



## Grievance List Update August 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"> <li>• Wilmar</li> <li>• Musim Mas</li> </ul>	Land clearing as reported by Mighty Earth in “Burning Paradise”  <a href="#">Report can be found: here</a>	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	Goodhope, indirect via trading partners: <ul style="list-style-type: none"> <li>• Wilmar</li> <li>• Musim Mas</li> <li>• GAR</li> </ul>	Land clearing, no NPP Process, excessive use of force and no proper FPIC process as reported by Greenpeace in “A Deadly Trade Off”  Greenpeace report can be found <a href="#">here</a>	Aug-17: position remains unchanged Apr-17: based on our assessment we found Goodhope 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 Goodhope 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.  Jan-17: Our own near real time monitoring program showed new clearing in one of Goodhope’s concessions (PT SAP).
Sep-16	Indofood, indirect via trading partners: <ul style="list-style-type: none"> <li>• Wilmar</li> <li>• Musim Mas</li> <li>• GAR</li> </ul>	Land clearing and labor violations as reported by Greenpeace in “A Deadly Trade Off”  Greenpeace report can be found <a href="#">here</a>	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"> <li>• Wilmar</li> <li>• Musim Mas</li> <li>• GAR</li> </ul>	Land clearing and no proper FPIC conducted as reported by Greenpeace in “A Deadly Trade Off”  Greenpeace report can be found <a href="#">here</a>	<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	TH Plantations, indirect via trading partners: <ul style="list-style-type: none"> <li>• Wilmar</li> </ul>	Land clearing as reported by Greenpeace in “A Deadly Trade Off”  Greenpeace report can be found <a href="#">here</a>	<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</p>



			representatives. Follow up meetings are scheduled Mid-March 2017.
Sep-16	TH Plantations, direct	<p>Land clearing as reported by Greenpeace in “A Deadly Trade Off” (Group level risk, IOI is not sourcing for the reported areas)</p> <p>Greenpeace report can be found <a href="#">here</a></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: <a href="#">here</a></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 20<sup>th</sup>. 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	<p>Labor violations and recommendations as reported by Finnwatch</p> <p>Finnwatch reports can be found: <a href="#">here</a></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</p>



			<p>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 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"> <li>• Wilmar</li> <li>• Cargill</li> </ul>	<p>Human rights violations as reported by coalition of NGOs</p> <p>Report can be found here: <a href="#">link to report</a></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"> <li>• Wilmar</li> <li>• Cargill</li> </ul>	<p>Human rights violations as reported by coalition of NGOs</p>	<p>Aug-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>



		Report from a coalition of NGO's can be found here: <a href="#">link to report</a>	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.
2010	IOI Pelita located in Sarawak, Malaysia	RSPO complaint related to the NCR of communities in Sarawak  Dispute Settlement Facility of the RSPO: <a href="#">RSPO case-tracker</a> .	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.  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.  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  8 <sup>th</sup> 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



			<p>resolve this dispute. IOI responded to this letter. The response can be found <a href="#">here</a>.</p> <p>6<sup>th</sup> January 2017: All Ketua Kampung have submitted additional requests communities to Residen. IOI has received copies.</p> <p>December 20<sup>th</sup> 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 31<sup>st</sup> 2016.</p> <p>December 1<sup>st</sup> 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.</p> <p>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 community in which an offer was made for compensation. The community did not accept the offer. A second mediation meeting was held in</p>
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			<p>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 mediation, meetings between IOI, representatives of communities and the RSPO DSF.</p>
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Nov-16	<p>Wilmar</p> <ul style="list-style-type: none"> <li>PT Daya Labuhan Indah</li> <li>PT Perkebunan Milano</li> </ul>	<p>Human and labor rights violations as reported by Amnesty International</p> <p>The report from Amnesty International can be found: <a href="#">here</a></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 &amp; 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 Hamparan Masawit Bangun Persada, indirect via trading partner</p> <ul style="list-style-type: none"> <li>Wilmar</li> </ul>	<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>2016: IOI has contacted its trading partners to ensure these suppliers become compliant with our policy. We expect our trading partners to set specific</p>



		The report from Amnesty International can be found: <a href="#">here</a>	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.
Mar-16	IOI concession PT KPAM in West Kalimantan, Indonesia	Illegal road construction	<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 <a href="#">RAN</a>	<p>KLK responded to the issues mentioned in the report via official statements on their website:</p> <ul style="list-style-type: none"> <li>• <a href="#">progress report Mar-16</a></li> <li>• <a href="#">update Jan-16</a></li> </ul> <p>KLK is committed to a NDPE policy that also applies</p>



Nov-16	PT Langkat Nusantara Kepong (LNK), indirect via trading partners <ul style="list-style-type: none"> <li>• KLK</li> </ul>	Land rights issue emerged by re-planting as reported by <a href="#">Farmlandgrap</a>	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"> <li>• Cargill</li> <li>• GAR</li> <li>• Musim Mas</li> </ul>	Allegations of deforestation in Leuser Ecosystem in Indonesia. (Aceh and North Sumatra)  The report from RAN can be found: <a href="#">here</a>	August- 17: Based on conversations with our trade partners we expect more detailed communications on their grievance list on the next two months.  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.
Feb-17	Samling Group, indirect via trading partners <ul style="list-style-type: none"> <li>• Wilmar</li> <li>• Cargill</li> <li>• Kirana</li> </ul>	Allegations of landgraps, indigenous rights violations and environmental problems as <a href="#">reported</a> 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	PT Agra Bumi Niaga and PT Koperasi Prima Jasa, indirect via trading partners <ul style="list-style-type: none"> <li>• Cargill</li> </ul>	Allegations of elephant and tiger habitat destroyed inside Leuser Ecosystem as <a href="#">reported</a> by RAN	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.
Apr-17	PT Temila Agro Abadi (PT TAA), subsidiary of Felda, direct/indirect via trading partners	Allegations of continues clearance of peat forest in its PT TAA plantation in West Kalimantan, Indonesia. Reported by Chain Reaction Research: <a href="#">Report</a>	<p>Aug-17: Intell confirmed FGV has stopped clearing. FGV published its revised commitments on 28<sup>th</sup> 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> <p>IOI will start engagement with FGV based on the allegations from the report.</p>