



IOI GROUP

IOI Sustainability Advisory Panel (SAP) – 04/2017 Conference Call held on 20th September 2017

External Attendees	David McLaughlin, WWF-U.S Karimah Hudda, Mondelez International M.R. Chandran, Independent Expert Johan Verburg, Oxfam (Observer) Simo Honkanen, Neste Corporation (Observer)
IOI Attendees	Dato' Lee Yeow Chor (Group CEO, IOI Corporation) N.B. Sudhakaran (Head of Plantation, IOI Plantation) Dr Surina Ismail (Group Head of Sustainability, IOI Corporation) Ben Vreeburg (Director of Sustainability, IOI Loders Croklaan)
Facilitator	Rob Bailes (Associate Director, Robertsbridge) Brendan May (Founder and Chairman, Robertsbridge)

SUMMARY OF MEETING NOTES

1. Update on Sustainability Implementation Plan (SIP)

a. BSR Report

- BSR report received by IOI and shared with two external NGOs for comment on August 30 before publishing it on the IOI Group website in early September.
<http://www.ioigroup.com/Content/S/PDF/BSR%20Summary%20Report.pdf>
- Panel Members (PM) requested information on IOI's next steps in implementing the recommendations set out by BSR and to share the full BSR report with PM. IOI has scheduled a BSR training session to take place in October and be attended by the Sustainability, HR and IOI Plantation Management teams.
- IOI highlighted three phases of worker's employment and the need to streamline internal employment practices and procedures as a key organizational learning.
- PM made a number of recommendations to IOI, including:
 - A need to ensure that employment contracts make clear to migrant/foreign workers what their health insurance benefits are.
 - That IOI keep clear records of worker statistics/breakdown in order to identify potential gaps in the provision of worker healthcare.
 - That IOI ensures that NGOs are consulted on the findings of the BSR report.
 - That the lessons are shared with peers and the Government where these are relevant to raising the bar on standards across the industry as a whole

b. IOI Pelita / Grassroots Action Plan

- Joint IOI/Grassroots field visit with RSPO as observers took place from July 4-8th. Follow up meetings were held with Grassroots, RSPO and IOI on an action plan incorporating Grassroots recommendations and with the agreement of Pelita.

- IOI is awaiting final feedback from Grassroots at which point the action plan will be finalized and submitted to the RSPO Complaints Panel (CP) by October 16
- IOI confirmed that once the CP agrees for RSPO to lead the dispute resolution, a mediator will be hired by RSPO to work alongside Grassroots and local NGOs.

c and d. Other NGO Milestones

- IOI updated PM on progress related to other NGO milestones, like the Minimum Wage and Freedom of Association Policies and Recruitment Guidelines. IOI will share the Recruitment Guidelines with the PM once it is finalized.
- PMs urged IOI to better, and more coherently, communicate its progress externally despite the fact that progress is clearly being made.

2. RSPO Ketapang Case

- Update on the RSPO case was provided by IOI which includes a request by IOI that RSPO complete the final field verification (in order to confirm close out of the corrective actions addressing the original complaint) in Ketapang, in November.
- PMs stressed that all exit interviews be documented with the verification team to ensure full alignment and agreement and thus swift resolution to the case.

3. Independent Progress Evaluation for the SIP

- There was confirmation that the scope of the Panel is to provide *recommendations* on the Independent Progress Evaluation, rather than *oversee* that assessment.
- The Panel discussed potential organisational candidates to conduct the assessment and advice was given on who those options may be.
- IOI indicated it would seek proposals from a minimum of two assessors in order to be able to compare proposals and assessment approaches.

4. December field trip and Next SAP meeting

- IOI to develop a proposal for the December field trip (objectives, scope) and PM agreed this would likely involved just one PM acting in an Observer only (non-audit) capacity. The field trip would focus on IOI's plantations in Sabah.
- The next SAP meeting is scheduled for 27th November, in Bali.

5. Engaging with Suppliers and AOB

- A discussion on IOI's supplier engagement will be taken up at the Bali meeting.
- WWF-U.S will share the draft Accountability Framework with the members as part of the Framework consultation process.
- PM recommend that IOI adopts its April commitments and/or NGO milestones as the framework for future SAP meetings.

ENDS