

# Corporate Social Responsibility & Sustainability



At Mewah Group, we believe that corporate success and social welfare are interdependent. As such, we believe in Creating Share Value, or CSV. We strive to create value for our shareholders by being responsible for our activities and looking after our stakeholders such as, consumers, employees, suppliers, competitors and communities we operate in. As a socially responsible corporation, we strive to honour the triple bottom line: People, Planet and Profit.

At Mewah, sustainability is part of everything we do. We aim to build a business that lasts for generations and we strive to continuously build a sustainable business that will bring a positive change to the environment which we live in.

There are 5 core areas in our Sustainability approach.

- I. Minimising our Environmental Footprint
- II. Responsible Supply Chain
- III. Product Quality and Safety
- IV. Developing our People
- V. Community Engagement

## CORE AREA 1: MINIMISING OUR ENVIRONMENTAL FOOTPRINT

### A. Reducing our Carbon Footprint

- Increasing carbon footprint is having profound effects on the environment. The increase in greenhouse gases (GHG) in our atmosphere will ultimately lead to global warming and climate change.
- At Mewah Group, we are developing an encompassing Greenhouse Gas (GHG) Emissions Matrix across all our manufacturing sites that include energy consumption, chemicals consumption, wastewater treatment and fuel consumption so as to drive better efficiency and lower our GHG footprint.

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### B. Water Management

- We recognize that water scarcity is a growing problem. According to the latest study conducted by United Nations, more than 2.8 billion people around the world live in water-stressed regions. This number is estimated to increase to 4 billion by year 2025 which is expected to be around half the world's population.
- Our action plan in assuring sustainable water supply includes:
  - i. Consistent assessment of water-related impacts and risks across all direct operations and supply chain.
  - ii. Identify the water sources and usage – set targets to reduce fresh water use and wastewater discharge.
  - iii. Continue to improve conservation efforts (water-saving efforts) at our factories and offices.

### C. Waste Management

- As a responsible manufacturer, we always look to manage the waste from our production in an environmental-friendly manner.
- Our action plan to assure sustainable waste management includes:
  - i. Regular assessment of waste-related impacts and risks across all direct operations and supply chain.
  - ii. Continue to identify the 5 R' components in managing waste:
    - a. Reduce – Focus to improve efficiency. To establish practices that are capable to reduce the amount of waste we generate to help the environment.
    - b. Reuse – Practice to reuse materials without change whether for the original or a different application instead of throwing them away, or pass those unused materials on to others who could use them.
    - c. Recover – To set up ways to recover the energy values contained within the waste material.
    - d. Recycle – Many of the things we use everyday can be recycled. Recycled items are put through a process that makes it possible to create new products out of the materials from the old ones.
    - e. Remanufacture – Focus to rebuild a product to its original specifications.

## CORE AREA 2: RESPONSIBLE SUPPLY CHAIN

### A. Sustainable Palm Oil Policy

- Oil palm has the highest oil output for the least amount of land area than any other vegetable oil. It is also the most widely used vegetable oil in the world. The oil palm industry employs many people and creates opportunity to bring many communities out of poverty. However, this opportunity comes with the responsibility to address the known risks associated in the palm oil supply chain.
- Our sustainable Palm Oil policy is a multi-stakeholder approach which seeks:
  - 1) To build a traceable and transparent supply chain.
  - 2) To continue the journey of no deforestation and commit to protection of high conservation value (HCV) areas and high carbon stock (HCS) areas.

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- 3) To reject oil palm development in forested peatland plantation with peat soil deeper than 3 metres planted after May 2013.
- 4) To ensure protection of the rights of workers, indigenous peoples and local communities.

