We have requested FGV for an action plan to deliver on its commitments.</p> <p>Jun-17: IOI met with FGV. FGV confirmed stop work order (we did detect new clearing) for PT TAA despite strong pressure from local communities insisting FGV to continue developments. IOI will meet with FGV again in July.</p>



IOI GROUP

			IOI will start engagement with FGV based on the allegations from the report.
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