

ADDRESSING CONCERNS ON WATER SUPPLY IN UGANDA OPERATIONS

May 2020 Incident and Mitigation

Wilmar International (Wilmar) issued a statement on 18th May 2020¹ detailing events related to the overflow of palm oil mill effluent (POME) due to the uncharacteristic heavy rain in the Kalangala District, Uganda, which resulted in flooding not only in the oil palm estate and effluent pond but also affected the surrounding communities and roads. Wilmar, together with the management of Oil Palm Uganda Limited (OPUL)², worked to resolve any issues caused by the incident. This included constructing emergency subsidiary ponds to avoid such an incident from repeating, aside from clearing the POME and soil erosion affecting the area, helping to repair the roads damaged by the flood, cleaning the flood-affected area and homes while providing food and essentials to community members affected by the flood. The OPUL team also worked closely with the Kalangala Infrastructure Services (KIS)³ to clean the water pump, ensuring that it was able to resume normal operations.

Responding to Allegations by Media in Uganda

Following discussions with KIS and a joint site visit to the Mutambala water supply facility on 29th June 2020, we found the water pump to be running in good working condition and supplying clean water to the surrounding communities, contrary to the allegations made by the Daily Monitor on 28th June 2020. The last three water quality analysis reports from KIS are included in the annex for reference.

KIS noted that the water supply disruption had occurred twice; once in May 2020 after the flooding (as mentioned above) and another incident taking place more recently in the last week of June 2020. KIS clarified that the June 2020 incident occurred due to bad weather condition, resulting in strong waves which affected the water pump as the impellers tend to also draw in sand under such condition. This was unrelated to the previous flooding in May. KIS however assured us that the system has since been restored and the water pump is functioning normally. KIS explained that they engage the communities closely when experiencing such technical difficulties, who acknowledge them accordingly.

Continued Engagement with Stakeholders

Wilmar continues to engage and work closely with all our stakeholders, which include local communities where we operate. We firmly believe in the benefits of constructive dialogue and working together to develop solutions. Similarly, we encourage journalists to engage us to seek clarifications in an effort to support objective and responsible reporting.

For further information or clarification, please contact Wilmar Sustainability via csr@wilmar.com.sg.

¹ <u>Public Statement: Heavy Rain Causes Overflow of POME from OPUL's Bbeta Mill</u>

² OPUL is a joint venture between Wilmar International and Bidco, whereby Wilmar holds a 39% stake.

³ KIS is the water supplier contracted by the Government of Uganda.



KALANGALA INFRASTRUCTURE SERVICES LIMITED

WATER QUALITY ANALYSIS REPORT

12/06/2020

Water sample from Mutambala intake plant.

| parameter | Units | results | National standards for portable water |
|------------------|-----------|---------|---------------------------------------|
| РН | | 8.88 | 5.5-8.5 |
| colour | ptco | 323 | 15 |
| Turbidity | NTU | <25 | 5 |
| Free chlorine | mg/l | N/A | 0.5 |
| Fecal coliforms. | CFU/100ml | 112000 | 0 |

Remarks.

This sample did not show compliance with physicochemical and bacteriological characteristics compared to Uganda national standards for portable water.



PUBLIC STATEMENT

30TH JUNE 2020



KALANGALA INFRASTRUCTURE SERVICES LIMITED

WATER QUALITY ANALYSIS REPORT

16/06/2020

Water sample from Mutambala intake plant.

| parameter | Units | results | National standards for portable water |
|------------------|-----------|---------|--|
| РН | | 8.2 | 5.5-8.5 |
| colour | ptco | 14 | 15 |
| Turbidity | NTU | <5 | 5 |
| Free chlorine | mg/l | N/A | 0.5 |
| Fecal coliforms. | CFU/100ml | 100 | 0 |

Remarks.

This sample showed compliance with physicochemical and bacteriological characteristics compared to Uganda national standards for portable water.

Analyzed by: Mwesige Fred.

KALANGALA INFRASTRUCTURE SERVICES LIMITED

WATER QUALITY ANALYSIS REPORT

19/06/2020

Water sample from Mutambala intake plant.

| parameter | Units | results | National standards for portable water |
|------------------|-----------|---------|---------------------------------------|
| РН | | 8.3 | 5.5-8.5 |
| colour | ptco | 11 | 15 |
| Turbidity | NTU | <5 | 5 |
| Free chlorine | mg/l | N/A | 0.5 |
| Fecal coliforms. | CFU/100ml | 98 | 0 |

Remarks.

This sample showed compliance with physicochemical and bacteriological characteristics compared to Uganda national standards for portable water.

Analyzed by: Mwesige Fred.

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