## B. Traceability

- Mewah Group has developed a Traceable Palm Oil Framework to trace the origin of our palm oil. At the initial stage, we review each of our suppliers through desktop assessment and in-house risk profiling analysis, with the traceability process developing well, we are progressing fast to the next step of assessing the suppliers' practices. Based on the risk analysis results, our sustainability team will perform the site assessment of the suppliers' mills based on general guidelines, procedures and questionnaires that are in line with industrial standards.
- For every ton of palm oil and palm kernel oil received into our refineries, we need know the source of this oil. Traceability is useful because the information can be utilized to evaluate our suppliers' performance against our Sustainable Palm Oil policy, and to engage with our supply base to complete achievements where needed.

## C. Supplier Engagement Program

- We hold training and engagement dialogue sessions with our suppliers as well as periodic audits to evaluate and ensure compliance to our Sustainable Palm Oil Policy. The supplier engagement program also provides us the opportunity to socialize our Sustainable Palm Oil Policy with our direct suppliers, providing them with a platform to discuss the implications and requirement of adopting similar policies.

## D. Grievance Procedure

- As part of our Sustainability Guide, the grievance procedure set the guideline on how grievances raised by the stakeholders in our supply chain will be handled by us.
- In June 2016, we launched the Grievance Procedure on our Sustainability Dashboard. This procedure serves as a platform for all stakeholders in our supply chain to address concerns or to report complaints. The ultimate goal is to increase transparency and accountability of our supply chain.

## CORE AREA 3: PRODUCT QUALITY AND SAFETY

### A. Assurance on our Product Quality and Safety

- At Mewah Group, assurance on product Quality and Safety for our consumers is always our topmost priority. We consistently review and refine our manufacturing processes, and establish a strict quality assurance process to ensure safety of our products.
- Our commitments to ensure quality and safety includes:
  - i. Building trust by offering products and services that match consumer expectation and preference;
  - ii. Complying with all internal and external food safety, regulatory and quality requirements;
  - iii. Gaining a zero-defect, no-waste attitude by everyone in our company;
  - iv. Making quality assurance a group-wide objective at all our factories and offices.

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### B. Certification at our Manufacturing Sites

- Certification marks the evidence that a product conforms to applicable standards.
- As a responsible refiner and food manufacturer, we make sure all our factories are certified to one or more internationally recognized food safety standards such as FSSC 22000, ISO 22000 and GMP+.
- Today, all our refineries are certified with RSPO Supply Chain Certification. Additionally, our main refineries are the members of Sedex and all have passed the ethical audit SMETA.
- Following are the summary of our factories certification status:

Mewah Group Factories	Nature of Business	Location	Factory Certification Status
Ngo Chew Hong Oils & Fats Sdn Bhd	Palm Oil Refinery	Semenyih, Selangor.	RSPO – Mass Balance ISO 22000:2005, ISO 9001: 2008 HACCP Codex, GMP
Mewaholeo Industries Sdn Bhd	Palm Oil Refinery	Pasir Gudang, Johor.	RSPO - Segregated & Mass Balance SEDEX Smeta FSSC 22000, ISO 14001:2004 HACCP Codex, GMP.
Mewah Oils Sdn Bhd	Palm Oil Refinery	West Port Klang, Selangor.	RSPO - Segregated & Mass Balance SEDEX Smeta ISCC Certified Refinery FSSC 22000, ISO 9001:2008 HACCP Codex, GMP.
Mewah Datu Sdn Bhd	Palm Oil Refinery	Lahad Datu, Sabah.	ISCC Certified Refinery RSPO – Segregated & Mass Balance ISO 9001: 2008 HACCP Codex
MOI Foods Malaysia Sdn Bhd	Consumer Pack Goods Manufacturing Plant	West Port Klang, Selangor.	RSPO - Segregated & Mass Balance FSSC 22000 (equivalent to ISO 22000) HACCP Codex, HACCP MOH, GMP.
Ngo Chew Hong Edible Oil Pte Ltd	Consumer Pack Goods Manufacturing Plant	Singapore	RSPO - Segregated & Mass Balance HACCP (SS 590:2013)
Mewah Dairies Sdn Bhd	Dairy Products Manufacturing Plant	West Port Klang, Selangor.	HACCP Codex VHM (Veterinary Health Mark)
Bremfield Sdn Bhd	Biodiesel Manufacturing Plant	West Port Klang, Selangor.	RSPO - Segregated & Mass Balance ISCC Certified Biodiesel Plant ISO 9001:2008, INS Certified Biofuels

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## CORE AREA 4: DEVELOPING OUR PEOPLE

At Mewah Group, we believe that people and businesses achieve the greatest impact in sustainable development when they join forces and invest in each other.

