



Plantation

PRESS RELEASE

For Immediate Release

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Sime Darby Plantation welcomed US delegation to Carey Island operations

Petaling Jaya, 22 February 2023 – Sime Darby Plantation Berhad (SDP) welcomed a delegation from the United States of America last Wednesday, to better understand plantation industry labour practices and operations. The delegation comprised representatives of the United States Customs and Border Protection (USCBP), the Department of Labour, Immigration & Customs Enforcement, Homeland Security Investigations and officials from the US Embassy in Kuala Lumpur.

Expressing his appreciation to the delegation for taking the time to visit SDP's estates in Carey Island, Group Managing Director, Mohamad Helmy Othman Basha shared the company's experience and the enormity of the challenges it faced when instituting sweeping changes of labour practices and standards throughout its Malaysian operations.

"Given the sheer scale and complexity of our operations, we really had our work cut out for us to ensure our workers feel engaged and safe, and have a clear understanding of their rights. Today, they have a high level of trust in the platforms we had established for them to communicate their questions, concerns or grievances. On our part, we have committed to responding in a timely manner and to continuously monitor the quality of their living and working conditions," said Mohamad Helmy.

The delegates also met with Malaysia's Deputy Prime Minister and Minister of Plantation and Commodities, Dato' Sri Haji Fadillah Haji Yusof, and had the opportunity to discuss continued bilateral collaboration and trade issues during a working lunch with the minister at the end of the visit.

The courtesy visit, organised by the Malaysian Palm Oil Council (MPOC) just over two weeks after the modification by the USCBP of a forced labour finding against SDP, provided an opportunity for the delegates to learn more about oil palm plantation operations and get an up-close view of the daily lives of plantation workers in SDP. On 3 February 2023, the USCBP modified its forced labour finding against SDP, which resulted in the immediate lifting of a US import ban imposed on palm oil produced by the Company's Malaysian operations since 30 December 2020.

On 26 April 2021, SDP had submitted a comprehensive report to the USCBP detailing the enhancements that were implemented to improve its labour standards and practices. These include the reimbursement of recruitment fees that may have been paid by current and eligible former workers to secure employment with SDP; a more enhanced Migrant Worker Responsible Recruitment Procedure as well as regular and stricter due diligence on how contractors manage their workers; more effective two-way communication platforms for workers such as social dialogues, dedicated helplines and a mobile application for

workers to channel various grievances; better controls on workers working hours; and, an ESG (Environmental, Social and Governance) scorecard in SDP's operating units to drive behavioural change. With the modification of the USCBP finding in place, and the recognition of its many new and improved initiatives, SDP has committed to advocate for change at an industry level.

"Our experience, no matter how hard it was, has made Sime Darby Plantation a better company than it was two years ago. We would be delighted to share our learnings with our peers and partners in the palm oil sector. Producing palm oil that is free of forced labour must be the way forward for the entire industry," he added.

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ABOUT SIME DARBY PLANTATION

Sime Darby Plantation is the world's largest producer of Certified Sustainable Palm Oil (CSPO), with a production of 2.150 million MT (as of 31 December 2021).

As a fully integrated global plantation company, SDP is involved in various activities along the full spectrum of the palm oil value chain, including upstream and downstream operations, Research & Development, renewables as well as agri-business. Its upstream operations are spread across Malaysia, Indonesia, Papua New Guinea and the Solomon Islands. Its downstream business, also known as Sime Darby Oils, spans 12 countries worldwide and involves the trading, manufacturing, as well as the sales and marketing of refined oils and fats products, oleochemicals, palm oil-based biodiesel, nutraceuticals and other palm oil derivatives.

With a workforce of about 80,000 employees and a strong focus on operational excellence, research, innovation and sustainability, Sime Darby Plantation is one of the largest companies on Bursa Malaysia, with a market capitalisation of RM30.22 bil (USD6.82 bil) as of 21 February 2023.