### A. Human Capital- Talent Management

We are committed to recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed.

The Group recognizes that one of the cornerstones of its success is our employees and we believe in investing in our people. We believe that having a highly motivated, well trained and involved set of employees is crucial to the enduring success of our corporation. To this end, we will ensure that our employees are developed to their fullest potential and talent, and their competency are fully recognized and rewarded. Department heads, who are also their mentors, will continuously assess and evaluate their subordinates to ensure that there is a structured career development in accordance with their potential, talent and competency.

We will continue to attract, motivate and retain our talented employees at all levels by providing them with job security and growth opportunities. We strive to provide all employees with career and personal development opportunities and to promote a continuous learning through training and development, job rotations and overseas assignments. We continuously recruit fresh graduates from reputable universities worldwide to be part of our team. Potential leaders will undergo a comprehensive, 2-year Leadership Training Programme to prepare them to take on challenging roles within the Group.

It is our view that an all-rounder workforce is essential for motivation and endurance. Aside from providing job satisfaction, we encourage our employees to have a balanced work life by organizing and promoting social activities.

### B. Fair Employment Practices

We believe in providing equal opportunities and follow fair employment practices. The Group recognizes the value of its employees and long term retention as key to the success of the business. The Group aims to attract and retain skilled employees by giving them job security.

### C. Workplace Health and Safety

The Group aims to provide each employee with a safe place to work. All group locations are required to abide by local health and safety regulations. We conduct regular work risk assessments, vigorously taking action to address any identified risks by setting up protective guidance, employing the usage of personal protective equipment, embarking on work sites audits and inspections, as well as regular reviews and controls of safety risks. We strive to achieve zero loss work day due to work place accidents.

All our refineries have adopted the latest OHSAS (International Occupational Health and Safety Management System) guideline with the objective to build a demonstrably sound occupational health and safety workplace. Mewaholeo Industries Sdn Bhd was the first company under Mewah Group to be certified with OHSAS 18001 in February 2010. All our refineries have the quality management system ISO 9001, ISO 14001 and HACCP in place. Additionally, Mewah Oils Sdn Bhd and Mewaholeo Industries have been certified for food safety with FSSC 22000.

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## CORE VALUE NO.5: COMMUNITY ENGAGEMENT

At every place that we operate, Mewah Group partners with the local communities to support the particular needs of the community. We contribute regularly to local charities. Our people organize and participate in social events to support and bring joy to the less fortunate in our nearby community. Our goal is to enrich the lives of the people around the touchpoints that we have established.

### A. Supporting Our Children

- We believe that every child deserves a chance at a life filled with love, laughter, friends and family. Every year, a number of fund raising activities will be held internally and externally to distribute funds, groceries and stationeries to children via charitable organisation. Our efforts are not only directed at alleviating the disablement of the less fortune children but also at giving the child a hope for the future.

### B. Active Volunteerism – To create positive impact in our communities

- “We cannot all do great things, but we can do small things with great love.” -Mother Teresa. We believe that everyone can contribute and make a difference to the community and lives of others.
- We encourage our staff to volunteer and give back to the community. Therefore we hold companywide community volunteer events so that the majority of our staff can find it easier to give back to community.

### C. Supporting Our Neighbours During Disaster Relief

- We wish to support the communities that we operate in. One of the most important initiatives is to help our neighbours in their time of need. When there are natural disasters in our neighbourhood, we raise money and donate other necessities to support victims of natural disasters.

